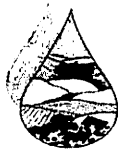


# SOLANO COUNTY WATER AGENCY



## BOARD OF DIRECTORS MEETING

### BOARD OF DIRECTORS:

**Chair:**  
*Director John D. Kluge*  
Solano Irrigation District

**Vice Chair:**  
*Supervisor Skip Thomson*  
Solano County District 5

*Mayor Elizabeth Patterson*  
City of Benicia

*Mayor Thom Bogue*  
City of Dixon

*Mayor Harry Price*  
City of Fairfield

*Director Ryan Mahoney*  
Maine Prairie Water  
District

*Director Dale Crossley*  
Reclamation District No.  
2068

*Mayor Ron Kott*  
City of Rio Vista

*Supervisor Erin Hannigan*  
Solano County District 1

*Supervisor Monica Brown*  
Solano County District 2

*Supervisor Jim Spering*  
Solano County District 3

*Supervisor John Vasquez*  
Solano County District 4

*Mayor Pete Sanchez*  
City of Suisun City

*Mayor Len Augustine*  
City of Vacaville

*Mayor Bob Sampayan*  
City of Vallejo

### GENERAL MANAGER:

*Roland Sanford*  
Solano County Water  
Agency

**DATE:** Thursday, June 14, 2018

**TIME:** 6:30 P.M.

**PLACE:** Berryessa Room  
Solano County Water Agency Office  
810 Vaca Valley Parkway, Suite 203  
Vacaville

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **APPROVAL OF AGENDA**

4. **PUBLIC COMMENT**

Limited to 5 minutes for any one item not scheduled on the Agenda.

5. **CONSENT ITEMS** (estimated time: 5 minutes)

(A) Minutes: Approval of the Minutes of the Board of Directors meeting of May 10, 2018.

(B) Expenditure Approvals: Approval of the May 2018 checking account register.

(C) Employee Credit Cards: Approval of revised credit card policy and adoption of Resolution 2018-01 approving Umpqua Bank Commercial Card Agreement and authorizing named individuals authority to issue credit cards to one or more employees of the Water Agency.

(D) Pre-Approval of Fiscal Year 2018-2019 Payments: Pre-approval of specified categories of bills for fiscal year 2018 – 2019.

(E) Statement of Investment Policy: Approval of the annual Statement of Investment Policy.

(F) Employee Handbook: Adoption of revisions and additions to Employee Handbook.

810 Vaca Valley Parkway, Suite 203  
Vacaville, California 95688  
Phone (707) 451-6090 • FAX (707) 451-6099  
www.scwa2.com



- (G) SCWA Procurement Policy for Construction Projects: Adoption of revised SCWA procurement policy to reflect current Uniform Public Cost Accounting Act requirements.

6. **BOARD MEMBER REPORTS** *(estimated time: 5 minutes)*

RECOMMENDATION: For information only.

7. **GENERAL MANAGER'S REPORT** *(estimated time: 5 minutes)*

RECOMMENDATION: For information only.

8. **SOLANO WATER ADVISORY COMMISSION REPORT** *(estimated time: 5 minutes)*

RECOMMENDATION: For information only.

9. **SCWA BUDGET FOR FISCAL YEAR 2018-2019** *(estimated time: 20 minutes)*

RECOMMENDATION: Hear report from Staff and recommendation from the Executive Committee, acting as the Budget Review Committee, and consider adoption of the Water Agency's fiscal year 2018-2019 budget.

10. **BUDGET IMPLEMENTATION ACTIONS** *(estimated time: 15 minutes)*

- (A) State Water Project Tax Rate for Fiscal Year 2018-2019: Establish a tax rate of \$0.02 per \$100 of assessed valuation for the State Water Project property tax for fiscal year 2018-2019.

- (B) Cost of living Adjustment for Water Agency Employees: Award a 3.2% cost of living adjustment to Water Agency employees effective July 3, 2018. The cost of a 3.2% COLA is approximately \$75,475 for fiscal year 2018-2019.

- (C) Consultant Services Contracts and Renewals: Authorize General Manager to execute agreements and amendments for the following consultant services for work through fiscal year 2018-2019:

1. AG Innovations, Solano Subbasin Facilitation Services, new contract – contract limit \$114,604;
2. Agrichem, Nuisance Vegetation Management, new contract- contract limit of \$38,192;
3. Blankinship and Associates, Aquatic Pesticide Compliance, new contract – contract limit of \$38,500;
4. Broadbent, Wetland Construction, new contract – contract limit of \$60,000;
5. Clean Tech Advocates, government advocacy, amendment – amendment limit of \$110,000;
6. Craig Thomsen, Riparian Vegetation Studies, new 2 year contract – contract limit of \$80,000
7. Eyasco, Data and Website Management, new contract – contract limit of \$303,760;
8. Freshwater Trust, BasinScout, new contract – contract limit of \$170,800;
9. GHD, CII Water Conservation Program, new contract – contract limit of \$125,000;

10. IN Communications, High School Video Contest and Public Outreach, new contract – contract limit of \$30,000;
11. Jacobs Engineering Group, Inc. (Formerly CH2MHILL), Solano HCP EIR/EIS, new contract – contract limit of \$60,000;
12. LSA Associates, Inc., Habitat Conservation Plan, new contract – contract limit of \$420,000;
13. Luhdorff & Scalmanini, Groundwater Monitoring and Data Collection, new contract – contract limit of \$167,444;
14. Normandeau & Associates, Fish Monitoring, new contract – contract limit of \$35,718;
15. Putah Creek Council, Watershed/Native Plant Nursery Management – new contract – contract limit of \$35,000;
16. Putah Creek Council, WaterWays Education Program, new contract – contract limit of \$120,000;
17. Regional Governmental Services, Human Resources and Financial Consulting, new two year contract – contract limit of \$150,000;
18. Richard Heath and Associates, Water Coordination Program, new contract – contract limit of \$59,375;
19. Rock Steady Juggling, School Water Education Program, new contract – contract limit of \$30,000;
20. Shandam Consulting, Inc., Professional IT Support, new contract – contract limit of \$175,000;
21. Solano Resource Conservation District, Suisun Marsh Watershed Education Program, new contract – contract limit of \$172,500;
22. Solano Resource Conservation District, Water Quality Bilge Pad Exchange Program, new contract – contract limit of \$65,000;
23. Streamwise, Geomorphic Assessment and Design – new contract – contract limit of \$50,000;
24. Sustainable Solano, Water Conservation, Permaculture and Outreach, new contract – contract limit of \$150,000;
25. Terraphase Engineering Inc., Cache Slough Water Quality Monitoring, new contract – contract limit of \$55,000;
26. TERRA Realty Advisors, Inc., SCWA Office Expansion, new contract – contract limit of \$40,000;
27. UC Davis, Putah Creek Restoration Intern Program, new contract – contract limit of \$36,000;
28. UC Davis, Soils Rapid Assessment Protocol, amendment – contract limit of \$200,000
29. Waterfluence, Large Landscape Water Budget, new contract – contract limit of \$70,000;
30. Wildlife Survey and Photo Service, Monitor New Zealand Mud Snails and Quagga and Zebra Mussels in the Solano Project, new contract – contract limit of \$210,000;
31. Wildlife Survey and Photo Service, LPCCC Aquatic Monitoring, new contract – contract limit of \$32,149.14
32. Wilson Public Affairs, public outreach, new contract – contract limit of \$45,000
33. Yolo Resource Conservation District, Westside IRWMP Implementation Assistance, new contract – contract limit of \$61,306;
34. Zun Zun, Solano School Water Education Program, new contract – contract limit of \$40,000

**11. LEGISLATIVE UPDATES (estimated time: 5 minutes)**

**RECOMMENDATIONS:**

1. Hear report from Committee Chair on activities of the SCWA Legislative Committee.
2. Authorize SCWA Legislative Committee Chair or General Manager to sign and submit letter of support for SB 919 (Dodd) – Streamflow gauges

**12. WATER POLICY UPDATES (estimated time: 10 minutes)**

**RECOMMENDATION:**

1. Hear report from staff on current and emerging Delta and Water Policy issues and provide direction.
2. Hear status report from Committee Chair on activities of the SCWA Water Policy Committee.
3. Hear report from Supervisor Thomson on activities of the Delta Counties Coalition, Delta Protection Commission, and Delta Stewardship Council.
4. Hear report from Supervisor Vasquez on activities of the Delta Conservancy.

**13. CLOSED SESSION – Conference with Legal Counsel – Anticipated Litigation  
Significant exposure to litigation pursuant to Section 54956.9(b): One Case  
Friends of Putah Creek 60 Day Notice**

**14. TIME AND PLACE OF NEXT MEETING**

Thursday, July 12, 2018 at 6:30 p.m. at the SCWA offices.

***The Full Board of Directors packet with background materials for each agenda item can be viewed on the Agency's website at [www.scwa2.com](http://www.scwa2.com).***

Any materials related to items on this agenda distributed to the Board of Directors of Solano County Water Agency less than 72 hours before the public meeting are available for public inspection at the Agency's offices located at the following address: 810 Vaca Valley Parkway, Suite 203, Vacaville, CA 95688. Upon request, these materials may be made available in an alternative format to persons with disabilities.



# CONSENT ITEMS

**SOLANO COUNTY WATER AGENCY  
BOARD OF DIRECTORS MEETING MINUTES**

**MEETING DATE: May 10, 2018**

The Solano County Water Agency Board of Directors met this evening at the Solano County Water Agency office in Vacaville. Present were:

Mayor Elizabeth Patterson, City of Benicia  
Mayor Thom Bogue, City of Dixon  
Mayor Harry Price, City of Fairfield  
Mayor Ronald Kott, City of Rio Vista  
Mayor Pete Sanchez, Suisun City  
Mayor Len Augustine, City of Vacaville  
Mayor Bob Sampayan, City of Vallejo  
Supervisor Erin Hannigan, Solano County District 1  
Supervisor Monica Brown, Solano County District 2  
Supervisor James Spering, Solano County District 3  
Supervisor John Vasquez, Solano County District 4  
Supervisor Skip Thomson, Solano County District 5  
Director Dale Crossley, Reclamation District 2068  
Director John Kluge, Solano Irrigation District

**CALL TO ORDER**

The meeting was called to order at 6:30 p.m. by Chair Kluge.

Supervisor Thomson requested that in closing the meeting later this evening, the Board do so in the memory of former Solano County Supervisor Barbara Kondylis, who recently passed away.

**APPROVAL OF AGENDA**

On a motion by Supervisor Vasquez and second by Mayor Augustine the Board unanimously approved the agenda.

**PUBLIC COMMENT**

There were no public comments.

**CONSENT ITEMS**

Supervisor Brown requested that Consent Item 5C be pulled for further discussion.

On a motion by Mayor Patterson and a second by Mayor Bogue the Board unanimously approved the following consent items:

- (A) Minutes
- (B) Expenditure Approvals
- (D) Purchase Orders for Solano Project Equipment Upgrades

Supervisor Brown asked whether any Water Agency employees are members of the Civil Air Patrol and would potentially qualify for Civil Air Patrol Leave as described on page 22 of the draft Employee Handbook. She noted that as currently written, an individual who takes Civil Air Patrol Leave would do so without pay, and suggested that the draft Handbook be revised to state that individuals who take Civil Air Patrol Leave continue to receive pay while on Civil Air Patrol Leave. Mayor Bogue stated that if employees will be receiving pay while on Civil Air Patrol or similar voluntary leave then the Employee Handbook should also specify the duration with which paid leave will be provided. Supervisor Brown asked whether the Water Agency had a grievance form and recommended that a copy of the form be included in an appendix to the Employee Handbook.

After further discussion by the Board, Mayor Patterson made a motion to approve Item 5C with the caveat that at a forthcoming Board meeting staff present revised language regarding Civil Air Patrol Leave, for possible Board adoption, and that the Employee Handbook include a copy of the Water Agency's grievance

form as an appendix to the document. Supervisor Brown seconded the motion made by Mayor Patterson and it was subsequently unanimously approved by the Board.

### **BOARD MEMBER REPORTS**

There were no Board Member reports.

### **GENERAL MANAGER'S REPORT**

There were no additions to the General Manager's written report included in the Board's May 10, 2018 meeting agenda packet

### **SOLANO WATER ADVISORY COMMISSION**

There was no verbal report, the minutes of the March 28, 2018 Solano Water Advisory Commission meeting were included in the Board's May 2018 meeting agenda packet.

### **APPOINTMENT OF FY 2018-2019 BUDGET REVIEW COMMITTEE**

Chair Kluge announced that the Board's Executive Committee will serve as the FY 2018-2019 budget review committee.

### **CONVERSION OF EXISTING PERMANENT HALF-TIME WATER RESOURCES TECHNICIAN POSITION TO PERMANENT FULL-TIME WATER RESOURCES TECHNICIAN POSITION**

General Manager Roland Sanford explained that the Board had previously approved the creation of a permanent half-time Water Resources Technician position to assist with implementation of the ongoing invasive species control program at Lake Berryessa, and that since the creation of the half-time position, the objectives and scope of invasive species program has expanded from what was historically limited to the summer boating season, to a year-round program – hence the need for a full-time Water Resources Technician.

On a motion by Supervisor Vasquez and second by Supervisor Hannigan the Board unanimously approved the conversion of the existing permanent part-time Water Resources Technician to a permanent full-time Water Resources Technician position, and authorized the General Manager to recruit and hire an individual for said position.

### **LEGISLATIVE UPDATES**

The Legislative Committee did not meet last month. The next meeting will be on Thursday, June 7<sup>th</sup>.

### **WATER POLICY UPDATES**

1. There was no report from staff on current and emerging Delta and Water Policy issues.
2. There was no report from the Water Policy Committee Chair.
3. Supervisor Thomson reported that the Delta Stewardship Council adopted its Delta Plan Programmatic Environmental Impact Report and noted that with Santa Clara Valley Water District's recent vote to participate in California Water Fix (twin tunnels), it now appears that the twin tunnels project is likely to move forward. million in cost-share for the tunnels project.
4. Supervisor Vasquez had nothing to report on activities from the Delta Conservancy.

### **CLOSED SESSION**

The Board moved into Closed Session at 6:41 pm to conference with legal counsel regarding anticipated litigation – Friends of Putah Creek 60 Day Notice. The Board returned to open session at 7:10 pm. There were no reportable actions taken by the Board in Closed Session.

**TIME AND PLACE OF NEXT MEETING**

Thursday, June 14, 2018 at 6:30 p.m., at the SCWA offices in Vacaville

**ADJOURNMENT**

This meeting of the Solano County Water Agency Board of Directors was adjourned at 7:14 p.m.

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018  
**SUBJECT:** Expenditures Approval

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**RECOMMENDATIONS:**

Approve expenditures from the Water Agency checking accounts for May, 2018.


**FINANCIAL IMPACT:**

All expenditures are within previously approved budget amounts.

**BACKGROUND:**

The Water Agency auditor has recommended that the Board of Directors approve all expenditures (in arrears). Attached is a summary of expenditures from the Water Agency's checking accounts for May, 2018. Additional backup information is available upon request.

Recommended: \_\_\_\_\_

  
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☐

Continued on  
next page

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Modification to Recommendation and/or other actions:

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I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

**SOLANO COUNTY WATER AGENCY**  
**Cash Disbursements Journal**  
**For the Period From May 1, 2018 to May 31, 2018**

Filter Criteria includes: Report order is by Check Number. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/2/18	10175	2020WC 1010WC	Invoice: 18-03-3868 MBK ENGINEERS	1,702.00	1,702.00
5/23/18	10176	2020WC 1010WC	Invoice: 18-04-3868 MBK ENGINEERS	6,939.00	6,939.00
5/7/18	31477V	2020SC 1020SC	Invoice: 0226180229 SHANDAM CONSULTING	8,973.75	8,973.75
5/9/18	31576V	1020SC	HOME DEPOT CREDIT SERVICE		
5/9/18	31681V	1020SC	TRACTOR SUPPLY CREDIT PLAN		
5/2/18	31690	2020SC 1020SC	Invoice: 2686175 AMERICAN TOWER CORPORATION	578.26	578.26
5/2/18	31691	2020SC 1020SC	Invoice: 1166431 COUNTY OF YOLO	44.28	44.28
5/2/18	31692	2020SC 1020SC	Invoice: 20498881 EXPRESS EMPLOYMENT PROFESSIONALS	150.00	150.00
5/2/18	31693	2020SC 2020SC 1020SC	Invoice: 98355 Invoice: 98358 GHD, INC.	6,775.00 7,408.00	14,183.00
5/2/18	31694	2020SC 1020SC	Invoice: 9763585909 GRAINGER	503.17	503.17
5/2/18	31695	2020SC 2020SC 1020SC	Invoice: 1661546-IN Invoice: CL88356 INTERSTATE OIL COMPANY	1,236.44	1,235.42
5/2/18	31696	2020SC 1020SC	Invoice: FCAC APR 2018 CHARLES KARNOPP	31.96	31.96
5/2/18	31697	2020SC 1020SC	Invoice: FCAC APR 2018 RONALD KOEHNE	25.00	25.00
5/2/18	31698	2020SC 1020SC	Invoice: 63100478349 LES SCHWAB TIRE CENTER	672.58	672.58
5/2/18	31699	2020SC 1020SC	Invoice: 2018 CONTRACT M-FILES INC	4,500.00	4,500.00
5/2/18	31700	2020SC 1020SC	Invoice: 01017292 RECOLOGY HAY ROAD	205.20	205.20
5/2/18	31701	2020SC 1020SC	Invoice: FCAC APR 2018 TERRY RIDDLE	39.66	39.66
5/2/18	31702	2020SC 1020SC	Invoice: 1288 ROCK STEADY JUGGLING	6,500.00	6,500.00
5/2/18	31703	2020SC 2020SC 1020SC	Invoice: 005975 Invoice: 007540 SAM'S CLUB	62.07 18.27	80.34
5/2/18	31704	2020U 2020U 1020SC	Invoice: 07033 Invoice: 07034 SOLANO COUNTY PUBLIC WORKS DIVISION	5,523.51 344.37	5,867.88
5/2/18	31705	2020SC 1020SC	Invoice: 34965 SOUTHWEST ENVIRONMENTAL	12,265.00	12,265.00
5/2/18	31706	2020SC 1020SC	Invoice: SPARROW CURIEL SPARROW CURIEL	50.00	50.00
5/2/18	31707	2020SC 1020SC	Invoice: 36559 VISION TECHNOLOGY SOLUTIONS, LLC DBC	200.00	200.00
5/2/18	31708	2020SC 1020SC	Invoice: 116834 WOOD RODGERS, INC.	44,865.58	44,865.58

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5/2/18	31709	2020SC 1020SC	Invoice: 8004 ZUNZUN	3,450.00	3,450.00
5/7/18	31711	2020SC 2020SC 1020SC	Invoice: 0226180229 Invoice: 0430180229 SHANDAM CONSULTING	8,973.75 8,047.50	17,021.25
5/8/18	31712	2020SC 1020SC	Invoice: 209006 A & L WESTERN AGRICULTURAL LABS	62.00	62.00
5/8/18	31713	2020SC 1020SC	Invoice: 0551702 ACWA JOINT POWERS INSURANCE AUTHORITY	1,749.21	1,749.21
5/8/18	31714	2020SC 1020SC	Invoice: 0262612-IN AM CONSERVATION GROUP, INC.	9,780.84	9,780.84
5/8/18	31715	2020N 1020SC	Invoice: 17-1032-5 CBEC	6,861.25	6,861.25
5/8/18	31716	2020SC 1020SC	Invoice: 53215195 CHEVRON AND TEXACO	1,402.52	1,402.52
5/8/18	31717	2020N 1020SC	Invoice: MAY 2018 CLEAN TECH ADVOCATES	8,600.00	8,600.00
5/8/18	31718	2020SC 1020SC	Invoice: 5237065 EVERBANK COMMERCIAL FINANCE	1,135.17	1,135.17
5/8/18	31719	2020SC 1020SC	Invoice: CAVAC60408 FASTENAL COMPANY	9.48	9.48
5/8/18	31720	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 8024683 Invoice: 6024946 Invoice: 6024945 Invoice: 0014832 Invoice: 5021208 Invoice: 4021268 Invoice: 3010447 HOME DEPOT CREDIT SERVICE	416.82 64.81 187.94 64.80 497.85 451.24 359.22	2,042.68
5/8/18	31720V	2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 8024683 Invoice: 6024946 Invoice: 6024945 Invoice: 0014832 Invoice: 5021208 Invoice: 4021268 Invoice: 3010447 HOME DEPOT CREDIT SERVICE	416.82 64.81 187.94 64.80 497.85 451.24 359.22	2,042.68
5/8/18	31721	2020SC 1020SC	Invoice: 246135 J & W LAWN & GARDEN EQUIPMENT, INC.	35.52	35.52
5/8/18	31722	2020N 1020SC	Invoice: 0518-1 JEFFREY J JANIK	750.00	750.00
5/8/18	31723	2020SC 1020SC	Invoice: MAY 2018 EXEC MTG JOHN D. KLUGE	100.00	100.00
5/8/18	31724	2020SC 1020SC	Invoice: 517742 M&M SANITARY LLC	157.50	157.50
5/8/18	31725	2020SC 1020SC	Invoice: IRWM WESTSIDE 12/17 NAPA COUNTY FC&WCD	382,063.12	382,063.12
5/8/18	31726	2020U 2020U 2020U 2020U 2020U 2020U 2020U	Invoice: 994573 Invoice: 249020 Invoice: 995350 Invoice: 995355 Invoice: 249562 Invoice: 249659 Invoice: 249629	75.86 115.73 37.91 2.70 28.88 18.83 18.17	

**SOLANO COUNTY WATER AGENCY**  
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		2020U	Invoice: 996282	51.40	
		2020U	Invoice: 250220	69.70	
		2020U	Invoice: 250308	113.26	
		2020U	Invoice: 997167	12.43	
		2020U	Invoice: 250429	37.66	
		2020U	Invoice: 250822	85.79	
		2020U	Invoice: 250985	11.20	
		1020SC	PACIFIC ACE HARDWARE		674.12
5/8/18	31727	2020SC	Invoice: 325	870.00	
		2020SC	Invoice: 333	942.50	
		1020SC	PALENCIA CONSULTING ENGINEERS		1,812.50
5/8/18	31728	2020SC	Invoice: 790404	66.67	
		2020SC	Invoice: 790812	112.19	
		2020SC	Invoice: 791317	39.67	
		2020SC	Invoice: 791316	27.72	
		2020SC	Invoice: 791451		1.10
		2020SC	Invoice: 791465	24.81	
		2020SC	Invoice: 791485		25.01
		2020SC	Invoice: 792182	42.76	
		2020SC	Invoice: 792184	30.02	
		2020SC	Invoice: 793013	3.21	
		1020SC	PISANIS AUTO PARTS		320.94
5/8/18	31729	2020SC	Invoice: 01020890	30.00	
		1020SC	RECOLOGY HAY ROAD		30.00
5/8/18	31730	2020U	Invoice: APR 2018	118.07	
		1020SC	SOLANO COUNTY FLEET MANAGEMENT		118.07
5/8/18	31731	2020SC	Invoice: MAY 2018 EXEC MTG	100.00	
		1020SC	JAMES SPERING		100.00
5/8/18	31732	2020SC	Invoice: 201805-13287	600.00	
		1020SC	TERRA REALTY ADVISORS, INC.		600.00
5/8/18	31733	2020SC	Invoice: 70B70-02	4,907.82	
		1020SC	THE REGENTS OF THE UNIVERSITY OF CA		4,907.82
5/8/18	31734	2020SC	Invoice: BAWMRP #14	4,563.00	
		2020SC	Invoice: 9	968.90	
		1020SC	THINKING GREEN CONSULTANTS		5,531.90
5/8/18	31735	2020SC	Invoice: 300298584	366.57	
		2020SC	Invoice: 300298910	377.10	
		2020SC	Invoice: 200405194	282.83	
		2020SC	Invoice: 200405195	313.00	
		2020SC	Invoice: 300300886	464.25	
		1020SC	TRACTOR SUPPLY CREDIT PLAN		1,803.75
5/8/18	31735V	2020SC	Invoice: 300298584		366.57
		2020SC	Invoice: 300298910		377.10
		2020SC	Invoice: 200405194		282.83
		2020SC	Invoice: 200405195		313.00
		2020SC	Invoice: 300300886		464.25
		1020SC	TRACTOR SUPPLY CREDIT PLAN	1,803.75	
5/8/18	31736	2020SC	Invoice: CHRISTOPHER BAILEY	50.00	
		1020SC	CHRISTOPHER BAILEY		50.00
5/8/18	31737	2020SC	Invoice: JANICE PAYNE	50.00	
		1020SC	JANICE PAYNE		50.00
5/8/18	31738	2020SC	Invoice: 001795	196.03	
		1020SC	UNAVCO, INC.		196.03
5/8/18	31739	2020SC	Invoice: 9806161275	2,885.45	
		1020SC	VERIZON WIRELESS		2,885.45
5/8/18	31740	2020SC	Invoice: K09786780102	4,698.94	
		1020SC	ZONES INC.		4,698.94



**SOLANO COUNTY WATER AGENCY**  
**Cash Disbursements Journal**

For the Period From May 1, 2018 to May 31, 2018

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/9/18	31741	2020SC	Invoice: 9025494	18.26	
		2020U	Invoice: 7010084	48.84	
		2020U	Invoice: 6010205	34.84	
		2020SC	Invoice: 4241071		469.91
		2020SC	Invoice: 0010904	99.73	
		2020SC	Invoice: 8024683	416.82	
		2020SC	Invoice: 6024946	64.81	
		2020SC	Invoice: 6024945	187.94	
		2020SC	Invoice: 0014832	64.80	
		2020SC	Invoice: 5021208	497.85	
		2020SC	Invoice: 4021268	451.24	
		2020SC	Invoice: 3010447	359.22	
		1020SC	HOME DEPOT CREDIT SERVICE		1,774.44
5/9/18	31742	2020SC	Invoice: 200403871	85.39	
		2020SC	Invoice: 300293996	35.37	
		2020SC	Invoice: 100133861	46.16	
		2020SC	Invoice: 200400611		365.94
		2020SC	Invoice: 100133862	103.57	
		2020SC	Invoice: 300294065	50.21	
		2020SC	Invoice: 300298584	366.57	
		2020SC	Invoice: 300298910	377.10	
		2020SC	Invoice: 200405194	282.83	
		2020SC	Invoice: 200405195	313.00	
		2020SC	Invoice: 300300886	464.25	
		1020SC	TRACTOR SUPPLY CREDIT PLAN		1,758.51
5/14/18	31743	2020SC	Invoice: IN-1180489687	3,040.00	
		1020SC	ALPHA MEDIA II LLC		3,040.00
5/14/18	31744	2020SC	Invoice: 1919872	278.53	
		1020SC	THE REINALT-THOMAS CORP		278.53
5/14/18	31745	2020SC	Invoice: JACKSON ANDREWS	125.00	
		1020SC	JACKSON ANDREWS		125.00
5/14/18	31746	2020SC	Invoice: LOGAN ARCILLA	750.00	
		1020SC	LOGAN ARCILLA		750.00
5/14/18	31747	2020SC	Invoice: KENNY BARBER	125.00	
		1020SC	KENNY BARBER		125.00
5/14/18	31748	2020SC	Invoice: 79984	1,657.50	
		1020SC	BROADBENT		1,657.50
5/14/18	31749	2020U	Invoice: 35838318	17,199.59	
		1020SC	CROP PRODUCTION SERVICES, INC.		17,199.59
5/14/18	31750	2020SC	Invoice: MAY 2018 BOD MTG	100.00	
		1020SC	DALE CROSSLEY		100.00
5/14/18	31751	2020SC	Invoice: 300022925	202.54	
		1020SC	DAILY REPUBLIC, INC.		202.54
5/14/18	31752	2020SC	Invoice: 150847	1,713.00	
		1020SC	DEPT OF FORESTRY & FIRE PROTECTION		1,713.00
5/14/18	31753	2020SC	Invoice: 4613	29,544.78	
		1020SC	EYASCO, INC.		29,544.78
5/14/18	31754	2020SC	Invoice: 99351	2,645.25	
		1020SC	GHD, INC.		2,645.25
5/14/18	31755	2020SC	Invoice: 88308	462.57	
		2020SC	Invoice: 88307	99.45	
		1020SC	HERUM \ CRABTREE \ SUNTAG		562.02
5/14/18	31756	2020SC	Invoice: CHRISTY IRELAND	1,000.00	
		1020SC	CHRISTY IRELAND		1,000.00
5/14/18	31757	2020SC	Invoice: 5090202	290.40	
		1020SC	J. RICHARD EICHMAN, CPA		290.40
5/14/18	31758	2020SC	Invoice: MAY 2018 BOD MTG	100.00	
		1020SC	JOHN D. KLUGE		100.00

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5/14/18	31759	2020SC 1020SC	Invoice: BRENDAN LINEHAN BRENDAN LINEHAN	500.00	500.00
5/14/18	31760	2020SC 1020SC	Invoice: OH31431 NORTHBAY OCCUPATIONAL HEALTHCARE	120.00	120.00
5/14/18	31761	2020SC 1020SC	Invoice: MAY 2018 BOD MTG ELIZABETH PATTERSON	133.25	133.25
5/14/18	31762	2020SC 1020SC	Invoice: 42729590 RECOLOGY VACAVILLE SOLANO	128.98	128.98
5/14/18	31763	2020SC 1020SC	Invoice: JARED ROPELATO JARED ROPELATO	500.00	500.00
5/14/18	31764	2020SC 1020SC	Invoice: MAY 2018 BOD MTG BOB SAMPAYAN	127.25	127.25
5/14/18	31765	2020SC 1020SC	Invoice: 44122 SHELL WORTH CHEVROLET	107.74	107.74
5/14/18	31766	2020SC 1020SC	Invoice: 01277 SHELDON	99.00	99.00
5/14/18	31767	2020SC 2020SC 2020SC 2020SC 1020SC	Invoice: 0006584 Invoice: 0006583 Invoice: 0006594 Invoice: 0006595 SOLANO IRRIGATION DISTRICT	232.01 23,160.91 105,455.98 52,580.64	181,429.54
5/14/18	31768	2020SC 1020SC	Invoice: MAY 2018 BOD MTG JAMES SPERING	100.00	100.00
5/14/18	31769	2020SC 1020SC	Invoice: 2018-4-SCWA SUSTAINABLE SOLANO	13,108.46	13,108.46
5/14/18	31770	2020SC 2020SC 1020SC	Invoice: 12138047 Invoice: 3049083 THE TREMONT GROUP, INC.	362.03 288.00	650.03
5/14/18	31771	2020SC 1020SC	Invoice: 0001121672 VACAVILLE REPORTER	578.00	578.00
5/14/18	31772	2020SC 1020SC	Invoice: MAY 2018 BOD MTG JOHN VASQUEZ	100.00	100.00
5/14/18	31773	2020SC 1020SC	Invoice: 1435226 WESTERN RANCH & PET SUPPLY	673.08	673.08
5/17/18	31774	2020SC 2020SC 1020SC	Invoice: 10540 Invoice: 10539 ALL SPORTS	238.03 596.85	834.88
5/17/18	31775	2020SC 1020SC	Invoice: BX7328047 BEACH CAMERA	3,798.00	3,798.00
5/17/18	31776	2020SC 1020SC	Invoice: 1 MARK E. GRISMER PHD PE	17,000.00	17,000.00
5/17/18	31777	2020SC 1020SC	Invoice: V4880301 HOLT OF CALIFORNIA	6,825.08	6,825.08
5/17/18	31778	2020SC 1020SC	Invoice: CL89721 INTERSTATE OIL COMPANY	1,032.21	1,032.21
5/17/18	31779	2020SC 1020SC	Invoice: 33840 LUHDORFF & SCALMANINI	10,928.50	10,928.50
5/17/18	31780	2020SC 2020SC 2020SC 1020SC	Invoice: 67055 Invoice: 67067 Invoice: 67068 NORMANDEAU ASSOCIATES, INC.	2,835.00 5,273.58 4,060.28	12,168.86
5/17/18	31781	2020SC	Invoice: 4/26/18 REFILL	199.09	

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		1020SC	PITNEY BOWES		199.09
5/17/18	31782	2020SC	Invoice: 8366	312.50	
		2020SC	Invoice: 8339	2,466.45	
		1020SC	REGIONAL GOVERNMENT SERVICES		2,778.95
5/17/18	31783	2020SC	Invoice: 54269	28.61	
		2020SC	Invoice: 54416	48.70	
		2020SC	Invoice: 54600	88.89	
		1020SC	SUISUN VALLEY FRUIT GROWERS AS		166.20
5/17/18	31784	2020SC	Invoice: 6907	32,146.79	
		1020SC	TERRAPHASE ENGINEERING		32,146.79
5/17/18	31785	2020SC	Invoice: WILLIAM STAPELFELD I	705.00	
		1020SC	WILLIAM STAPELFELD		705.00
5/17/18	31786	2020SC	Invoice: 9806652602	1,176.39	
		1020SC	VERIZON WIRELESS		1,176.39
5/17/18	31787	2020SC	Invoice: 18-107	9,700.00	
		1020SC	WATER EDUCATION GROUP		9,700.00
5/17/18	31788	2020SC	Invoice: K09895250101	641.00	
		2020SC	Invoice: K10017040101	942.29	
		1020SC	ZONES INC.		1,583.29
5/23/18	31789	2020SC	Invoice: 681-PI535703	421.53	
		1020SC	BATTERIES PLUS BULBS		421.53
5/23/18	31790	2020SC	Invoice: 000011352705	253.67	
		2020SC	Invoice: 000011352750	165.13	
		1020SC	CALNET3		418.80
5/23/18	31791	2020SC	Invoice: 17497	553.45	
		2020SC	Invoice: 17518	273.70	
		1020SC	CENTRAL VALLEY EQUIPMENT REPAIR		827.15
5/23/18	31792	2020N	Invoice: 01-9921	15,014.21	
		1020SC	GREEN VALLEY TRACTOR		15,014.21
5/23/18	31793	2020SC	Invoice: 2018-20	5,733.08	
		1020SC	IN COMMUNICATIONS		5,733.08
5/23/18	31794	2020SC	Invoice: CL91151	1,092.44	
		1020SC	INTERSTATE OIL COMPANY		1,092.44
5/23/18	31795	2020SC	Invoice: 72855	5,172.50	
		2020SC	Invoice: 72854	5,420.50	
		1020SC	INTEGRATED ENVIRONMENTAL RESTORATION		10,593.00
5/23/18	31796	2020SC	Invoice: 144112	318.97	
		1020SC	MARTIN'S METAL FABRICATION &		318.97
5/23/18	31797	2020SC	Invoice: 7328	10,564.13	
		1020SC	OLD DURHAM WOOD		10,564.13
5/23/18	31798	2020SC	Invoice: 18-017	1,800.00	
		1020SC	ORIT KALMAN		1,800.00
5/23/18	31799	2020SC	Invoice: 4/10/18-5/9/18	1,140.87	
		1020SC	PACIFIC GAS & ELECTRIC CO,		1,140.87
5/23/18	31800	2020SC	Invoice: 006492990046JUN 2018	1,729.19	
		1020SC	STANDARD INSURANCE COMPANY		1,729.19
5/23/18	31801	2020SC	Invoice: 2065565301	70.91	
		2020SC	Invoice: 2069784951	214.97	
		2020SC	Invoice: 2072672171	82.55	
		2020SC	Invoice: 2073634071	59.73	
		2020SC	Invoice: 2073864021	124.86	
		2020SC	Invoice: 2075463141	31.53	

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
		2020SC	Invoice: 2076231471	165.42	
		2020SC	Invoice: 2085212871	99.86	
		2020SC	Invoice: 2085213061	64.72	
		2020SC	Invoice: 2086166031	110.91	
		2020SC	Invoice: 2089633261	161.04	
		2020SC	Invoice: 2089638691	22.37	
		2020SC	Invoice: 2089690921	29.18	
		1020SC	STAPLES		1,238.05
5/23/18	31801V	2020SC	Invoice: 2065565301		70.91
		2020SC	Invoice: 2069784951		214.97
		2020SC	Invoice: 2072672171		82.55
		2020SC	Invoice: 2073634071		59.73
		2020SC	Invoice: 2073864021		124.86
		2020SC	Invoice: 2075463141		31.53
		2020SC	Invoice: 2076231471		165.42
		2020SC	Invoice: 2085212871		99.86
		2020SC	Invoice: 2085213061		64.72
		2020SC	Invoice: 2086166031		110.91
		2020SC	Invoice: 2089633261		161.04
		2020SC	Invoice: 2089638691		22.37
		2020SC	Invoice: 2089690921		29.18
		1020SC	STAPLES	1,238.05	
5/23/18	31802	2020SC	Invoice: 687461	887.29	
		1020SC	SYAR INDUSTRIES, INC		887.29
5/23/18	31803	2020SC	Invoice: 467	3,500.00	
		1020SC	WILSON PUBLIC AFFAIRS		3,500.00
5/23/18	31804	2020SC	Invoice: 2065565301	70.91	
		2020SC	Invoice: 2069784951	214.97	
		2020SC	Invoice: 2072672171	82.55	
		2020SC	Invoice: 2073634071	59.73	
		2020SC	Invoice: 2073864021	124.86	
		2020SC	Invoice: 2075463141	31.53	
		2020SC	Invoice: 2076231471	165.42	
		2020SC	Invoice: 2085212871	99.86	
		2020SC	Invoice: 2085213061	64.72	
		2020SC	Invoice: 2086166031	110.91	
		2020SC	Invoice: 2087840011	487.20	
		2020SC	Invoice: 2089638691	22.37	
		2020SC	Invoice: 2089633261	161.04	
		2020SC	Invoice: 2089690921	29.18	
		1020SC	STAPLES		1,725.25
5/31/18	31805	2020SC	Invoice: IN-1180589884	2,460.00	
		1020SC	ALPHA MEDIA II LLC		2,460.00
5/31/18	31806	2020SC	Invoice: 1177500	20.00	
		1020SC	COUNTY OF YOLO		20.00
5/31/18	31807	2020SC	Invoice: 151465	228.40	
		1020SC	DEPT OF FORESTRY & FIRE PROTECTION		228.40
5/31/18	31808	2020SC	Invoice: 4MX8342 RENEWAL	10.00	
		1020SC	DMV RENEWAL		10.00
5/31/18	31809	2020N	Invoice: 6-186-97543	50.78	
		1020SC	FEDEX EXPRESS		50.78
5/31/18	31810	2020SC	Invoice: 99722	7,134.25	
		2020SC	Invoice: 99721	3,353.00	
		1020SC	GHD, INC.		10,487.25
5/31/18	31811	2020SC	Invoice: 1X163551	211.09	
		1020SC	HORIZON DISTRIBUTORS, INC.		211.09
5/31/18	31812	2020SC	Invoice: 121908	7,993.75	
		1020SC	KENNEDY/JENKS CONSULTANTS		7,993.75
5/31/18	31813	2020SC	Invoice: 159734	7,504.43	
		1020SC	LSA ASSOCIATES, INC.		7,504.43
5/31/18	31814	2020U	Invoice: 251018	38.70	

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		2020U	Invoice: 251077	36.72	
		2020U	Invoice: 998307	126.16	
		2020U	Invoice: 251343	66.75	
		2020U	Invoice: 251395	40.73	
		2020U	Invoice: 999044	21.39	
		2020U	Invoice: 251840	21.43	
		2020U	Invoice: 251945	8.32	
		2020U	Invoice: 252331	27.79	
		2020U	Invoice: 001342	43.24	
		2020U	Invoice: 252757	30.92	
		2020U	Invoice: 001460	39.56	
		2020U	Invoice: K96094	31.05	
		2020U	Invoice: K96513	45.12	
		2020U	Invoice: K96597	51.77	
		1020SC	PACIFIC ACE HARDWARE		629.65
5/31/18	31814V	2020U	Invoice: 251018		38.70
		2020U	Invoice: 251077		36.72
		2020U	Invoice: 998307		126.16
		2020U	Invoice: 251343		66.75
		2020U	Invoice: 251395		40.73
		2020U	Invoice: 999044		21.39
		2020U	Invoice: 251840		21.43
		2020U	Invoice: 251945		8.32
		2020U	Invoice: 252331		27.79
		2020U	Invoice: 001342		43.24
		2020U	Invoice: 252757		30.92
		2020U	Invoice: 001460		39.56
		2020U	Invoice: K96094		31.05
		2020U	Invoice: K96513		45.12
		2020U	Invoice: K96597		51.77
		1020SC	PACIFIC ACE HARDWARE	629.65	
5/31/18	31814a	1020SC	VOID		
5/31/18	31815	2020SC	Invoice: 2072959	714.25	
		1020SC	RAY MORGAN COMPANY		714.25
5/31/18	31816	2020SC	Invoice: 002609	82.02	
		2020SC	Invoice: 001203	166.05	
		2020SC	Invoice: 001202	116.55	
		2020SC	Invoice: 005392	78.60	
		1020SC	SAM'S CLUB		443.22
5/31/18	31817	2020U	Invoice: 07036	9,742.69	
		2020U	Invoice: 07039	2,006.39	
		1020SC	SOLANO COUNTY PUBLIC WORKS DIVISION		11,749.08
5/31/18	31818	2020SC	Invoice: 1197	7,188.74	
		2020SC	Invoice: 1210	1,989.71	
		1020SC	SOLANO RESOURCE CONSERVATION DISTRICT		9,178.45
5/31/18	31819	2020SC	Invoice: 105850	788.39	
		1020SC	STERLING MAY CO.		788.39
5/31/18	31820	2020SC	Invoice: 688870	1,640.58	
		1020SC	SYAR INDUSTRIES, INC		1,640.58
5/31/18	31821	2020SC	Invoice: NOV 2017	7,772.40	
		2020SC	Invoice: DEC 2017	1,909.10	
		2020SC	Invoice: MAR&APR 2018	2,397.65	
		1020SC	CRAIG D. THOMSEN		12,079.15
5/31/18	31821V	2020SC	Invoice: NOV 2017		7,772.40
		2020SC	Invoice: DEC 2017		1,909.10
		2020SC	Invoice: MAR&APR 2018		2,397.65
		1020SC	CRAIG D. THOMSEN	12,079.15	
5/31/18	31822	2020SC	Invoice: 16074	1,095.00	
		1020SC	WESTERN WEATHER GROUP		1,095.00
5/31/18	31823	2020SC	Invoice: 117757	27,869.52	
		1020SC	WOOD RODGERS, INC.		27,869.52

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Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/31/18	31824	2020SC 1020SC	Invoice: 8005 ZUNZUN	6,100.00	6,100.00
5/31/18	31825	2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 1020SC	Invoice: 251018 Invoice: 251077 Invoice: 998307 Invoice: 251343 Invoice: 251395 Invoice: 999044 Invoice: 251840 Invoice: 251945 Invoice: 252331 Invoice: 252518 Invoice: 001342 Invoice: 252757 Invoice: 001460 Invoice: K96094 Invoice: K96513 Invoice: K96597 PACIFIC ACE HARDWARE	38.70 36.72 126.16 66.75 40.73 21.39 21.43 8.32 27.79 24.77 43.24 30.92 39.56 31.05 45.12 51.77	654.42
5/31/18	31825V	2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 1020SC	Invoice: 251018 Invoice: 251077 Invoice: 998307 Invoice: 251343 Invoice: 251395 Invoice: 999044 Invoice: 251840 Invoice: 251945 Invoice: 252331 Invoice: 252518 Invoice: 001342 Invoice: 252757 Invoice: 001460 Invoice: K96094 Invoice: K96513 Invoice: K96597 PACIFIC ACE HARDWARE	38.70 36.72 126.16 66.75 40.73 21.39 21.43 8.32 27.79 24.77 43.24 30.92 39.56 31.05 45.12 51.77	654.42
5/31/18	31825a	1020SC	VOID		
5/31/18	31826	2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 2020U 1020SC	Invoice: 251018 Invoice: 251077 Invoice: 998307 Invoice: 251343 Invoice: 251395 Invoice: 999044 Invoice: 251840 Invoice: 251945 Invoice: 252331 Invoice: 252518 Invoice: 001342 Invoice: 252757 Invoice: 001460 Invoice: K96094 Invoice: K96513 Invoice: K96597 PACIFIC ACE HARDWARE	38.70 36.72 126.16 66.75 40.73 21.39 21.43 8.32 27.79 24.66 43.24 30.92 39.56 31.05 45.12 51.77	654.31
5/31/18	31826a	1020SC	VOID		
5/31/18	31827	2020SC 2020SC 1020SC	Invoice: NOV 2017 Invoice: DEC 2017 CRAIG D. THOMSEN	7,772.40 1,909.10	9,681.50
5/11/18	ASHLEY APR 2018	6040AC 6360AC  6040AC 6040AC 6166SC 6166SC	REMOTELINK - CONF CALL ASSOCIATION OF CA - SPRING CONF REGISTRATION FOR ROLAND SANFORD REMOTELINK - CONF CALL VISTA PRINT - BUSINESS CARDS FOR S COLIAS STARBUCKS - COFFEE FOR MUSSEL TRAINING STARBUCKS - COFFEE FOR MUSSEL TRAINING	67.45 740.00  37.49 43.04  50.85 50.85	

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		6166SC	ROUNDTABLE PIZZA - LUNCH FOR MUSSELL TRAINING	241.60	
		6040AC	REMOTELINK - CONF CALL	14.59	
		6040AC	REMOTELINK - CONF CALL	5.80	
		6040AC	REMOTELINK - CONF CALL	12.83	
		6040AC	REMOTELINK - CONF CALL	23.66	
		1020SC	BANK OF THE WEST		1,288.16
5/25/18	BARICH APR 2018	6670U	BAILEYS	156.80	
		6310AC	CHEVRON - FUEL	50.02	
		6310AC	CHEVRON - FUEL	47.41	
		6310AC	CHEVRON - FUEL	49.52	
		1020SC	BANK OF THE WEST		303.75
5/6/18	COLIAS APR 2018	6551AC	SAFEWAY - PASTRIES FOR TRAINING	55.03	
		6551AC	THE HOME DEPOT - SUPPLIES	55.51	
		6300AC	5 STAR DETAIL & WASH - TAHOE WASH	25.99	
		1020SC	BANK OF THE WEST		136.53
5/25/18	CUETARA APR 2018	6144U	LOWES - SUPPLIES	94.58	
		6144U	LOWES - SUPPLIES	33.52	
		6144U	AMAZON - SUPPLIES	24.85	
		6144U	SHOW ME CABLES - N MAILE LMR-240	486.84	
		6144AC	GRAINGER - U BOLTS	36.50	
		6144U	CABLE WHOLESALE - MODEM ADAPTER	86.16	
		6144AC	FIELD COMPONENTS - FEMALE JACK TO SMA MALE PLUG ADAPTER	414.19	
		6144U	BATTERY BILL - F2 SEALED BATT	470.15	
		2025SC	SALES TAX ON FIELD COMPONENTS PURCHASE		31.19
		2025SC	SALES TAX ON SHOW ME CABLES PURCHASE		36.58
		1020SC	BANK OF THE WEST		1,579.02
5/7/18	EFT	2020SC	Invoice: HEALTH MAY 2018	18,442.81	
		1020SC	CALPERS		18,442.81
5/11/18	EFT	2020SC	Invoice: 2018050901	228.45	
		1020SC	PAYCHEX, INC.		228.45
5/9/18	EFT	2020SC	Invoice: PPE 5.5.18	8,551.60	
		1020SC	CALPERS		8,551.60
5/9/18	EFT	2020SC	Invoice: PEPPA PPE 5.5.18	2,370.91	
		1020SC	CALPERS		2,370.91
5/9/18	EFT	2020SC	Invoice: SIP PPE 5.5.18	5,248.74	
		1020SC	CALPERS		5,248.74
5/5/18	EFT	2024AC	EMPLOYEE LIABILITIES PPE 5.5.18	15,028.88	
		6012AC	EMPLOYER LIABILITIES PPE 5.5.18	2,509.52	
		1020SC	PAYROLL TAXES		17,538.40
5/11/18	EFT	6111AC	FSA PARTICIPANT FEE MAY 2018 - STATEMENT# 18040361	115.75	
		1020SC	PAYCHEX, INC.		115.75
5/25/18	EFT	2020SC	Invoice: 2018052301	262.65	
		1020SC	PAYCHEX, INC.		262.65
5/24/18	EFT	2020SC	Invoice: PPE 5.19.18	8,551.60	
		1020SC	CALPERS		8,551.60
5/24/18	EFT	2020SC	Invoice: PEPPA PPE 5.19.18	2,355.90	
		1020SC	CALPERS		2,355.90
5/24/18	EFT	2020SC	Invoice: SIP PPE 5.19.18	5,361.81	
		1020SC	CALPERS		5,361.81

**SOLANO COUNTY WATER AGENCY**  
**Cash Disbursements Journal**  
For the Period From May 1, 2018 to May 31, 2018

Filter Criteria includes: Report order is by Check Number. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
5/19/18	EFT	2024AC	EMPLOYEE LIABILITIES PPE 5.19.18	15,264.84	
		6012AC	EMPLOYER LIABILITIES PPE 5.19.18	2,769.61	
		1020SC	PAYROLL TAXES		18,034.45
5/1/18	FEHRENKAMP MAR 201	6090AC	GOVERNMENT FINANCE - RENEWAL	160.00	
		6042AC	NAPOLI PIZZA- HCP	61.38	
		6166SC	MURILLOS - MUSSEL PROGRAM LUNCH	315.27	
		6040AC	MARYS PIZZA - TEAM MEETING	200.00	
		6040AC	PURGRAIN - INTERVIEWS	21.75	
		1020SC	BANK OF THE WEST		758.40
5/25/18	FLORENDO APR 2018	6040AC	360 STIELOCK	50.00	
		6551AC	BART - WALNUT CREEK	20.00	
		6551AC	UNITED SF PARKING	10.00	
		6040AC	REMOTELINK - CONF CALL	4.04	
		6040AC	REMOTELINK - CONF CALL	1.29	
		6040AC	REMOTELINK - CONF CALL	21.93	
		6040AC	NAPOLI PIZZA	90.00	
		6040AC	REMOTELINK - CONF CALL	27.95	
		1020SC	BANK OF THE WEST		225.21
5/25/18	FOWLER APR 2018	6199SC	CHEVRON - FUEL	50.70	
		6230SC	NORTHBRIDGE 4X4 - SUPPLIES	122.76	
		6130SC	EMS TACLIGHTELITE - SUPPLIES	50.28	
		6042AC	WALMART - SUPPLIES	106.95	
		1020SC	BANK OF THE WEST		330.69
5/6/18	HERR APR 2018	6030AC	VERIZON - CELL PHONE ACCESSORIES	86.08	
		6310AC	CHEVRON - FUEL	22.82	
		6310AC	CHEVRON - FUEL	30.60	
		6042AC	WALMART - SUPPLIES	18.30	
		6310AC	CHEVRON - FUEL	41.32	
		1020SC	BANK OF THE WEST		199.12
5/25/18	LEE APR 2018	6410AC	AMAZON - SUPPLIES	56.87	
		6360AC	UCD - SAFETY TRAINING FOR MARK S	595.00	
		6410AC	GO DADDY - RENEWAL	83.88	
		6410AC	MICROSOFT - HOME AND OFFICE SOFTWARE	229.99	
		6410AC	CBI PARALLES - MAC PRO UPGRADE	49.99	
		6410AC	ZONES - KEYBOARDS	116.06	
		1020SC	BANK OF THE WEST		1,131.79
5/1/18	PASCUAL MAR 2018	6144N	GRAINGER - SUPPLIES	314.10	
		6144N	BEN MEADOWS - SUPPLIES	48.00	
		6144N	HOME DEPOT - SUPPLIES	7.42	
		6310AC	CHEVRON - FUEL	46.94	
		1020SC	BANK OF THE WEST		416.46
5/25/18	PATE APR 2018	6330AC	LAKE NATOMA INN	214.28	
		6410AC	IP VANISH	77.99	
		6330AC	HECKLE ALEHOUSE	18.16	
		6330AC	FOLSOM HOTEL SALOON	25.00	
		6330AC	BURGER KING	5.37	
		6330AC	UC HASTINGS PARKING	24.00	
		6330AC	COURTYARD BY MARRIOTT - PARKING	12.00	
		6330AC	9TH STREET - PARKING	20.00	
		6330AC	ABM ONSITE GOLDEN 1 - PARKING	15.00	
		6330AC	BEST WESTERN	132.45	
		6090AC	SAC BEE - SUBSCRIPTION	12.99	
		6330AC	ABM ONSITE GOLDEN 1 - PARKING	1.25	
		6330AC	COURTYARD BY MARRIOTT	12.00	
		1020SC	BANK OF THE WEST		570.49
5/25/18	RABIDOUX APR 2018	6360AC	PAYPAL - DELEGATION TRAINING	75.00	
		1020SC	BANK OF THE WEST		75.00
5/25/18	SANFORD APR 2018	6330AC	ABM ONSITE GOLDEN 1 - PARKING	15.00	
		6040AC	STICKY RICE - LUNCH MEETING	59.31	
		6330AC	CITY OF SAC - PARKING	6.00	



## SOLANO COUNTY WATER AGENCY

## Cash Disbursements Journal

For the Period From May 1, 2018 to May 31, 2018

Filter Criteria includes: Report order is by Check Number. Report is printed in Detail Format.

Date	Check #	Account ID	Line Description	Debit Amount	Credit Amount
		6330AC	ABM ONSITE GOLDEN 1 - PARKING	15.00	
		6330AC	CITY OF SAC - PARKING	5.00	
		6330AC	CITY OF SAC - PARKING	7.50	
		1020SC	BANK OF THE WEST		107.81
5/25/18	SNYDER APR 2018	6360AC	UCD TAPS - PARKING	9.00	
		6360AC	UCD TAPS - PARKING	9.00	
		6360AC	SUTTER GALLERI - PARKING	3.00	
		6360AC	SUTTER GALLERI - PARKING	3.00	
		6300AC	AGILIS LINXUP - GPS	137.94	
		6360AC	SUTTER GALLERI - PARKING	3.00	
		6360AC	SUTTER GALLERI - PARKING	3.00	
		6360AC	UCD - EMERGENCY PREP AND MANAGEMENT COURSE	720.00	
		6300AC	ONESTEP GPS	47.90	
		6360AC	SUTTER GALLERI - PARKING	3.00	
		6360AC	SUTTER GALLERI - PARKING	3.00	
		6300AC	ONESTEP GPS	55.80	
		1020SC	BANK OF THE WEST		997.64
5/25/18	WILLINGMYRE APR 20	6040AC	NAPOLI PIZZA - ADVISORY PIZZA	117.51	
		6360AC	TST BHD ROSEVILLE - ACWA TRAINING LUNCH	12.18	
		6210AC	PURE GRAIN BAKERY - BOARD MTG	43.50	
		6040AC	NAPOLI PIZZA	163.90	
		6040AC	CA WRKRS CMPNS - WORKMANS COMP BOOKS	34.62	
		6330AC	SQ TRAVIS AIRPORT - TRANSPORTATION FOR MELISSA PARKER	216.00	
		6330AC	SQ TRAVIS AIRPORT - TRANSPORTATION FOR MELISSA PARKER	48.00	
		6090AC	PRJ CHARGE - MEMBERSHIP	250.00	
		1020SC	BANK OF THE WEST		885.71
Total				1,215,574.45	1,215,574.45

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

**SUBJECT:** Approval of revised credit card policy and adoption of Resolution 2018-02 approving Umpqua Bank Commercial Card Agreement and authorizing named individuals authority to issue credit cards to one or more Water Agency employees

**RECOMMENDATION:**

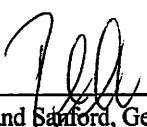
1. Approve Agency credit card policy with updated credit card limits for Agency Managers.
2. Approve Umpqua Bank Commercial Credit Card Agreement and approve Resolution Number 2018-01 adopting the Commercial Card Corporate Borrowing Resolution.

**FINANCIAL IMPACT:**

None.

**BACKGROUND:**

On August 8, 1991 the Board of Directors authorized the procurement of a credit card to be used primarily for employee travel expenses, such as lodging and car rentals. Over the years, credit card use expanded to include other types of purchases. Accordingly, in August 2002 the Board of Directors revised the Water Agency's Credit Card Policy to allow for credit card purchases – supplies, etc. – beyond what was specified in 1991. In 2016, at the recommendation of the Water Agency's auditors, the Credit Card Policy was once again revised to further define appropriate credit card usage.

Recommended:   
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☒

Continued on  
next page

**Modification to Recommendation and/or other actions:**

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

\_\_\_\_\_  
Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

**Action Item No. 2018 – xx**  
**Agenda Item No. 5C**

Staff is recommending the Water Agency's Credit Card policy be revised – increase the credit limit for Managers by \$3,000, from \$2,000 to \$5,000, to allow for greater purchasing flexibility. Credit limits for non-managerial staff (\$2,000) and the General Manager (\$10,000) would remain unchanged.

In addition to increasing the credit limit for Managers, staff is recommending the Water Agency switch credit card services from Bank of the West to Umpqua Bank. The current Bank of the West credit card services are outdated – reliance on paper statements - and there are no spending benefits (cash back) associated with the credit card. Umpqua Bank offers a sophisticated online management system that allows for disputing transactions, establishing card block or close, view and download statements, managing cardholder limits, and other spending controls, as well as 1% cash back on purchases. Adoption of Resolution 2018-1 will effectuate the switch from Bank of the West to Umpqua Bank credit card services.

**Credit Card Policies and Procedures  
Solano County Water Agency**

**Purpose**

The purpose of this policy is to communicate eligibility, usage, and payments for Agency credit cards.

**Policies**

1. Solano County Water Agency (SCWA) will issue an Agency credit card to eligible employees for job-related expenses. Credit card limits are set at two-thousand dollars (\$2,000) for ~~Managers and Staff~~, five-thousand dollars (\$5,000) for ~~Managers~~, and ten-thousand dollars (\$10,000) for the General Manager.
2. Employees shall use their Agency credit cards to charge business-related expenses. Expenses must be for approved budget items only. Any items not budgeted must be authorized by the cardholders Manager.
3. Purchases over \$500 must be pre-approved with a purchase order signed by the General Manager. Purchases may not be split to get around this policy.
4. Employees may NOT take cash advances on credit cards.
5. The cardholder is responsible for all charges made to the card. The cardholder will be held liable for any unauthorized items appearing on the credit card statement unless the activity is fraudulent.
6. Personal purchases of any type are strictly prohibited. If the card is used for personal purchases or for purchases for any other entity, Solano County Water Agency will be entitled to a reimbursement by the cardholder for such purchases within two weeks of receiving the statement.
7. Per the IRS's Fringe Benefit Guide, meals provided to employees' for non-overnight travel are taxable wages. These charges are processed through payroll and should not be charged to Agency credit cards.
8. Overnight meals are nontaxable and can be charged to Agency credit cards.
9. The cardholder must notify the Administrative Assistant immediately in the event a card is lost or stolen. The cardholder will also have to notify the bank.
10. The Agency credit card is the property of SCWA. An employee leaving the employment of SCWA must surrender the credit card to the Administrative Assistant who will then notify the bank to cancel the employee's credit card.
11. Cardholders are required to sign this policy indicating they accept these terms. Individuals who do not adhere to these policies and procedures risk revocation of their credit card privileges and/or disciplinary action.

**Procedure**

1. Before any purchase is made, the cardholder should verify that the funds are available in the Agency budget to cover the expense.
2. The cardholder must obtain a receipt and any receiving documents for each purchase.
3. Any items that do not have a receipt will need a "Missing Receipt Form," which will be signed off on by the cardholder's Manager. This form can be found in *ADMIN DOCS\AD-4\_FORMS*.
4. Upon receipt of the credit card statement, the cardholder will match the receipts to the individual items and assign the appropriate accounting and jobs codes. These codes need to be written on each receipt included in the statement. Receipts need to be taped to a piece of paper and the statement along with all the receipts will be submitted to the cardholder's Manager for approval.
5. After reviewing staffs credit card statements, the Manager will sign off and turn in all approved credit card statements to the Administrative Assistant.

As a holder of an Agency credit card, I agree to accept the responsibility and accountability for the protection and proper use of the Agency credit card. I accept and acknowledge the policies and procedures listed above.

**Cardholder Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

This Commercial Card Account Agreement ("Account Agreement") sets forth the terms of your Commercial Card Account ("Commercial Card Account"). Your Commercial Card Account has been opened in the name of Company pursuant to the credit application submitted by Company to Umpqua Bank. All extensions of credit in connection with your Commercial Card Account are being made by Umpqua Bank ("Umpqua").

1. **Definitions.** In this Account Agreement the following definitions shall apply: "Account" means each individual credit card account established in connection with a Commercial Card and for which Company is fully liable under the Commercial Card Account in accordance with this Account Agreement. "Annual Percentage Rate" or "APR" means an annualized rate of Finance Charge, as determined by us. "Authorized Officer" means the individual(s) who signed Company credit application and this Account Agreement on behalf of Company. "Cash Advance" means a Transaction to obtain a cash loan from Umpqua or other financial institution that accepts the Commercial Card (whether through an ATM, a teller at a branch, or otherwise) and/or a loan from Umpqua through your use of any checks or drafts Umpqua may provide for drawing funds from Umpqua to be posted as Cash Advances on your Commercial Card Account (any surcharges charged by any owner or operator of any ATM, or by Umpqua, or by any other bank with respect to the Cash Advance will be deemed a part of the Cash Advance). "Commercial Card" means each Visa® credit card that is issued to a Commercial Cardholder under your Commercial Card Account and this Account Agreement. "Commercial Cardholder" means a Company employee who is designated by Company to receive a Commercial Card and who is approved to use such Commercial Card to effect Transactions during the term of this Account Agreement. "Commercial Cardholder Agreement" means the Commercial Credit Cardholder Agreement that applies to each Account and whose terms bind a Commercial Cardholder. "Company" means the corporation, limited liability company, partnership, proprietorship, or other entity that opened the Commercial Card Account with Umpqua pursuant to which Commercial Cards will be issued. "Finance Charge" means any charge to an Account by Umpqua that is calculated and assessed in accordance with this Account Agreement or a Commercial Cardholder Agreement. "Purchase" means a Transaction made to purchase or lease goods or services, or pay amounts you or any Commercial Cardholder owes (excluding Cash Advances). "Transaction" means any Account activity that has a debit value. The words "we", "us", and "our" refer to Umpqua Bank ("Umpqua"). The words "you" and "your" refer to Company.
2. **Acceptance of this Account Agreement.** Your Authorized Officer's signing of the credit application, Commercial Card or use of Commercial Card or Commercial Card Account confirms your acceptance to be bound by this Account Agreement, as well as any other agreements, disclosures, rules, or notices relating to the Commercial Cards and/or the Commercial Card Account as may be posted on Umpqua's website or otherwise made available to you and as amended from time to time. You represent and warrant that (a) you have all necessary corporate or applicable organizational authority and have taken all action necessary to enter into this Account Agreement and to perform your obligations hereunder, (b) this Account Agreement has been duly executed and delivered by you and is a legal, valid, and binding obligation, enforceable against you in accordance with the terms hereof, and (c) the Authorized Officer signing is duly authorized to execute and deliver this Account Agreement on your behalf.
3. **Ownership of Commercial Cards.** Each Commercial Card remains the property of Umpqua. Umpqua can revoke your and/or any Commercial Cardholder's right to use the Commercial Card Account at any time. Umpqua can do this with or without cause and without giving you or the applicable Commercial Cardholder notice. You and/or your Commercial Cardholders must immediately surrender Commercial Cards to Umpqua upon request.
4. **Program Administration.** Company shall designate in writing to us a Program Administrator to actively manage the Commercial Card Account on your behalf. If not specifically designated by Company, the Program Administrator shall be the first Authorized Officer listed in the signature block of Company's credit application. You agree and acknowledge that such Program Administrator is duly authorized by you to act on your behalf with respect to the Commercial Card Account, and that we may rely on all directions and information we receive from Program Administrator regarding the Commercial Card Account, including issuance of Commercial Cards to your employees. The Program Administrator's responsibilities shall include:
  - (a) Conducting Commercial Account maintenance;
  - (b) Collecting Commercial Card request forms, ensuring proper authorization, and facilitating new Commercial Card orders;
  - (c) Communicating Company policy to all Commercial Cardholders that restricts the use of the Commercial Card to business purposes only;
  - (d) Accessing and monitoring Commercial Card Account spending reports;
  - (e) Regularly auditing Company's expense management program to ensure compliance with Company policies;
  - (f) Maintaining internal Company Commercial Card Account forms, policies, procedures, approved and prohibited usage guidelines, web site details and training materials;
  - (g) Maintaining hierarchical approval of all Purchases;
  - (h) Being familiar with all aspects of the Commercial Card Account and each Commercial Card;
  - (i) Handling all Company and Commercial Cardholder inquiries and billing disputes, credit line increase requests, and other requests and notices under this Account Agreement;
  - (j) Upon request, providing us with such information and documentation as we may deem necessary to protect our interests; and
  - (k) Promptly advising us of any termination of any Commercial Cardholder employment relationships with Company and, upon such termination, collect, cut in half and return to us the associated Commercial Card(s)
  - (l) Immediately notifying us by phone and in writing of any reported or suspected unauthorized use of or access to any Commercial Card or the Commercial Card Account.
5. **Scope of Commercial Card Program.** This Account Agreement shall apply to Cash Advances and Purchases by Company, its subsidiaries, divisions, or affiliates as approved by Umpqua, and Commercial Cardholders. Umpqua is a card-issuing member of Visa®, USA, Inc. and Visa® International and may issue credit cards and establish credit card accounts to designated employees of Company as set forth in this Account Agreement. Company will designate employees who are to receive Commercial Cards and become Commercial Cardholders, and unless Umpqua notifies Company to the contrary, Umpqua will issue Commercial Cards to such employees. Unless

Umpqua notifies Company to the contrary, or a Commercial Card has been terminated as provided herein, all Commercial Cards will expire upon termination of this Account Agreement. Umpqua may elect in its sole discretion not to issue a Commercial Card to an employee that Company wishes to receive such Commercial Card. Any or all charging privileges may also be withdrawn with or without cause at any time with or without notice.

6. **Use of Commercial Card Account.** You and your Commercial Cardholders may use your Commercial Card Account for Purchases and Cash Advances, wherever the Commercial Card is honored. You agree not to use, and agree that your Commercial Cardholders will not use, your Commercial Card Account for any transaction that is primarily for personal, family or household purposes. You agree to accept credits to the Commercial Card Account instead of cash refunds when the original Purchase was charged to the Commercial Card Account. You agree not to use, and agree that your Commercial Cardholders will not use, the Commercial Card Account for any illegal transactions. You acknowledge that Umpqua provides the Commercial Cards as an accommodation party only and, except as otherwise expressly provided by law or herein, Umpqua is not responsible for the manner in which the Commercial Cards are used.
7. **Refusal to Honor Commercial Card.** Umpqua will not be responsible for a merchant's or financial institution's refusal to honor the Commercial Card. Umpqua also reserves the right to deny authorization of any Purchase or Cash Advance. Except as otherwise required by applicable law or regulation, we will not be responsible for merchandise or services purchased or leased through use of any Commercial Card or the Commercial Card Account.
8. **Obligations on the Commercial Card Account.** You authorize us to pay and charge the Commercial Card Account for all Purchases and Cash Advances made or obtained by any Commercial Cardholder or anyone you authorize to use a Commercial Card or the Commercial Card Account. You promise to pay us for all of these transactions, plus any related Finance Charges assessed on the Commercial Card Account and any other charges and fees that you may owe us under the terms of this Account Agreement or that your Commercial Cardholders may owe us under the terms of the applicable Commercial Cardholder Agreement. Company will be obligated to pay Transactions posted to the Commercial Card Account whether resulting from (a) actual use of a Commercial Card, (b) mail order or telephone, computer or other electronic Purchases made without presenting the Commercial Card, or (c) any other circumstance where you authorize a Transaction, or authorize someone else to effect a Transaction, to the Commercial Card Account.
9. **Statements.** We will send each Commercial Cardholder a statement at the end of each billing cycle in which the Commercial Cardholder's Account reflects a debit or credit balance (i.e., the total amount of Transactions, Finance Charges and other charges (including, without limitation, any fees) and amounts due under the Commercial Cardholder Agreement, net of any payments and credits, as shown on a Commercial Cardholder's monthly billing statement (such amount for each Commercial Cardholder's Account, the "New Balance") or if a Finance Charge has been imposed. An electronic statement may be made available in substitution of a paper statement upon request. Among other things, the monthly statement will: itemize Transactions, credits and adjustments; show any Finance Charge; and, set forth the New Balance, the credit limit, available credit, and the date on which the New Balance is due and payable in full ("Payment Due Date").
10. **Payments. Individual Billing.** If you select individual billing, we will bill each Commercial Cardholder for such Commercial Cardholder's New Balance (as the term "New Balance" is defined in the Commercial Cardholder Agreement), which amount is due in full, on or before the Payment Due Date. Notwithstanding individual billing, you are responsible for full payment of the New Balance on each Commercial Cardholder's Account on or prior to the Payment Due Date, independent of any agreement or program for reimbursement that may exist between you and your employee and independent of any attempts of Umpqua to bill or collect the New Balance from such Commercial Cardholder. All payments must be made in U.S. dollars. Any payment made by check or other item must be drawn on a financial institution located in the United States. The monthly payment must be sent to Umpqua at the address shown on your monthly statement.  
  
**Central Billing.** If you select central billing, we will bill you for all New Balances regarding all Commercial Cards under Company's Commercial Card Account, and we will send Commercial Cardholders billing statements showing their New Balances as memorandum items only. You will pay Umpqua directly the total amount of all Commercial Cardholders' New Balances, as shown on your monthly statement.  
  
**General Terms for Both Billing Methods.** You agree not to deduct or withhold, without our prior written approval, any amount shown as due on a billing statement. Acceptance of late payments, partial payments or any payment marked as being payment in full or as being a settlement of a dispute will not affect any of our rights to payment in full. You agree that payment terms set forth herein supersede any agreement with regard to payment terms established between you or any Commercial Cardholder and the seller of goods or services or any payment terms that might be imputed to you or any Commercial Cardholder and the seller under applicable law for goods or services purchased using Commercial Cards. Subject to any mandatory provisions of applicable law, all payments made on the Commercial Card Account will be applied to your balances in the Commercial Card Account in the manner we determine. In general, we apply payments to lower APR balances before higher APR balances, which means, among other things, your finance charges will increase if you make transactions that are subject to higher APRs. If payment does not conform to the requirements stated above, crediting of the Commercial Card Account may be delayed. If this happens, additional charges may be imposed.
11. **Cash Advances.** If you consent, a Commercial Cardholder may be able to use the Commercial Card to obtain Cash Advances.
12. **Finance Charges.** Finance Charges begin on the date of the Transaction, or the first day of the Commercial Cardholder's billing cycle in which the Transaction is posted, whichever is later. However, Finance Charges will be imposed on Purchases only if the entire New Balance, as shown on the Commercial Cardholder's monthly billing statement, is not paid in full on or before the Payment Due Date. The Annual Percentage Rates for Cash Advances and Purchases are described below. In each case, the periodic rate is calculated by dividing the APR by the total number of days in the calendar year (i.e., 365 or 366).

We figure a portion of the Finance Charge on Cash Advances by applying the periodic rate to the "average daily balance" of Cash Advances (including current transactions). To get the "average daily balance" we take the beginning balance of your Cash Advances each day (which such beginning balance includes any past due Finance Charges on Cash Advances), add any new Cash Advances, and subtract any

applicable payments or credits. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."

The **Annual Percentage Rate** for Cash Advances is currently **23.99%** Depending on qualifications, other rates for Cash Advances may apply or be available and notice thereof will be provided to you or the cardholder. The minimum **Finance Charge** on your combined Cash Advance and Purchase balance is **\$1.00**.

We figure a portion of the Finance Charge on Purchases by applying the periodic rate to the "average daily balance" of your Purchases (excluding current transactions). To get the "average daily balance" we take the beginning balance of your Purchases each day (which such beginning balance includes any Finance Charges on Purchases), and subtract any applicable payments or credits. We do not add in any new Purchases. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."

The **Annual Percentage Rate** for Purchases is **21.99%**. Depending on qualifications, rates other than the standard APR for Purchases may apply or be available and notice thereof will be provided to you or the Commercial Cardholder. The minimum **Finance Charge** on your combined Purchase and Cash Advance balance is **\$1.00**.

If we have "special" Finance Charge offers in effect from time to time, we will separately identify them on your monthly statement and separately disclose on your monthly statement the balances to which the special offers apply. These separate balances and the related periodic Finance Charges will be calculated in the same manner as Purchases described above. Any such special Finance Charge arrangements may be forfeited if you or Company breach, or are in default under, this Account Agreement or any other agreement governing use of the Commercial Card Account, in which case the above described APRs may apply.

13. **Foreign Currency Transactions.** Transactions in foreign currencies will be converted to U.S. Dollars at the exchange rate determined by Visa® USA, Inc. or its affiliates ("Visa®"), using Visa® currency conversion procedures. Currently, the currency conversion rate is generally either wholesale market rate or a government-mandated rate in effect for the date of conversion, determined by Visa® in its sole discretion. The currency conversion rate used on the conversion date may differ from the rate in effect on the date you used your Card. A conversion international transaction charge will be charged to the Card. In addition, an International Transaction Fee will be charged if such transaction was in U.S. Dollars but charged by a merchant who is outside of the U.S. in the amount set forth in the Pricing Information located on the final page of this agreement.
14. **Other Charges.** In addition to any Finance Charge, the following other charges will be applicable to each Account:
  - (a) **Late Fee.** If we do not receive payment by the Payment Due Date shown on the Commercial Cardholder's monthly billing statement, we may charge a late payment fee in the amount set forth in the Pricing Information located on the final page of this agreement. For the avoidance of doubt, this late payment fee applies each time a Commercial Cardholder's New Balance is not paid by the Payment Due Date.
  - (b) **Return Check Fee.** If a bank does not honor the check or ACH withdrawal used to pay amounts owing under a Commercial Cardholder Agreement or we must return a check because it is not signed or is otherwise irregular, we may charge a return check fee in the amount set forth in the Pricing Information located on the final page of this agreement. For the avoidance of doubt, this return check fee applies to each Account for which a bank does not honor the check or ACH withdrawal used or for which we must return a check.
  - (c) **Payment by Phone Fee.** We may charge a fee if you or a Commercial Cardholder make a payment through a phone call to us in the amount set forth in the Pricing Information located on the final page of this agreement.

We may change the Pricing Information from time to time (through disclosures posted on Umpqua's website or otherwise made available to you).

When a Commercial Cardholder uses an ATM not owned by us, there may be a fee charged by the ATM operator, Umpqua or by any network used to complete a transaction, and/or a fee may be charged for a balance inquiry (even if any other transaction is not completed).

Unless otherwise arranged between us, any late, return check, or payment by phone will be added to the Commercial Cardholder's Purchase balance and be treated as a Purchase.

15. **Default.** You will be in default if: (1) you fail to comply with this Account Agreement or a Commercial Cardholder fails to comply with the Commercial Cardholder Agreement, (2) you fail to meet any of your other obligations to us, howsoever arising (i.e., whether related or unrelated to this Account Agreement or your Commercial Card Account), (3) a petition for bankruptcy, insolvency, receivership, or similar protection is filed by or against Company or any Commercial Cardholder, (4) in any month, we do not receive the amount due by the Payment Due Date regarding any Commercial Card, (5) any Commercial Cardholder exceeds his or her credit line or Company's overall credit line is exceeded, (6) Company is dissolved, consolidated or merged, or a change in control of the ownership of Company or any of its affiliates occurs, or (7) we believe in good faith that the payment or performance of your or any Commercial Cardholder's obligations to us is impaired for any reason. If you or any Commercial Cardholder is in default, Umpqua may, at its option, restrict some or all further Commercial Card Account activity. Umpqua may also, at its option, demand immediate payment of the full balance and take any available legal action. If you are in default and fail to pay any amount that you owe, then you will be liable for Umpqua's collection costs and, if the claim is referred to an attorney for collection, then you will be liable for any reasonable attorney fees which are incurred, plus the costs and expenses of legal action. Nothing herein shall limit our right to terminate any or all of your Commercial Card Account privileges as otherwise provided in this Account Agreement. We will not be obligated to honor any attempted use of any Commercial Card if a default has occurred regarding such Commercial Card or regarding Company's Commercial Card Account or if we have decided to suspend or terminate the Commercial Card or the Commercial Card Account privileges.



16. **Liability.** Company shall be liable for all Purchases, fees, Cash Advances and other charges incurred or arising by virtue of the use of Commercial Card Account whether or not authorized. The Program Administrator shall notify Umpqua by telephone (with written confirmation) of the termination of employment of any Commercial Cardholder or any lost or stolen Commercial Card. Based upon Standard Industry Classifications ("SIC") or Visa® Merchant Category Codes ("MCC") and as agreed to by Company, Umpqua shall consider requests to establish charge authorization procedures in order to cause certain transactions to be refused or denied. Umpqua may monitor transaction activity in order to assist Company in detecting transactions which are outside of usage procedures established by Company or Authorized Officer; provided, Company will bear any incremental costs borne by Umpqua to monitor transaction activity and assist Company in detecting such transactions, including allocated cost of personnel needed to administer such functions, and provided that Umpqua shall have no liability regarding any alleged failure on its part to detect any detecting transactions which are outside of usage procedures established by Company or otherwise unauthorized or improper.
17. **Billing Disputes.** Disputes regarding charges or billings hereunder shall be communicated in writing to Umpqua at the address indicated in Section 18 hereof. Be advised that oral communications with us regarding disputed charges or billings may not preserve your rights. Communications should include the Commercial Cardholder name and Account number, the dollar amount of any dispute or suspected error, the reference number and a description of the dispute or error. Any communication regarding a dispute or suspected error must be received by Umpqua within sixty (60) days of the date of the statement on which the disputed or incorrect charge first appeared or you will be deemed to have accepted them and waived any objection to them. Disputed billings are categorized as, but not necessarily limited to, failure to receive goods or services charged, fraud, forgery, altered charges, unauthorized charges, disputes as to the quantity or quality of goods or services purchased with a Commercial Card, and billing errors on your periodic statement. Umpqua will investigate disputes and billing errors, and may, in its sole discretion, attempt to facilitate their resolution or correction, but it will not be responsible for resolving or correcting them.
18. **Notice and Communication.** We will send statements and any other notices to Company at the address shown in our files. Our notice may refer you to a link on our website, in which case you hereby agree to access such link and read the content on the webpage to which it directs you, or else contact us to receive a hardcopy of such notification and then read it. Company agrees to inform us promptly in writing of any change in address. We may, in our discretion, accept address corrections from the United States Postal Service. All notices, requests and other communication from Company to Umpqua must be directed to: Umpqua Bank, Credit Card Department, PO Box 1952 Spokane, WA 99210-1952, or by calling us at 1-866-777-9013. If you have a dispute with us, please be advised that contacting us verbally may not preserve your rights.
19. **Internet Access and Account Information.** Umpqua may permit you to access certain information regarding your Commercial Card Account via the Internet and may provide certain advance reporting regarding your Commercial Card Account. Such Internet access and advance reporting may be subject to additional terms and conditions that will be displayed upon initial login, and you hereby agree to be bound thereby. Umpqua may, in its sole and absolute discretion, at any time and without prior notice, discontinue providing you with Internet access and/or such advance reporting or elect to assess certain fees (or increase such fees) in connection with providing such access or such advance reporting. UMPQUA SPECIFICALLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, ARISING OUT OF OR RELATED TO ANY INTERNET ACCESS OR ADVANCE REPORTING PROVIDED TO YOU (REGARDLESS OF WHETHER ANY FEE IS ASSESSED), INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NONINFRINGEMENT. ANY INTERNET ACCESS AND/OR ADVANCE REPORTING IS PROVIDED "AS IS," "WHERE IS" AND WITHOUT RECOURSE TO UMPQUA. If Umpqua elects to provide you with access to certain information regarding your Commercial Card Account via the Internet or provides any advance reporting regarding your Commercial Card Account, you will be responsible for any configuration, system programming, or other compatibility issues associated with obtaining such access or receiving or utilizing such reports, and Company agrees to accept full liability for any changes made to the Commercial Card Account using these internet services.
20. **Proprietary Information.** Umpqua considers the Commercial Card program to be a unique service involving Umpqua's proprietary information. Company agrees that Commercial Card program reports, manuals, documentation (including, without limitation, this Account Agreement) and related materials will not be used or disclosed other than as necessary to participate in the Commercial Card program, and to take reasonable steps to safeguard the confidentiality of such proprietary information.
21. **Termination.** This Account Agreement shall remain in full force and effect until terminated by either Company or Umpqua upon ninety (90) days prior written notice to the other party. All Commercial Cards and related Accounts shall be deemed canceled effective upon termination of this Account Agreement.

Upon termination of this Account Agreement, Company shall instruct all Commercial Cardholders to return all Commercial Cards, cut in half, to Company, and Company shall thereafter be responsible for returning all Commercial Cards to Umpqua. Company and the Commercial Cardholders shall remain liable for all purchases, fees and other charges incurred or arising by virtue of the use of a Commercial Card prior to the termination date.

Umpqua shall have the right to suspend all services and its obligations under this Account Agreement in the event that the amount due from Company, as the result of Purchases, fees, Cash Advances and other such charges, exceeds the credit limit established by Umpqua.

Upon the termination of this Account Agreement, all amounts outstanding on the Commercial Card Account shall be immediately due and payable, without further demand or notice.

The provisions of this Account Agreement shall survive termination of this Account Agreement as their context may naturally dictate.

Notwithstanding the foregoing or any other provision in this Account Agreement, we may limit, suspend, or terminate your privileges under this Account Agreement or the privileges of any Commercial Cardholder under a Commercial Cardholder Agreement (and list the Commercial Card and the Commercial Card Account in warning directories) at any time without notice or liability.



**22. Credit Worthiness.** Umpqua reserves the right to:

- (a) Determine the creditworthiness of Company periodically by obtaining financial statements from Company;
- (b) Request a guaranty of payment, pledge of collateral, or other similar security from Company or its subsidiaries or affiliates based on the review of Company financial statements;
- (c) Approve or decline the issuance, renewal, or replacement of a Commercial Card to any person at our sole discretion;
- (d) Cancel, suspend or limit spending on any Commercial Card at any time for any reason or no reason.

**23. Warranties.** Company warrants that:

- (a) This Account Agreement constitutes a valid, binding and enforceable agreement of Company;
- (b) The execution of this Account Agreement and the performance of its obligations under this Account Agreement are within Company's powers; have been duly authorized by all necessary action; and do not constitute a breach of any agreement of Company with any party;
- (c) The execution of this Account Agreement and the performance of its obligations under this Account Agreement will not cause a breach by it of any duty arising in law or equity or otherwise; and
- (d) Company is solvent and possesses the financial capacity to perform all of its obligations under this Account Agreement.

Failure of any of the above representations and warranties to be true and correct in all respects during the term of this Account Agreement shall constitute a breach of this Account Agreement, and Umpqua will have the right, upon notice to Company, to immediately terminate this Account Agreement and all amounts outstanding hereunder shall be immediately due and payable, without further demand or notice.

- 24. Financial Information.** Company shall deliver to Umpqua as soon as available, and in any event not later than ninety-one (91) days after the end of each fiscal year of Company, Company's audited financial statements prepared by independent certified public accountants selected by Company. If audited financials are not available, bank at its sole discretion, may accept reviewed or prepared financial statements. Company further agrees to provide to Umpqua from time to time, such other information regarding the financial condition of Company as Umpqua may reasonably request. You hereby authorize Umpqua to request credit reports in connection with the issuance and use of the Commercial Cards. Information concerning your credit history with Umpqua may be furnished to consumer reporting agencies or others who may properly receive that information.
- 25. Unauthorized Transactions.** We assume no responsibility to discover or audit any possible breach of security or unauthorized disclosure or use of any Commercial Cards or PINs. You will promptly notify us of any actual or suspected breach of security or unauthorized activity involving the Commercial Cards or the Commercial Card Account (whether or not involving your employees). Company must establish, maintain, and follow commercially reasonable security procedures regarding the Commercial Cards and Commercial Card Account.
- 26. Trademarks.** Company and Umpqua each recognize that they have no right, title or interest, proprietary or otherwise, in or to the name or any logo, copyright, service mark or trademark owned or licensed by the other party. Company and Umpqua each agree that, without prior written consent of the other party, they will not use the name or any name, logo, copyright, service mark or trademark owned or licensed by the other party.
- 27. Amendment.** We can amend this Account Agreement at any time upon notice. Subject to the requirements of applicable law, any amendments to this Account Agreement will become effective at the time stated in our notice and unless we specify otherwise, the amended terms of this Account Agreement will apply to all outstanding unpaid indebtedness in the Commercial Card Account relating to your Commercial Card usage as well as new transactions. Use of any Commercial Card by a Commercial Cardholder after the effective date of the change constitutes acceptance of the change. You shall have no right to amend this Account Agreement.
- 28. Interpretation.** The section headings shall in no way be held to explain, modify, or aid in the interpretation of the provisions hereof. Wherever possible, each provision will be interpreted in a manner as to be valid, legal, and enforceable under applicable law. If any provision is declared invalid, illegal, or unenforceable in any jurisdiction, it shall be modified to render it valid, legal, and enforceable in the manner that best advances the spirit of this Account Agreement and/or such provision shall be deemed deleted, as the subject court or arbitrator(s) shall determine, and the remaining provisions will continue in full force and effect in the subject jurisdiction. The rule of construing ambiguities against the drafter shall not apply.
- 29. Non-Waiver.** We can accept late payments, partial payments, checks and money orders marked "Paid in Full" or similar language purporting to have the same effect without losing or in any way impairing any of our rights. We can also delay enforcing our rights for any length of time and for any number of times without losing or in any way impairing those or any other of our rights. The fact that we may at any time honor a Purchase or Cash Advance in excess of a credit line does not obligate us to do so again, nor does it waive any of our rights or remedies regarding any breach of this Account Agreement. Without limiting the foregoing, the delay or failure of Umpqua to exercise any right, power or option, or to insist upon strict compliance with any term of this Account Agreement, shall not constitute a waiver of that or any other right, power, option, or term of this Account Agreement, nor a waiver of that or any other breach thereof, nor a waiver of our right at any time thereafter to require strict compliance with that or any other term hereof. No waiver shall be effective against Umpqua unless it is expressly stated in a writing signed by Umpqua.
- 30. Survivability of Payment Obligations, Rights and Remedies.** The obligation of Company to make payments as herein set forth, shall continue until fully performed. Rights, obligations or liabilities which arise prior to the suspension or termination of this Account Agreement shall survive the suspension or termination of this Account Agreement, including any rights Company or Umpqua may have with respect to each other arising out of either party's performance of services or obligations prior to the expiration or termination of this Account Agreement.
- 31. DISCLAIMER.** UMPQUA MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN CONNECTION WITH THE SERVICES PROVIDED TO COMPANY OR ANY COMMERCIAL CARDHOLDER WITH RESPECT TO THIS ACCOUNT AGREEMENT OR ANY COMMERCIAL CARDHOLDER AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A

PARTICULAR PURPOSE, OR NONINFRINGEMENT. All UMPQUA SERVICES ARE PROVIDED "AS IS," "WHERE IS" AND WITHOUT RECOURSE TO UMPQUA.

32. **LIMITATION OF LIABILITY.** TO THE EXTENT SUCH LIMITATION OF LIABILITY IS PERMITTED BY LAW, (I) UMPQUA WILL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES OR LOSSES, WHETHER OR NOT FORESEEABLE, (II) UMPQUA WILL NOT BE LIABLE FOR ANY LOSS OR DAMAGE ARISING DIRECTLY OR INDIRECTLY FROM OR IN CONNECTION WITH ANY INACCURACY, ACT OR FAILURE TO ACT ON THE PART OF ANY PERSON NOT WITHIN OUR REASONABLE CONTROL, OR ANY ERROR, FAILURE, OR DELAY IN EXECUTION OF ANY TRANSACTION RESULTING FROM CIRCUMSTANCES BEYOND OUR REASONABLE CONTROL, INCLUDING, BUT NOT LIMITED TO, ANY INOPERABILITY OF COMMUNICATIONS FACILITIES OR OTHER TECHNOLOGICAL FAILURE, AND (III) UMPQUA WILL NOT BE LIABLE FOR ANYTHING EXCEPT FOR ITS OWN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. PROVIDED WE HAVE COMPLIED WITH OUR OBLIGATIONS UNDER THIS ACCOUNT AGREEMENT, AND SUBJECT TO APPLICABLE LAW, COMPANY AGREES TO INDEMNIFY, DEFEND, AND HOLD UMPQUA HARMLESS AGAINST ANY THIRD PARTY CLAIM ARISING FROM, OR IN CONNECTION WITH, DIRECTLY OR INDIRECTLY, ANY USE OF ANY COMMERCIAL CARD, THE COMMERCIAL CARD ACCOUNT, THIS ACCOUNT AGREEMENT, OR ANY RELATED SERVICE WE PROVIDE.
33. **Governing Law.** This Agreement and your Card will be controlled by and construed and enforced under the laws of the State of Oregon without regard to Oregon's conflict of laws principles (i.e., as applicable to agreements made and performed in Oregon) and, as applicable, Federal law.
34. **Venue.** If there is a dispute or issue relating to your account or to this Agreement, you and we agree that the location of the court proceeding will occur in the state where you opened the account and that the county will be chosen by us in our sole discretion.
35. **Assigns & Successors.** You may not assign, in whole or in part, any Commercial Card, the Commercial Card Account, or this Account Agreement to any other person or entity. We may at any time(s) assign, in whole or in part, the Commercial Card Account, any sums due on the Commercial Card Account, this Account Agreement. The person(s) or entity(ies) to whom we make any such assignment shall succeed to our rights and/or obligations under this Account Agreement to the extent assigned. Except as otherwise provided in this Account Agreement, it shall be binding upon the parties' successors.
36. **Remedies.** Except where a remedy is expressly stated to be exclusive, the remedies herein provided are cumulative and not exclusive of any remedies provided herein or otherwise, at law or in equity. To the extent permitted by applicable law, Umpqua reserves a right of setoff in all Company accounts with Umpqua (whether checking, savings or other account), including all existing accounts and all such accounts that may be opened in the future. Company authorizes Umpqua, to the extent permitted by applicable law, to charge or setoff all sums owing on the Commercial Card Account against any and all such accounts, and, at Umpqua's option, to administratively freeze all such accounts to allow Umpqua to protect Umpqua's charge and setoff rights provided in this paragraph or otherwise.
37. **Entire Agreement.** This Account Agreement, along with the related credit application documents, and other related agreement(s) is the entire agreement between the parties hereto regarding the subject matter and supersedes any oral agreements, oral representations, or oral warranties relating thereto.
38. **Confidentiality.** We will disclose information to third parties about your account or the transactions you make in order to process transactions or otherwise perform our obligations under this Agreement, to verify the existence and condition of your account for a third party (such as a credit bureau or merchant), or to comply with government agency or court orders, or if you give us your written permission.

**PRICING INFORMATION**

<b>Interest Rates and Interest Charges</b>	Purchase Annual Percent Rate (APR)	A fixed APR, currently 21.99%
	Cash Advance APR	A fixed APR, currently 23.99%
	Balance Calculation Method	Average Daily Balance (Including new purchases)
	Minimum Interest Charge per Billing Cycle	\$1.00 unless Average Daily Balance for combined Purchases and Cash Advances is zero
	Grace Period	Your due date as shown on your monthly statement will be a minimum of 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on balance transfers, cash advances, and overdraft advances on the transaction date.
<b>Fees</b>	Balance Transfer	Not Available
	Cash Advance	Either \$15 or 5% of the amount of each transaction, whichever is greater
	International Transaction	2.00% of transactions made outside the U.S., in either foreign currency or U.S. dollars, using an Umpqua Bank card
	Late Payment	\$15 if the balance is less than \$100; \$35 if the balance is \$100 or more
	Payment by Phone	\$10
	Return Payment	\$35
	Return Check	\$35

The information listed above is correct as of February 1, 2017 and is subject to change at any time without prior notice. To receive the most recent information, please write to Umpqua Bank, PO Box 1952 Spokane, WA 99210-1952 or access Umpqua's website at [www.umpquabank.com/disclosures/](http://www.umpquabank.com/disclosures/).

Company _____	<b>Umpqua Bank</b>
By _____	By _____
Name _____	Name <u>Sandy Rasmussen</u>
Title _____	Title <u>VP Treasury Management</u>
Date _____	Date _____





**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE: June 14, 2018**

**SUBJECT: Pre-approval of Fiscal Year 2018-2019 Payments**

**RECOMMENDATIONS:**

Authorize payments of the following bills for Fiscal Year 2018-2019 within budget amounts:

1. Payroll.
2. Water payments to the State of California for the State Water Project.
3. Payments to Napa County pursuant to the Napa Make Whole Agreement.
4. Payments to Solano Irrigation District for Building & Piper expenses, Putah South Canal & USBR Operations and maintenance expenses, and AG Water Conservation Expenses.
5. Payments to the Solano County Resource Management Department for labor and equipment charges of Ulatis and Green Valley Flood Control projects.
6. Payments to consultants and contractors with Board approved contracts.
7. Payments to legal counsel.
8. Payments to CalPERS for health plan payments, retirement plan payments, and CERBT trust contributions.
9. Payments to Ray Morgan and Everbank Commercial Finance for Canon Copy Machine.

**FINANCIAL IMPACT:**

None.

**BACKGROUND:**

Each year staff requests that the Board authorize payments for items that are based on regular payment schedules and contractual obligations. Payment of these items will not require additional approval by the Board or purchase orders prior to payment. Payments made under this category will be reported to the Board of Directors in arrears.

Recommended:   
Roland Sanford, General Manager

☐ Approved as  
recommended

☐ Other  
(see below)

☒ Continued on  
next page

**Modification to Recommendation and/or other actions:**

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

\_\_\_\_\_  
Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

10. Payments to Solano County Fleet Operations for repair and maintenance of Agency vehicles and equipment.
11. Ulatis & Green Valley Flood Control Projects costs for purchase, hauling & placement of rock rip rap.
12. Ulatis, Green Valley, and Solano Project culvert and pipe purchases.
13. Payments to ACWA-Joint Powers Insurance Authority for workers compensation, liability and property insurance, and dental premiums.
14. Lower Putah Creek Coordinating Committee Pre-Approved Expenditures.
15. Agency credit card (currently through Bank of the West and Umpqua Bank) payment when individual charges are all \$500 or under (or pre-approved).
16. Payments for expenses associated with Board approved Grants.
17. Payments to CalPERS Long Term Care for long term care insurance premiums.
18. Payments for regulatory permits and permit fees for SCWA and LPCCC Projects.
19. Payments for the Turf Replacement Rebate Program.
20. Payments for vehicle and equipment repair expenses.
21. Payments to Verizon Wireless for cellular phone service.
22. Payments to CALNET3 for office telephone and data services
23. Herbicide and Pesticide purchases for Flood Control projects.
24. Payments to laboratories for water quality analysis.
25. Payments to Standard Insurance Company for Short/Long Term Disability.
26. Payments to Staples, Inc. credit card for office supplies when individual charges are \$500 or under (or pre-approved).
27. Payments to Interstate Oil and Chevron credit cards for fuel when individual charges are \$500 or under (or pre-approved).
28. Payments to vendor supply credit accounts for supplies when individual charges are \$500 or under (or pre-approved).
29. Payments to FedEx for shipping when individual charges are \$500 or under (or pre-approved).
30. Payments to Pitney Bowes for postage, equipment, and services.
31. Association dues to organizations identified in budget documents.
32. Payments for software, hardware, and computer licenses identified in budget documents.
33. Payments to government agencies for taxes owed.
34. Equipment rental for Operation & Maintenance of Ulatis and Green Valley Flood Control Projects
35. Equipment rental for Operation & Maintenance of the Solano Project (new to list).
36. Utility & Telecommunication Payments for the Solano Project (new to list).
37. Payments to Bartel Associates for actuarial services (new to list).

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

**SUBJECT:** SCWA Statement of Investment Policy for Fiscal Year 2018-2019

**RECOMMENDATION:**

Approve the following Statement of Investment Policy:

*"Funds of the Solano County Water Agency shall only be invested in the State of California's Local Agency Investment Fund (LAIF), the Solano County Investment Pool, California Asset Management Program (CAMP) or Federal Deposit Insurance Corporation (FDIC) insured accounts in a bank or savings and loan association."*

**FINANCIAL IMPACT:**

None

**BACKGROUND:**

State Law effective January 1, 1996 requires public agencies to annually approve a Statement of Investment Policy at a public meeting. Any changes to the policy must also be considered at a public meeting. The recommended investment policy simply reflects the current investment policy of the Water Agency, whereby all Water Agency funds are invested in the Local Agency Investment Fund (LAIF), the California Asset Management Program (CAMP) and FDIC insured accounts in a bank, and is consistent with State law.

Recommended: \_\_\_\_\_

  
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☐

Continued on  
next page

Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

\_\_\_\_\_  
Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

**SUBJECT:** Adopt Amendments to the Employee Handbook

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**RECOMMENDATION:**

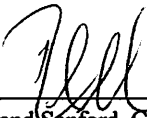
Approve Employee Handbook revisions addressing paid and unpaid leave for Family Military Leave, Civil Air Patrol Leave, and Emergency Responder Leave; and inclusion of Employee Grievance Form in the Employee Handbook's appendix.

**FINANCIAL IMPACT:**

None.

**BACKGROUND:**

It is California State law that employers offer Military leave and Civil Air Patrol leave. The Water Agency Employee Handbook approved by the Board in May 2018 includes both policies. During the May 2018 Board meeting it was the general consensus of the Board that the Water Agency should offer paid, as opposed to unpaid, leave to employees volunteering for Civil Air Patrol and other voluntary emergency response assignments. In addition, the Board recommended that a copy of the Water Agency's Employee Grievance Form be included in Employee Handbook's appendix.

Recommended:   
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☐

Continued on  
next page

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**Modification to Recommendation and/or other actions:**

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I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency



## **Military Leave**

A military leave, in accordance with Federal law, will be granted to those employees of a reserve component of the Armed Forces of the United States or National Guard.

If regular, full-time employees are called to active military duty training as members of the Armed Forces, Reserves, or National Guard, they will be assured full pay for military leaves for up to ten (10) working days per calendar year provided that they are regular, full-time employees; ordered for purposes of military training, encampment, naval cruises, special exercises or like activity; they shall be entitled to receive the difference between their regular rate of pay and the military rate of pay for the first 30 calendar days of any such absence.

If regular, full-time employees are called to active duty during national or state emergencies, as members of the Armed Forces, Reserves, or National Guards, they shall be entitled to receive the difference between their regular rate of pay and their military rate of pay for the duration of their active duty call.

Military orders should be presented to the General Manager and arrangements for leave made as early as possible before departure.

Should you either voluntarily or involuntarily leave your employment to serve in the Armed Forces, you shall be entitled to reinstatement according to State and Federal law in effect at the time of your release from active service. No one in this category should be denied re-employment without the Agency first consulting legal counsel.

## **Family Military Leave**

An employee who works an average of 20 or more hours per week whose spouse or registered domestic partner is a member of the Armed Forces, National Guard, or Reserves that have been deployed during a period of military conflict are eligible for up to ten (10) unpaid days off when their spouse is on leave from military deployment. Employees must request this leave in writing to the General Manager within two (2) business days of receiving official notice that their spouse will be on leave. Employees requesting this leave are required to attach to the leave request written documentation certifying the spouse will be on leave from deployment.

## Civil Air Patrol Leave

An regular full-time employee of the Agency who is a voluntary member of the California Wing of the Civil Air Patrol will be permitted ~~no less than~~<sup>up to</sup> ten (10) days of ~~un~~paid leave per calendar year in order to respond to an emergency operational mission as defined by state law. If the employee is compensated as a volunteer they shall be entitled by the Agency to receive the difference between their regular rate of pay and their volunteer wages.

In order to qualify for paid leave under this policy, an employee volunteer member must be employed by the Agency for at least 90 days immediately preceding the commencement of leave. The employee must give the Agency as much notice as is possible of the intended leave dates. Leave for a single emergency operational mission shall not exceed three days, unless an extension of time is granted by the governmental entity that authorized the emergency operational mission, and the extension of the leave is approved by the Agency.

The Agency may require certification from the proper Civil Air Patrol authority to verify the employee's eligibility for leave. The agency reserves the right to deny the leave request if the employee fails to provide the required certification.

Upon expiration of the leave, the agency will restore the employee to his or her position or to a position with equivalent seniority, benefits, pay and other terms and conditions of employment, unless the employee is not restored because of conditions unrelated to use of leave under this policy.

~~This policy does not apply to employees who serve as first responders or disaster service workers for a local, state, or federal agency to the same or a simultaneous emergency operational mission.~~

Employees may substitute accrued vacation for unpaid leave, but are not required to exhaust accrued leave prior to taking leave under this policy.



## Emergency Responder Leave

The Agency will provide up to ten (10) days of paid leave per calendar year to regular full-time employees who are volunteer firefighters, reserve peace officers or emergency rescue personnel so that such employees may respond to a call to emergency duty. If the employee is compensated as a volunteer they shall be entitled by the Agency to receive the difference between their regular rate of pay and their volunteer wages.

In order to qualify for paid leave under this policy, an employee volunteer member must be employed by the Agency for at least 90 days immediately preceding the commencement of leave. Employees should notify the Agency of their status as a volunteer firefighter, reserve peace officer or emergency rescue personnel. Additionally, employees should provide as much advanced notice as practicable of the need for leave under this policy when they are called to emergency service.

When returning from leave under this policy, the employee should provide his or her manager with appropriate written documentation confirming that during the leave the employee was actively engaged in responding to an emergency.

## **A. Grievance Process**

### **I. Definition of Grievance**

A grievance is an alleged violation of a specific provision of these rules or other Agency policy that adversely affects the employee and that contains all of the information listed in the "Statement of the Grievance" below. A grievance asserting an alleged violation of a specific Rule should be filed under the applicable grievance procedures. The following procedure applies to all Agency employees.

### **II. Scope of Grievance**

Specifically excluded from the scope of grievances are:

- A. Harassment/discrimination/retaliation complaints that allege violations of equal employment opportunity laws or employment discrimination, which will be processed under the Agency's anti-harassment/discrimination complaint procedure.
- B. The Board's decision to proceed with a reduction in force.
- C. Disciplinary actions, whether or not appealable.
- D. Performance evaluation or a performance improvement plan.

### **III. Statement of Grievance**

A concern is not a grievance unless the affected employee is able to state each of the following: the date of the alleged violation; the specific provision(s) of these Rules that were allegedly violated; a description of all facts regarding how the alleged violation occurred; and a list of all persons who are witnesses or are involved. A Statement of Grievance must be signed by the employee who is asserting the grievance. A written Statement of Grievance is not required for Step 1 of the grievance procedure.

### **IV. Timelines**

- A. Failure of the Agency to comply with the time limits of the grievance procedures allows the grievant to appeal to the next level of review.
- B. Failure of the grievant to comply with the time limits of the grievance procedures constitutes settlement and resolution of the grievance on the basis of the last disposition.
- C. The parties may extend time limits by mutual written agreement in advance of a deadline.
- D. Any grievance not timely filed or appealed within specified time limits may be rejected as untimely.

## **V. Representation**

An employee may be represented by a representative of the employee's own choice at any step in the presentation of the employee's grievance.

## **VI. Grievance Procedure**

### **A. Step I Informal Resolution with Supervisor**

The employee must first work in good faith to resolve the grievance informally through discussion with the employee's immediate supervisor no later than ten (10) working days after the grievant first became aware of the facts or circumstances resulting in the filing of the grievance. The immediate supervisor will notify the General Manager or designee that an employee has requested a meeting to discuss an informal grievance prior to meeting with the employee. The immediate supervisor will verbally present his/her decision to the employee no later than three (3) working days from the time of the informal discussion.

### **B. Step II General Manager**

If the employee believes that the grievance has not been resolved through Step I, the employee may appeal the grievance decision of the supervisor to the General Manager.

Such appeal must be filed within ten (10) working days of the date of the supervisors' decision. The employee will submit a Statement of Grievance. The General Manager will consider, discuss the grievance with the grievant, and/or investigate, as he/she deems appropriate, and will, within fifteen (15) working days of receipt of the written Statement of the Grievance, submit his/her decision in writing to the grievant.

If the decision of the General Manager does not dispose of the grievance, the employee may appeal the decision to the Board within five (5) working days by delivering the original form to the General Manager. A letter of explanation must be submitted with the original form setting forth in detail the grounds for appeal to the Board.

C. Step III Board of Directors

Should the employee be unsatisfied with the decision of the General Manager the employee may within five (5) business days of the date of the decision, notify the General Manager that the employee is appealing the General Manager's decision to the Board for final resolution of the grievance, subject to ratification by the Board if the decision required an unbudgeted expenditure.

The appeal meeting will be scheduled within a reasonable timeframe at either a special or regular Board meeting, during closed session. Under state law, certain actions taken or considered by the Board, including materials pertinent to the decision may constitute public information.

## STATEMENT OF GRIEVANCE

<u>Name of Grievant (Please Print):</u> <u>Job Title:</u> <u>Date of Hire:</u>				
<u>Home Mailing Address:</u> <u>Street or P.O. Box:</u> <u>City: State:</u> <u>Zip:</u>			<u>Work Phone:</u> <u>Home Phone:</u> <input type="checkbox"/> <u>Send documents to external representative</u>	
<u>Date, time and place of event leading to grievance:</u> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>			<u>Date you became aware of the event, (if different):</u> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
<u>Detailed description of grievance including names of other persons involved or witnesses, if any:</u> <div style="border: 1px solid black; height: 150px; width: 100%;"></div>				
<u>Proposed solution to grievance:</u> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>				
<u>Grievant: File a copy of this form with the Agency's General Manager and retain a copy for your records. If you do not receive a response within 15 working days or disagree with the action taken, you may file a copy of the grievance with the Board of Directors.</u>				
<u>Step</u>	<u>Grievance Filed With (Please Print Name)</u>	<u>Date</u>	<u>Grievant's Signature</u>	<u>Date</u>
<u>1</u>				
<u>2</u>				
<u>3</u>				
<u>4</u>				

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

**SUBJECT:** SCWA Procurement Policy, Construction Contracts

---

**RECOMMENDATION:**

Adopt revised SCWA Procurement Policy to reflect updates to the *Cost Accounting Policies and Procedures Manual* established by the California Uniform Construction Cost Accounting Commission (CUCCAC).

**FINANCIAL IMPACT:**

Approximate annual cost savings of \$15,000 - \$30,000 and reduction of staff time preparing and administering construction projects under the Informal Bid Process.

**BACKGROUND:**

The Water Agency's Procurement Policy was adopted by the Board on September 11, 2008 and revised on July 14, 2011 to include provisions for local purchasing preference. For Construction Contracts and Bidding, the Board elected to become subject to the Uniform Public Construction Cost Accounting Act (UPCCA) of 1995, and more specifically, the protocols and procedures set for in the *Cost Accounting Policies and Procedures Manual* (Manual) produced by the California Uniform Construction Cost Accounting Commission (CUCCAC). In January 2017 a new version of the Manual was released which changed the Construction Bid Limits to: No-Bid Process for projects up to \$45,000, Informal Bid Process for projects between \$45,000 - \$175,000, and Formal Bid Process for projects greater than \$175,000. The updated Construction Bid Limits are not consistent with the existing SCWA Procurement Policy.

**RELEVANCE TO 2016-2025 SCWA STRATEGIC PLAN:**

Revising SCWA's Procurement Policy to be consistent with the UPCCA is consistent with Goal #10 (*Funding and Staffing*), Objective D (*Optimize opportunities for cost-saving strategies*) of the 2016-2025 Strategic Plan.

Recommended:   
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☐

Continued on  
next page

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Modification to Recommendation and/or other actions:

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I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

---

Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency



**Solano County Water Agency Procurement Policy**  
Originally Adopted by the Board of Directors on September 11, 2008  
Revised version Adopted by the Board of Directors on July 14, 2011  
**(Proposed Changes in Red Typeset )**

**1. Introduction**

The purpose of the SCWA Procurement Policy sets forth how purchasing activities should be conducted at Solano County Water Agency. This policy was written to provide guidance to SCWA staff in procuring good and services.

**2. How to make a purchase**

- A. Identify needs
- B. Ensure the purchase is budgeted and funds are available
- C. Identify type of purchase, i.e., professional service, material/equipment or supply or construction project and follow the appropriate process as defined in this policy to determine the vendor/contractor and/or make purchases
- D. Expedite, receive, and verify receipt of goods and services
- E. Submit timely payment information

**3. Types of Purchases**

**A. Construction Contracts for Public Projects**

The Agency has elected to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA). The policies and procedures specified by the UPCCAA govern how the Water Agency conducts procurement of construction projects. These rules supersede those included in the legislative act creating the Water Agency, implemented by Solano County Water Agency Ordinance No. 2 – Bidding approved on May 11, 1995. Information on the Uniform Public Construction Cost Accounting Procedures is in file A-20B and the most recent publication and amendments can be found at [http://www.sco.ca.gov/ard\\_cuccac.html](http://www.sco.ca.gov/ard_cuccac.html). These rules also apply to construction projects of the LPCCC.

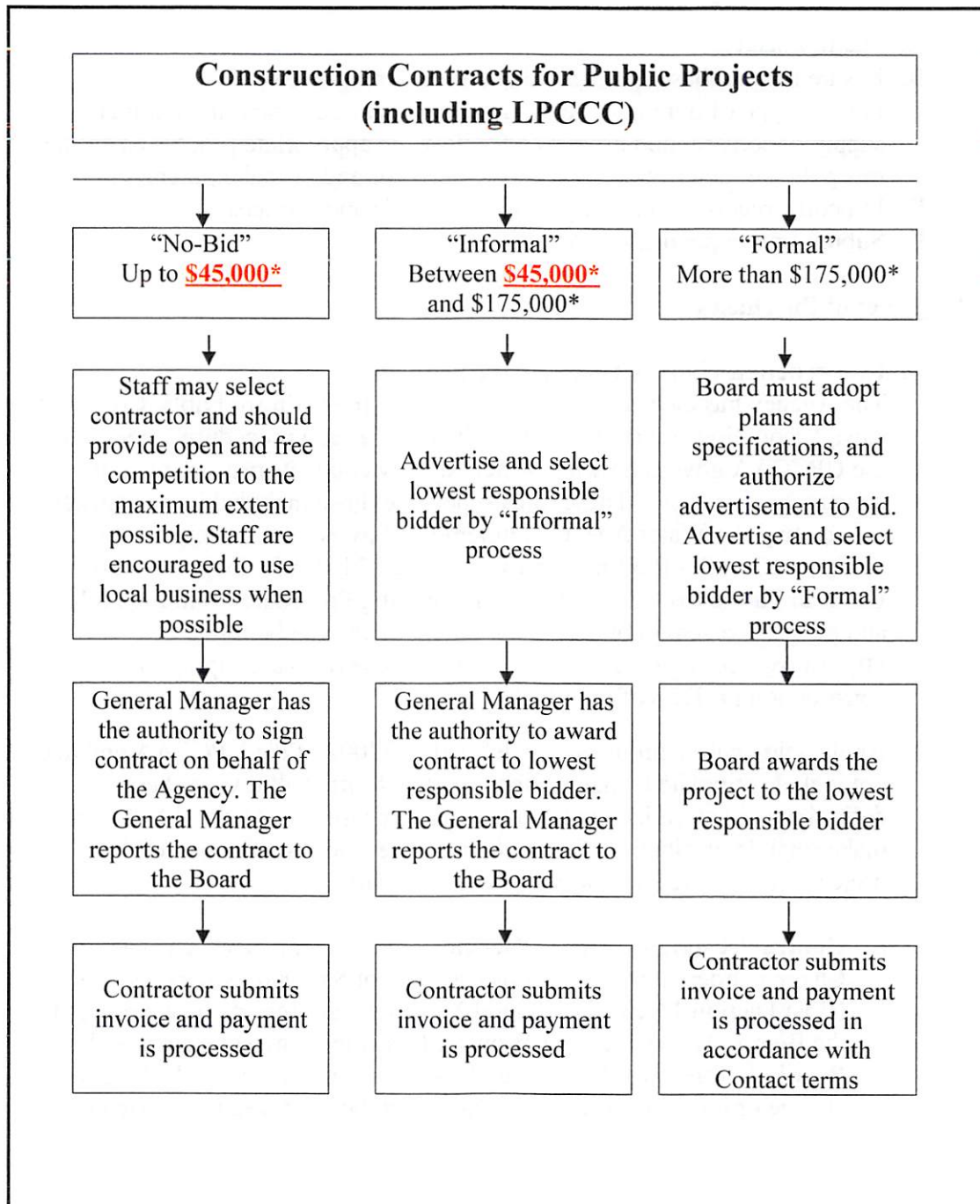
Applicable “public projects” are defined in 22002 of the UPCCAA and does not include stipulated “maintenance work”. Staff shall review these definitions to determine applicability in each case. The General Manager shall make final determination if projects fall under the classification of “public project” or “maintenance work” when necessary.

- i. **Contract Change Orders** - General Manager can approve Construction Change Orders up to 15% of project cost or \$50,000, whichever is less (Board action 10/13/05). General Manager shall report change orders to the Board. Any change orders above this amount must be approved by the Board. In other words, once the Board threshold is reached, all further change orders, no matter how small, must be approved by the Board.

**ii. Construction Projects Bidding Process**

- a. No-bid Process – Public projects of **\$45,000\*** or less may be performed by force account or negotiated contract. Small Construction Contract form is used.
- b. Informal Bid Process – In accordance with 22034 of UPCCAA. May utilize Small Construction Contract form but may require a more formal document depending on level of risk and liability.
- c. Formal Bid Process – In accordance with 22037, 22038, and 22039 of UPCCAA. Formal bid documents required.

**Construction Contracts – Steps to Follow**



\*Effective **January 1, 2017** (subject to periodic revision by the Commission, most current limit supersedes).

## **B. Professional Services**

### **i. Professional Services**

Professional services include engineers, architects, scientific researchers, surveyors, financial experts, auditors and legal services. This category is to include consultants of a technical nature where we are hiring them based upon their technical expertise.

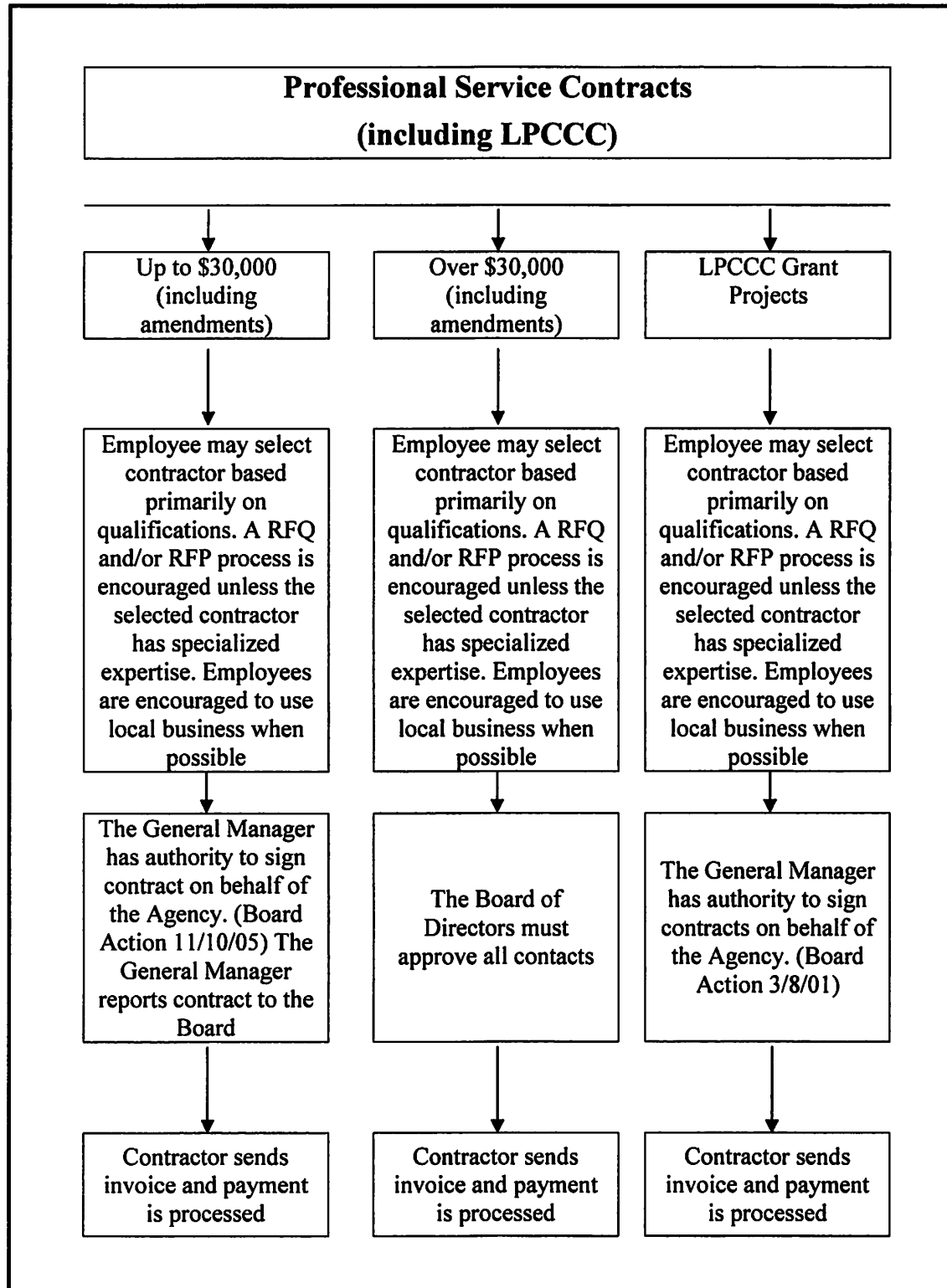
### **ii. Method for Obtaining Professional Services**

- a. The Request for Qualifications (RFQ) - A RFQ is a solicitation to a wide variety of consultants requesting their qualifications to perform the project. A RFQ does not require the consultants to prepare a proposal for the service. The RFQ is used to determine consultants who will be issued a RFP for the project. The RFQ is used when there are a wide variety of consultants that are qualified to perform the work.
- b. Requests for Proposals (RFP) –A RFP is sent to a smaller group of consultants than a RFQ. A RFP requests their qualifications, a proposal to perform the work and schedule of their rates. An RFP can be the second stage of an RFQ/RFP process or a single step when only a small number of consultants are qualified to perform the project.
- c. The General Manager will determine which process for procurement of services is selected.
- d. Once the most qualified consultant is identified, staff negotiates an agreement that includes cost considerations. If an agreement cannot be reached with the most qualified consultant, the second most qualified consultant is negotiated with and the process continues. If none of the qualified consultants can come to an agreement with the Agency, sole source procurement is authorized.

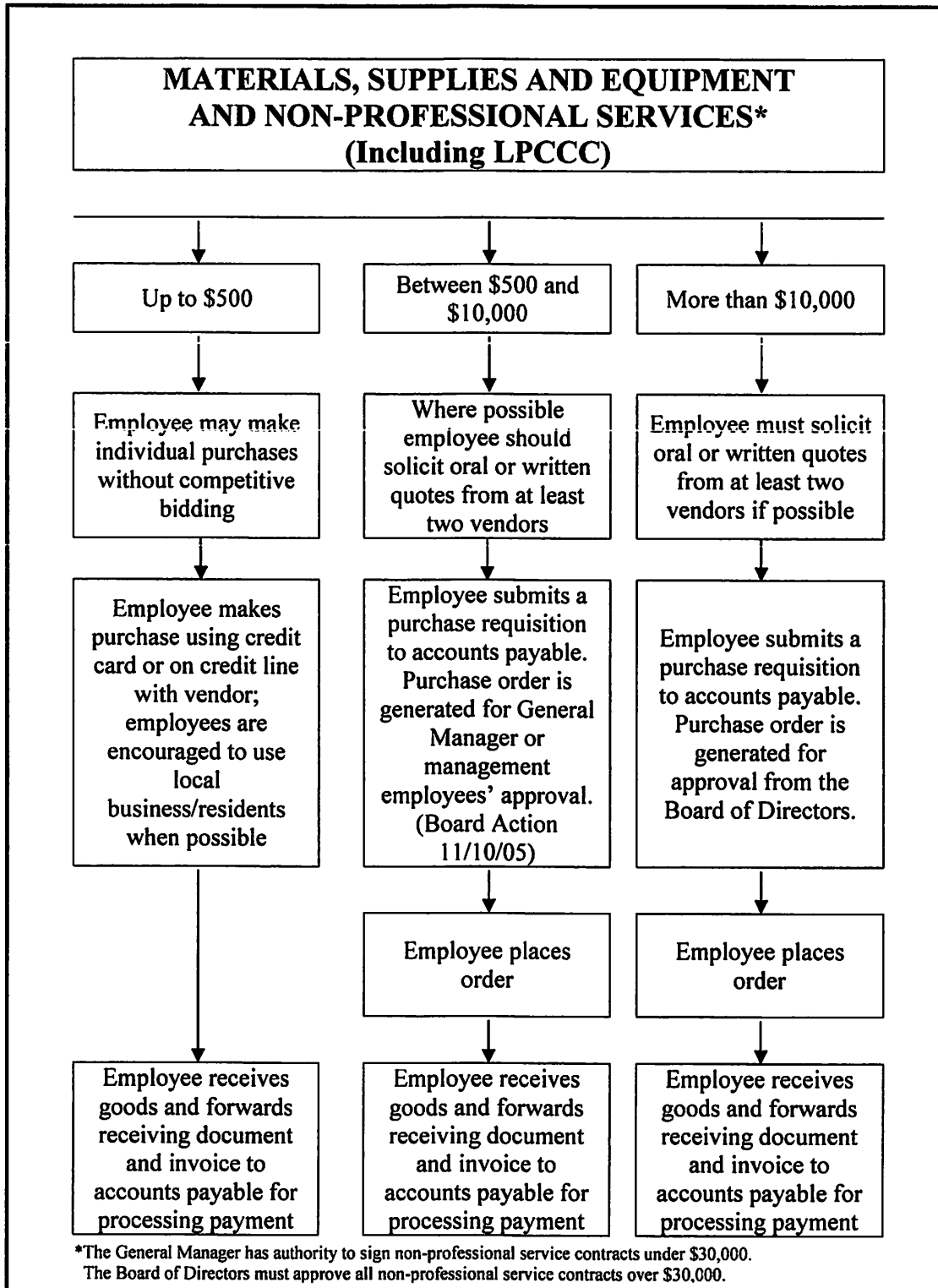
## **C. Materials, Supplies, and Equipment and Non-Professional Services**

Material Supplies and Equipment are items that are not construction or professional/non-professional service related. Non-Professional Services includes service contracts that are not professional services. Examples of these are material suppliers, janitorial services, landscapers and painters. For non-professional service contracts more than \$30,000 the Board of Directors must approve all contracts.

## Steps to Follow for Professional Services



## Steps to Follow for Materials, Supplies and Equipment and Non-Professional Services



4. **Sole Source Procurement** – Sole source procurement is authorized if one of the following conditions are met:

- A. The work is specialized, or requires specific knowledge that only one consultant has that leads to project efficiencies
- B. Is a continuing project that the consultant has worked on before that leads to efficiencies
- C. An emergency
- D. Less than \$30,000

5. **Board Pre-approved Items** - The Board annually revises and confirms pre-approved payments in the month of June. Check the operable June Action Item for the current list.

6. **Methods of Purchase**

- A. Accounts – The Agency has accounts with several vendors to buy items on credit.
- B. Credit Cards – Credit cards have been issued to Agency employees. Employees have a limit of \$2,000. The General Manager has a limit of \$10,000. Agency staff shall turn in receipts with a description of the purchase and the account to be charged to the Agency accounting staff.
- C. Purchase Orders – Purchase Orders are not to be used for Professional Services and construction projects. They can be used for Non-professional services if there is a low liability. Purchase orders are generally used for supplies. For Purchase Orders \$10,000 or less, the General Manager and management employees can sign on behalf of the Board (Board Action 11/10/05). Purchase orders over \$10,000 must be approved by the Board. Purchase Orders \$10,000 or less are not reported to the Board.

7. **Local Vendor Preference Policy**

A. **Local Preference**

In order to encourage businesses to locate and remain in the County the Agency has implemented a local preference policy.

B. **Definition of Local Business**

For purposes of this section, a “local business” means a business enterprise which has the following:

- i. a valid business license issued from within the Solano County; and
- ii. its principal business office, or a satellite office with at least one full-time employee, located in Solano County.

C. **Preference:**

- i. Where the lowest responsible bidder is not a local business, the Agency will provide the lowest responsible local business bidder, should one exist and its bid is within five percent (5%) of the lowest responsible bidder, with notice and an opportunity to reduce its bid to match that of the lowest



responsible bidder. Notice shall be by telephone and either facsimile or electronic mail. The local business shall have five (5) business days after the date of such notice to match the lowest bid, in writing. Should the local business so match, it shall be deemed the lowest responsible bidder and receive the award.

- ii. Should the lowest responsible local business bidder decline to match as set forth above, the Agency shall provide the next lowest responsible local business bidder, should one exist and its bid is within five percent (5%) of the lowest responsible bidder, with the same notice and opportunity to match the bid of the lowest responsible bidder as above. This process shall continue as necessary, until an award is made either to a responsible local business bidder within five percent (5%) of the lowest responsible bidder, or the lowest responsible bidder itself.
- iii. In instances where a local business and a non-local business submit equivalent, lowest responsible bids, the Agency shall give preference to the local business.
- iv. No contract awarded to a local business under this section shall be assigned or subcontracted in any manner that permits more than fifty percent (50%) or more of the dollar value of the contract to be performed by an entity that is not a local business.
- v. Exceptions – This section is made expressly inapplicable to projects to the extent the application would be prohibited by state or federal law.



# Cost Accounting Policies and Procedures Manual



**January 2017  
Edition**

*California State Controller's Office*

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# FORWARD

The Uniform Public Construction Cost Accounting Act (Act), enacted in 1983 under Public Contract Code section 22000 et seq., allows local agencies to perform public project work of up to \$45,000 with their own workforces if the agencies elect to follow the cost accounting procedures set forth in the *Cost Accounting Policies and Procedures Manual* by the California Uniform Construction Cost Accounting Commission.

Every five years, the California Uniform Construction Cost Accounting Commission reviews the informal bid limits for inflation and other factors to determine whether adjustments should be made. If an adjustment is made, the State Controller notifies the affected public agencies. The adjustment may become effective before it appears as a formal change in the Public Contract Code pursuant to Public Contract Code section 22020. The most recently posted bid limits can be found at [www.sco.ca.gov/ard\\_cuccac.html](http://www.sco.ca.gov/ard_cuccac.html) titled under New Informal Bid Limit Increase (Pursuant to PCC 22032)

Any local agency can voluntarily elect to become a participating agency of the Act. Local agencies include cities, counties, redevelopment agencies, special districts, school districts, and community college districts. Participating agencies benefit from the raised force account limit and the informal bidding procedures. More projects are completed in a timely manner as a result of the streamlines awards process and the reduction in paperwork related to advertising and report filing.

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**California Uniform Construction Cost Accounting Commission**  
**Cost Accounting Policies and Procedures Manual**

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## CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

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## CHAPTER 1 Information for Adoption and Implementation of the California Uniform Public Construction Cost Accounting Act

### Instructions for Adoption and Implementation of the Uniform Construction Cost Accounting Procedures

#### 1.01 Instructions for Adoption and Implementation of the Uniform Public Construction Cost Accounting Act (ACT) by Local Agencies

- 1) The Governing Board must elect by resolution to become subject to the uniform construction cost accounting procedures promulgated by the State Controller pursuant to the Public Contract Code section 22019. The resolution shall specify that the local agency will meet the requirements prescribed in the California Uniform Construction Cost Accounting Commission's *Cost Accounting Policies and Procedures Manual* and state the effective date the agency will implement the accounting and bidding procedures.
- 2) The local agency must notify the State Controller in writing of the election to become subject to the uniform construction cost accounting procedures along with a copy of the resolution mailed to the following address:

Office of the State Controller  
Local Government Programs and Services Division  
Local Government Policy Section  
P.O. Box 942850  
Sacramento CA 94250

- 3) When a local agency elects to become subject to the uniform construction cost accounting procedures, the entire entity is considered subject to the Act and no departments will be exempt. However, Special Districts which are governed by a board of supervisors or city council are subject only if a separate election is made.
- 4) An informal bidding ordinance, or a board adopted policy equivalent to such as required by the participating agency, shall be enacted pursuant to Public Contract Code section 22034.
- 5) Once opting into the Act, participating agencies must always adhere to the terms of the Act until such time the agency formally opts out by resolution of its governing board. Having opted in, selective adherence to the terms of the Act is a violation.
- 6) The governing board may discontinue the agency's participation under the uniform public construction cost accounting procedures by adopting a resolution stating this fact. A copy of the resolution shall be filed with the State Controller.
- 7) The State Controller shall notify the California Uniform Construction Cost Accounting Commission (Commission) of all local agencies electing to become subject to the uniform public construction cost accounting procedures. In addition, the Commission shall also be notified of local agencies electing to discontinue participation under these procedures.

CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

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1.02 Sample Election Resolution – Model

This sample *Election Resolution* may be used by any public agency's governing body.

RESOLUTION OF THE _____, STATE OF CALIFORNIA IN THE MATTER OF UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING PROCEDURES	
Resolution No. _____	
WHEREAS, prior to the passage of Assembly Bill No. 1666, Chapter 1054, Statutes of 1983, which added Chapter 2, commencing with Section 22000, to Part 3 of Division 2 of the Public Contract Code, existing law did not provide a uniform cost accounting standard for construction work performed or contracted by local public agencies; and	
WHEREAS, Public Contract Code section 22000 et seq., the Uniform Public Construction Cost Accounting Act, establishes such a uniform cost accounting standard;	
WHEREAS, the Commission established under the Act has developed uniform public construction cost accounting procedures for implementation by local public agencies in the performance of or in the contracting for construction of public projects; and	
NOW, THEREFORE, BE IT RESOLVED that the _____ of _____, California, hereby elects under Public Contract Code section 22030 to become subject to the uniform public construction cost accounting procedures set forth in the Act and to the Commission's policies and procedures manual and cost accounting review procedures, as they may each from time to time be amended, and directs that the _____ - notify the State Controller forthwith of this election.	
This Resolution shall take effect upon its adoption.	
PASSED AND ADOPTED this ____ day of _____, _____ by the following vote;	
AYES: NOES: ABSENT:	<i>Insert Seal if Applicable</i>
_____ Signature	_____ Title
City of _____ County of _____	

CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

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1.03 Sample Informal Bidding Ordinance

*(This SAMPLE INFORMAL BIDDING ORDINANCE or POLICY indicates action by a county board of supervisors. However, the sample format shall be modified to conform to your governing agency's rules).*

<p style="text-align: center;">ORDINANCE NO. _____</p> <p style="text-align: center;">AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF _____</p> <p style="text-align: center;">ADDING SECTION _____ TO THE ORDINANCE CODE OF THE COUNTY OF _____</p> <p style="text-align: center;">TO PROVIDE INFORMAL BIDDING PROCEDURES UNDER THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT (Section 22000, et seq. of the Public Contract Code)</p> <p>The Board of Supervisors of the County of _____ do ordain as follows:</p> <p>SECTION 1</p> <p>Section _____ is hereby added to the County Code of the County of _____ to provide as follows:</p> <p>Section _____. <u>Informal Bid Procedures</u>. Public projects, as defined by the Act and in accordance with the limits listed in Section 22032 of the Public Contract Code, may be let to contract by informal procedures as set forth in Section 22032, et seq., of the Public Contract Code.</p> <p>Section _____. <u>Contractors List</u>. The agency shall comply with the requirements of Public Contract Code Section 22034.</p> <p>Section _____. <u>Notice Inviting Informal Bids</u>. Where a public project is to be performed which is subject to the provisions of this Ordinance, a notice inviting informal bids shall be circulated using one or both of the following alternatives:</p> <ol style="list-style-type: none"><li>1. Notices inviting informal bids may be mailed, faxes, or emailed to all contractors for the category of work to be bid, as shown on the list developed in accordance with Section _____,</li><li>2. Notices inviting informal bids may be mailed to all construction trade journals as specified by the California Uniform Construction Cost Accounting Commission in accordance with section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department/agency soliciting bids, provided however:</li></ol> <p>(1) If the product or service is proprietary in nature such that it can be obtained only from a certain contractor or contractors, the notice inviting informal bids may be sent exclusively to such contractor or contractors.</p> <p>Section _____. <u>Award of Contracts</u></p> <p>The County Purchasing Agent and the Director of Public Works are each authorized to award informal contracts pursuant to this Section.</p> <p>SECTION 2</p> <p>This Ordinance shall take effect and be in force thirty (30) days from the date of its passage, and before the expiration of fifteen (15) days after its passage, it or a summary of it, shall be published once, with the names of the members of the Board of Supervisors voting for and against the same in the _____, a newspaper of general circulation published in the County of _____.</p> <p>PASSED, APPROVED and ADOPTED by the Board of Supervisors of the County of _____, State of California, this ____ day of _____, by the following vote:</p> <p style="margin-left: 40px;">AYES: NOES: ABSENT:</p>
--

Procedure for Establishment and Maintenance of List of Registered Contractors

1.04 Procedure for Establishment and Maintenance of List of Registered Contractors Per Section 22034 of the Public Contract Code

Section 22034 of the Public Contract Code specifies the requirements for mailing, faxing, or emailing notices to contractors for work to be bid under the Act. As specified therein, an agency shall provide notices by electing a), b) or both methods listed as follows:

- a) In lieu of a contractors list, mailing, faxing, or emailing notices to all construction trade journals specified in section 22036
- b) Mailing, faxing, or emailing notices to all contractors on the list established by the agency for the work being paid
- c) Both (a) and (b) pursuant to section 22034(a)(1)

In the event an agency elects to provide notice by mailing, faxing, or emailing notices to all contractors on the list established by the agency for the work being bid, the agency shall utilize the following procedure to establish and maintain the list of registered contractors outlined in section 22034 (a)(1):

- a) Notice to contractors shall be provided in accordance with either paragraph (1) or (2), or both.
  - 1) The public agency shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the commission. All contractors on the list for the category of work being bid shall be mailed, faxed, or emailed a notice inviting informal bids unless the product or service is proprietary. All mailing of notices to contractors pursuant to this subdivision shall be completed not less than 10 calendar days before bids are due.
  - 2) The public agency may elect to mail, fax, or email a notice inviting informal bids to all construction trade journals specified in section 22036.
- b) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.
- c) The governing body of the public agency may delegate the authority to award informal contracts to the public works director, general manager, purchasing agent, or other appropriate person.
- d) If all bids received are in excess of one hundred seventy-five thousand dollars (\$175,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at one hundred eighty-seven thousand five hundred dollars (\$187,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

*(Amended by Stats. 2015, Ch. 269, Sec. 29. Effective January 1, 2016.)*

# CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

## 1.05 County-by-County List of Construction Trade Journals

The Commission shall determine, on a county-by-county basis, the appropriate construction trade journals which shall receive mailed, faxed, or emailed notice of all informal and formal construction contracts being bid for work within the specified county per section 22036 of the Public Contract Code.

Per Public Contract Code section 22037, notices inviting formal bids must be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the public agency. In addition, the Commission has determined that all public agencies that adopt and contract under the Act shall be required to mail, email, or fax a notice to the following specified construction trade publications of all formal construction contracts being bid and all invitations to join an agency's qualified bidders list (i.e. the informal bidding list) within the specified county (as provided in sections 22034 and 22037 of the Public Contract Code). The numbers following the name of each county refer to the corresponding numbered trade journals listed starting on page 14.

Users will note that the notification of the trade journals listed in Column B for their county is required. Additionally, the user will have to notify at least two of the trade journals listed in Column C, unless there is only one listed, in which case notification of that trade journal is sufficient. The Commission urges each public agency to select additional publications from its geographical area and include them on its list of publications to be notified. Sample information to be included in the mailed notice to trade journals is listed on page 13.

**Note:** Users are not required to mail a notice to a trade journal if the trade journal listed under their county is now charging for its services, or is out of business. Instead, the Commission requests that users find some other method of notifying potential contractors of published jobs and how to be added to their informal bidding lists (e.g. internet – county's web page).

COUNTY NAME (A)	TRADE JOURNALS REQUIRED TO BE NOTIFIED (B)	NOTIFY TWO OF THE TRADE JOURNALS LISTED BELOW (C)
ALAMEDA	2, 3	8, 11, 14, 15, 16, 17, 18, 19
ALPINE	2, 3	11
AMADOR	2, 3	11, 13, 20
BUTTE	2, 3	5, 6, 11, 12
CALAVERAS	2, 3	11, 19, 20, 23
COLUSA	2, 3	5, 6, 11
CONTRA COSTA	2, 3	8, 11, 15, 16, 17, 19
DEL NORTE	2, 3	4, 5, 11
EL DORADO	2, 3	10, 11, 12, 13, 16
FRESNO	2, 3	11, 19, 21, 23, 24, 25
GLENN	2, 3	5, 6, 11, 12
HUMBOLDT	2, 3	4, 5, 11
IMPERIAL	2, 3	29, 31
INYO	2, 3	25
KERN	2, 3	21, 23, 24, 25, 26, 31
KINGS	2, 3	21, 23, 24, 25
LAKE	2, 3	4, 5, 7, 8, 11, 16
LASSEN	2, 3	5, 11, 12

CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

COUNTY NAME (A)	TRADE JOURNALS REQUIRED TO BE NOTIFIED (B)	NOTIFY TWO OF THE TRADE JOURNALS LISTED BELOW (C)
LOS ANGELES	2, 3	8, 29, 31, 36
MADERA	2, 3	11, 19, 21, 23
MARIN	2, 3	7, 8
MARIPOSA	2, 3	11, 21, 23
MENDOCINO	2, 3	4, 7, 8, 11, 16
MERCED	2, 3	11, 19, 20, 21, 23
MODOC	2, 3	5, 11
MONO	2, 3	11
MONTEREY	2, 3	11, 18, 22, 26
NAPA	2, 3	7, 8, 9, 11, 16
NEVADA	2, 3	10, 11, 12, 13
ORANGE	2, 3	29, 31, 35
PLACER	2, 3	10, 11, 12, 13, 16
PLUMAS	2, 3	5, 6, 11, 12
RIVERSIDE	2, 3	29, 31, 35
SACRAMENTO	2, 3	5, 8, 10, 11, 12, 13, 16, 19
SAN BENITO	2, 3	11, 22
SAN BERNARDINO	2, 3	29, 31, 35
SAN DIEGO	2, 3	29, 31, 35
SAN FRANCISCO	2, 3	8, 11, 14, 15, 16, 17, 18
SAN JOAQUIN	2, 3	8, 11, 19, 20, 21, 23
SAN LUIS OBISPO	2, 3	22, 25, 26, 27, 31, 36, 37
SAN MATEO	2, 3	8, 14, 15, 17, 18
SANTA BARBARA	2, 3	26, 27, 28, 31, 36, 37
SANTA CLARA	2, 3	8, 11, 14, 15, 16, 17, 18
SANTA CRUZ	2, 3	18, 22
SHASTA	2, 3	4, 5, 11
SIERRA	2, 3	11, 12
SISKIYOU	2, 3	5, 11
SOLANO	2, 3	8, 9, 10, 11, 16, 19
SONOMA	2, 3	7, 8, 11, 16
STANISLAUS	2, 3	11, 19, 20, 21, 23
SUTTER	2, 3	6, 10, 11, 12
TEHAMA	2, 3	5, 11, 12
TRINITY	2, 3	4, 5, 11
TULARE	2, 3	23, 24, 25
TUOLUMNE	2, 3	11, 20, 23
VENTURA	2, 3	27, 31, 36, 37
YOLO	2, 3	8, 10, 11, 13
YUBA	2, 3	6, 10, 11, 12

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### 1.06 Sample Information for Mailed Notice

Following provides the type of information that could be included in the mailed notice to the construction trade journals. This list should be used only as a guide.

- Project title and contract number, if any
- Cost range
- Site location
- Who is taking bids/date and time due
- Owner's address and phone number
- Architect's address and phone number
- Brief description of work to be done
- Where plans may be obtained/deposit required/whether or not refundable
- Percentage of bid bond/percentage of performance bond/percentage of payment bond

### 1.07 List of Construction Trade Journals

The following organizations have indicated to the Commission that they:

- a) Publish a newsletter or trade journal, on a weekly or more frequent basis, that contains a section listing projects being bid; or provide a telephone notice service to their members.
- b) Do not charge for publishing or otherwise disseminating a Notice to Contractors.

These organizations have indicated to the Commission that they serve subscribers or members in the counties listed to the right of each organization.

Organizations that meet criteria (a) and (b) above may be added to the list, or changes or corrections can be made to the list by contacting:

Office of the State Controller  
Local Government Programs and Services Division  
Local Government Policy Section  
P. O. Box 942850  
Sacramento, CA 94250

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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
<p>1 CMD (Construction Market Data) Document Processing Center 30 Technology Parkway South, Suite 100 Norcross, GA 30092-2912 Phone: 800-424-3996 Email: <a href="mailto:customercare@cmdgroup.com">customercare@cmdgroup.com</a> Website: <a href="http://www.cmdgroup.com">www.cmdgroup.com</a></p>	California
<p>2 Construction Bidboard (Ebidboard) 11622 El Camino Real, #100 San Diego, CA 92130 Phone: 800-479-5314 Email: <a href="mailto:support@ebidboard.com">support@ebidboard.com</a> Website: <a href="http://www.ebidboard.com">www.ebidboard.com</a></p>	California
<p>3 Dodge Data &amp; Analytics 830 Third Avenue, 6<sup>th</sup> Floor New York, NY 10022 Phone: 877-784-9556 Email: <a href="mailto:support@construction.com">support@construction.com</a> Website: <a href="http://www.construction.com">www.construction.com</a></p>	California
<p>4 Humboldt Builders' Exchange, Inc. 1213 5th Street Eureka, California 95501 Phone: 707-442-3708 Website: <a href="http://www.humbx.com">www.humbx.com</a></p>	Del Norte, Humboldt, Lake, Mendocino, Shasta, and Trinity
<p>5 Shasta Builders' Exchange 5800 Airport Road Redding, CA 96002 Phone: 530-221-5556 Email: <a href="mailto:info@shastabe.com">info@shastabe.com</a> Website: <a href="http://www.shastabe.com">www.shastabe.com</a></p>	Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Plumas, Sacramento, Shasta, Siskiyou, Tehama, and Trinity
<p>6 Valley Contractors Exchange, Inc. 951 East Eighth Street Chico, CA 95928 Phone: 530-343-1981 Email: <a href="mailto:info@vceonline.com">info@vceonline.com</a> Website: <a href="http://www.vceonline.com">www.vceonline.com</a></p>	Butte, Colusa, Glenn, Plumas, Sutter, and Yuba



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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
<b>7</b> North Coast Builders Exchange 1030 Apollo Way Santa Rosa, CA 95407 Phone: 707-542-9502 Fax: 707-542-2027 Website: <a href="http://www.ncbeonline.com">www.ncbeonline.com</a>	Lake, Marin, Mendocino, Napa, and Sonoma
<b>8</b> Marin Builders Association 660 Las Gallinas Avenue San Rafael, CA 94903 Phone: 415-462-1220 Fax: 415-462-1225 Email: <a href="mailto:mba@marinbuilders.org">mba@marinbuilders.org</a> Website: <a href="http://www.marinba.org">www.marinba.org</a>	Alameda, Contra Costa, Lake, Los Angeles, Marin, Mendocino, Napa, Sacramento, San Francisco, San Joaquin, San Mateo, Santa Clara, Solano, Sonoma, and Yolo
<b>9</b> Solano-Napa Builders Exchange 135 Camino Dorado Napa, CA 94558 Phone: 707-255-2515 Fax: 707-255-2749 Email: <a href="mailto:membership@snbe.com">membership@snbe.com</a> Website: <a href="http://snbe.org">http://snbe.org</a>	Napa and Solano
<b>10</b> Sacramento Regional Builders' Exchange 1331 T Street Sacramento, CA 95811 Phone: 916-442-8991 Fax: 916-446-3117 Email: <a href="mailto:tbrennan@srbx.org">tbrennan@srbx.org</a> Website: <a href="http://www.srbx.org">www.srbx.org</a>	El Dorado, Nevada, Placer, Sacramento, Solano, Sutter, Yolo, and Yuba
<b>11</b> Placer County Contractors Association & Builders Exchange 10656 Industrial Avenue, Suite 160 Roseville, CA 95678 Phone: 916-771-7229 Fax: 916-771-0556 Website: <a href="http://www.pccamembers.com">www.pccamembers.com</a>	Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, Santa Clara, Shasta, Sierra, Siskiyou, Stanislaus, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba

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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
<b>12</b> Nevada County Contractors' Association 149 Crown Point Court Grass Valley, CA 95945 Phone: 530-274-1919 Email: <a href="mailto:nccaexec@pacbell.net">nccaexec@pacbell.net</a> Website: <a href="http://www.nccabuildingpros.com">www.nccabuildingpros.com</a>	Butte, El Dorado, Glenn, Lassen, Nevada, Placer, Plumas, Sacramento, Sierra, Sutter, Tehama, and Yuba
<b>13</b> El Dorado Builders' Exchange 3430 Robin Lane, Suite 7 Shingle Springs, CA 95682 Phone: 530-672-2955	Amador, El Dorado, Nevada, Placer, Sacramento, and Yolo
<b>14</b> The San Francisco Builders Exchange 850 South Van Ness Avenue San Francisco, CA 94110-1911 Phone: 415-282-8220 Email: <a href="mailto:deanna@bxofsf.com">deanna@bxofsf.com</a> Website: <a href="http://www.bxofsf.com">www.bxofsf.com</a>	Alameda, San Francisco, San Mateo, and Santa Clara
<b>15</b> Bay Area Builders Exchange 3055 Alvarado Street San Leandro, CA 94577 Phone: 510-483-8880 Email: <a href="mailto:info@bayareabx.com">info@bayareabx.com</a> Website: <a href="http://www.bayareabx.com">www.bayareabx.com</a>	Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara
<b>16</b> Bay Area Builders Exchange 2440 Stanwell Drive, Suite B Concord, CA 94520 Phone: 925-685-8630 Website: <a href="http://www.bayareabx.com">www.bayareabx.com</a>	Alameda, Contra Costa, El Dorado, Lake, Mendocino, Napa, Placer, Sacramento, San Francisco, Santa Clara, Solano, and Sonoma
<b>17</b> Peninsula Builders Exchange 735 Industrial Road San Carlos, CA 94070 Phone: 650-591-4486 Website: <a href="http://www.safetystar.org/safetystar">www.safetystar.org/safetystar</a>	Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara
<b>19</b> Builders' Exchange of Stockton 7500 West Lane Stockton, CA 95210 Phone: 209-478-1000 Email: <a href="mailto:crobinson@besonline.com">crobinson@besonline.com</a> Website: <a href="http://www.besonline.com">www.besonline.com</a>	Alameda, Calaveras, Contra Costa, Fresno, Madera, Merced, Sacramento, San Joaquin, Solano, and Stanislaus

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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
<b>20</b> Valley Builders Exchange, Inc. 1118 Kansas Avenue Modesto, CA 95351 Phone: 209-522-9031 Fax: 209-522-0616 Email: <a href="mailto:info@valleybx.com">info@valleybx.com</a> Website: <a href="http://www.valleybx.com">www.valleybx.com</a>	Amador, Calaveras, Merced, San Joaquin, Stanislaus, and Tuolumne
<b>21</b> Builders Exchange of Merced & Mariposa 646 CA-HWY 59 Merced, CA 95341 Phone: 209-722-3612 Website: <a href="http://www.bxmm.org">www.bxmm.org</a>	Fresno, Kern, Kings, Madera, Mariposa, Merced, San Joaquin, and Stanislaus
<b>22</b> Central Coast Builders Association 242 East Romie Lane Salinas, CA 93907 Phone: 831-758-1624 Email: <a href="mailto:staff@ccbabuilds.com">staff@ccbabuilds.com</a> Website: <a href="http://www.ccbabuilds.com">www.ccbabuilds.com</a>	Monterey, San Benito, San Luis Obispo, and Santa Cruz
<b>23</b> Central California Builders Exchange 1244 N. Mariposa Street Fresno, CA 93703 Phone: 559-237-1831 Email: <a href="mailto:info@cencalbx.com">info@cencalbx.com</a> Website: <a href="http://cencalbx.com/">http://cencalbx.com/</a>	Calaveras, Fresno, Kern, Kings, Madera, Mariposa, Merced, San Joaquin, Stanislaus, Tulare, and Tuolumne
<b>24</b> Tulare & Kings Counties Builders Exchange 1223 S. Lovers Lane Visalia, CA 93292 Phone: 559-732-4568 Email: <a href="mailto:info@tkcbe.com">info@tkcbe.com</a> Website: <a href="http://www.tkcbe.com">www.tkcbe.com</a>	Fresno, Kern, Kings, and Tulare
<b>25</b> Kern County Builders' Exchange, Inc. 4310 Ardmore Avenue, Ste. 100 Bakersfield, CA 93309 Phone: 661-324-4921 Website: <a href="http://www.kcbex.com">www.kcbex.com</a>	Kern

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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
<p>26 San Luis Obispo County Builders Exchange 153 Cross Street, #130 San Luis Obispo, CA 93401 Phone: 805-543-7330 Email: <a href="mailto:info@slocbe.com">info@slocbe.com</a> Website: <a href="http://www.slocbe.com">www.slocbe.com</a></p>	<p>Kern, Monterey, San Luis Obispo, and Santa Barbara</p>
<p>28 Ventura County Contractors Association 1830 Lockwood Street, No. 110 Oxnard, CA 93036 Phone: 805-981-8088 Email: <a href="mailto:vcca@vccainc.com">vcca@vccainc.com</a> Website: <a href="http://www.vccainc.com">www.vccainc.com</a></p>	<p>Santa Barbara and Ventura</p>
<p>29 Southern California Builders Association 732 N. Diamond Bar Blvd. #224 Diamond Bar, CA 91765 Phone: 909-396-1451 Email: <a href="mailto:scba@socalbuilders.org">scba@socalbuilders.org</a> Website: <a href="http://www.socalbuilders.org">www.socalbuilders.org</a></p>	<p>Imperial, Los Angeles, Orange, Riverside, San Bernardino, and San Diego</p>
<p>30 Construction Data Company 2001 9<sup>th</sup> Avenue, 2<sup>nd</sup> Floor Vero Beach, FL 32960 Phone: 800-800-652-0008 Email: <a href="mailto:service@cdcnews.com">service@cdcnews.com</a> Website: <a href="http://www.cdcnews.com/">www.cdcnews.com/</a></p>	<p>Southern California-Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura</p>
<p>31 BidAmerica 41085 Elm Street Murrieta, CA 92562 Phone: 951-677-4819 Email: <a href="mailto:support@bidamerica.com">support@bidamerica.com</a> Website: <a href="http://www.bidamerica.com">www.bidamerica.com</a></p>	<p>Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura</p>
<p>32 Construction Bid Source Interactive 6265 HWY 9 Felton, CA 95018 Phone: 888-786-9450 Website: <a href="http://www.constructionbidsources.com">www.constructionbidsources.com</a></p>	<p>California</p>

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ORGANIZATION	AREAS OF MEMBERS OR SUBSCRIBERS BY COUNTY
<b>33</b> Demandstar – Onvia Supplier Services 509 Olive Way, Suite 400 Seattle, WA 98101 Phone: 800-575-1736 Website: <a href="http://www.demandstar.com">www.demandstar.com</a> or Website: <a href="http://www.onvia.com">www.onvia.com</a>	California
<b>34</b> Challenge News 1276 Lincoln Avenue, Suite 203 San Jose, CA 95125 Phone: 408-998-2534 Email: <a href="mailto:challengenews@yahoo.com">challengenews@yahoo.com</a>	California
<b>35</b> Associated General Contractors of America San Diego Chapter, Inc. 6212 Ferris Square San Diego, CA 92121 Phone: 858-558-7444 Email: <a href="mailto:planroom@agcsd.org">planroom@agcsd.org</a> Website: <a href="http://www.agcsd.org">www.agcsd.org</a>	Orange, Riverside, San Bernardino, and San Diego
<b>36</b> Builders Notebook P.O. Box 4883 Santa Barbara, CA 93140 Phone: 877-776-5436 Email: <a href="mailto:planroom@buildersnotebook.com">planroom@buildersnotebook.com</a> Website: <a href="http://www.buildersnotebook.com">www.buildersnotebook.com</a>	Los Angeles, San Luis Obispo, Santa Barbara, and Ventura
<b>37</b> Tri-Co Reprographics 513 Laguna Street Santa Barbara, CA 93101 Phone: 805-966-1701 Email: <a href="mailto:sbplots@tricoblue.com">sbplots@tricoblue.com</a> Website: <a href="http://www.tricoblue.com">www.tricoblue.com</a>	Santa Barbara, Ventura, and San Luis Obispo

account reviews pursuant to this Act. Agencies failing to cooperate fully, either through unwillingness or inability, may be found to be non-compliant.

- 2) If the work group deems it necessary, it may utilize the SCO audit division or a consultant deemed qualified for the purpose of this investigation. The auditor or consultant will conduct a thorough investigation of the facts surrounding the claim. This investigation may include any field work deemed necessary by the auditor or consultant. The auditor or consultant shall interview the public agency involved and submit as a part of the findings a complete statement of the public agency's position with respect to the review being conducted.
  - 3) The auditor or consultant shall prepare written findings and a recommended decision within twenty calendar days from the date the request for review was received by the Commission.
- G. The Commission shall review the findings of the work group and the report of the auditor or, consultant, if utilized, and render its final decision within thirty calendar days of the date on which the request was received by the Commission. A copy of the decision shall be mailed by first class mail, postage prepaid, to each Commission member, the interested party, and the public agency involved.
- H. Decisions on Accounting Procedures Reviews shall be collected and maintained at the offices of the Commission and shall be available for public inspection during regular working hours. Such decisions may be cited and relied upon by interested parties and public agencies in subsequent reviews.
- I. Pursuant to Public Contract Code section 22044.5, if the Commission makes a finding(s) on three separate occasions within a 10-year period, the Commission shall notify the public agency of the finding in writing by certified mail and the public agency shall not use the bidding procedures provided by the Act for five years from the date of the commission's finding. For the purposes of these review procedures, one investigation resulting in a finding(s) shall equate to one occasion. These review procedures are based on current statutory law.
- J. Changes to statutory law shall be deemed to be automatically adopted into these procedures.

## CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

### Uniform Public Construction Cost Accounting Act

#### 1.09 California Public Contract Code

#### *Chapter 2 Bidding on Public Contracts (The following statute is current as of January 1, 2017)*

##### *Article 1. Legislative Intent and Definitions.*

Code	Statute
22000 Name of the Act	This chapter shall be known and may be cited as the "Uniform Public Construction Cost Accounting Act."
22001 Legislative Findings and Declaration	The Legislature finds and declares that there is a statewide need to promote uniformity of the cost accounting standards and bidding procedures on construction work performed or contracted by public entities in the state. This chapter provides for the development of cost accounting standards and an alternative method for the bidding of public works projects by public entities.
22001.5 Notice describing chapter provisions to public agencies	On or before January 1, 2009, the State Controller shall send a notice to all public agencies describing the provisions of this chapter and the benefits of using its provisions. This notice shall also be included in any notification issued by the State Controller pursuant to Section 22020.
22002 Definitions	<p>a) "Public agency" for purposes of this chapter, means a city, county, city and county, including chartered cities and chartered counties, any special district, and any other agency of the state for the local performance of governmental or proprietary functions within limited boundaries. "Public agency" also includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.</p> <p>b) "Representatives of the construction industry" for purposes of this chapter, means a general contractor, subcontractor, or labor representative with experience in the field of public works construction.</p> <p>c) "Public project" means any of the following:</p> <ol style="list-style-type: none"><li>1) Construction reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility.</li><li>2) Painting or repainting of any publicly owned, leased, or operated facility.</li><li>3) In the case of a publicly owned utility system, "public project" shall include only the construction erection, improvement, or repair of dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.</li></ol> <p>d) "Public project" does not include maintenance work. For purposes of this section, "maintenance work" includes all of the following:</p> <ol style="list-style-type: none"><li>1) Routine, recurring, and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes.</li><li>2) Minor repainting.</li></ol>



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Code	Statute
	<ul style="list-style-type: none"> <li>3) Resurfacing of streets and highways at less than one inch.</li> <li>4) Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.</li> <li>5) Work performed to keep, operate, and maintain publicly owned water, power, or waste disposal systems, including, but not limited to, dams, reservoirs, powerplants, and electrical transmission lines of 230,000 volts and higher.</li> <li>e) For purposes of this chapter, "facility" means any plant, building, structure, ground facility, utility system, subject to the limitation found in paragraph (3) of subdivision (c), real property, streets and highways, or other public work improvement.</li> </ul>
22003 Public Agency Subject to Uniform Cost Accounting Procedures, Bidding Procedures	A public agency which has, by resolution, elected to become subject to the uniform construction cost accounting procedures set forth in Article 2 (commencing with Section 22010), may utilize the bidding procedures set forth in Article 3 (commencing with Section 22030) when contracting for "maintenance work," as defined in Section 22002, or when contracting for any other work which does not fall within the definition of "public project," as defined in Section 22002.

Article 2. California Uniform Construction Cost Accounting Commission

Code	Statute
22010 Creation; Membership; Appointment	<p>There is hereby created the California Uniform Construction Cost Accounting Commission. The commission is comprised of 14 members.</p> <ul style="list-style-type: none"> <li>a) Thirteen of the members shall be appointed by the State Controller as follows: <ul style="list-style-type: none"> <li>1) Two members who shall each have at least 10 years of experience with, or providing professional services to, a general contracting firm engaged, during that period, in public works construction in California.</li> <li>2) Two members who shall each have at least 10 years of experience with, or providing professional services to, a firm or firms engaged, during that period, in subcontracting for public works construction in California.</li> <li>3) Two members who shall each be a member in good standing of, or have provided professional services to, an organized labor union with at least 10 years of experience in public works construction in California.</li> <li>4) Seven members who shall each be experienced in, and knowledgeable of, public works construction under contracts let by public agencies; two each representing cities, counties, respectively, and two members representing school districts, and one member representing a special district. At least one of the two county representatives shall be a county auditor or his or her designee.</li> </ul> </li> </ul>



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Code	Statute
	<p>b) The member of the Contractors' State License Board who is a general engineering contractor as that term is defined in Section 7056 of the Business and Professions Code shall serve as an ex officio voting member.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 24. Effective January 1, 2016.)</i></p>
22011 Appointment Recommendations	The Controller, in an effort to select highly qualified commission members, shall solicit from organized representatives of the construction industry and public agencies recommendations for appointments to the commission.
22012 Members; Accounting Experience	At least one commission member of the seven representing the construction industry and at least one of the seven representing public agencies shall have previous accounting experience.
22013 Chairperson; Term	The commission members shall select a chairperson from among its membership. The chairperson shall serve as chair for a term of two years from the date of selection. In no event shall two consecutive chairpersons be appointees representing either the construction industry or public agencies.
22014 Members; Term; Vacancies	<p>a) The members of the commission shall hold office for terms of three years, and until their successors are appointed.</p> <p>b) Members may be reappointed, by the Controller, for subsequent terms of three years.</p> <p>c) The Controller may appoint a successor for any commissioner after his or her three-year term expires.</p> <p>d) The Controller shall, within 120 days, appoint a replacement to fill any vacancy on the commission.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 25. Effective January 1, 2016.)</i></p>
22015 Staff; Members' Compensation; Grants	<p>a) The Controller shall make available for the conduct of the commission's business, such staff and other support as does not conflict with the accomplishment of the other business of the office of the Controller</p> <p>b) Each member of the commission shall serve without compensation, but shall be reimbursed for travel and other expenses necessarily incurred in the performance of the member's duties. Reimbursement rates shall conform to the Controller's travel guideline rates.</p> <p>c) The commission may accept grants from federal, state, or local public agencies, or from private foundations or individuals, in order to assist it in carrying out its duties, functions, and powers under this chapter.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 26. Effective January 1, 2016.)</i></p>
22016 Meetings	The commission shall meet not less than once each year, at a time and place chosen by its membership.

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Code	Statute
22017 The Commission's Four Principle Duties	<p>The commission shall do all of the following:</p> <ol style="list-style-type: none"> <li>a) After due deliberation and study, recommend for adoption by the Controller, uniform construction cost accounting procedures for implementation by public agencies in the performance of, or in contracting for, construction on public projects. The procedures shall, to the extent deemed feasible and practicable by the commission, incorporate, or be consistent with construction cost accounting procedures and reporting requirements utilized by state and federal agencies on public projects, and be uniformly applicable to all public agencies that elect to utilize the uniform procedures. As part of its deliberations and review, the commission shall take into consideration relevant provisions of the Office of Management and Budget Circular A-76, as periodically revised.</li> <li>b) After due deliberation and study, recommend for adoption by the Controller cost accounting procedures designed especially for implementation by California cities with a population of less than 75,000. The procedures shall incorporate cost accounting and reporting requirements deemed practicable and applicable to all cities under 75,000 population which elect to utilize the uniform procedures. For the purpose of these cost accounting procedures, the following shall apply: <ol style="list-style-type: none"> <li>1) Cities with a population of less than 75,000 shall assume an overhead rate equal to 20 percent of the total costs of a public project, including the costs of material, equipment, and labor.</li> <li>2) Cities with a population of more than 75,000 may either calculate an actual overhead rate or assume an overhead rate equal to 30 percent of the total costs of a public project, including the costs of material, equipment, and labor.</li> </ol> </li> <li>c) Recommend for adoption by the Controller, procedures and standards for the periodic evaluation and adjustment, as necessary, of the monetary limits specified in Section 22032.</li> <li>d) The commission shall make an annual report to the Legislature with respect to its activities and operations, together with those recommendations as it deems necessary.</li> </ol> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 27. Effective January 1, 2016.)</i></p>
22018 Recommended Procedure; Controller's Review	<p>The Controller shall, upon receipt of the commission's recommendations, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission by the commission.</p>
22019 Adoption; Promulgation of Uniform Procedure	<p>Upon determining that the recommended uniform construction cost accounting procedures will serve the best interest of the state and public agencies, and upon formal adoption by the Controller, the Controller shall promulgate the uniform procedure for all public agencies electing to participate, together with instructions for their adoption and implementation by any public agency.</p>

CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

Code	Statute
22020 Five Year Consideration; Material Changes; Adjustments	<p>In accordance with procedures and standards adopted pursuant to Section 22017, every five years the commission shall consider whether there have been material changes in public construction costs and make recommendations to the Controller regarding adjustments in the monetary limits prescribed by Section 22032, but in no case shall the amount, as adjusted, be less than fifteen thousand dollars (\$15,000).</p> <p>Any adjustment shall be effective beginning with the fiscal year that commences not less than 60 days following the Controller's notification to all public agencies of the adjustment. That notification shall also describe the provisions of this chapter and the benefits of using its provisions.</p>

*Article 3. Public Projects; Alternative Procedures*

Code	Statute
22031 Alternative Procedures	<p>a) Prior to January 1, 2013, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1.</p> <p>b) On or after January 1, 2013, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1 for both of the following:</p> <ol style="list-style-type: none"> <li>1) Maintenance and emergency work.</li> <li>2) New road construction and road reconstruction as long as the total value of the new road construction and the road reconstruction performed under the procedures set forth in subdivision (c) of Section 20395 during a fiscal year does not exceed 30 percent of the total value of all work performed by force account other than maintenance as reported in the Controller's Streets and Roads Annual Report as of March 1 of each year prior to the fiscal year.</li> </ol> <p>c) The value of force account work necessary to facilitate capital projects for the purpose of contracting to the private sector, including design, engineering, inspection, testing, and other force account work necessary to administer private contracts, shall be excluded from the 30-percent limit in subdivision (b).</p> <p>d) The value of force account work necessary to facilitate projects performed by county employees, including design, engineering, inspection, testing, and other force account work necessary to administer work performed under subdivision (b), shall apply to the 30-percent limit in subdivision (b).</p> <p>e) On or after January 1, 2013, for a county with a population of less than 50,000, this article shall not prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1.</p>

CHAPTER 1 INFORMATION FOR ADOPTION AND IMPLEMENTATION OF THE CALIFORNIA UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

Code	Statute
	newspaper of general circulation which is circulated within the jurisdiction of the public agency, or, if there is no newspaper which is circulated within the jurisdiction of the public agency, publication shall be by posting the notice in at least three places within the jurisdiction of the public agency as have been designated by ordinance or regulation of the public agency as places for the posting of its notices. The notice inviting formal bids shall also be sent electronically, if available, by either facsimile or electronic mail and mailed to all construction trade journals specified in Section 22036. The notice shall be sent at least 15 calendar days before the date of opening the bids. In addition to notice required by this section, the public agency may give such other notice as it deems proper.
22038 Rejection of Bids; Failure to Receive Bids; Options	<p>a) In its discretion, the public agency may reject any bids presented, if the agency prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency, furnishes a written notice to an apparent low bidder. The notice shall inform the bidder of the agency's intention to reject the bid and shall be mailed at least two business days prior to the hearing at which the agency intends to reject the bid. If after the first invitation for bids all bids are rejected, after reevaluating its cost estimates of the project, the public agency shall have the option of either of the following:</p> <ol style="list-style-type: none"> <li>1) Abandoning the project or readvertising for bids in the manner described by this article.</li> <li>2) By passage of a resolution by a four-fifths vote of its governing body declaring that the project can be performed more economically by the employees of the public agency, may have the project done by force account without further complying with this article.</li> </ol> <p>b) If a contract is awarded, it shall be awarded to the lowest responsible bidder. If two or more bids are the same and the lowest, the public agency may accept the one it chooses.</p> <p>c) If no bids are received through the formal or informal procedure, the project may be performed by the employees of the public agency by force account, or negotiated contract without further complying with this article.</p> <p><i>(Amended by Stats. 2003, Ch. 296, Sec. 29. Effective January 1, 2004.)</i></p>
22039 Adoption of Plans, Specifications, and Working Detail	<p>The governing body of the participating public agency or its designated representative shall adopt plans, specifications, and working details for all public projects exceeding the amount specified in subdivision (c) of Section 22032.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 31. Effective January 1, 2016.)</i></p>
22040 Plans, Specifications of Working Details; Examination	<p>Any person may examine the plans, specifications, or working details, or all of these, adopted by the public agency for any project.</p>

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Code	Statute
22041 Exemptions	This article does not apply to the construction of any public building used for facilities of juvenile forestry camps or juvenile homes, ranches, or camps established under Article 15 (commencing with Section 880) of Chapter 2 of Part 1 of Division 3 of the Welfare and Institutions Code, if a major portion of the construction work is to be performed by wards of the juvenile court assigned to those camps, ranches, or homes.
22042 Accounting Procedures Review	<p>The commission shall review the accounting procedures of any participating public agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories:</p> <ul style="list-style-type: none"> <li>a) Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.</li> <li>b) Exceeded the force account limits.</li> <li>c) Has been improperly classified as maintenance.</li> </ul>
22042.5 Informal Bidding Procedures Review	<p>The commission shall review practices of any participating public agency where an interested party presents evidence that the public agency is not in compliance with Section 22034.</p> <p><i>(Added by Stats. 2015, Ch. 269, Sec. 32. Effective January 1, 2016.)</i></p>
22043 Work Done by Public Agency; Commission Review Request	<ul style="list-style-type: none"> <li>a) In those circumstances set forth in subdivision (a) of Section 22042, a request for commission review shall be in writing, sent by certified or registered mail received by the commission postmarked not later than eight business days from the date the public agency has rejected all bids.</li> <li>b) In those circumstances set forth in subdivision (b) or (c) of Section 22042, a request for commission review shall be by letter received by the commission not later than eight days from the date an interested party formally complains to the public agency.</li> <li>c) The commission review shall commence immediately and conclude within the following number of days from the receipt of the request for commission review: <ul style="list-style-type: none"> <li>1) Forty-five days for a review that falls within subdivision (a) of Section 22042.</li> <li>2) Ninety days for a review that falls within subdivision (b) or (c) of Section 22042.</li> </ul> </li> <li>d) During the review of a project that falls within subdivision (a) of Section 22042, the agency shall not proceed on the project until a final decision is received by the commission.</li> <li>e) A request for commission review pursuant to Section 22042.5 shall be in writing, sent by certified or registered mail, and received by the commission no later than eight days from the day an interested party formally complains to the public agency. The commission review shall commence immediately and conclude within 90 days from the receipt of the request for commission review.</li> </ul> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 33. Effective January 1, 2016.)</i></p>



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Code	Statute
22044 Written Findings; Failure to Comply with Chapter; Action	<p>The commission shall prepare written findings, which shall be presented to the public agency within 30 calendar days of formal commission review. Should the commission find that the provisions of this chapter or of the uniform cost accounting procedures provided for in this chapter were not complied with by the public agency, the following steps shall be implemented by that agency:</p> <ul style="list-style-type: none"> <li>a) On those projects set forth in subdivision (a) of section 22042, the public agency has the option of either (1) abandoning the project, or (2) awarding the project to the lowest responsible bidder.</li> <li>b) On those projects set forth in subdivision (b) or (c) of section 22042, the public agency shall present the commission's findings to its governing body within 30 calendar days of receipt of written notice of the findings and that governing body shall conduct a public hearing with regard to the commission's findings within 60 calendar days of receipt of the findings.</li> <li>c) 1) On findings of noncompliance pursuant to section 22042.5, the public agency shall notify its governing body of the commissioner's findings within 60 calendar days of receipt of written notice of the findings from the commission.</li> <li>2) The public agency shall notify the commission in writing, within 90 days of receipt of written notice of the findings, of the public agency's best efforts to comply.</li> </ul> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 34. Effective January 1, 2016.)</i></p>
22044.5 Compliance; Removal from Act	<p>If the commission makes a finding, in accordance with section 22043, on three separate occasions within a 10-year period, that the work undertaken by a public agency falls within any of the categories described in section 22042, the commission shall notify the public agency of that finding in writing by certified mail and the public agency shall not use the bidding procedures provided by this article for five years from the date of the commission's findings.</p> <p><i>(Amended by Stats. 2015, Ch. 269, Sec. 34. Effective January 1, 2016.)</i></p>
22045 Implementation of Procedures Review: Commission Recommendations	<ul style="list-style-type: none"> <li>a) No later than January 1, 1985, the commission shall recommend, for adoption by the Controller, written procedures implementing the accounting procedures review provided for in this article.</li> <li>b) The Controller shall, upon receipt of the commission's recommendation, review and evaluate the recommended procedures and either formally adopt or reject the recommended procedures within 90 days of submission of the commission.</li> </ul>

Chapter 2.5 Emergency Contracting Procedures

Code	Statute
22050 Contract Without Bids; Procedures	<p>a) 1) In the case of an emergency, a public agency, pursuant to a four-fifths vote of its governing body, may repair or replace a public facility, take any directly related and immediate action required by that emergency, and procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids to let contracts.</p> <p>2) Before a governing body takes any action pursuant to paragraph (1), it shall make a finding, based on substantial evidence set forth in the minutes of its meeting, that the emergency will not permit a delay resulting from a competitive solicitation for bids, and that the action is necessary to respond to the emergency.</p> <p>b) 1) The governing body, by a four-fifths vote, may delegate, by resolution or ordinance, to the appropriate county administrative officer, city manager, chief engineer, or other nonelected agency officer, the authority to order any action pursuant to paragraph (1) of subdivision (a).</p> <p>2) If the public agency has no county administrative officer, city manager, chief engineer, or other nonelected agency officer, the governing body, by a four-fifths vote, may delegate to an elected officer the authority to order any action specified in paragraph (1) of subdivision (a).</p> <p>3) If a person with authority delegated pursuant to paragraph (1) or (2) orders any action specified in paragraph (1) of subdivision (a), that person shall report to the governing body, at its next meeting required pursuant to this section, the reasons justifying why the emergency will not permit a delay resulting from a competitive solicitation for bids and why the action is necessary to respond to the emergency.</p> <p>c) 1) If the governing body orders any action specified in subdivision (a), the governing body shall review the emergency action at its next regularly scheduled meeting and, except as specified below, at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action. If the governing body meets weekly, it may review the emergency action in accordance with this paragraph every 14 days.</p> <p>2) If a person with authority delegated pursuant to subdivision (b) orders any action specified in paragraph (1) of subdivision (a), the governing body shall initially review the emergency action not later than seven days after the action, or at its next regularly scheduled meeting if that meeting will occur not later than 14 days after the action, and at least at every regularly scheduled meeting thereafter until the action is terminated, to determine, by a four-fifths vote, that there is a need to continue the action, unless a person with authority delegated pursuant to subdivision (b) has terminated that action prior to the governing body reviewing the emergency action and making a determination pursuant to this subdivision. If the governing body meets weekly, it may, after</p>

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Code	Statute
	the initial review, review the emergency action in accordance with this paragraph every 14 days.
	3) When the governing body reviews the emergency action pursuant to paragraph (1) or (2), it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts.
	d) As used in this section, "public agency" has the same meaning as defined in Section 22002.
	e) A three-member governing body may take actions pursuant to subdivision (a), (b), or (c) by a two-thirds vote.
	f) This section applies only to emergency action taken pursuant to Sections 20133, 20134, 20168, 20193, 20205.1, 20213, 20223, 20233, 20253, 20273, 20283, 20293, 20303, 20313, 20331, 20567, 20586, 20604, 20635, 20645, 20685, 20736, 20751.1, 20806, 20812, 20914, 20918, 20926, 20931, 20941, 20961, 20991, 21020.2, 21024, 21031, 21043, 21061, 21072, 21081, 21091, 21101, 21111, 21121, 21131, 21141, 21151, 21161, 21171, 21181, 21191, 21196, 21203, 21212, 21221, 21231, 21241, 21251, 21261, 21271, 21290, 21311, 21321, 21331, 21341, 21351, 21361, 21371, 21381, 21391, 21401, 21411, 21421, 21431, 21441, 21451, 21461, 21472, 21482, 21491, 21501, 21511, 21521, 21531, 21541, 21552, 21567, 21572, 21581, 21591, 21601, 21618, 21624, 21631, 21641, and 22035.



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## CHAPTER 2 THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

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## CHAPTER 2 THE UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING ACT

### Uniform Public Construction Cost Accounting Act

#### 2.01 The Uniform Public Construction Cost Accounting Act

As specified in the State of California Public Contract Code, all governmental jurisdictions are limited to the dollar amount of public project work that can be performed using internal resources. The jurisdictions are further required to follow various bidding procedures in undertaking construction work performed or contracted in the jurisdiction. The passage of Chapter 1054, Statutes of 1983, Uniform Public Construction Cost Accounting Act (Act), and subsequent amendments provides for alternative bidding procedures by public agencies in undertaking public project work, provided they subscribe to uniform construction cost accounting policies and procedures developed in accordance with the law.

The purpose of this document is to give public agencies those construction cost accounting policies and procedures required in accordance with this above-mentioned legislation. To assist in understanding these policies and procedures, we have provided examples throughout the manual. These examples are for illustrative purposes only and, although they may be used, should not be considered required formats for public agencies operating under this program.

#### 2.02 Public Agency

Public Contract Code section 22002(a) provides the definition of a public agency for the purposes of the Act. Public agencies are cities, counties, a city and county, chartered cities and chartered counties, any special district and any other agency of the state responsible for the local performance of governmental or proprietary functions within limited boundaries. Public agency includes a nonprofit transit corporation wholly owned by a public agency and formed to carry out the purposes of the public agency.

#### 2.03 Public Project

As defined in Public Contract Code section 22002(c), all public projects performed by public agencies may include:

- Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated facility.
- Painting or repainting of any publicly owned, leased or operated facility.
- In the case of publicly owned utility system, construction, erection, improvement or repair of dams, reservoirs, power plants and electrical transmission lines of 230,000 volts and higher.

#### 2.04 Exemptions

Construction of any public building used for facilities of juvenile forestry camps or juvenile homes, ranches, or camps established under Article 15 (commencing with section 880) of Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, if a major portion of the construction work is to be performed by wards of the juvenile court assigned to those camps, ranches or homes, is exempt from the provisions of the Act.

In addition, in cases of great emergency, as determined by the governing body of the public agency, including, but not limited to, states of emergency defined in Government Code section 8558. When repair or replacements are necessary to permit the continued conduct of the operation or services of a public agency or to avoid danger to life or property. The governing body by majority vote, may proceed at once to replace or repair any public facility without adopting plans, specifications, strain sheets, or working details, or giving notice for bids to let contracts. The work may be done by day labor under the direction of the governing body, by

contract, or by a combination of the two. The governing body, by majority vote, may delegate to the appropriate county administrative officer or city manager the power to declare a public emergency subject to confirmation by the governing body, by a four-fifths vote, at its next meeting.

### 2.05 Bid Limitations

For those agencies whose governing board has by resolution elected to become subject to the uniform construction cost accounting policies and procedures and which have notified the State Controller of that election, the following bid limitations will be in effect pursuant to Public Contract Code section 22032 and 22034(d):

- Public projects of \$45,000 or less may be performed by the employees of a public agency by force account (for definition see page 39 section 2.2), by negotiated contract, or by purchase order.
- Public projects of \$175,000 or less may be let to contract by informal procedures as set forth in this legislation.
- Public projects of more than \$175,000 shall, except as otherwise provided in this legislation, be let to contract by formal bidding procedures.
- If all bids received are in excess of \$175,000, the governing body of the public agency may by adoption of a resolution by a four-fifths vote, award the contract, at \$187,500 or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

### 2.06 Award of Bid

Public Contract Code section 22038 allows the public agency in its discretion to reject any bids presented. If the agency prior to rejecting all bids and declaring that the project can be more economically performed by employees of the agency provides a written notice to an apparent low bidder that:

- Informs the lowest responsible bidder of the agency's intention to reject the bid.
- Is mailed to at least two business days prior to the hearing at which the agency intends to reject the bid.

If after opening bids all bids are rejected, the public agency shall have the option, after reevaluating its cost estimates of the project, of one of the following:

- The public agency may abandon the project or re-advertise for bids in the manner described by this legislation; or
- By passage of a resolution by a four-fifths majority of its governing body declaring that its employees can perform the project more economically, the public agency may have the project done by force account without further complying with this legislation.

If a contract is awarded, it shall be awarded to the lowest bidder. If two or more bids are the same as the lowest, the public agency may accept the one it chooses.

If no bids are received, the project may be performed by employees of the public agency by force account or by informal bidding procedures set forth in section 22034 of the Public Contract Code.

### California Uniform Construction Cost Accounting Commission

#### 2.07 California Uniform Construction Cost Accounting Commission

Chapter 1054, Statutes of 1983, created the California Uniform Construction Cost Accounting Commission (CUCCAC or the Commission). The Commission is comprised of 14 members, 13 members are appointed by the State Controller and one member of the Contractors' State License Board pursuant to section 22010 of the Public Contract Code.

- a) Thirteen of the members shall be appointed by the Controller as follows:
  - 1) Two members who shall each have at least 10 years of experience with, or providing professional services to, a general contracting firm engaged, during that period, in public works construction in California.
  - 2) Two members who shall each have at least 10 years of experience with, or providing professional services to, a firm or firms engaged, during that period, in subcontracting for public works construction in California.
  - 3) Two members who shall each be a member in good standing of, or have provided professional services to, an organized labor union with at least 10 years of experience in public works construction in California.
  - 4) Seven members who shall each be experienced in, and knowledgeable of, public works construction under contracts let by public agencies; two each representing cities, counties, respectively, and two members representing school districts, and one member representing a special district. At least one of the two county representatives shall be a county auditor or his or her designee.
- b) The member of the Contractors' State License Board who is a general engineering contractor as that term is defined in Section 7056 of the Business and Professions Code shall serve as an ex officio voting member.

#### 2.08 Implementation

The public agency must perform several administrative steps to comply and elect into the law. The major steps include:

- Adopting a resolution electing to become subject to the Act.
- Adopting ordinances or regulations providing informal bidding procedures as required by the law.
- Notifying the State Controller of the election.
- Complying with the cost accounting construction policies and procedures presented in this manual.

The Commission shall review the accounting procedures of any participating agency where an interested party presents evidence that the work undertaken by the public agency falls within any of the following categories stated in Public Contract Code section 22042:

- Is to be performed by a public agency after rejection of all bids, claiming work can be done less expensively by the public agency.
- Exceeded the force account limits.
- Has been improperly classified as maintenance.

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## CHAPTER 3 UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING POLICIES AND PROCEDURES

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## CHAPTER 3 UNIFORM PUBLIC CONSTRUCTION COST ACCOUNTING POLICIES AND PROCEDURES

### Uniform Public Construction Cost Accounting Policies and Procedures

The California Uniform Construction Cost Accounting Commission (CUCCAC or the Commission) is responsible for the review and development of uniform public construction cost accounting policies and procedures to be followed by public agencies electing to participate in the program. This section of the manual discusses the basic philosophy and intent of the Commission in developing these cost accounting policies and procedures, the range of public construction projects that may be undertaken by a public agency that would utilize the cost accounting policies and procedures, and the support systems deemed necessary to comply with this program.

#### 3.01 CUCCAC Philosophy

The policies and procedures, as dictated by Public Contract Code section 22017, shall, to the extent deemed feasible and practicable, incorporate or be consistent with construction cost accounting guidelines and standards and reporting requirements utilized by state and federal agencies on public projects and be uniformly applicable to all public agencies which elect to utilize the policies and procedures. The Commission recognizes the wide divergence in the size, capabilities and scope of operations of various public agencies operating under this legislation. Therefore, in developing this manual, the Commission wishes to present policies and procedures that are reasonable and do not demand extensive tracking of detail. The Commission feels that all cost elements, including personnel, materials, supplies and subcontracts, equipment, and overhead, associated with a project must be recorded and reported at the project level. Each of the cost elements is to be expressed in the initial bid/estimate process, captured and recorded during the construction period and compared to the initial estimate at the conclusion of the public project. This shall require the existence of a project tracking system, as discussed later in this section. The Commission refrains from dictating a specific system but requires a system to estimate for bidding purposes, and to capture the actual costs in a manner consistent with the bid estimate. In this manner, the policies and procedures are results-oriented. The Commission has determined that the Standardized Account Code Structures meets the requirements of the Act.

#### 3.02 Applicable Projects

In keeping with the Commission's objective of providing cost accounting policies and procedures that are specific in concept yet broad enough to encompass all public agencies, regardless of size and scope of services, these policies and procedures should enable the public agencies to track all applicable construction-oriented public projects.

While allowing for the divergence of activities performed, these policies and procedures should parallel construction cost accounting practices as much as possible to allow for a comparability of private and public estimates and actual costs incurred in constructing public projects.

#### 3.03 Definitions

The definitions listed below will assist users of the manual in interpreting and understanding the policies and procedures as stated in this manual. It is important to note that these definitions pertain only to the contents of this manual.

**Cost Finding.** A less formal method than project accounting of cost determination or estimation on an irregular basis. There may be no formal accounting entries during the year to record costs incurred in specific cost accounts. Instead, cost finding usually involves taking available fund financial accounting data and recording it and adjusting it to devise the cost data or estimate needed. This approach will be used in selected instances as defined in this manual.

**Direct Costs.** Direct costs represent economic resources that can be specifically identified with a particular construction activity or function. To the extent possible, such costs should be charged directly to the project for purposes of cost determination rather than being subjected to allocation procedures.

**End Cost Objective.** An end cost objective is a cost center or activity established for the accumulation of the direct costs of performing government services. All costs should be considered to indirectly support the performance of these services.

**Equipment Usage Tracking System.** An equipment usage tracking system allows for the identification, recording, accumulation and reporting of usage of a specific piece of equipment or type of equipment and the unit of usage, e.g., hours, days, mileage, to a particular activity.

**Force Account.** A force account accurate for work performed on public projects using internal resources, including but not limited to labor, equipment, materials, supplies, and subcontracts of the public agency.

**Government-Wide Overhead.** Government-wide overhead is defined to include all costs of a public agency not associated with organizational units performing services which support all end cost objectives of the government entity.

**Materiality.** It is the Commission's position that, if the value of those goods obtained from inventory is material, the cost must be recorded to the public project code as a direct cost item. Materiality is defined for purposes of this manual to be any item that has a unit or aggregate value of \$25 or more.

**Materials, Supplies, and Subcontracts Tracking System.** A materials, supplies, and subcontracts tracking system allows for the identification, recording, accumulation, and reporting of materials, supplies, and subcontracts used on a particular activity.

**Object Cost.** A cost center or activity (account code assigned to a department or project) established for the accumulation of the direct and indirect cost to arrive at a total cost of performing government services.

**Overhead Costs.** Overhead costs represent economic resources that are employed for common or joint purposes benefiting several projects or functions. As such, overhead costs are not as readily chargeable to individual projects and, therefore, generally require allocation based upon statistical relationships.

**Personnel Tracking System.** A personnel tracking system allows for the identification, recording, accumulation, and reporting of personnel working on a particular activity.

**Project Accounting.** Project accounting is the continuous process of analyzing, classifying, recording, and summarizing cost data within the confines and controls of a formal project accounting system and reporting them to users on a regular basis.

**Project Tracking System.** A project tracking system allows for the identification and establishment of cost (account) codes to particular activities. The system would be used to record, accumulate, and report personnel costs; equipment costs; material, supplies, and subcontracts costs; and allocated overhead to activities identified.

**Public Project Unit.** A public project unit (e.g. public works department) is an identifiable organizational unit of any size within a public agency whose primary goals include the undertaking and completion of public projects as defined in Public Contract Code section 22002. The Commission would, in general, consider a unit to be a public project unit when over 25% of the total unit's annual budget is expended on public projects. It is more common to have these organizational units in the larger public agencies - urban counties, cities, and school districts.

**Subcontract.** A subcontract provides for the use of an outside contractor with specialized skills and/or equipment needed to complete an element of work on the public project.

**Unit Overhead.** Unit overhead is defined as all costs incurred by an organizational unit, such as a public project unit, department, division or section, that are not directly attributable to any end cost objective, whether it be a public project or not. These costs include personnel costs, materials, supplies and subcontracts, and equipment costs not directly attributable to any end cost objective.

**Work Order.** A work order is written authorization for the performance of a particular project. It contains a description and location of the project and specifications for the work to be performed. Work orders are assigned an identification code and are used to record all costs both direct and indirect incurred in completing the project.

### 3.04 Public Agency Organization Structure

In general, public agencies will contract out design-and-build and heavy construction projects and perform only general building projects and specialty construction projects with internal resources. Frequently, this decision to undertake general building and specialty construction projects is made based on the agency's organization structure, current workload requirements, and available staffing resources.

Often, in large organizations, due to the ongoing workload, there are organizational units whose stated objective is to undertake and complete on an as-needed basis general building and specialty construction projects. These organizational units are project-oriented. Their end cost objectives primarily consists of the performance of public projects. Costs specifically incurred in connection with individual end cost objectives are considered to be direct costs. Costs not specifically incurred to support individual and cost objectives are considered to be overhead costs associated with the organizational units taken as a whole. To recognize all the costs associated with an end cost objective, these overhead costs must be allocated back to this end cost objective. Examples of end cost objectives include public projects, such as the construction of a warehouse, renovation of a lunch room, or street reconstruction and resurfacing over 1 inch. Smaller public agencies, which comprise the majority of public agencies in the state, usually do not have organizational units whose annual budgets represent more than 25% of public project work. Frequently, these employees perform general maintenance duties in addition to working on public projects. The public project costs incurred by these employees are more difficult to identify yet equally important.

### 3.05 Classification of Costs

It is the stated objective of the law and the Commission to have public agencies estimate the cost of public projects and track these project costs in a manner similar to private industry. Essential to achieving this objective is the understanding and agreement by both parties as to the components of costs that are included in public projects.

The major classification of cost components for construction projects includes: direct, indirect, and overhead costs.

### 3.06 Direct Costs

Direct costs generally include these categories of costs: labor, bonds, permits, licensing fees (if any), equipment, permanent materials and supplies, subcontracts, nonpermanent materials and supplies. Components of each of these direct project cost categories are shown below and include costs applicable to the construction industry.

#### *Labor*

Hourly Pay/Salary
Payroll Taxes (Employer Contribution)
Worker's Compensation Insurance (Allocation of Self Insurance)
Group Health Insurance
Group Life Insurance
Retirement Plan (Employer Contribution)
Holiday Leave
Vacation
Sick Leave
Unassigned Time
Disability Insurance
Unemployment Insurance
Military Leave
Jury Duty Leave
Management Leave/Compensatory Leave
Uniform/Uniform Allowance
Tuition Reimbursement
Union Time Off
Time Off for Illness or Death of Family Member
Personal Liability Insurance
Administration/Employer Contribution of Deferred Compensation Program/401K
Overtime Premium

Use employee's productive hourly rate to calculate direct labor costs.

#### *Equipment*

##### Internal Equipment Rate

Depreciation
Insurance (Allocation of Self Insurance)
Initial Assembling and Dismantling Costs
Maintenance Costs
Repair Costs
Provision for Major Overhauls
Unassigned Time
Maintenance and Storage Yard Facilities Costs
Fuel and Oil
Tires and Grease

Or Use:

Caltrans Equipment Rental Rates and Labor Surcharge Book:

<http://www.dot.ca.gov/hq/construc/equipmnt.html>

External Equipment Rate (Leased or Rented from Commercial Dealer) which includes, if charged by the Lessor or are the responsibility of the agency, the following costs:

Rental Rate
Maintenance Costs
Assembling and Dismantling Costs
Insurance Costs
Fuel and Oil
Tires and Grease

*Permanent Materials and Supplies*

**Cost of Permanent Materials and Supplies-Charged Directly to Job**

Permanent Materials and Supplies Cost
Sales/Use Tax
Freight
Discounts Taken

**Cost of Permanent Materials and Supplies Costs**

Substantiated by most recent Invoice
Handling
Warehouse and Transportation Costs

*Subcontracts*

**Payments made to Subcontractors**

*Nonpermanent Materials and Supplies/Miscellaneous Costs*

Permits
Fees
Performance Bonds
Licenses

**3.07 Indirect Costs**

Indirect costs can be identified with a project but not with a specific job or unit of production within the project.

Indirect costs generally include two categories of costs: labor and other miscellaneous project site expenses. Components of each of these indirect cost categories are shown below.

*Labor*

Quality Control and Inspection
Field Supervisors
Security Guards
Superintendent
Job Secretary

*Other Project Expenses*

Mobilization, Assembly, Move-Out Costs
Yarding and Hauling
Trailer
Utilities
Telephone
Warehouse Costs
Spoilage, Loss and Theft
Other Costs

**3.08 Overhead Costs***Simplified Overhead Rate*

Prior to January 1, 2004, the Commission allowed all agencies to use a 20% overhead rate applied to all direct costs in lieu of calculating their overhead rates. An amendment to Public Contract Code section 22017 provides that cities with a population of less than 75,000 can assume the 20% rate. Cities with a population of 75,000 or over can either assume a 30% overhead rate or calculate an actual overhead rate.

*Calculated Overhead Rate*

The Commission determined that counties, special districts, and school districts can use a 30% rate or calculate an actual overhead rate, which is the same rule that applies to cities with a population of over 75,000.

Agencies may elect to calculate their overhead rates by one of the three following methods:

- 1) Appendix A describes the federal government's method of calculating overhead (2 CFR Part 220).
- 2) Appendix B describes a method of calculating overhead by allocating overhead costs as a percentage of direct labor costs.
- 3) Any method of calculating overhead is satisfactory with the Commission, provided that acceptable accounting procedures are used and all administrative costs are included.

Overhead costs should be applied on total project costs, including costs of material, equipment, and labor.

Overhead costs cannot be identified with or charged to jobs or units of production unless some more or less arbitrary allocation basis is used.

Components of overhead are shown below and include costs applicable to the construction industry, public agencies or both, e.g., public agencies do not have to pay surety bond premiums as does the construction industry to perform construction work, but both have costs incurred due to the processing of payroll.

Payroll
Personnel
Purchasing/Procurement
Bid/Estimate Expense
Advertising Expense
Legal Costs
General Government
General Accounting/Finance
Departmental Accounting/Finance
Facilities
Data Processing
Top Management
Management Expenses

Typically public agencies recognize only two classifications of costs: direct and overhead.

It is important to note that this does not suggest that public agencies exclude indirect costs but rather that they classify a majority of them as direct costs. For example, in the construction industry a foreman supervising employees working at the job site would have his personnel costs pooled and allocated to a job or unit of production. In a public agency, the foreman's labor cost would be charged directly to the appropriate public projects.

Regardless of the differences in how the various costs are classified, both the construction industry and public agencies recognize that the significant cost elements of any construction project include:

- Personnel
- Materials, supplies and subcontracts
- Equipment
- Overhead

### 3.09 Project Identification

Public projects, as defined in section 2.03, shall be identified and given specific project codes. These codes are generally referred to as project or work order numbers. These codes shall enable the public agency to segregate the cost elements discussed above, thereby allowing for the proper estimation, tracking, and comparison of estimated vs. actual cost elements incurred at the completion of a public project.

### 3.10 Project Tracking

The public agency shall have a manual or automated system that records, accumulates, and periodically reports the cost elements - personnel; materials, supplies and subcontracts; equipment; and overhead - incurred in completing all public projects. The public agency shall be required to account for the costs of the public project in a manner consistent with the way in which the project was bid/estimated. An audit trail of the accumulation of these cost elements shall be maintained. Source documents shall be retained identifying costs incurred on the project. These documents may include timesheets, equipment tracking records, requisitions of materials



and supplies used at the project site, and the documentation of the development of overhead rates. The project tracking system does not have to be a part of the public agency's fiscal system but should capture the major cost elements and comply with the other requirements stated in this manual. This may require the agency to establish a project tracking system or alter an existing cost accounting system.

### *Project Tracking Systems*

Project tracking refers to the management of projects which includes but is not limited to measuring and reporting the status of milestones, tasks and activities required in achieving the pre-defined project results. Project tracking can also refer to project management software which automates the tracking of tasks, assignments, event and activities related to the project.

Most counties and larger school districts, cities, and special districts have established automated cost accounting systems that can track all identified public projects. Other project tracking systems include work order systems and project ledger card systems.

Work orders are written authorizations for the performance of a particular project. They contain a description and location of the project and the specifications for the work to be performed. These authorizations, used extensively by public agencies, are assigned an identification code and are used to accumulate and report labor, materials and supplies, and other costs associated with the project. Work orders can be used to cost public project work, as well as maintenance work and other types of end cost objective work.

A project ledger card system establishes a single ledger card to be used in recording, in summary, all cost elements associated with a particular public project.

### *Discussion of Example*

An excel spreadsheet, is listed as a template named *Sample Estimating Form* and is available online at [http://www.sco.ca.gov/ard\\_cuccac.html](http://www.sco.ca.gov/ard_cuccac.html)

The sample project ledger card has been established by the school district's accounting area to estimate the costs of remodeling the Main Street School. This sample can be used for estimating a project. The following data elements are included on the ledger card to establish the public project:

- Project code
- Start date
- End date
- Person responsible for work
- Name of project

## Chapter 4 IDENTIFICATION, REPORTING, AND COMPUTATION OF PERSONNEL COSTS

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## CHAPTER 4 IDENTIFICATION, REPORTING, AND COMPUTATION OF PERSONNEL COSTS

### Identification, Reporting, and Computation of Personnel Costs

The accurate estimating, tracking and costing of personnel costs is imperative to ensure accurate reporting and future estimating of these costs. Personnel costs are those costs associated with employing public agency personnel in the performance of a specific job. They include three elements:

- 1) Annual salary or wage paid by the public agency.
- 2) Benefits received by employees such as a public agency's contribution to employee retirement programs, group health plans, and unemployment insurance.
- 3) Benefits paid to employee such as salaries or wages paid to employees who are on holidays, vacation leave, and sick leave.

This section of the manual describes the systems and methods used to track personnel time, determine the costs associated with personnel, and record these costs to a project tracking system.

### Tracking Personnel Time

Critical to the public agency's determination of personnel costs is the ability to identify time spent by employees performing work on all public projects.

#### 4.01 Timekeeping System

A public agency shall have a timekeeping system that accumulates hours worked by employees and assigns these hours to all public project codes. Typically, this project code is assigned by the agency's accounting department and conveyed to the person responsible for the public project, generally the foreman or equivalent position. This system shall enable the agency to track hours worked on public projects to allow for the subsequent distribution of the appropriate personnel costs.

#### 4.02 Examples of Timekeeping Systems

The simplest of timekeeping records is a foreman's time book. These books usually have 50 pages and the foreman records on a daily or weekly basis the employee and his daily time spent on a particular project. These books have heavy tagboard covers so they can remain at the job site and be carried in a foreman's pocket. Typically, at the week's end, the foreman's time book is copied onto timesheets or timecards. This may be done at the central office by the foreman, timekeeper, payroll clerk or bookkeeper. This timekeeping system has the advantage of actual timekeeping being performed at the job site; but if the book is lost, the entire project's time record is lost.

Weekly timesheets or timecards and electronic timekeeping systems can also be used to record time. These documents should be completed by employees no later than at the end of the week showing the hours worked on each public project. For the employees to complete the cards or sheets, they must be informed of the appropriate project code to charge. This appears to be an insignificant issue; but without the establishment of a project code and the conveyance of that information to personnel working on the public project, the costs may never get recorded accurately. This decentralization of timekeeping presents the opportunity for possible inaccuracies in the recording of time spent on public projects. Therefore, this system may warrant additional review by management.

Work orders can be used to record time by the appropriate employee. As discussed in the project tracking requirements, work orders are written authorization for the performance of a particular job containing a project code, a description and location of the job, and specifications for the work to be performed. Work orders are the most frequent public project timekeeping systems used by public agencies. These are generally completed by the supervisor of the public project who records the employees' time spent on a public project.

It is important to note that work performed on public projects, unlike timekeeping in the construction industry, requires close supervision by management to ensure that hours worked on end cost objectives as defined by this manual are recorded properly.

### 4.03 Application of Timekeeping Systems

As discussed earlier, there are two types of organizational units within public agencies that may perform public project work. These are (1) public project units and (2) other organizations that may, in addition to their primary duties, work on public projects.

#### *Public Project Unit*

A public project unit is an identifiable organizational unit of any size whose primary goals include the undertaking and completion of public projects. Typically, these units perform construction, reconstruction, erection, alteration, renovation, improvement, demolition, repair work, and painting of any publicly owned, leased, or operated facility. For example, a public works department may have a division/section comprised of employees who as defined by this bill are dedicated to the undertaking and completion of public projects such as road resurfacing, painting, landscaping and building/remodeling. The Commission would, in general, consider a unit to be a public project unit when over 25% of the total unit's annual budget is expended on public projects. It is more common to have these organizational units in the larger public agencies--urban counties, cities and school projects.

#### **Timekeeping Requirements**

Employees who generally are considered direct labor and are assigned to a public project unit shall record their time on an hourly basis and record all hours of a full work day. This includes time spent on public projects as well as time spent on projects excluded from this program. Unassigned time by these employees will also be recorded and charged to an appropriate code.

Employees not performing labor on public projects, but who provide administrative support services to the employees of the public project unit, shall also record their time on an hourly basis and record all hours of a full work day. This time will be charged to an appropriate overhead account and will be used in the development of the organizational unit's overhead rate as discussed in Chapter 7.

#### *Other Organizational Units Performing Work on Public Projects*

There are other organizational units that have employees who perform work on public projects but whose primary goal is the performance of routine maintenance work and/or other general government services. Typically, these organizational units include: parks and recreation departments; divisions of public works agencies that have not been identified specifically as public project units, such as engineering; water and sewer; street maintenance; and routine maintenance.

### a. Timekeeping Requirements

Employees of these organizational units shall report time worked on public projects. Although the Commission strongly believes that it is advisable for employees to record an eight-hour day to various end cost objectives, work performed outside of public projects is excluded from the scope of the program and is not required to be reported. All time worked on public projects by a public agency employee shall be posted to a project tracking system on a timely basis with an adequate audit trail maintained.

### b. Discussion of Example

An employee of an organizational unit who performs work on a public project, but whose organization is not identified as a public project unit, must report his time. The employee has recorded only the time worked on a public project. Unit management, employees performing maintenance work, and unassigned employees need not record their time as do similar employees in a public project unit.

## 4.04 Recording Time to Public Projects

A public project's direct labor time shall be recorded to a project code under the following circumstances:

- The employee worked on a public project.
- The employees were in transit to or from a project site.
- The employee performed clean-up work on a public project, e.g., the employee returned to central headquarters to complete paperwork attributable to a public project.
- The employee was assigned to work on a public project but was unable to work due to unforeseen circumstances, e.g., equipment breakdown or inclement weather, and was therefore idle.

## Computing Personnel Costs

In determining personnel costs, three different rates must be determined and applied: the employee's productive hourly rate, the department's overhead rate, and the general government overhead rate.

## 4.05 Productive Hourly Rate

Personnel costs in many public projects represent the single largest cost of a public project. In calculating these costs it is important to include the three components of personnel costs:

- 1) Annual salary/wages
- 2) Benefits received
- 3) Benefits paid

The calculation of an hourly rate integrating these three costs components is commonly called a "productive hourly rate."

A productive hourly rate shall be used to cost time reported to public projects. A productive hourly rate determines the full costs per hour of employing public agency personnel on a public project. A productive hourly rate is calculated by dividing annual personnel costs by an employee's available hours for work assignment.

### *Annual Personnel Cost*

The annual personnel costs of an employee or class of employees shall be determined by the public agency. These costs shall include annual salary/wages and fringe benefits paid by the public agency.

Fringe benefits are generally calculated as a percentage of annual salary/wages or as an annual cost per employee.

If the productive hourly rate is calculated by employee class, members of each class should have reasonably comparable fringe benefits. Otherwise, further division of the employee class should be performed.

Fringe benefit calculations shall take into consideration, but not be limited to, the employer contribution portion of the following costs:

- Disability insurance
- Life insurance
- Retirement plan
- Unemployment insurance
- Worker's compensation insurance
- Personal liability insurance

The fringe benefits calculation is not required to include accrued benefits, such as sick leave or vacation earned but not taken, as a component of personnel costs. It is recognized that these accrued benefits represent a significant future cost to the public agency. Yet, many public agencies do not account for these costs and would have difficulty in developing accurate figures. If further pronouncements concerning accrued benefits of public agencies are issued, the Commission will determine whether inclusions of these costs are appropriate.

### *Productive Hours*

The public agency shall start with the assumption of 2,080 productive hours in a year if a 40-hour work week is the standard for the public agency. If a 40-hour work week is not the standard, the appropriate number of annual productive hours must be determined by the agency. The public agency shall then determine average annual nonproductive time either by employee, class of employee, or agency-wide. Nonproductive time is time when the employee is not available to work or assignment to work and includes but is not limited to:

- Vacation
- Sick leave
- Holidays
- Military leave
- Jury duty
- Training

### 4.06 Unit Overhead Rate

#### *Public Project Unit*

A unit overhead rate shall be developed for each public project unit. This unit overhead rate shall include all public project costs that are not direct costs. The overhead rate shall be developed and added to the productive hourly rate.

#### *Organizational Unit Performing Public Project Work*

A unit overhead rate shall be developed for each organizational unit performing work on public projects in addition to its primary duties. This unit overhead rate shall include all of the organizational unit's costs that are not direct costs. The overhead rate should be developed and applied to the employee's productive hourly rate.

### 4.07 Government-Wide Overhead Rate

A government-wide overhead rate shall be developed to include all costs of a public agency not associated with organizational units performing services that support all end cost objectives of the government entity. The government-wide rate shall be developed and applied to the productive hourly rate after unit overhead has been applied.



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**CHAPTER 5 IDENTIFICATION, REPORTING, AND COSTING OF MATERIALS,  
SUPPLIES, AND SUBCONTRACTS**

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## CHAPTER 5 IDENTIFICATION, REPORTING, AND COSTING MATERIALS, SUPPLIES, AND SUBCONTRACTS

### Identification, Reporting, and Costing of Materials, Supplies, and Subcontracts

Materials, supplies, and subcontracts used on public projects are considered a cost element by the Commission and include such items as lumber, bricks, cement, doors, paint, asphalt, wire, sand, gravel, pipe, and work performed under a subcontract. Materials and supplies used on public projects shall be tracked and charged to project codes as discussed in Chapter 2 and can be accounted for either as direct purchase or inventory.

This section of the manual describes the systems and methods used to track materials, supplies, and subcontracts; determine their value, as well as the other costs associated with providing materials and supplies; and record these costs to a project tracking system.

### Materials and Supplies

Critical to the public agency's determination of personnel costs is the ability to identify time spent by employees performing work on all public projects.

#### 5.01 Tracking Materials and Supplies

The Commission wishes to provide policies and procedures so that public agencies account for public projects in a manner similar to the construction industry. The nature of governmental procurement and inventory practices presents challenges to the public agency's ability to meet the Commission's objective of effectively measuring material and supply costs for public projects.

##### *Direct Purchases*

Materials and supplies are often purchased directly for use on a public project. The public agency can thus identify the associated dollar value of items purchased to the public project code, which should be identified on the purchase order when the procurement is initiated.

##### *Inventory*

It is more difficult to identify the associated costs of items obtained from the public agency's inventory of materials and supplies, generally maintained at a warehouse or stockroom. The major challenge is identifying and recording the costs of material and supplies utilized for the public project which are obtained from the public agency's inventory. It is the Commission's position that, if the value of these goods obtained from inventory is material, the cost must be recorded to the public project code as a direct cost item. Materiality is defined for purposes of this manual to be any item that has a unit or aggregate value of \$25 or more.

Items purchased and placed into inventory that would subsequently be used on public projects and which may exceed the \$25 limit shall be issued to projects in a manner consistent with good accounting controls.

#### 5.02 Costing Materials and Supplies

##### *Direct Purchase*

The total material and supplies costs are the invoiced amount. This amount should be posted to the project tracking system for direct purchases on a timely basis. This recorded amount should include the cost of the materials and supplies, freight, sales tax, use tax and any other appropriate costs.

### *Inventory*

The public agency shall have a method to provide for the valuation of the inventory it releases to public projects. Acceptable methods include:

**First-In, First-Out (FIFO)** – The earliest acquired stock is assumed to be used first, the latest acquired stock is assumed to be still on hand. Therefore, when inventory is issued, it is valued at the cost of the earliest acquired stock.

**Last-In, First-Out (LIFO)** – The earliest acquired stock is assumed to be still on hand, the latest acquired stock is assumed to have been used immediately. Therefore, when inventory is issued, it is valued at the cost of the most recently (latest) acquired stock.

**Weighted Average** – In this type of inventory valuation system, each purchase of stock is aggregated with the former inventory balances so that a new average unit price is used to price the subsequent issues of inventory.

**Recent Costs** – The most recent unit costs is applied to units consumed to yield total cost.

### 5.03 Handling/Carrying Cost

Personnel, equipment and facilities costs are incurred by the public agency to store and transport inventoried items. This is separate and distinct from the cost of procurement that is considered to be recaptured through general government overhead, as discussed in Chapter 4. (If warehousing and transportation costs are not provided by a central organization, it is assumed that these costs are recovered through the government-wide overhead rate).

### 5.04 Subcontracts

A public agency may wish to complete work on a public project by subcontracting, i.e., hiring an outside contractor to perform a portion of the work.

Subcontractors shall be accounted for in a manner similar to a direct purchase of materials and supplies. Contracts or purchase orders should be coded with the appropriate project code and the subcontract costs recorded onto the project tracking system in a timely manner. The handling/carrying overhead rate shall be calculated to recover:

- Warehouse/storeroom personnel costs
- Facility costs of storeroom/warehouse
  - Utilities
  - Rent
  - Insurance
- Transportation costs associated with the receipt/delivery of materials and supplies.

## CHAPTER 6 IDENTIFICATION, REPORTING, AND COSTING EQUIPMENT

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## CHAPTER 6 IDENTIFICATION, REPORTING, AND COSTING EQUIPMENT

### Identification, Reporting, and Costing Equipment

Usage of equipment on public projects is a cost element of performing those public projects. Equipment usage, excluding passenger riding sedans, must be tracked when a piece of equipment is assigned to a public project. Equipment used on public projects shall be charged to a project cost code. This section describes the systems and methods used to track equipment usage, determine equipment costs, and record the costs to a projects tracking system.

#### 6.01 Equipment Tracking Systems

The public agency shall have a manual or automated system that tracks the appropriate equipment by time, mileage or other usage factor to a public project. The system shall have the capability to track equipment usage to a public project:

- When it is in motion to/from a project site;
- When at a public project site (whether in use or not), if time is the means of equipment tracking and
- When at public project site and in use, if mileage or some other mechanism is the means of equipment tracking.

#### *Examples of Tracking Systems*

One of the simplest forms for tracking equipment is a weekly timesheet for each piece of equipment that has been assigned to the public project and the time or mileage incurred by the public project. These sheets should be submitted weekly with labor timesheets or cards. They should then be sent to the accounting area and charged to a project tracking system.

#### 6.02 Equipment Tracking of Agency Owned/Operated Equipment

As will be seen in this chapter heading Equipment Usage Rates on page 68, the public agency can cost out equipment it owns and operates in one of two ways. The public agency can either utilize internally developed equipment rates or rates from industry equipment rate books.

#### *Internal Rates*

When an agency develops internal equipment rates for certain or all types of equipment, that agency must track the time that equipment was used on end cost objectives such as public projects, maintenance work, and unassigned time. This enables the public agency to determine what the equipment's history of productive hours has been. This enables a better forecast of projected productive hours to be made for rate development purposes.

#### *Equipment Rate Book Rates*

When an agency utilizes the calculated equipment rate from rate books, it must record the time or mileage the equipment is used on public projects. Since these equipment rates generally factor in idle time, a full tracking of the equipment as performed for "internal rate" equipment is not mandated.



### Equipment Usage Rates

There are three acceptable means of determining equipment rates. They include rates developed internally for public agency owned and operated equipment, equipment rate books used by the construction industry and rental or lease rates charged by commercial vendors. Each of these methods attempts to recapture the costs associated with the equipment's purchase and operations, such as depreciation, fuel, maintenance, repair and insurance.

#### 6.03 Internal Rates (Equipment Owned by Public Agency)

Public agencies shall utilize internally developed equipment usage rates that reflect the full cost of owning, operating and maintaining types of equipment. Rates should be developed for classes of equipment and should comply with the following guidelines:

- The internal equipment rate methodology shall be documented and an adequate audit trail provided.
- The costs of depreciation, fuel and oil, equipment storage, and income are to be included in the internally developed rates.

### *Depreciation*

Depreciation is the method used to spread the cost of equipment, capital lease, or replacement value less residual value, over a piece of equipment's useful life. The public agency's capitalization policy should be used to determine whether a piece of equipment should be depreciated. Generally, equipment that costs more than \$1,000 and has a useful life of more than one year should be depreciated.

Depreciation should be calculated as follows:

#### 1) Useful Life

Depreciation should be based on the average useful life for the piece of equipment in a particular operation. Determination of useful life should be based on actual or planned retirement and replacement practices.

#### 2) Residual Value

Residual value is the value at disposition (less costs of disposal) estimated at the time of acquisition. In many cases, the estimated residual value is so small and occurs so far in the future that it has no significant impact. As well, residual value may be almost or completely offset by removal and dismantling costs. Normally, public agency equipment will be used through the end of its estimated useful life and the residual value may be carried at zero. In the event that it is known at the time of acquisition that the capital equipment will not be used for at least 75% of its scheduled useful life, residual value should be estimated.

#### 3) Capital Improvements

Capital improvements are the costs of major overhauls and modifications that add value and prolong the life of a piece of equipment. These costs should be treated as capital expenditures and depreciated over the extended or remaining useful life of either the asset or improvement, whichever is less.

#### 4) Straight Line Depreciation Method

The straight-line depreciation method charges an equal amount for each period of useful life (generally a year). This method is considered the most practical and reasonable method for determining equipment usage costs.

### 5) Calculation of Depreciation Method

For annual depreciation for capitalized equipment will be estimated as follows:

- A. Start with the acquisition cost (purchase price) plus capital improvements, plus all other costs incurred to place the equipment in usage, e.g., transportation, installation. The public agency may choose to utilize replacement value for this calculation.
- B. Determine the useful life of the equipment, utilizing applicable guides such as the IRS guide.
- C. Compute annual depreciation by dividing the depreciable basis (acquisition cost plus capital improvements less residual value) by the useful life.
- D. Maintenance and Repairs  
These are costs (labor and parts) that are incurred for maintenance repairs to keep the equipment in normal operating condition. These costs do not include capital improvements that add value to equipment and are accounted for under depreciation. Tires and grease are included in this classification of cost. Typically, a ledger card for each piece of equipment will be necessary to record these costs.
- E. Fuel and Oil  
These costs include the labor and fuel costs of supplying the equipment with fuel of any type and oil.
- F. Equipment Storage Costs  
Equipment storage costs include the cost of facilities associated with the use of equipment. These costs include equipment yards, warehouse facilities, and the cost of guards and other security measures.
- G. Insurance  
These costs include the premiums paid by the public agency (whether self-insured or paid to an outside agency) for equipment insurance.

A good discussion of the calculation of internal equipment rates can be found in State Controller's Office website, [http://www.sco.ca.gov/pubs\\_guides.html](http://www.sco.ca.gov/pubs_guides.html) *Accounting Standards and Procedures for Counties* in the Road Fund Accounting section.

#### 6.04 Equipment Rate Books (Equipment Owned by Public Agency)

Public agencies that own equipment used on public projects but do not calculate internal equipment rates shall utilize appropriate private industry equipment rate books. It is understood that industrial rates may include certain costs that are not incurred by public agencies, such as personal property taxes paid on the assessed value of the equipment and interest charges. However, these equipment usage rates in some cases do not include: the cost of fuel or other energy costs to operate a particular piece of equipment; the cost of preparatory work performed before a piece of equipment can be made operative; the costs of dies, blades or welding rods that are normally consumed in the operation of a piece of equipment; or the costs of extraordinary wear and tear. Therefore, the use of industrial rates is assumed to provide a reasonable approximation of internal rates.

Equipment rate books that are acceptable to the commission for use in lieu of internal rates include:

- *Caltrans Labor Surcharge and Equipment Rental Rates*  
<http://www.dot.ca.gov/hq/construc/equipmnt.html>
- *Mechanical Contractors Association Tool and Equipment Rental Guide*
- *National Electrical Contractors Association Tool and Equipment Rental Schedule*

Use of other guides must first be reviewed and approved by the Commission.

These guides are maintained and updated on a periodic basis by the appropriate agency or association to accurately reflect current costs associated with equipment usage. If a piece of equipment or comparable piece of equipment is not included in an established guide, an internal rate shall be developed or a documented quote from an equipment leasing or rental agency may be utilized.

### 6.05 Rental or Lease Rates

Rented or leased equipment to be used partially or completely on public projects shall be tracked and have the appropriate amount charged to the public project. Additional costs associated with the leasing or renting of equipment used partially on a public project shall be charged on a pro rata basis, if appropriate to that project. Costs related to renting or leasing equipment generally include, but are not limited to:

- Rates
- Moving, loading, and assembly costs
- Maintenance and repairs
- Insurance
- Fuel (under some rate schedules)

## CHAPTER 7 IDENTIFICATION, RATE DEVELOPMENT, AND ALLOCATION OF OVERHEAD

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## CHAPTER 7 IDENTIFICATION, RATE DEVELOPMENT, AND ALLOCATION OF OVERHEAD

### Identification, Rate Development, and Allocation of Overhead

#### 7.01 Commission Adopted Simplified Overhead Rate

Prior to January 1, 2004, the Commission allowed all agencies to use a 20% overhead rate applied to all direct costs in lieu of calculating their overhead rates. Amendments to Public Contract Code section 22017 provides that cities with a population of less than 75,000 can assume the 20% rate. Cities with a population of 75,000 or over can either assume a 30% overhead rate or calculate an actual overhead rate.

The Commission determined that counties, special districts, and school districts can use a 30% rate or calculate an actual overhead rate, which is the same rule that applies to cities with a population of over 75,000.

Agencies may elect to calculate their overhead rates by one of three following methods:

- 1) Appendix A describes the federal government's method of calculating overhead (2CFR Part 200).
- 2) Appendix B describes a method of calculating overhead by allocating overhead costs as a percentage of direct labor costs.
- 3) Any method of calculating overhead is satisfactory with the Commission, provided that acceptable accounting procedures are used and all administrative costs are included.

Chapter 3, Definitions, lists items that define overhead.

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APPENDIX A COST PRINCIPLES FOR STATE, LOCAL, AND INDIAN TRIBAL  
GOVERNMENTS

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## **APPENDIX A Cost Principles for State, Local, and Indian Tribal Governments**

Cost Principles for State, Local, and Indian Tribal Governments

### **APPENDIX A COST PRINCIPLES FOR STATE, LOCAL AND INDIAN TRIBAL GOVERNMENTS**

**2 CFR Part 200  
(OMB Circular A-87)  
Please refer to:**

**[www.ecfr.gov](http://www.ecfr.gov)**

**Browse: Title 2 – Grants and Agreements  
Volume 1, Chapter II, Part 200**

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**APPENDIX B OVERHEAD DETERMINATION AND ALLOCATION PERCENTAGE OF  
DIRECT LABOR COSTS METHOD**

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## APPENDIX B OVERHEAD DETERMINATION AND ALLOCATION PERCENTAGE OF DIRECT LABOR COSTS METHOD

### Identification, Rate Development, and Allocation of Overhead

#### B.01 Identification, Rate Development, and Allocation of Overhead

Overhead is the one cost element most frequently misunderstood and absent from public agency costs. This section defines overhead costs and the various methods used to identify, track, and allocate these costs. The Commission believes that overhead is a significant factor and that it is essential that public agencies record and allocate their costs to fairly reflect the total cost of performing public projects. It is not intended that public agencies be required to recover all their overhead costs but that overhead costs reasonably borne by public projects be allocated to these projects.

Overhead includes all costs except:

- Labor performed at the site and directly charged to any end cost objective (including other than public projects) including a pro rata share of payroll taxes and related employee benefits, such as workers' compensation, group insurance, holiday and sick leave, and similar "fringe benefits." As discussed previously, an end cost objective is a pool, center, or activity established for the accumulation of the direct cost of performing fundamental government services. Labor charged to an end cost objective should be traceable to the finished goods or services performed.
- Materials, supplies, and subcontracts actually consumed on and directly charged to any end cost objective, including related freight, sales or use tax, and handling/carrying charges if appropriate. Materials and supplies charged to an end cost objective should be traceable to the finished goods or services provided.
- Equipment costs directly charged to any end cost objective. Equipment costs charged to an end cost objective should be traceable to the finished goods or services provided.

Overhead costs represent economic resources that are employed for common or joint purposes benefiting several end cost objectives and are not identifiable to an individual end cost objective. The challenge is to achieve an equitable allocation of overhead costs to these various end cost objectives of the public agency.

Public agencies shall calculate two overhead rates or use the simplified overhead rates noted in Chapter 7:

- Unit overhead rate
- Government-wide overhead rate

Unit overhead is defined as all costs incurred by an organizational unit, such as a public project unit, department, division or section, which are not directly attributable to any end cost objective whether it be a public project or not. These costs include personnel costs, materials, supplies and subcontracts and equipment costs not directly attributable to any end cost objective. As was discussed in Chapter 4, unit overhead must be developed for public project units and organization units performing public project work.

Government-wide overhead is defined to include all costs of a public agency not associated with organizational units performing services which support all end cost objectives of the government entity.

The unit and government-wide overhead rates must be developed on an annual basis. These rates should be developed prior to the fiscal year and applied to the productive hourly rate as discussed in Chapter 4.

#### B.02 Unit Overhead

Unit overhead is made up of personnel costs, materials, supplies and subcontracts, equipment usage and facilities costs that are not identified as direct costs. As was stated in Chapter 4, unit overhead rates shall be developed for public project units and any other organizational units whose employees may perform work on public projects.

##### *Cost Components*

Components which shall be included in the calculation of unit overhead include, but are not limited to, costs incurred within the organizational unit related to:

- Administration
- Accounting/finance
- Clerical assistance
- Facilities
  - Rental costs (Depreciation of facilities purchased or constructed by a public agency is not required by the Commission).
  - Utilities
  - Insurance
- Data processing
- Direct labor not charged to direct activities
- Materials and supplies not charged to direct activities
- Under-realization of labor and equipment rates

Unit overhead components shall not be included in the government-wide overhead.

##### *Tracking of Unit Overhead*

The tracking of overhead costs can be performed in two ways. Overhead can be determined through the utilization of a formal cost accounting system. This system allows for the identification of such costs as salaries and indirect materials and supplies as overhead costs, and records these costs to management overhead codes. Alternatively, cost-finding studies can be performed. A cost finding study, a less precise method of overhead determination, is usually performed on an annual basis and generally involves taking available financial accounting data and determining the value of overhead pools through various estimation techniques.

#### a. Public Project Unit

As discussed in Chapter 4, a public project unit's personnel shall record and account for a full workday. This enables the public project unit to track and record time spent on overhead activities and unassigned time on an actual basis. As well, the public project shall record equipment usage costs, subcontractor costs, materials, supplies and subcontracts, and facilities costs to overhead codes when not identifiable to a specific project. Thus, the public project unit accounts for all of its

costs, whether they are direct costs or overhead. The public project unit will use the resulting data to develop its unit overhead rate.

**b. Organizational Unit Performing Public Project Work**

Personnel working for an organizational unit whose primary goals include the performance of routine maintenance work and/or other general government work are not required to account for a full workday. However, these employees must record all hours of work performed on public projects. This organizational unit shall develop a unit overhead rate through an annual cost finding study which distinguishes direct costs for end cost objectives from indirect (overhead) costs.

**B.03 Government-Wide Overhead**

Government-wide overhead represents costs incurred by the support functions of the governmental entity, which are not associated with an organizational unit performing end cost objectives. As was stated in Chapter 4, government-wide overhead rates shall be determined by each public agency.

*Internally Developed Government-Wide Overhead Rate*

Public agencies shall utilize an internally developed government-wide overhead rate. The rate methodology shall be documented and an adequate audit trail provided.

**a. Cost Components**

The government-wide overhead rate shall include but not be limited to costs associated with the functions shown below to the extent that they are not included in specific unit overhead rates:

- Payroll department
- Procurement/purchasing department
- Legal function
- Central administrative function
- Accounting/finance budget function
- Data processing
- Insurance (whether self-insured or premiums are paid to an agency)
- Public Relations
- Vehicle Pool

The government-wide overhead rate may exclude the costs associated with the legislative and judicial branches of the public agency.

**b. Rate Development**

The public agency shall develop the government-wide overhead rate of the public agency using direct labor dollars to allocate these government-wide overhead costs in a manner similar to the allocation of unit overhead.



### *Government-Wide Overhead*

Where a government-wide cost allocation plan has been prepared under the auspices of 2 CFR Part 200 or other government-wide rate methodologies, the public agency may utilize the overhead costs or rates developed in lieu of an internally developed government-wide overhead rate, as described in this manual. The Commission recognizes that public agencies may consider these rates imprecise or inappropriate. It is acknowledged that, in developing these rates, some costs are not included because they are considered "not allowable." Thus, the rate may not recover all costs associated with the program. In contrast, an argument could be made that the rates are calculated to recover the costs of government-wide overhead, which would occur whether or not the specially funded program was undertaken. In this instance, the rate would be considered too high.

In acknowledging these arguments, the Commission wishes to identify the issues but still allow the use of these rates as a reasonable alternative for the calculation of government-wide overhead.

### *Overhead Allocation*

The government-wide overhead rate shall be applied to the appropriate productive hourly rate after the unit overhead has been applied. See Chapter 4 for a more detailed discussion.

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# SOLANO COUNTY WATER AGENCY



## MEMORANDUM

**TO:** Board of Directors

**FROM:** Roland Sanford, General Manager

**DATE:** June 8, 2018

**SUBJECT:** June General Manager's Report

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### Water Supply

Last month the Department of Water Resources increased the North Bay Aqueduct Table A allocation by 10 percent, from 40 percent to 50 percent. Lake Berryessa remains nearly full and as previously reported, despite a lackluster rainy season (see attached chart), will once again provide full allocations to the Participating Agencies.

### SGMA Groundwater Update

The Department of Water Resources (DWR) is recommending that the "priority rankings" of two groundwater basins; the Solano Subbasin and the Napa-Solano Lowlands Subbasin, located partially within Solano County (see attached map), be elevated – the former from "medium" priority to "high" priority, the latter from "low" priority to "medium" priority. The priority rankings DWR assigns to groundwater basins and subbasins have potentially significant financial and regulatory implications. Pursuant to the Sustainable Groundwater Management Act (SGMA), groundwater basins and subbasins that have been designated as medium or high priority must have a Groundwater Sustainability Plan (GSP) in place by 2022.

The process for developing a GSP for the Solano Subbasin is underway and therefore, increasing the priority ranking of the Solano Subbasin, from medium to high priority, has no financial implications – for now. However, at some point in the future, DWR and/or the Legislature could impose additional regulations and requirements on high priority basins that ultimately translate to additional program costs to Groundwater Sustainability Agencies (GSA).

In the case of the Napa-Solano Lowlands Subbasin, the proposed priority designation from low to medium does have immediate financial implications, simply because it will necessitate formation of a GSA and ultimately, preparation and adoption of a GSP by 2022. Because the Napa-Solano Lowlands Subbasin is located partially within Napa County, management of the subbasin will require coordination between the two counties – either operating as a single GSA for the entire subbasin, or perhaps two separate GSAs.

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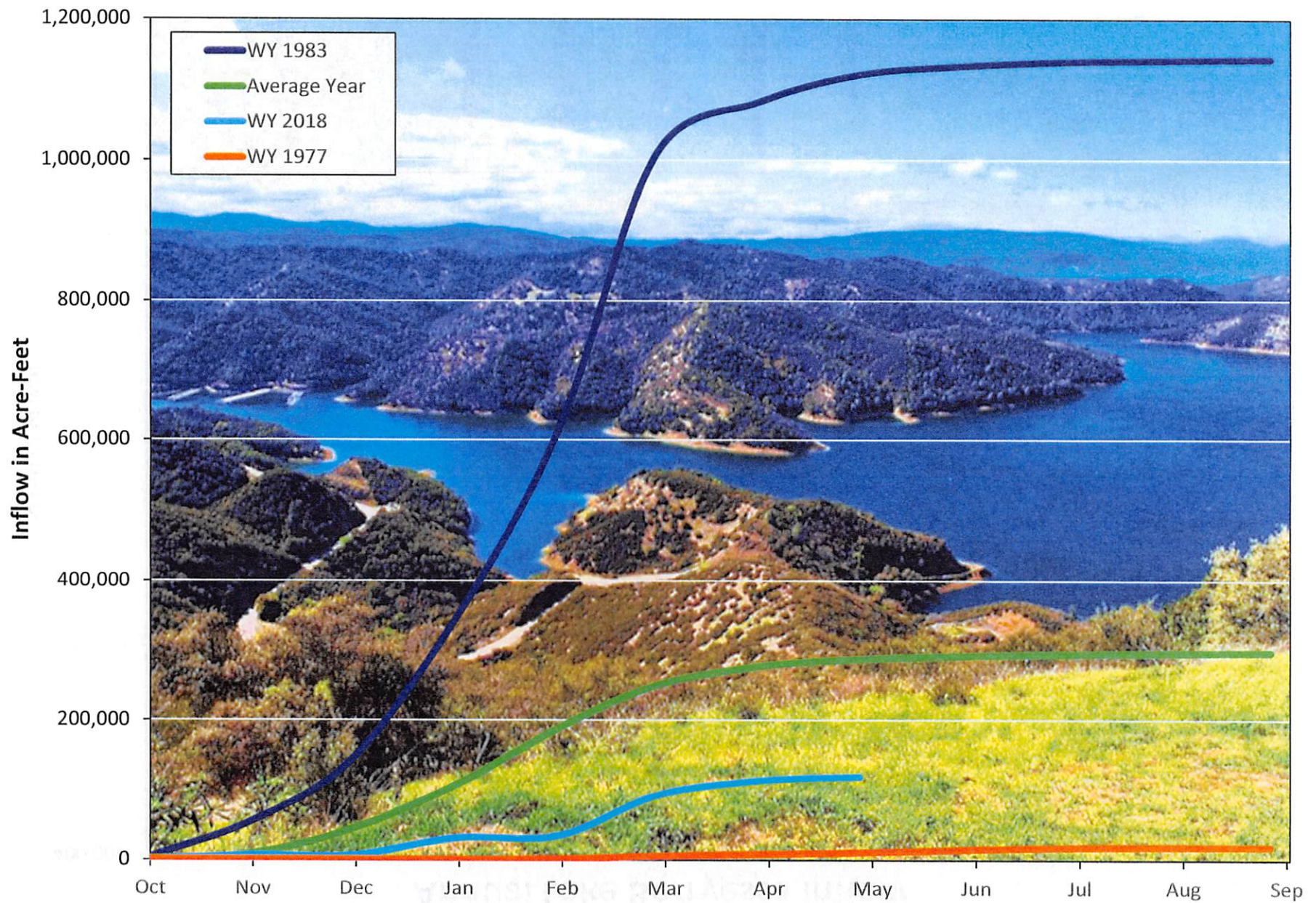
Both County and Water Agency staff have reviewed the criteria DWR used in making their recommendations to elevate the priorities of the Solano and Napa-Solano Lowlands subbasins, and particularly in the case of the Napa-Solano Lowlands subbasin, it appears that the justification for elevating the basin priority is weak. Water Agency staff and others will be submitting comments to DWR (comments due by July 18, 2018) to hopefully dissuade DWR from elevating the priority of either subbasin.

### **California Invasive Species Action Week**

Saturday, June 2 through Sunday, June 10 was “California Invasive Species Action Week” and ironically, on June 2 a boat infested with Quagga mussels was eventually turned away at Lake Mendocino. Because there are no decontamination facilities at Lake Mendocino, the boat was taken to Lake County for decontamination. No Quagga or Zebra mussel infested boats have been encountered at Lake Berryessa this year. However, the boating season is just getting underway and even now, given the multiple boat launching sites around the lake, it is not practical to inspect, even at a cursory level, all watercraft entering the lake.

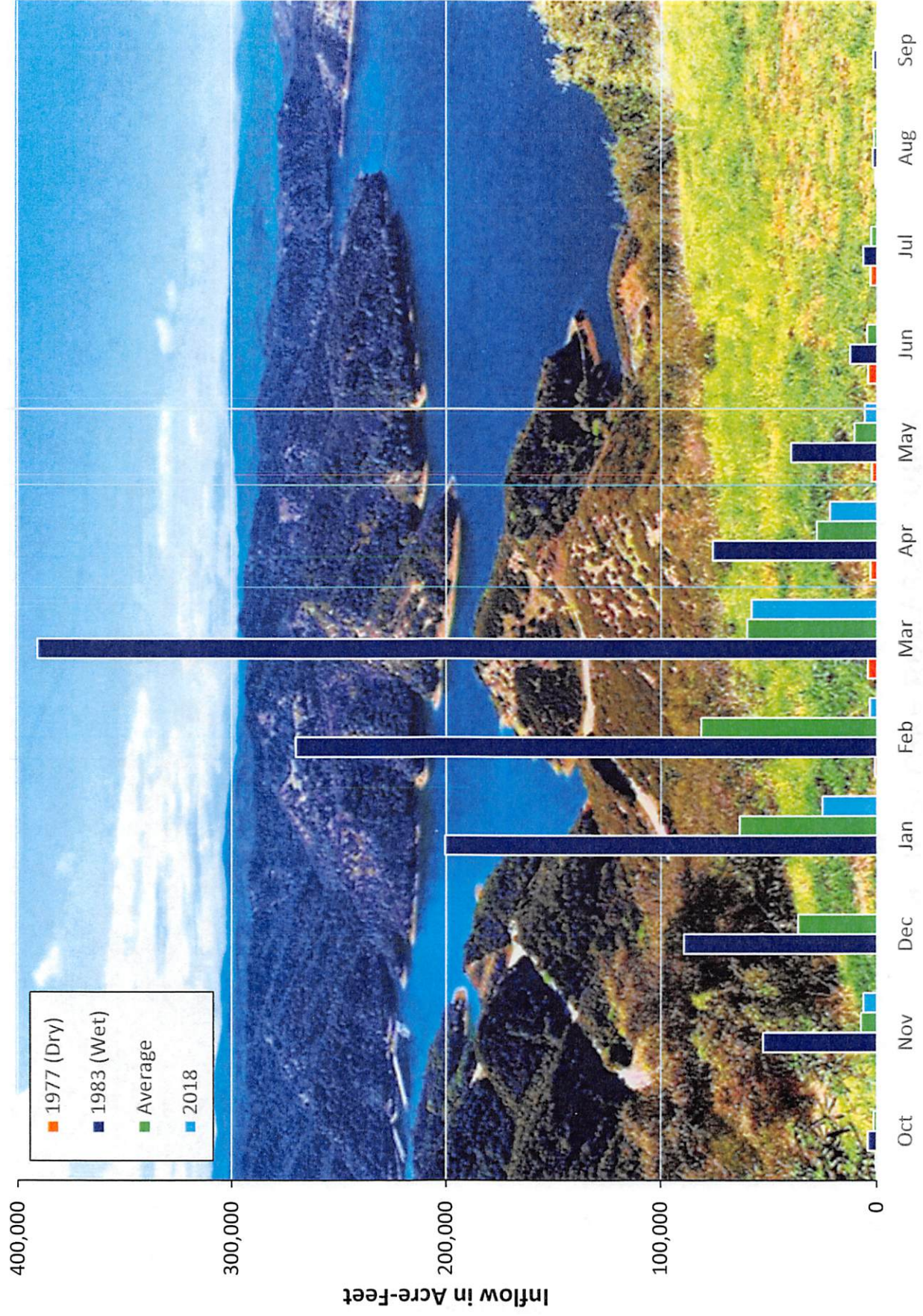


## Annual Lake Berryessa Inflow

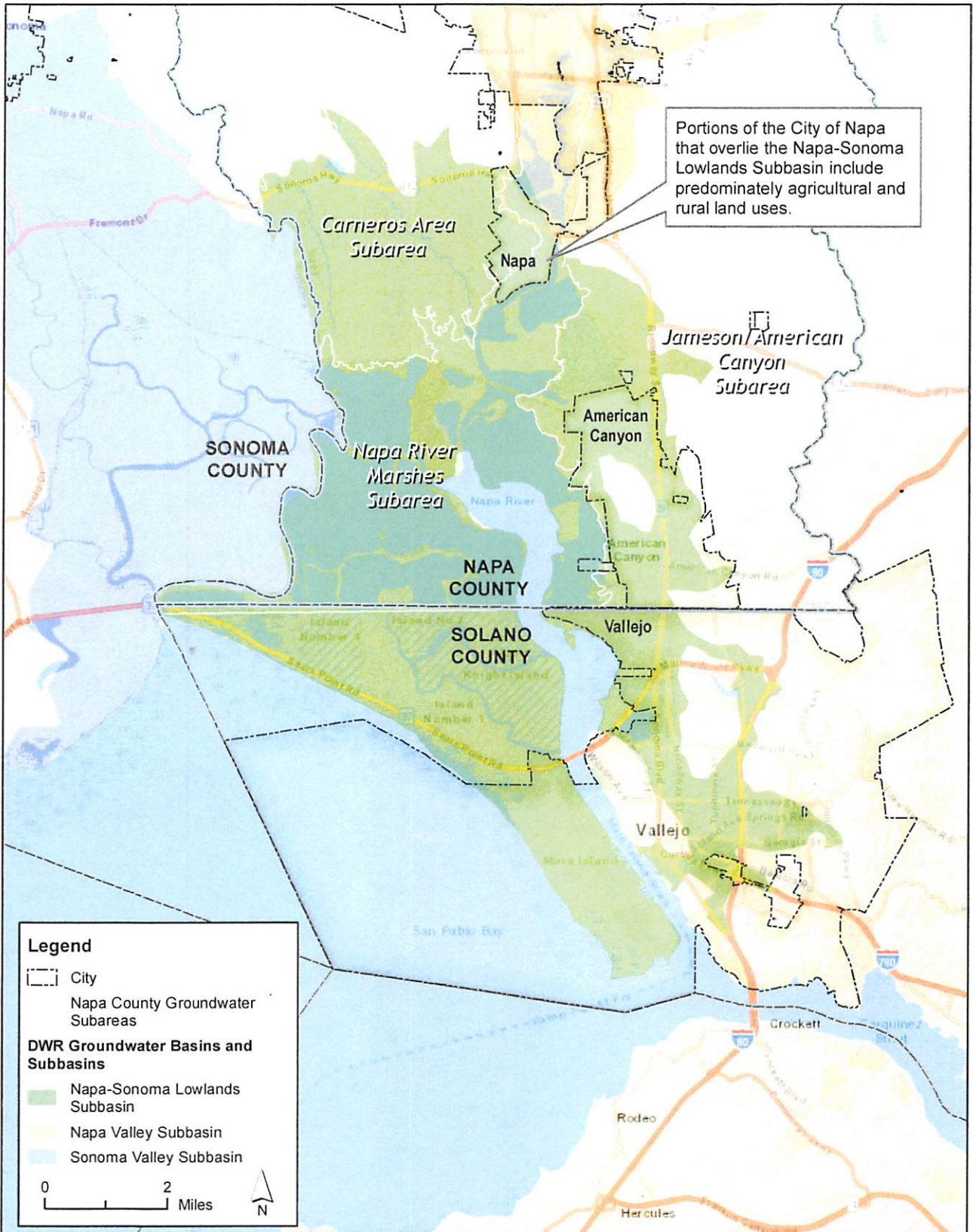




# Annual Lake Berryessa Inflow







X:\2017\17-030 Napa Co. - 2017-2018 General Services\GIS\2018 Basin Repriorization\NS Lowlands Location\_Muni\_RB.mxd



**REPORT OF CONSTRUCTION CHANGE ORDERS AND  
CONTRACTS APPROVED BY GENERAL MANAGER UNDER  
DELEGATED AUTHORITY**

**Construction Contract Change Orders (15% of original project costs or \$50,000, whichever is less) - none**

**Construction Contracts (\$30,000 and less) - none**

**Professional Service Agreements (\$30,000 and less)**  
None

**Non-Professional Service Agreements (\$30,000 and less) –**

**Construction contracts resulting from informal bids authorized by SCWA Ordinance- none**

Note: Cumulative change orders or amendments resulting in exceeding the dollar limit need Board approval.

# NEWSPAPER ARTICLES

WHS  
Class of  
2018 to  
graduate

Pages B-1 - B-7

Gateway to the Monticello Dam

# Winters Express

70¢

plus 5 cents for Jerry

Wolfskill  
students  
graduate

Page B-5

Volume 135, Number 18 - Locally owned since 1884

Winters, Yolo County, California, Thursday, May 31, 2018

The hometown paper of Matthew Lease

## Winters Putah Creek Nature Park fate fixed

By MARGARET BURNS  
Staff writer

Construction of the publicly accessible Putah Creek Nature Park was scheduled to be done in three phases. Phase 1 and 2 were completed in 2011. The last, Phase 3, is the section of creek that comes closest to the asphalt walkway on the Yolo County, north, side of the creek.

The Phase 3

planned project, approved by the Winters City Council in 2008, was opposed by a group of citizens who formed the Winters Friends of Putah Creek. They threatened legal action that, to date, has not taken place.

The project was then required to get a permit from the Central Valley Flood Protection Board (CVFPB). That board

requested permitting from the Army Corps of Engineers (ACOE) to assess the environmental impact. Due to lack of budget, ACOE suspended investigation in June 2017.

A year later in May 2018, ACOE released their findings on Phase 1, Phase 2, Phase 3 and an additional stretch of creek closer to I-505, called by the acronym, NAWCA.

ACOE posted a Finding of No Significant Impact (FONSI) for all sections of the creek. They also posted their environmental assessment of the projects.

On Friday, May 18, 2018, the Central Valley Flood Protection Board held a public hearing to decide whether they should issue the permits that would allow work on

See CREEK, page A-8

## CREEK

From page A-1

the Putah Creek Nature Park to proceed.

In brief, the nearly two-hour session went as follows: Board staff said they had done a thorough assessment due to the controversial nature of the project and the number of protests received and they found no evidence to support the claims of adverse hydraulic impact on Putah Creek flooding. They found no additional environmental documents were needed and recommended approval of the permits.

Letters of support were from Don Saylor, Yolo County Supervisor; Bill Dodd, US Representative; and Cecilia Aguilar-Curry, State Representative. Support comments were made at the hearing by John Donlevy (Winters city manager), Eric Larsen (Winters Putah Creek Committee), Ken Davis (wildlife biologist), Shawn Yernick (Winters resident), Steven Carr (Putah Creek Trout) and Kent Anderson (Putah Creek Council).

Jeff TenPas and Alan Pryor of Winters Friends of Putah Creek opposed approving the permits. They both maintained that the Flood Protection Board should become a lead agency because new information made the California Environmental Quality Act (CEQA) agreements outdated. They raised no issues of flood control.

Board president Bill Edgar said that

the issues they raised were not within the jurisdiction of the board. He said the City of Winters had authority to approve this project and had already done so. He asked if TenPas and Pryor had made the same arguments to the City of Winters.

A lawyer from the Attorney General's office with responsibility for environmental affairs said that the Flood Protection Board was not obligated to step into the role of lead agency. Both the CEQA analysis and the ACOE environmental assessment report confirm that there is no flood risk. The CEQA documents have not been challenged, and therefore, they stand.

The CVFPB voted unanimously to grant the permit allowing the Putah Creek Nature Park restoration to continue.

Tim Ramirez, board member said, "I want to thank the folks who came. In a lot of ways, this is a good example of the kind of problem I wish we had regularly — there is tons of interest in what is happening on creeks and rivers... That said, this is not the way for us to hear about it. We are seven years late and this is thrown out as a way for people to block a project. There is a mission to undermine the creek."

On Monday, May 21, the Winters Putah Creek Committee met and the Nature Park was a discussion item. The role of this committee is to advise the city council on matters pertaining to Putah Creek.

At this meeting, TenPas raised three

issues he said were not addressed in the CEQA document. First, moving the creek 100 feet; second, loss of a swimming hole for kids and third, lack of ground water refill of the creek, which is why the trees are dying.

Each of these arguments was directly rebutted by several committee members. The matter will not be brought to the council by the Winters Putah Creek Committee.

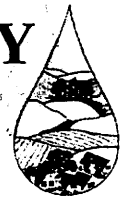
Rich Marovich, Putah Creek streamkeeper for the Suisun County Water Agency, responded to questions by email. He said that work on Putah Creek will start "as soon as we have clearance for nesting birds and beaver kits have left their dens, most likely mid-July though it also depends on availability of the contractor."

He said that construction will take about a month. It will be "the final phase of channel realignment linking phases 1 and 2 with a design channel and filling the upstream end of the existing channel — leaving a backwater for habitat diversity and wildlife viewing from the north bank trail."

"Instead of filling the entire existing channel, we are blocking the west end only, leaving a backwater... The backwater habitat is more valuable than floodplain in this case according to Melanie Truan, (a wildlife biologist with the project)."

It remains to be seen if this is the final chapter in the story of Putah Creek.

# SOLANO COUNTY WATER AGENCY



## MEDIA ALERT

### **SOLANO COUNTY WATER AGENCY TO IMPLEMENT WATERCRAFT BANDING PILOT PROGRAM**

**(June, 2018 Napa (Lake Berryessa), CA)**

Solano County Water Agency is set to implement the Lake Berryessa Mussel Prevention Program to continue efforts in preventing the introduction of invasive zebra and quagga mussels.

The program seasonally employs interns to help concessionaires inspect boats for invasive zebra and quagga mussels protecting Lake Berryessa's aquatic ecosystem, water quality, fishery, recreation, and local businesses.

With support from the Bureau of Reclamation and Concessionaires, the program has made some improvements to begin this summer:

- 1) A decontamination service will be available to boaters at Steele Canyon Recreation Area, free of charge.
- 2) Watercraft bands will be offered to boaters as they exit Lake Berryessa by Agency interns to expedite the inspection process when they return.
- 3) With the new program features, boaters can expect to see a different looking inspection form in June. The form creates for the same inspection experience for local boaters.

The decontamination service and watercraft bands are both free to boaters. Funding is provided by Solano County Water Agency and California State Parks, Division of Boating and Waterways

**What:** Lake Berryessa Mussel Prevention Program

**When:** Changes can be expected in June 2018

**Details:** New inspection forms, new decontamination station available, new watercraft exit banding option.

**Who:** Solano County Water Agency

**Where:** Lake Berryessa launch sites

#### **About The Lake Berryessa Mussel Prevention Program**

For the past several years, Solano County Water Agency has worked in partnership with the Bureau of Reclamation and Solano Resource Conservation District to implement invasive mussel prevention efforts. Each year, the program has grown to employ more interns and inspect more boats, better protecting Lake Berryessa. The new decontamination station and watercraft banding aspects of the program are intended to enhance the boating experience

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for all Lake Berryessa visitors and to increase the effectiveness in keeping Lake Berryessa mussel free.

# # #

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# Mussel-infested boat stopped at Lake Mendocino



**MARY CALLAHAN**

THE PRESS DEMOCRAT | June 3, 2018, 9:03PM

A specially trained dog named Noah is receiving well-deserved praise after preventing a mussel-infested watercraft from launching Saturday in Lake Mendocino — a frighteningly close call that public officials say underscores the need for long-delayed, full-time measures to protect regional reservoirs and critical infrastructure from exposure to the destructive organisms.

The blond Labrador retriever is one of several mussel-sniffing dogs deployed at lakes Sonoma and Mendocino on summer weekends to suss out tiny quagga or zebra mussels — related species of thumbnail-sized bivalves that, once introduced, reproduce in such abundance they can quickly wreak havoc on lakes or reservoirs.

It's the first time since the dogs came into use in the region five years ago that one of the mussels has been detected, a result Sonoma County Water Agency spokesman Brad Sherwood termed "bittersweet."

"It was bad news that we found mussels," Sherwood said Sunday, "but it was good news that we found them."

Extremely lucky, as well — "a big wake-up call," Mendocino County Supervisor Carre Brown said.

The Army Corps of Engineers, which operates the dams at the two reservoirs, has \$725,000 in county and state startup funding set aside

for a mussel inspection and prevention program that has been in development since at least 2014.

But it has yet to implement a plan, prompting what state Sen. Mike McGuire described as “growing frustration” among public officials and stakeholders.

“Thank goodness for Noah the mussel-sniffing dog,” said McGuire, D-Healdsburg. “He saved the day over the weekend, but we need permanent protection.”

The Sonoma County Water Agency has contracted with Central Valley-based Mussel Dogs to provide a bridge to a more permanent program, but the boat easily could have launched when the Noah and his colleagues were off duty, Sherwood said.

The dogs only work during the warm months of the year and then only three days a week, when the boat ramps are at their busiest, sniffing around arriving vessels and trailers for the scent of the crescent-shaped shellfish or their microscopic juvenile form, when they are called veligers.

The 2018 program just started Memorial Day weekend, so Noah and his handler, Lisa Cheli, were on Day 4 of this year’s season when a large group of dads and their daughters arrived at Lake Mendocino to camp and ply the waters of the reservoir in three boats they towed north from the Bay Area, including one borrowed from a Marin County resident, Cheli said.

It’s still unclear where or when the boat was last launched, but it was wet when it came through the boat ramp line at Lake Mendocino around 9:30 a.m. Saturday, and Noah immediately hit on a problem.

Once she looked for herself, Cheli said, she was shocked to find what local officials had long feared.

Mussels were visible on the transom, the motor mount and in the thru-hull fittings, among other places, she said.

A state Fish and Wildlife warden and many others who responded, including Sherwood, identified the mollusks as one of the two related

invasive species, though a Fish and Wildlife biologist will make the final determination, officials said.

The two mussel species, native to eastern Europe and neighboring countries, arrived in California a decade ago after spreading across the United States beginning in 1989, with catastrophic results in places like the Great Lakes and Lake Mead.

They have since spread to 43 California water bodies, reaching as far north as San Benito County.

Microscopic in juvenile form, they travel easily in ballast water, live bait, mud and with aquatic plant life, and can survive outside of water for five days in warm weather and much longer when it's cold.

### Related Stories

Once mature, they leave their free-floating state and begin clinging to any exposed surface, encrusting watercraft and motor parts, as well as dams, turbines and water distribution pipes.

The females produce 5 million eggs in their lifetimes, spawning infestations that transform native ecological systems and clog or destroy machinery.

"If introduced into Lake Mendocino," Sherwood said, "the mussels could attach themselves to any and all infrastructure in the lake, so that means dam infrastructure, hydro infrastructure, fishery hatchery infrastructure, recreational boats. The shoreline would become unusable because these things just multiply by the millions per year. Further, they would essentially ruin the ecosystem for fish and, yes, they can survive in river systems so they could potentially spread into the Russian River watershed."

Lake County developed a robust mussel-prevention program 10 years ago to protect its tourism economy. It includes mandatory risk assessments on up to 17,000 vessels each year, inspections and operation of three county-owned decontamination stations, including one



in Lakeport, where the boat from Lake Mendocino was taken, said Mark Miller, who coordinates the program for the Lake County Water Resources Department.

## 2018 Water Awareness Video Contest Winners Announced

VACAVILLE, CA - The Solano County Water Agency is pleased to announce the winners of the 2018 Water Awareness Video Contest:

- **FIRST PLACE:** "A Day Without No Flow", by **Logan Arcilla** (Christy Ireland, teacher) of Buckingham Charter Magnet High School in Vacaville will receive \$1,500 split 50/50 between student and sponsoring teacher.
- **SECOND PLACE:** "Life Without Water!" by **Brendan Linehan** (Jared Ropelato, teacher) of Will C. Wood High School in Vacaville, CA will receive \$1,000 split 50/50 between student and sponsoring teacher.
- **THIRD PLACE:** "A Day Without Water" by **Jackson Andrews and Kenny Barber** (Christy Ireland, teacher) of Buckingham Charter Magnet High School in Vacaville will receive \$500 split 50/50 between students and sponsoring teacher.

A record 194 videos were submitted in this year's contest, which challenged middle school and high school students to create compelling and original 60-second Public Service Announcement videos on the 2018 water efficiency theme Imagine a Day Without Water.

A team of water efficiency experts narrowed videos down to the top finalists, and then a panel of community leaders selected the winners. The judging panel included Assemblyman Jim Frazier, Solano County Supervisor Erin Hannigan, the Vallejo/Solano Film Commissions' Jim Reikowsky and Dave McCallum of 95.3 KUIC and the Vacaville Public Education Foundation. Selections were based on entertainment value and originality, videography, style and organization, audio/sound, and movie content and accuracy.

The first place winning video features a student rapping water efficiency tips while asking viewers to "Imagine a Day Without no H<sub>2</sub>O." Judges said the video had excellent content, a clear message and style that would appeal to the people of all ages. All of the top scoring videos can be viewed on the Solano Saves Water YouTube channel at <http://tinyurl.com/scwavideo>.

In addition, three teachers that submitted the most videos will be presented with Amazon gift cards. These include Christy Ireland of Buckingham Charter Magnet High School (54 videos), Chad Miller of Vanden High School (35 videos) and Brent Manuel of Vanden High School (28 videos).

For more information or questions about the contest, please contact Chris Perry or Christine Kohn, Video Contest Outreach Coordinators, at [solanovideocontest@gmail.com](mailto:solanovideocontest@gmail.com) or (916) 416-7367

# ADVISORY COMMISSION UPDATES

**Solano Water Advisory Commission  
Meeting Minutes  
April 25, 2018**

Present: Roland Sanford, Thomas Pate, Chris Lee and Alex Rabidoux, SCWA; Felix Riesenbergh, Fairfield; Christian Di Renzo and Leo Larkin, Benicia; Stuart Cole and Richard Wilson, Vallejo; Kevin King, SID; Bryan Busch, RD 2068; Misty Kaltreider, Solano County; Kevin Westad, Travis AFB; Taylon Sortor, FSSD; Mike Hardesty and Rick Wood.

The meeting was called to order at 12:33 PM.

1. Approval of Minutes

The minutes of the March 28, 2018 meeting were approved, contingent upon some additional clarifications.

2. SCWA General Manager's Report

For the Water Supply-Demand Analysis Working Group, Roland informed the Commission that the Agency is moving forward on an initial GIS assessment and a memo will be sent out. After the assessment memo, a draft Request for Proposals will be put together.

On the Ulatris Channels Working Group the next meeting will be directly after the May SWAC meeting from 2:30 – 3:30pm. A memo will be sent out a week before. The purpose of the meeting and memo will be to provide an overview of each Agency's involvement with the Ulatris Flood Control Project. The goal of the meeting will be to determine how best to move forward on flood issues, permitting, and greater Bay-Delta issues.

Roland provided an update on NBA issues. Discussions are currently underway in dealing with the costs of the twin tunnels as well as with water transfers and exchanges. The State Water Project accounting is very complex, but the Water Agency is strongly negotiating so that North of Delta contractors do not have to pay for the twin tunnels. Negotiations are likely to continue past August. For SWP allocations, the North of Delta including the NBA is at 40% while South of Delta allocations were increased to 30%. San Luis Reservoir is also not expected to spill, so agencies should be able to utilize their existing carryover water. For water exchanges, both Dudley Ridge and the Santa Clara Valley Water District are interested in exchanging SWP water with interested NBA agencies. Each participating NBA agency will need to determine their interest and should inform their political representative of this interest. Last year, Napa made a similar arrangement with SCVWD. The time frame to move forward on the water exchange agreements is around 30-days, but the process will take several months within DWR. Lastly, for the NBA Treatment Analysis, Rick Wood provided a detailed explanation of the visual treatability plots. Rick discussed the importance of this effort, in helping to determine the direction of investment in either water treatment or in a new intake.

There were no updates for the Solano Project. For the Bay Delta Plan, the process is moving pretty slow, and the State's negotiations do not appear to be going anywhere. The Agency will continue to wait and watch future efforts. On Flood Management, the Water

Policy Committee is slowly moving forward on a flood policy. After a few more meetings, the policy should be done.

3. Groundwater Planning

Chris informed the Commission that the Solano GSA received the \$1M DWR grant for development of the Solano Subbasin Groundwater Sustainability Plan (GSP). A total of three consulting firms are being interviewed for selection, to move forward on the GSP. A kickoff workshop will be setup in late summer for the elected officials. An additional meeting will also be setup for public landowners as well.

4. Solano County Report

None

5. PSC/NBA Maintenance

None

6. Solano Water Authority Report

None

7. Water Conservation

None

8. Legislative/Initiative/Court Decision Issues Not Discussed Above

None

9. New Business

None

10. Public Comments

None

The next meeting will be May 23, 2018 at 12:30 PM.

The meeting adjourned at 1:58 PM.

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

**SUBJECT:** Water Agency Fiscal Year 2018-2019 Budget

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**RECOMMENDATION:**

Approve the Solano County Water Agency Fiscal Year 2018-2019 Budget.

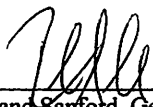
**FINANCIAL IMPACT:**

Not applicable.

**BACKGROUND:**

On June 6, 2018 the Executive Committee reviewed the proposed fiscal year 2018-2019 budget prepared by staff. The Executive Committee recommends the Board adopt the proposed fiscal year 2018-2019 budget. The proposed budget and supporting documents are attached.

Recommended: \_\_\_\_\_

  
Roland Sanford, General Manager

☐

Approved as  
Recommended

☐

Other  
(see below)

☐

Continued on  
next page

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Modification to Recommendation and/or other actions:

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency



Solano County Water Agency  
Fiscal Year 2018-2019  
Proposed Budget

# SOLANO COUNTY WATER AGENCY



## **General Manager's Budget Message**

### **FY 2018/19 Proposed Budget June 2018**

The Water Agency's financial position remains strong. Due to significantly lower than anticipated expenditures, the Water Agency's cumulative fund balance is projected to be approximately \$42,000,000 at the close of FY 2017/18, a net increase of approximately \$4,000,000 from the prior fiscal year. Major expenditures that were planned but did not occur in FY 2017/18 include the purchase of Habitat Conservation Plan (HCP) easements (\$3,000,000), reduced NBA water operations costs due to reduced water deliveries (\$ 1,300,000), and project delays associated with the Dixon Watershed Implementation Program (\$500,000).

The FY 2017/18 budget was designed with the expectation that the Water Agency's reserves would be drawn down by approximately \$7,000,000 to fund certain one-time and short term expenditures. As discussed below, the proposed FY 2018/19 budget is crafted in the same manner and again, with the expectation that reserves will be drawn down by approximately \$6,500,000 to fund certain one-time and short term expenditures, most of which are carryovers from FY 2017/18. As proposed, total FY 2018/2019 expenditures (\$43,467,687) exceed total anticipated FY 2018/2019 revenues (\$36,933,018), with the difference (\$6,534,669), to be withdrawn from reserves.

The proposed FY 2018/19 budget has been constructed around the goals and objectives set forth in the SCWA 2016-2025 Strategic Plan, but also reflects emerging challenges and opportunities, most notably increased expenditures directed toward groundwater management and compliance with California's Sustainable Groundwater Management Act, technical studies related to the State Water Resources Control Board's ongoing and contentious update of the 2006 Bay Delta Plan, an expanded role in habitat restoration, as well as an expanded role with the Lake Berryessa invasive mussel control program. A summary of projected FY 2018/19 expenses and revenues, along with long-term expense and revenue trends is presented in the following charts and tables. Key budget items to be funded via withdraw from reserves are as follows:

#### **Solano Habitat Conservation Plan (HCP)**

The Draft Solano Project Habitat Conservation Plan is in the hands of the United States Fish and Wildlife Service (Service), awaiting the Service's final review and approval. It was anticipated that the plan would be approved by the Service in FY 2017/18 and therefore, significant expenditures, including \$3,000,000 for conservation easements, were programed into the FY 2017/18 budget. These expenditures did not occur and are now included in the proposed FY 2018/19 budget.



### **Flood Management**

The proposed FY 2018/19 budget includes \$500,000 for the Dixon Watershed Implementation Program, \$200,000 for the Phase II Green Valley/Cordelia area flood management feasibility study, and \$100,000 for the Suisun flood management feasibility study.

### **OPEB Liability**

In April 2017 the Water Agency Board of Directors authorized the establishment of an OPEB (Other Post Retirement Employee Benefits) Trust Account to fund future OPEB liabilities, and also authorized staff to transfer \$500,000 to the Trust Account to “pay down” the accumulated unfunded OPEB liability (estimated to have been \$1,829,000 as of June 2016). In FY 2017/18, \$750,000 was transferred from reserves to the Trust Account. Staff is proposing to continue paying down the accumulated OPEB liability by transferring an additional \$750,000 from reserves to the OPEB Trust Account in FY 2018/19. Staff anticipates that the entire accumulated unfunded OPEB liability will be eliminated by the close of FY 2019/20, if not the close of FY 2018/19.

### **State Water Resources Control Board Update of 2006 Bay-Delta Plan**

The State Water Resources Control Board (SWRCB) has begun what will be a lengthy and contentious update of the 2006 Bay-Delta Plan. In short, the SWRCB is seeking to increase stream flows into and through the Bay-Delta to stabilize if not enhance the ecology of the Bay-Delta. The additional water would come from existing water right holders, most notably, reservoirs located on the tributaries of the Sacramento and San Joaquin rivers – one of which is Lake Berryessa. The proposed FY 2018/19 budget includes \$450,000 for technical studies to investigate options for minimizing the potential water supply impacts of the SWRCB’s Bay Delta Plan Update to the Lake Berryessa water supply.

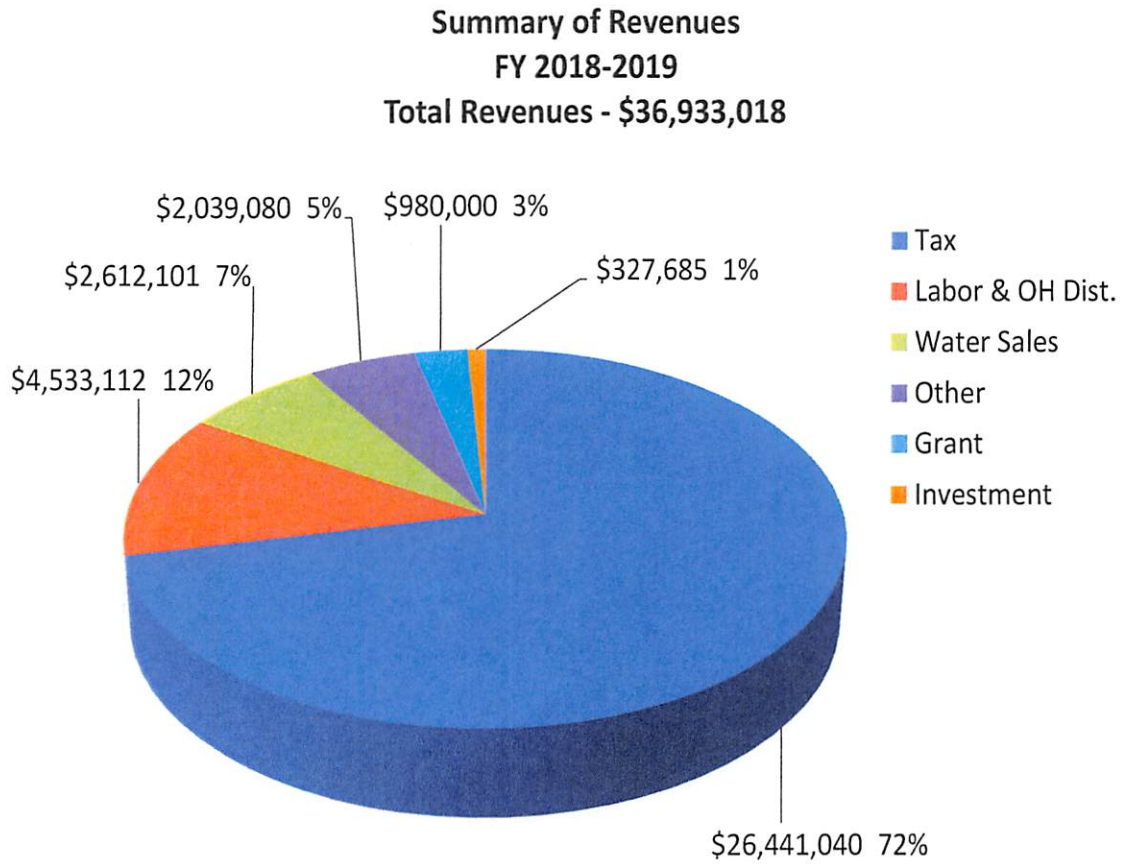
### **Groundwater Management**

The proposed FY 2018/19 budget includes a \$350,000 grant match for preparation of a groundwater sustainability plan, pursuant to the Sustainable Groundwater Management Act, for the Solano Sub Basin.

### **Water Management Planning**

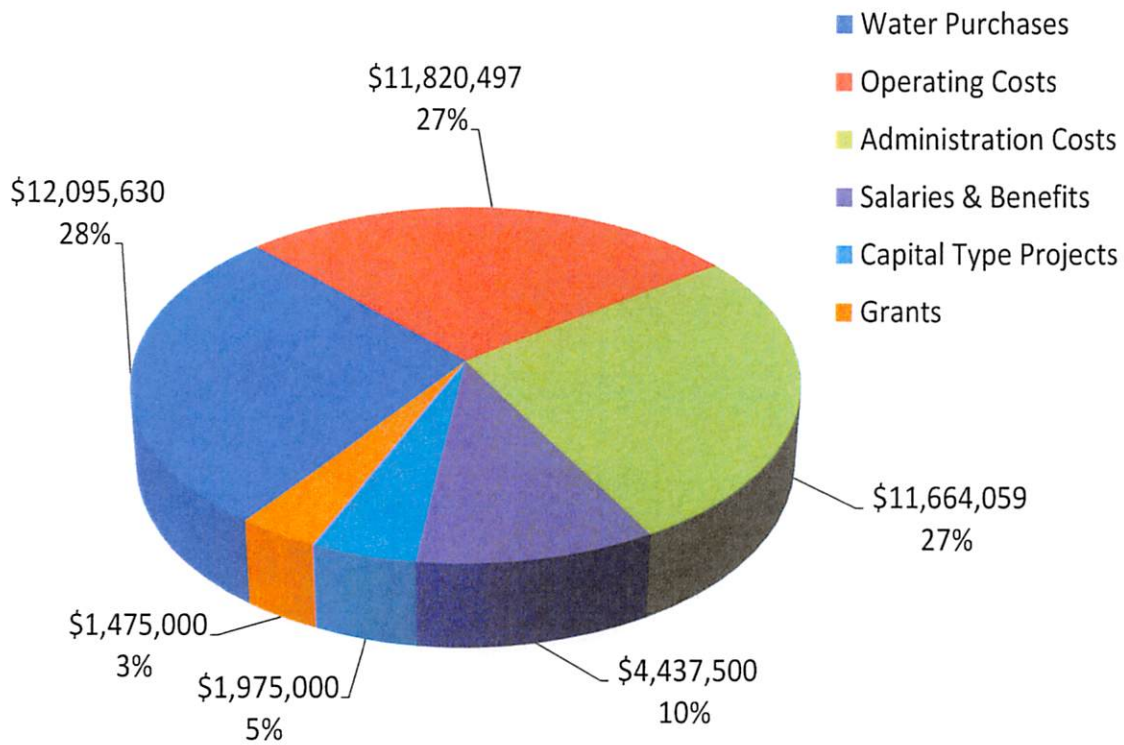
The proposed FY 2017-18 budget includes \$350,000 for a County wide current-future water needs analysis and preparation of the SCWA Water Management Plan, as well as \$250,000 for technical studies in support of water management planning in the Yolo Bypass/Cache Slough region.

**Figure 1**

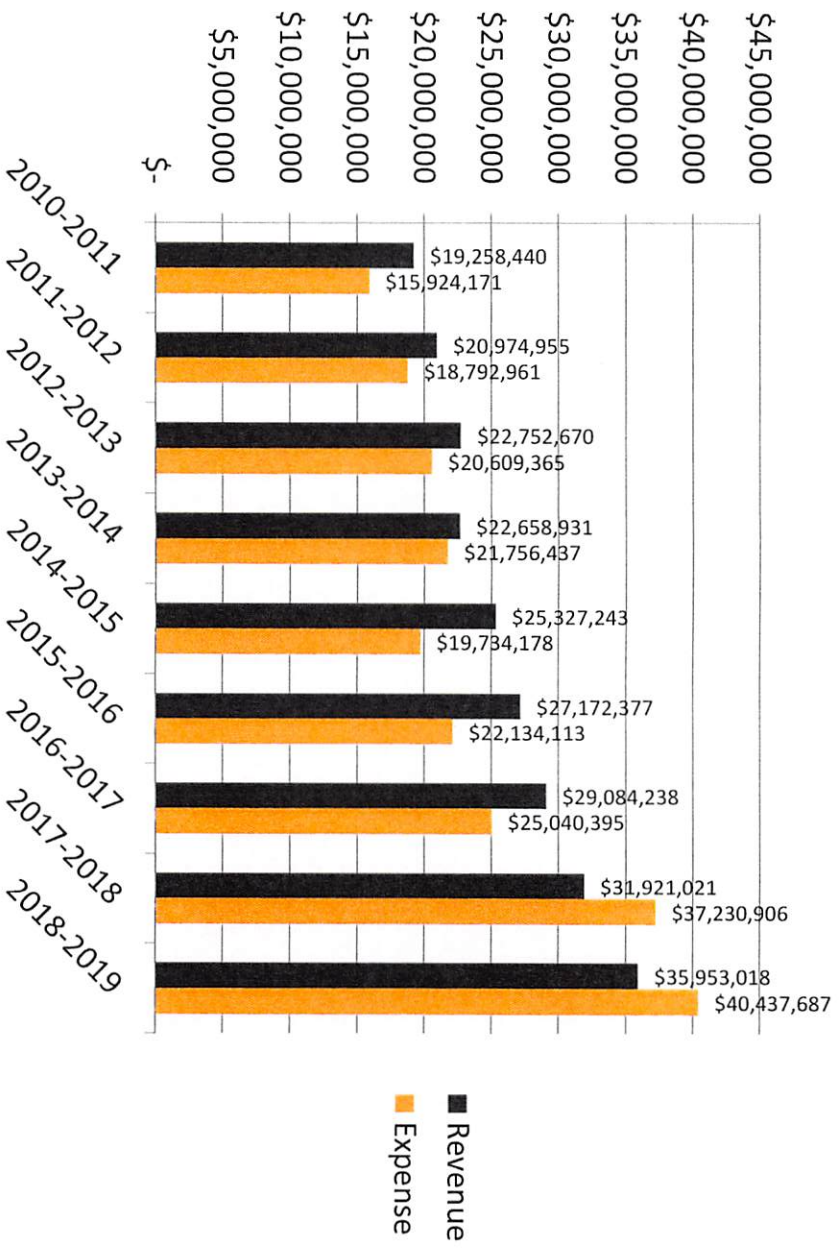


**Figure 2**

**Summary of Expenditures  
FY 2018-2019  
Total Expenditures - \$43,467,687**

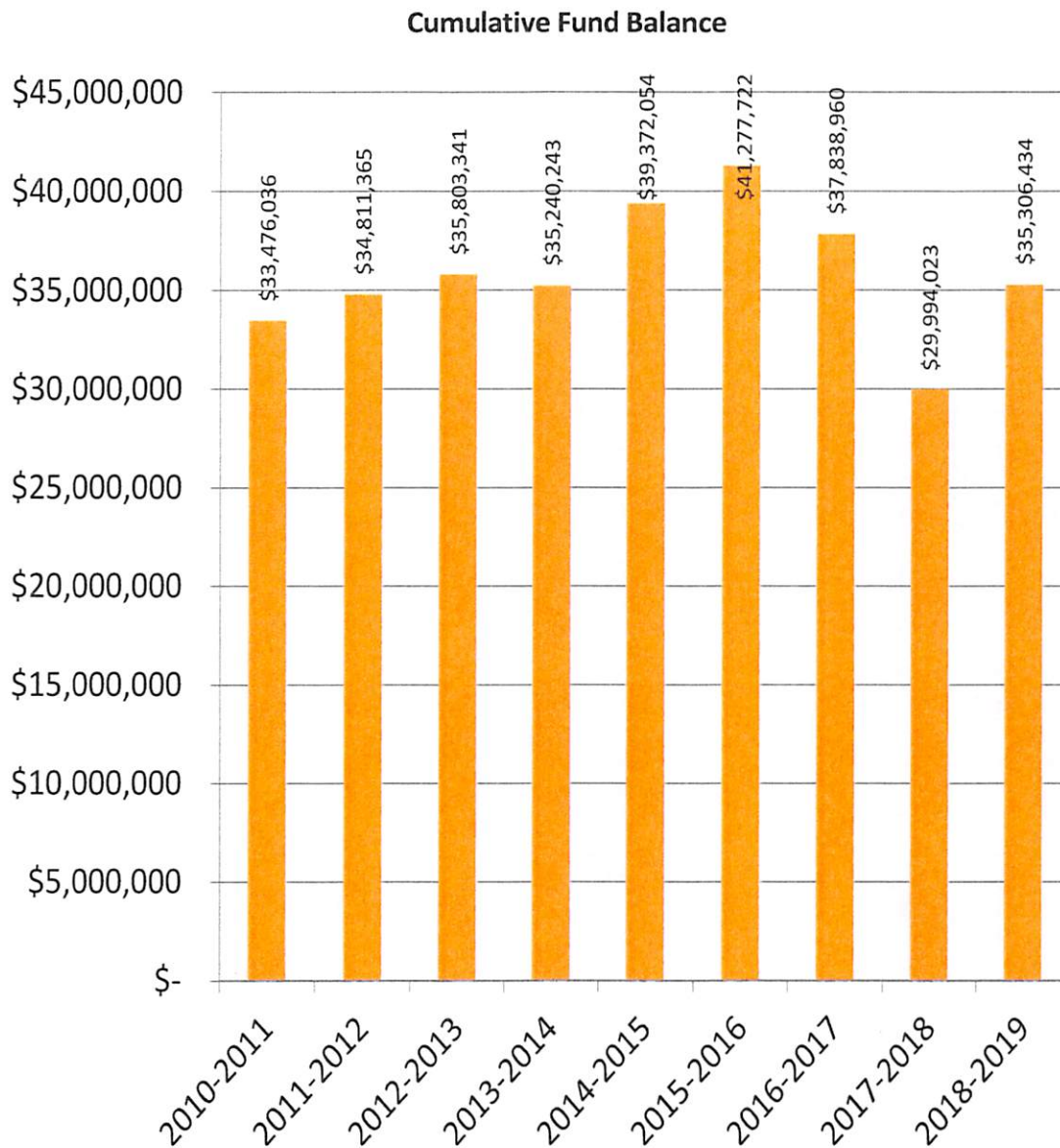


**Figure 3**  
Operating Income and Expense



Notes:  
 2018-2019 revenue/expense data based on proposed budget  
 2017-2018 revenue/expense data based on adopted budget  
 2010-2011 through 2016-2017 "actuals" from annual audit reports

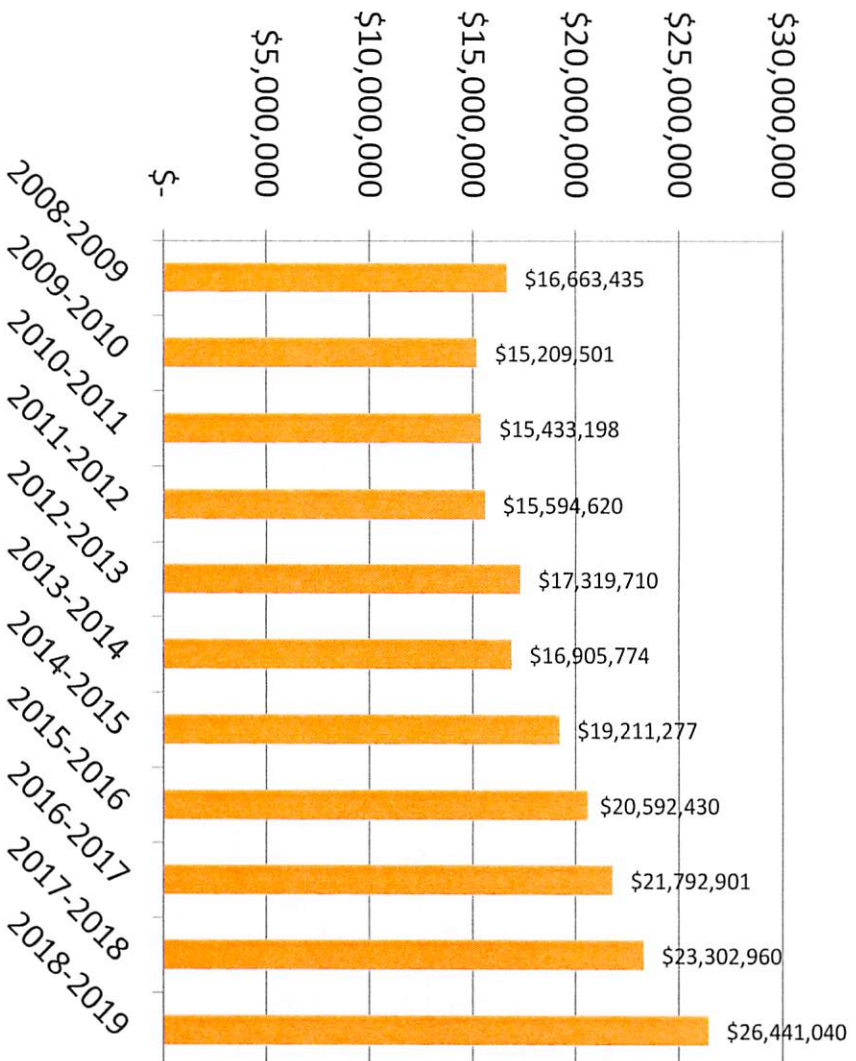
**Figure 4**



Notes: 2018-2019 cumulative fund balance data based on proposed budget  
2017-2018 cumulative fund balance data based on adopted budget  
2010-2011 through 2016-2017 "actuals" from annual audit reports

**Figure 5**

**Property Tax Revenue**



Notes: 2018-2019 property tax revenue data based on proposed budget  
 2017-2018 property tax revenue based on adopted budget  
 2010-2011 through 2016-2017 "actuals" from annual audit reports



**SOLANO COUNTY WATER AGENCY  
SCHEDULE 1  
ALL FUNDS SUMMARY  
FY 2017/18**

FUND NAME	FUND BALANCE AVAILABLE 6/30/2016 AUDITED	FUND BALANCE AVAILABLE 6/30/2017 AUDITED	YEAR END PROJECTION INCREASE/ DECREASE TO FUND BALANCE 17/18	FUND BALANCE AVAILABLE 6/30/2018 ESTIMATED	PROPOSED 18/19 REVENUES	PROPOSED 18/19 EXPENDITURES	PROPOSED INCREASE/ DECREASE TO FUND BALANCE	PROPOSED FUND BALANCE 6/30/2019
ADMIN - SOLANO PROJECT - WM	21,731,175	19,463,685	(349,104)	19,114,581	17,255,052	25,860,102	(8,605,051)	10,509,531
STATE WATER PROJECT	14,213,249	12,649,896	3,649,175	16,299,071	18,010,561	15,792,456	2,218,105	18,517,175
ULATIS FLOOD CONTROL	5,263,006	5,574,608	613,688	6,188,296	1,519,660	1,654,456	(134,796)	6,053,500
GREEN VALLEY FLOOD CONTROL	70,292	150,772	88,384	239,156	147,745	160,672	(12,927)	226,229
<b>Total All FUNDS</b>	<b>41,277,722</b>	<b>37,838,960</b>	<b>4,002,143</b>	<b>41,841,103</b>	<b>36,933,018</b>	<b>43,467,687</b>	<b>(6,534,669)</b>	<b>35,306,434</b>

**SOLANO COUNTY WATER AGENCY  
SCHEDULE 2  
ALL FUNDS SUMMARY - BY FUNDS  
FY 2018/19**

DETAIL BY FUND REVENUE CATEGORY AND FUND EXPENDITURE CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Revenues</b>						
Admin-Solano Project-Watermaster	12,737,318	13,253,903	16,156,737	17,255,052	1,098,315	7%
State Water Project	13,750,427	15,074,284	15,666,101	18,010,561	2,344,460	15%
Ulati Flood Control	1,147,922	1,258,855	1,285,726	1,519,660	233,934	18%
Green Valley Flood Control	105,774	120,066	129,707	147,745	18,038	14%
<b>Total Revenues</b>	<b>27,741,441</b>	<b>29,707,108</b>	<b>33,238,271</b>	<b>36,933,018</b>	<b>3,694,747</b>	<b>11%</b>
<b>Expenditures</b>						
Admin-Solano Project-Watermaster	13,502,040	15,521,374	23,575,144	25,860,102	2,284,959	10%
State Water Project	11,745,100	16,637,637	15,326,808	15,792,456	465,649	3%
Ulati Flood Control	663,952	947,255	1,004,813	1,654,456	649,644	65%
Green Valley Flood Control	50,848	39,586	198,143	160,672	(37,471)	-19%
<b>Total Expenditures</b>	<b>25,961,940</b>	<b>33,145,851</b>	<b>40,104,906</b>	<b>43,467,687</b>	<b>3,362,781</b>	<b>8%</b>
<b>Net</b>						
Admin-Solano Project-Watermaster	(764,722)	(2,267,471)	(7,418,407)	(8,605,051)	(1,186,644)	16%
State Water Project	2,005,327	(1,563,353)	339,294	2,218,105	1,878,811	554%
Ulati Flood Control	483,970	311,600	280,914	(134,796)	(415,710)	-148%
Green Valley Flood Control	54,926	80,480	(68,436)	(12,927)	55,509	-81%
<b>Total Net</b>	<b>1,779,501</b>	<b>(3,438,743)</b>	<b>(6,866,635)</b>	<b>(6,534,669)</b>	<b>331,966</b>	<b>-5%</b>



**SOLANO COUNTY WATER AGENCY  
SCHEDULE 3  
ALL FUNDS SUMMARY - BY ACTIVITY  
FY 2018/19**

DETAIL BY REVENUE CATEGORY AND EXPENDITURE CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Revenues</b>						
Taxes	20,592,430	22,454,977	23,302,960	26,441,040	3,138,080	13%
Water Sales	2,443,675	2,451,389	2,612,101	2,612,101	-	0%
Grant Revenues	569,668	622,869	1,317,250	980,000	(337,250)	-26%
Investment Income	114,244	205,753	195,630	327,685	132,055	68%
Labor & Ovhd Distr.	2,806,624	3,053,599	3,590,730	4,533,112	942,382	26%
Other Revenue	1,215,405	918,519	2,219,600	2,039,080	(180,520)	-8%
<b>Total Revenues</b>	<b>27,742,045</b>	<b>29,707,107</b>	<b>33,238,271</b>	<b>36,933,018</b>	<b>3,694,747</b>	<b>11%</b>
<b>Expenditures</b>						
Salaries and Employee Benefits <sup>3</sup>	2,170,678	3,099,414	3,530,183	4,437,500	907,317	26%
Services and Supplies	819,596	786,125	1,336,568	2,272,615	936,047	70%
Operations & Maintenance	3,874,944	4,496,992	6,923,121	7,156,379	233,258	3%
LPCCC Operations	1,093,167	924,938	1,626,355	2,024,256	397,901	24%
Putah Creek Watershed Mgt			1,237,218	2,051,218	814,000	66%
Rehab & Betterment	2,699,108	19,500	1,030,000	735,000	(295,000)	-29%
Water Purchases	10,112,942	11,508,929	12,483,955	12,095,630	(388,325)	-3%
Grant Expenditures	592,915	661,558	1,176,500	775,000	(401,500)	-34%
Flood Control	139,982	223,550	2,006,883	1,293,809	(713,074)	-36%
HCP Planning <sup>4</sup>	508,262	518,241	3,732,579	3,791,923	59,344	2%
Water Conservation	2,123,096	1,789,809	2,472,219	2,254,494	(217,725)	-9%
Consultants	1,291,446	1,692,398	1,881,826	3,059,862	1,178,036	63%
Capital Expenditures	523,943	7,424,398	391,500	1,240,000	848,500	217%
Contingency	12,000	-	276,000	280,000	4,000	1%
<b>Total Expenditures</b>	<b>25,962,079</b>	<b>33,145,851</b>	<b>40,104,906</b>	<b>43,467,687</b>	<b>3,362,781</b>	<b>8%</b>
<b>Total Net</b>	<b>1,779,966</b>	<b>(3,438,744)</b>	<b>(6,866,635)</b>	<b>(6,534,669)</b>	<b>331,966</b>	<b>-5%</b>

<sup>3</sup> Includes \$750,000 for paydown of the unfunded retiree health obligation(OPEB).

<sup>4</sup> Includes \$3,000,000 for HCP mitigation easements.

Solano County Water Agency  
All Fund Summary - By Operating & Non-Operating

**SOLANO COUNTY WATER AGENCY  
SCHEDULE 4  
ALL FUNDS SUMMARY - BY OPERATING & NON-OPERATING  
FY 2017/18**

DETAIL BY OPERATING REVENUE AND EXPENDITURE CATEGORY AND NON- OPERATING REVENUE AND EXPENDITURES CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Operating Revenues</b>						
Taxes	20,592,430	22,454,977	23,302,960	26,441,040	3,138,080	13%
Water Sales	2,443,675	2,451,389	2,612,101	2,612,101	-	0%
Investment Income	114,244	205,753	195,630	327,685	132,055	68%
Labor & Ovhd Distr.	2,806,624	3,053,599	3,590,730	4,533,112	942,382	26%
Other Revenue	1,215,405	918,519	2,219,600	2,039,080	(180,520)	-8%
<b>Total Operating Revenues</b>	<b>27,172,377</b>	<b>29,084,238</b>	<b>31,921,021</b>	<b>35,953,018</b>	<b>4,031,997</b>	<b>13%</b>
<b>Operating Expenditures</b>						
Salaries and Employee Benefits	2,170,678	3,099,414	3,530,183	4,437,500	907,317	26%
Services and Supplies	819,596	786,125	1,336,568	2,272,615	936,047	70%
Operations & Maintenance	3,874,944	4,496,992	6,923,121	7,156,379	233,258	3%
LPCCC Operations	1,093,167	924,938	1,626,355	2,024,256	397,901	24%
Putah Creek Watershed Mgt			1,237,218	2,051,218	814,000	66%
Water Purchases	10,112,942	11,508,929	12,483,955	12,095,630	(388,325)	-3%
Flood Control	139,982	223,550	2,006,883	1,293,809	(713,074)	-36%
HCP Planning	508,262	518,241	3,732,579	3,791,923	59,344	2%
Water Conservation	2,123,096	1,789,809	2,472,219	2,254,494	(217,725)	-9%
Consultants	1,291,446	1,692,398	1,881,826	3,059,862	1,178,036	63%
<b>Total Operating Expenditures</b>	<b>22,134,113</b>	<b>25,040,395</b>	<b>37,230,906</b>	<b>40,437,687</b>	<b>3,206,781</b>	<b>9%</b>
<b>Net Operating</b>	<b>5,038,264</b>	<b>4,043,842</b>	<b>(5,309,885)</b>	<b>(4,484,669)</b>	<b>825,216</b>	<b>-16%</b>
<b>Non-Operating Revenues</b>						
Grant Revenues	569,668	622,869	1,317,250	980,000	(337,250)	-26%
<b>Total Non-Operating Revenues</b>	<b>569,668</b>	<b>622,869</b>	<b>1,317,250</b>	<b>980,000</b>	<b>(337,250)</b>	<b>-26%</b>
<b>Non-Operating Expenditures</b>						
Rehab & Betterment	2,699,108	19,500	1,030,000	735,000	(295,000)	-29%
Grant Expenditures	592,915	661,558	1,176,500	775,000	(401,500)	-34%
Capital Expenditures	523,943	7,424,398	391,500	1,240,000	848,500	217%
Contingency	12,000	-	276,000	280,000	4,000	1%
<b>Total Non-Operating Expenditures</b>	<b>3,827,966</b>	<b>8,105,455</b>	<b>2,874,000</b>	<b>3,030,000</b>	<b>156,000</b>	<b>5%</b>
<b>Net Non-Operating</b>	<b>(3,258,298)</b>	<b>(7,482,586)</b>	<b>(1,556,750)</b>	<b>(2,050,000)</b>	<b>(493,250)</b>	<b>217%</b>
<b>Net Operating and Non-Operating</b>	<b>1,779,966</b>	<b>(3,438,744)</b>	<b>(6,866,635)</b>	<b>(6,534,669)</b>	<b>331,966</b>	<b>-5%</b>

SOLANO COUNTY WATER AGENCY  
SCHEDULE 5  
SOLANO PROJECT REHAB & BETTERMENT  
FY 2018/19

FUND	DESCRIPTION	TOTAL AMOUNT	PLANNED 2018-19	PROPOSED 2019-20	PROPOSED 2020-21	PROPOSED 2021-22	PROPOSED 2022-23
SP	PDO Renovation	50,000	10,000	10,000	10,000	10,000	10,000
SP	PSC Drainage Rehab	100,000	20,000	20,000	20,000	20,000	20,000
SP	PSC Road Gravel and Turn-Around Improvements	375,000	75,000	75,000	75,000	75,000	75,000
SP	PSC Panel Replacement & Rehab	575,000	175,000	100,000	100,000	100,000	100,000
SP	PSC Headworks Improvements	50,000	50,000	-	-	-	-
SP	PSC Gate Rehab	80,000	-	20,000	20,000	20,000	20,000
SP	PSC Terminal Check Liner Replacement	150,000	100,000	50,000	-	-	-
SP	PSC Check Upgrades (Automation/Electrical)	230,000	30,000	50,000	50,000	50,000	50,000
SP	PSC Check Screen Cleaners	325,000	50,000	50,000	75,000	75,000	75,000
SP	PDD Flood Gate Rehab	425,000	75,000	125,000	125,000	50,000	50,000
SP	PSC Fence Installation	150,000	-	50,000	50,000	50,000	-
SP	PDO Solar Installation	150,000	-	-	50,000	100,000	-
SP	PSC Shallow Monitoring Wells	150,000	-	-	-	150,000	-
SP	PSC Alt Cleanout, Canal Modifications	200,000	-	50,000	50,000	50,000	50,000
SP	PDD Flood Gate Upgrades (Automation/Electrical)	200,000	-	50,000	50,000	50,000	50,000
SP	PDD Access Road Rehab	325,000	-	50,000	200,000	75,000	-
SP	Reservoir Lane/Terminal Reservoir Paving	300,000	-	-	-	-	300,000
<b>Total Solano Project Rehab &amp; Betterment</b>		<b>3,835,000</b>	<b>585,000</b>	<b>700,000</b>	<b>875,000</b>	<b>875,000</b>	<b>800,000</b>

**SOLANO COUNTY WATER AGENCY  
SCHEDULE 6  
BUDGET PROJECTIONS**

DETAIL BY REVENUE CATEGORY AND EXPENDITURE CATEGORY	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2017/18 YEAR END PROJECTED BUDGET	2018/19 PROPOSED	2019/20 PROPOSED	2020/21 PROPOSED	2021/22 PROPOSED
<b>Revenues</b>							
Taxes	22,454,977	23,302,960	25,285,617	26,441,040	26,690,213	26,941,877	27,196,059
Water Sales	2,451,389	2,612,101	2,389,248	2,612,101	2,612,101	2,612,101	2,612,101
Grant Revenues	622,869	1,317,250	841,436	980,000	645,000	350,000	-
Investment Income	205,753	195,630	384,049	327,685	321,460	321,460	311,460
Labor & Ovhd Distr.	3,053,599	3,590,730	3,466,318	4,533,112	4,536,248	4,860,075	5,239,884
Other Revenue	918,519	2,219,600	675,077	2,039,080	434,080	444,080	394,080
<b>Total Revenues</b>	<b>29,707,107</b>	<b>33,238,271</b>	<b>33,041,745</b>	<b>36,933,018</b>	<b>35,239,101</b>	<b>35,529,593</b>	<b>35,753,583</b>
<b>Expenditures</b>							
Salaries and Employee Benefits	3,099,414	3,530,183	3,602,409	4,437,500	4,705,300	4,968,500	5,263,400
Services and Supplies	786,125	1,336,568	905,733	2,272,615	1,762,336	1,786,022	1,796,588
Operations & Maintenance	4,496,992	6,923,121	5,278,148	7,156,379	6,770,046	7,076,183	7,236,781
LPCCC Operations	924,938	1,626,355	1,095,978	2,024,256	1,268,963	1,258,518	1,321,614
Putah Creek Watershed Mgt		1,237,218		2,051,218	1,663,750	1,399,000	1,391,250
Rehab & Betterment	19,500	1,030,000	390,000	735,000	527,000	460,000	460,000
Water Purchases	11,508,929	12,483,955	11,189,400	12,095,630	12,888,243	12,661,523	12,503,146
Grant Expenditures	661,558	1,176,500	686,436	775,000	490,000	350,000	-
Flood Control	223,550	2,006,883	357,336	1,293,809	1,117,113	1,121,001	1,125,006
HCP Planning	518,241	3,732,579	945,792	3,791,923	623,715	606,980	554,025
Water Conservation	1,789,809	2,472,219	1,934,711	2,254,494	1,488,659	1,478,702	1,503,206
Consultants	1,692,398	1,881,826	1,951,580	3,059,862	2,166,129	1,893,288	1,872,004
Fixed Assets	7,424,398	391,500	309,731	1,240,000	294,000	188,500	278,500
Contingency	-	276,000	196,000	280,000	276,000	276,000	276,000
<b>Total Expenditures</b>	<b>33,145,851</b>	<b>40,104,906</b>	<b>28,843,254</b>	<b>43,467,687</b>	<b>36,041,253</b>	<b>35,524,217</b>	<b>35,581,520</b>
<b>Total Net</b>	<b>(3,438,744)</b>	<b>(6,866,635)</b>	<b>4,198,491</b>	<b>(6,534,669)</b>	<b>(802,152)</b>	<b>5,377</b>	<b>172,063</b>

**Key Budget Projection Assumptions**

1. Projected property tax increase of 1% per year, a conservative approach.
2. Salary and Employee Benefits are increased by 3.8%, a preliminary CPI projection.
3. Grant expenditures are paid 100% from grant revenues and due to the unpredictability of implementation timing they have been excluded from projections.

SOLANO COUNTY WATER AGENCY  
SCHEDULE 7  
BUDGET PROJECTIONS

FUND NAME	FUND BALANCE JUNE 30, 2016 (AUDITED)	FUND BALANCE JUNE 30, 2017 (AUDITED)	YEAR END PROJECTION INCREASE/ DECREASE TO FUND BALANCE 17/18	FUND BALANCE JUNE 30, 2018 YEAR END PROJECTION	PROPOSED INCREASE/ DECREASE TO FUND BALANCE 18/19	FUND BALANCE JUNE 30, 2019 PROPOSED	FUND BALANCE JUNE 30, 2020 PROJECTED	FUND BALANCE JUNE 30, 2021 PROJECTED	FUND BALANCE JUNE 30, 2022 PROJECTED
ADMIN - SOLANO PROJECT - WM	21,731,175	19,463,683	(349,104)	19,114,579	(8,605,051)	10,509,528	7,314,294	4,221,133	960,805
STATE WATER PROJECT	14,213,249	12,649,897	3,649,175	16,299,072	2,218,105	18,517,177	20,551,038	23,289,188	26,360,766
ULATIS FLOOD CONTROL	5,263,006	5,574,608	613,688	6,188,296	(134,796)	6,053,500	6,415,832	6,779,470	7,143,753
GREEN VALLEY FLOOD CONTROL	70,292	150,772	88,384	239,156	(12,927)	226,229	223,118	219,868	216,398
<b>Total All FUNDS</b>	<b>41,277,722</b>	<b>37,838,960</b>	<b>4,002,143</b>	<b>41,841,103</b>	<b>(6,534,669)</b>	<b>35,306,434</b>	<b>34,504,282</b>	<b>34,509,659</b>	<b>34,681,722</b>

**FUND PURPOSE**

The Administration-Solano Project-Watermaster (ASW) fund is comprised of three sub-funds; Administration, Solano Project, and Watermaster. Unlike the Water Agency's State Water Project, Ulati and Green Valley funds, which for accounting purposes are defined as "restricted" funds, the ASW is a "general fund" and therefore, the monies within the ASW fund can be used for any purpose – flood control, groundwater monitoring, water conservation, etc.

**FUNCTION AND RESPONSIBILITIES**

Administration – The Administration sub-fund provides human resource and other administrative support for SCWA staff, as well as funding for SCWA's general flood control, groundwater monitoring and Solano Subbasin administrative support, integrated regional water management planning, and water conservation activities.

Solano Project - The Solano Project sub-fund supports the Solano Project water supply, including operation and maintenance of the Solano Project facilities (Monticello Dam, Putah Diversion Dam, and Putah South Canal), compliance with the Putah Creek Accord and a variety of technical studies and administrative functions in support of the Lower Putah Creek Coordinating Committee (LPCCC), and implementation of the Solano Habitat Conservation Plan (HCP).

Watermaster – The Watermaster sub-fund is used to implement the Condition 12 water rights settlement in the Lake Berryessa watershed.

**FUND DETAIL COMMENTS*****Revenues***

Property Taxes - FY 18/19 tax revenues are projected to increase 11% from the prior fiscal year.

Grant Revenue – Water conservation grants will be ending during FY 18/19, while the Brownfields grant and Prop 1 grants will continue into FY 19/20.

Interest Earnings – Interest earnings have nearly doubled due to higher interest rates and investing in higher yield instruments (CD's).

Labor & Overhead Distribution – The projected net increase reflects decreased management and administrative tasks, which are not included in fund redistributions, and an increase in project related labor (new positions).

***Expenditures***

Salaries & Benefits –Increased expenditures due to the addition of four full-time staff positions, two of which are grant funded, and conversion of Streamkeeper position to full time status during latter portion of FY 17/18. Funding for these positions was not included in the FY 17/18 budget. SCWA has committed to “pay down” the balance of the estimated accumulated unfunded OPEB liability (approximately \$790,000) at a rate of \$750,000 per year, and remain current with estimated annual OPEB costs.

Services and Supplies– Increased expenditures due to SGMA compliance (support for Solano Subbasin GSA), additional groundwater studies and monitoring.

LPCCC Operations– Increased expenses due to addition of temporary Water Resources Technician and Assistant Water Resources Specialist, both grant funded, and conversion of Putah Creek Streamkeeper from part-time (32 hours per week) to full-time status in late FY 17/18.

Watershed Management - A new funding category intended to differentiate traditional “hard” infrastructure (Monticello and Putah Diversion dams, Putah South Canal) operations & maintenance expenditures from biological/physical science investigations such as the ongoing Lower Putah Creek Chinook Salmon Study and the ongoing Lake Berryessa Invasive mussel control program. Includes expenditures related to Lower Putah Creek Coordinating Committee - but not mandated by the Putah Creek Accord - and the State Water Resources Control Board’s Bay Delta Plan Update, and more specifically, the regulatory impact of the Bay-Delta Plan Update on the Solano Project water supply. An expansion of these Watershed Management activities is anticipated in FY 18/19. Total FY 18/19 expenditures anticipated to increase by approximately \$800,000 over the prior fiscal year to accommodate one-time and short-term technical studies.

Rehab & Betterment -Includes funding for ongoing multi-year rehab & betterment projects, such as Putah South Canal drainage repair and canal panel replacement , and funding for “one-time” projects such as the replacement of the Putah Diversion Dam radial gate seals. Less expensive Rehab & Betterment projects are scheduled for FY 18/19 as opposed to FY 17/18.

Grant Expenditures - The River Park and Coastal Conservancy projects will be ending in FY 18/19.

Water Conservation Reduced costs due to diminishment of available grant funds.

Flood Control – Reduced costs due to completion of one technical study (East Solano Drainage Study) and near completion of first phase of Cordelia Flood Study in FY 17/18, change in accounting of \$500,000 Rio Vista Flood Wall Feasibility Study.

Consultants – Funding has been increased in anticipation of several new technical studies related to the operation of the Solano Project and the State Water Resources Control Board’s ongoing update of the 2016 Bay-Delta Plan, groundwater investigations, and IT services.

Fixed Assets – Funding has been included for a Bucket Truck and a Utility Tractor for use on Putah Creek; a replacement truck for Solano Project maintenance; three vehicles to be used by SID for Putah South Canal operations and maintenance, in lieu of SCWA paying SID for use of their vehicles, and additional streamflow and water quality monitoring equipment.

**(GENERAL FUND)****ADMINISTRATION – SOLANO PROJECT - WATERMASTER**

DETAIL BY REVENUE CATEGORY AND EXPENDITURE CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Revenues</b>						
Taxes	8,168,228	8,638,934	8,888,027	9,831,140	943,113	11%
Grants	405,668	482,309	1,317,250	980,000	(337,250)	-26%
Investment Income	74,130	114,884	116,130	173,960	57,830	50%
Labor & Ovhd Distribution	2,806,624	3,053,599	3,590,730	4,533,112	942,382	26%
Water Sales	68,846	67,734	65,000	65,000	-	0%
Other Revenue Sources	1,213,821	896,443	2,179,600	1,671,840	(507,760)	-23%
<b>Total Revenues</b>	<b>12,737,318</b>	<b>13,253,903</b>	<b>16,156,737</b>	<b>17,255,052</b>	<b>1,098,315</b>	<b>7%</b>
<b>Expenditures</b>						
Salaries & Benefits	2,170,678	3,099,414	3,530,183	4,437,500	907,317	26%
Services and Supplies	685,598	643,148	1,201,668	2,137,715	936,047	78%
Operations and Maintenance	2,923,336	3,194,631	4,852,891	4,810,306	(42,585)	-1%
LPCCC Operations	1,093,167	924,938	1,626,355	2,024,256	397,901	24%
Watershed Management			1,237,218	2,051,218	814,000	66%
Rehab & Betterment	2,699,108	19,500	970,000	675,000	(295,000)	-30%
Grant Expenditures	264,915	379,367	1,176,500	775,000	(401,500)	-34%
Water Conservation	1,629,251	1,295,783	1,593,542	1,299,014	(294,528)	-18%
Flood Control	139,982	223,550	2,006,883	1,293,809	(713,074)	-36%
HCP	508,262	518,241	3,732,579	3,791,923	59,344	2%
Consultants	1,106,376	1,540,558	1,116,326	1,574,362	458,036	41%
Fixed Assets	281,368	3,682,245	331,000	790,000	459,000	139%
Contingency	-	-	200,000	200,000	-	0%
<b>Total Expenditures</b>	<b>13,502,040</b>	<b>15,521,374</b>	<b>23,575,144</b>	<b>25,860,102</b>	<b>2,284,959</b>	<b>10%</b>
<b>Net Change</b>	<b>(764,722)</b>	<b>(2,267,471)</b>	<b>(7,418,407)</b>	<b>(8,605,051)</b>	<b>(1,186,644)</b>	<b>16%</b>



**FUND PURPOSE**

This fund encompasses all expenses and revenues associated with SCWA's State Water Project (North Bay Aqueduct) water supply.

**FUNCTION AND RESPONSIBILITIES**

SCWA is responsible for purchasing water from the State Water Project for resale to cities in Solano County. Water is delivered via the North Bay Aqueduct (NBA), which originates in Barker Slough and terminates in Napa County (Napa County has a similar State Water Project water supply contract). The NBA is owned, operated, and maintained by the California Department of Water Resources (DWR). SCWA administers the State Water Project water supply contract, which among other things, obligates SCWA to reimburse DWR for Solano's share of the NBA operation, maintenance, and capital costs. The majority of the funds used to reimburse DWR are obtained via the "NBA Zone of Benefit Tax" – a property tax assessment. In addition to administering the water supply contract, SCWA performs various technical studies related to NBA operations, monitors water quality in Barker Slough, and provides technical assistance to DWR in support of the NBA Alternate Intake Project.

**FUND DETAIL COMMENTS****Revenues**

**Property Taxes** – FY 18/19 proposed property tax revenues are projected to increase by 15% from the prior fiscal year, reflecting the ongoing trend of increasing property values in Solano County.

**Interest Revenue** – Interest earnings have increased significantly due to higher interest rates and investing in higher yielding instruments (CD's).

**Other Revenue Sources** – Includes refunds from DWR for prior year advance funding of SWP expenses and grant reimbursement from DWR associated with the NBA Alternate Intake Project.

**Expenditures**

**Consultants** – Includes additional funding for the following projects: UCD Cache Slough Fisheries and Water Quality Study, NBA Reliability Program Study, and NBA Organic Carbon Treatment Study.

**Fixed Assets** – Purchase of Cordelia Forebay Water Quality Station.

DETAIL BY REVENUE CATEGORY AND EXPENDITURE CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Revenues</b>						
Property Taxes	11,185,460	12,467,260	13,028,000	15,001,220	1,973,220	15%
Water Sales	2,374,829	2,383,655	2,547,101	2,547,101	-	0%
Grant Revenues	164,000	140,560	-	-	-	
Investment Income	26,138	65,567	56,000	100,000	44,000	79%
Other Sources	-	17,242	35,000	362,240	327,240	935%
<b>Total State Water Project Revenues</b>	<b>13,750,427</b>	<b>15,074,284</b>	<b>15,666,101</b>	<b>18,010,561</b>	<b>2,344,460</b>	<b>15%</b>
<b>Expenditures</b>						
Services and Supplies	119,686	127,874	118,700	118,700	-	0%
Operations and Maintenance	431,428	603,791	1,014,975	1,092,146	77,171	8%
Water Purchases	10,112,942	11,508,929	12,483,955	12,095,630	(388,325)	-3%
Grant Expenditures	328,000	282,191	-	-	-	
Water Conservation	493,845	494,026	878,678	955,481	9,264	9%
Consultants	185,070	151,840	765,500	1,485,500	720,000	94%
Fixed Assets	62,129	3,468,986	40,000	20,000	(20,000)	-50%
Contingency	12,000	-	25,000	25,000	-	0%
<b>Total State Water Project Expenditures</b>	<b>11,745,100</b>	<b>16,637,637</b>	<b>15,326,808</b>	<b>15,792,456</b>	<b>465,649</b>	<b>3%</b>
<b>Net Change</b>	<b>2,005,327</b>	<b>(1,563,353)</b>	<b>339,294</b>	<b>2,218,105</b>	<b>1,878,811</b>	

**FUND PURPOSE**

Operation and maintenance of Ulati Flood Control Project.

**FUNCTION AND RESPONSIBILITIES**

The Ulati Flood Control Project (Project) was constructed by the Soil Conservation Service (now known as the Natural Resources Conservation Service) and is maintained by SCWA pursuant to a contract with the Natural Resources Conservation Service. The Project consists of over 45 miles of flood control channels and is largely located and provides flood protection to the agricultural lands downstream of Vacaville. SCWA subcontracts with the Solano County Transportation Department for routine maintenance duties, while most engineering and administrative functions are performed by SCWA staff.

**FUND DETAIL COMMENTS****Revenues**

Property Taxes - FY 18/19 proposed tax revenues are projected to increase 16% from the prior fiscal year.

Investment Income –Interest earnings have nearly doubled due to higher interest rates and investing in higher yielding instruments (CD's). Last year was the first year of investing.

**Expenditures**

Operations and Maintenance -operations and maintenance expenses are projected to increase over the prior year due primarily to the addition of a new streamflow monitoring station near Brown Road, biological surveys, and increased weed control.

Fixed Assets –Purchase of Boom Mower and a Wheeled Excavator.

DETAIL BY REVENUE CATEGORY AND EXPENDITURES CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Revenues</b>						
Property Taxes	1,132,967	1,228,717	1,257,226	1,462,660	205,434	16%
Investment Income	13,371	25,302	23,500	52,000	28,500	121%
Other Services	1,583	4,835	5,000	5,000	-	0%
<b>Total Ulatis Revenues</b>	<b>1,147,922</b>	<b>1,258,855</b>	<b>1,285,726</b>	<b>1,519,660</b>	<b>233,934</b>	<b>18%</b>
<b>Expenditures</b>						
Supplies and Services	13,089	13,972	15,000	15,000	-	0%
Operations and Maintenance	470,417	660,115	899,313	1,139,456	240,144	27%
Rehab & Betterment	-	-	20,000	20,000	-	0%
Fixed Assets	180,446	273,167	20,500	430,000	409,500	2098%
Contingency	-	-	50,000	50,000	-	0%
<b>Total Ulatis Expenditures</b>	<b>663,952</b>	<b>947,255</b>	<b>1,004,813</b>	<b>1,654,456</b>	<b>649,644</b>	<b>65%</b>
<b>Net Change</b>	<b>483,970</b>	<b>311,600</b>	<b>280,914</b>	<b>(134,796)</b>	<b>(415,710)</b>	<b>-148%</b>

**FUND PURPOSE**

Operation and maintenance of Green Valley Flood Control Project.

**FUNCTION AND RESPONSIBILITIES**

The Green Valley Flood Control Project (Project) was constructed by the United States Army Corps of Engineers (USACOE) and is maintained by SCWA pursuant to an agreement with the USACOE. The Project consists of approximately 3 miles of flood control channels and is largely located in and downstream of Cordelia. SCWA subcontracts with the Solano Transportation Department for routine maintenance duties, while most engineering and administrative functions are performed by SCWA staff.

**FUND DETAIL COMMENTS*****Revenues***

Property Taxes - FY 18/19 proposed tax revenues are projected to increase 13% over the prior fiscal year

***Expenditures***

Operations and Maintenance—In FY 17/18 it was anticipated that SCWA staff would perform various land surveying tasks related to the phase I Cordelia Flood Study. Instead, this work task was performed by consultants and funded with Administration-Solano-Project-Watermaster dollars. Now that the work is complete these costs have been excluded from the FY 18/19 budget.

Contingency— The contingency fund has been increased by \$4,000, from \$1,000 in FY 17/18 to \$5,000 in FY 18/19.

DETAIL BY REVENUE CATEGORY AND EXPENDITURE CATEGORY	2015/16 ACTUAL	2016/17 ACTUAL	2016/17 ADOPTED BUDGET	2018/19 PROPOSED	FROM ADOPTED TO PROPOSED	PERCENT CHANGED
<b>Revenues</b>						
Property Taxes	105,774	120,066	129,707	146,020	16,313	13%
Investment	-	-	-	1,725	1,725	
<b>Total Green Valley Revenues</b>	<b>105,774</b>	<b>120,066</b>	<b>129,707</b>	<b>147,745</b>	<b>18,038</b>	<b>14%</b>
<b>Expenditures</b>						
Supplies and Services	1,084	1,131	1,200	1,200	-	0%
Operations and Maintenance	49,764	38,455	155,943	114,472	(41,471)	-27%
Rehab & Betterment	-	-	40,000	40,000	-	0%
Contingency	-	-	1,000	5,000	4,000	400%
<b>Total GV Expenditures</b>	<b>50,848</b>	<b>39,586</b>	<b>198,143</b>	<b>160,672</b>	<b>(37,471)</b>	<b>-19%</b>
<b>Net Change</b>	<b>54,926</b>	<b>80,480</b>	<b>(68,436)</b>	<b>(12,927)</b>	<b>55,509</b>	

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE: June 14, 2018**

**SUBJECT: State Water Project Tax Rate for Fiscal Year 2017-2018**

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**RECOMMENDATION:**

Establish a tax rate of \$0.02 per \$100 of assessed valuation for the State Water Project property tax for fiscal year 2018-2019.


**FINANCIAL IMPACT:**

Projected revenues of \$15,001,220 in FY 2018-2019 Proposed Budget.

**BACKGROUND:**

By way of Resolution 85-183 (copy attached), the governing board of the Solano County Water Agency's predecessor agency, the Solano County Flood Control and Water Conservation District, established a zone of benefit and a property tax rate not to exceed \$0.02 per \$100 assessed valuation, to partially finance the county's share of the North Bay Aqueduct construction and ongoing maintenance and operation costs.. Since fiscal year 1986-87 the Water Agency has assessed a tax rate of \$0.02 per \$100 assessed valuation within the zone of benefit.

Pursuant to Revenue and Taxation Code Section 93, the Water Agency must establish the tax rate each fiscal year which is to be levied on the voter approved bonded indebtedness. The Board has the discretion to lower the tax annually, but not to increase it beyond \$0.02 per \$100 assessed valuation.

Recommended:   
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☐

Continued on  
next page

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Modification to Recommendation and/or other actions:

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I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

RESOLUTION 85-183

RESOLUTION ESTABLISHING A ZONE OF BENEFIT WITHIN  
THE SOLANO COUNTY FLOOD CONTROL AND WATER  
CONSERVATION DISTRICT AND ESTABLISHING A  
PROPERTY TAX RATE FOR THE ZONE OF NOT TO  
EXCEED \$.02 PER \$100 ASSESSED VALUATION

WHEREAS, the North Bay Aqueduct is a part of the California State Water Project approved by the voters of California in 1960 and is now under construction and will provide for the delivery of a significant quantity of water for utilization by the citizens of Solano County; and

WHEREAS, the Solano County Flood Control and Water Conservation District (hereinafter "District") has contracted with the State of California acting by and through its Department of Water Resources on behalf of certain member unit cities within Solano County for the provision of water from the North Bay Aqueduct, which cities include Benicia, Fairfield, Suisun City, Vacaville, and Vallejo (hereinafter "member units"); and

WHEREAS, a method of financing the North Bay Aqueduct, other than that available through District's present share of property taxes and other usual revenues, is necessary to meet present contracts; and

WHEREAS, the North Bay Aqueduct Financing Committee has made recommendations to this Board relative to the means of financing water which will be received from the North Bay Aqueduct; and

WHEREAS, the approach recommended by the North Bay Aqueduct Financing Committee provided solutions to the "make whole claims" of the Napa County Flood Control and Water



Conservation District relative to certain member units of the District, and provided an acceptable method of financing water which could be delivered within the District by the North Bay Aqueduct, but would have imposed a tax on areas of the District neither served by water from the North Bay Aqueduct or the existing Solano Water Project which now serves portions of Solano County; and

WHEREAS, this District has the authority to establish a budget and tax rate in excess of the one percent (1%) property tax limitation in order to finance receipt of water from the North Bay Aqueduct which is a part of the State Water Project approved by the voters of California in 1960; and

WHEREAS, this District further has the authority to establish a tax rate either Districtwide, or within a zone of benefit, under the provisions of the Solano County Flood Control and Water Conservation Act (Chapter 1656 of the Statutes of 1951, as amended); and

WHEREAS, this District has authority to create a zone or zones of benefit because of varying benefits to the property within the District for the purpose of paying certain costs, expenses, and indebtedness of the District and its member units; and

WHEREAS, the North Bay Aqueduct water entitlements, as well as an existing partial subsidy of water from the existing Solano Water Project from District's normal county-wide property tax revenues, establish varying benefits to property within the District; and

WHEREAS, a map, consisting of three sheets, has been prepared showing the boundaries of the territory to be included in the zone of benefit and a copy of said map has been marked as Exhibit "A" and attached hereto; and

WHEREAS, said Exhibit "A" includes three sheets, one sheet showing all of the area of said proposed zone of benefit except the Rio Vista Area and the Dixon Area (outside the Solano Irrigation District), a second sheet showing the Rio Vista Area, and a third sheet showing the Dixon Area (outside the Solano Irrigation District); and

WHEREAS, the Cities of Benicia, Fairfield, Suisun City, and Vacaville will benefit from the North Bay Aqueduct since said cities have contracted to receive North Bay Aqueduct water; and

WHEREAS, the Cities of Rio Vista and Dixon are now being offered benefits from the North Bay Aqueduct through contracts granting them the option to receive North Bay Aqueduct water provided said contracts are executed on or before December 15, 1985 and that they exercise the option in said contracts on or before January 1, 2020; and

WHEREAS, if an option contract for the possible future delivery of North Bay Aqueduct water to the City of Rio Vista is not executed on or before December 15, 1985, in the judgment of this Board it is not appropriate to levy a tax within the portion of the proposed zone of benefit within the Rio Vista Area as shown on sheet two of Exhibit "A"; and

WHEREAS, if an option contract for the possible future delivery of North Bay Aqueduct water to the City of

Dixon is not executed on or before December 15, 1985, in the judgment of this Board it is not appropriate to levy a tax within the portion of the proposed zone of benefit within the Dixon Area (outside the Solano Irrigation District) as shown on sheet three of Exhibit "A"; and

WHEREAS, the City of Vallejo will receive benefit from the North Bay Aqueduct from both a water entitlement and from utilization of the North Bay Aqueduct for transmission of water from other entitlements that will, in turn, allow Vallejo the benefit of not having to bear the expense of replacing their own transmission lines; and

WHEREAS, the maximum rate to be charged to member units for North Bay Aqueduct water is to be \$20.50 per acre foot, or that amount charged for municipal and industrial water from the existing Solano Water Project, whichever is higher; and

WHEREAS, the Solano Irrigation District and Main Prairie Water District benefit from the North Bay Aqueduct since the North Bay Aqueduct will ease pressures to convert Solano Project Water now utilized by those Districts from agricultural uses; and

WHEREAS, since Solano Project Water has been paid in part by a countywide tax of the District, it is appropriate that such areas also participate in the tax to pay for the North Bay Aqueduct; and

WHEREAS, the spheres of influence of each of the above-mentioned cities and districts could receive benefit from the North Bay Aqueduct because such areas include the probable ultimate physical boundaries and water service areas of such cities and districts; and

WHEREAS, some areas of this District are underlaid by a groundwater basin recharged by the Solano Water Project and other areas, such as the Suisun Marsh, are benefited by the passage of water through said areas and thereby benefit from the Solano Water Project and the North Bay Aqueduct; and

WHEREAS, on February 5, 1985 the Solano County Board of Supervisors, acting ex officio as the Board of Directors of District, adopted Resolution 85-24, entitled "Resolution of Intention of the Solano County Board of Supervisors to Establish a Zone of Benefit Tax for Financing the North Bay Aqueduct", expressing its intent therein to create a zone of benefit and to establish a tax rate therefor; and

WHEREAS, on September 17, 1985 the Solano County Board of Supervisors, acting ex officio as the Board of Directors of District, adopted Resolution 85-164 entitled "Resolution Setting the Date, Time and Place for a Public Hearing on the Establishment of a Zone of Benefit Within the Solano County Flood Control and Water Conservation District and Establishing A Property Tax Rate for the Zone of Not to Exceed \$.02 per \$100 Assessed Valuation"; and

WHEREAS, notice of said hearing was duly published as required by law;

NOW, THEREFORE, BE IT RESOLVED, and it is hereby resolved by the Solano County Board of Supervisors, acting ex officio as the Board of Directors of the Solano County Flood Control and Water Conservation District, as follows:

1. The portion of the territory within the Solano County Flood Control and Water Conservation District described in Exhibit "A" is hereby established as Zone of Benefit No. 1 of the Solano County Flood Control and Water Conservation District.

2. There shall be levied annually a property tax within Zone of Benefit No. 1 in an amount necessary, but not to exceed two cents (\$.02) per one hundred dollars of assessed valuation for the purpose of paying the annual cost of the North Bay Aqueduct and the obligation for repayment of "up front" costs and advancements of the District under present contracts, in order to permit the cost per acre foot of water from the North Bay Aqueduct to be \$20.50 or the amount charged for municipal and industrial water from the Solano Water Project, whichever is higher. Said tax shall not be levied in the Rio Vista Area as shown on the second sheet of Exhibit "A" unless an option contract for the possible future delivery of North Bay Aqueduct water to the City of Rio Vista is executed on or before December 15, 1985. Said tax shall not be levied upon the Dixon Area (outside the Solano Irrigation District) as shown on the third sheet of Exhibit "A" unless an option contract for the possible future delivery of North Bay Aqueduct water to the City of Dixon is executed on or before December 15, 1985.

I, LINDA L. TERRA, Clerk of the Board of Supervisors, County of Solano, State of California, do hereby certify that the foregoing resolution was regularly introduced, passed and adopted by said Board at a regular meeting held on October 21st, 1985, upon motion of Supervisor

Sturn, seconded by Supervisor Davis,  
by the following vote:

AYES: Brann, Davis, Hewitt and Sturn

NOES: Chairman Pippo

ABSTENTIONS: None

ABSENT: None

WITNESS my hand and seal of said Board this 21st  
day of October, 1985.

Linda Terra  
Clerk, Board of Supervisors

**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

**SUBJECT:** Cost of Living Adjustment for Water Agency Employees

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**RECOMMENDATIONS:**

Award a 3.2% cost of living adjustment to Water Agency employees effective July 1, 2018.

**FINANCIAL IMPACT:**

The cost of a 3.2% COLA is approximately \$63,600 for FY 2018/2019. Funding for a 3.2% cost of living adjustment to employee salaries has been included in the Proposed FY 2018/2019 budget.

**BACKGROUND:**

Cost of living adjustments are discretionary on the part of the Board of Directors and are typically based on Consumer Price Indices (CPI) published by the U.S. Bureau of Labor Statistics. Relevant Consumer Price Indices include the San Francisco-Oakland-San Jose Index, the West Index, which encompasses 13 western states, and the Los Angeles-Anaheim-Riverside Index.

Recommended:   
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☐

Continued on  
next page

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Modification to Recommendation and/or other actions:

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I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote.

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

The most recent cost of living adjustment (2.5% percent) was granted in July 2017 and was based on the April 2017 San Francisco-Oakland-San Jose, The West, and the Los Angeles-Anaheim-Riverside Consumer Price Indices. The corresponding April 2018 CPI's for the San Fran San Francisco-Oakland-San Jose, The West, and the Los Angeles-Anaheim-Riverside regions are as follows:

<u>Area</u>	<u>April CPI</u> <u>2017</u>	<u>April CPI</u> <u>2018</u>	<u>% Increase</u> <u>from</u> <u>April 2017</u> <u>to</u> <u>April 2018</u>
Los Angeles-Anaheim-Riverside (LA)	254.971	265.095	4.0%
The West (West)	253.806	262.037	3.2%
San Francisco-Oakland-San Jose (SF)	274.589	283.422	3.2%

(see: <https://www.bls.gov/regions/west/cpi-summary/> for additional information)

A summary of the respective April CPI's for the San Fran San Francisco-Oakland-San Jose, The West, and the Los Angeles-Anaheim-Riverside regions, and the corresponding SCWA COLA's awarded since 2013, is as follows:

<u>Year</u>	<u>LA CPI</u>	<u>West CPI</u>	<u>SF CPI</u>	<u>SCWA COLA</u> <u>Received</u>
<b>2013</b>	0.90%	1.30%	2.40%	2.00%
<b>2014</b>	1.40%	1.80%	2.80%	2.00%
<b>2015</b>	0.50%	1.00%	2.40%	2.00%
<b>2016</b>	2.00%	1.80%	2.70%	2.00%
<b>2017</b>	2.70%	2.90%	3.80%	2.50%

If approved, this cost of living adjustment will apply to 22 Water Agency employees.

**RELEVANCE TO 2016-2025 SCWA STRATEGIC PLAN:**

Accepting the 3.2% COLA is consistent with Goal # 10 (Funding and Staffing), Objective C (Provide necessary and sufficient staffing and resources to maintain program activities and to achieve the goals and objectives of strategic plan priorities), Strategy 4 (Provided appropriate resources and incentives to staff to promote retention and longevity of SCWA investments in staff).



**ACTION OF  
SOLANO COUNTY WATER AGENCY**

**DATE:** June 14, 2018

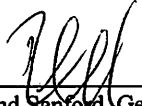
**SUBJECT:** Consultant services contracts and renewals

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**RECOMMENDATION:**

Authorize General Manager to execute agreements and amendments for the following consultant services for work through fiscal year 2018-2019:

1. AG Innovations, Solano Subbasin Facilitation Services, new contract – contract limit \$114,604;
2. Agrichem, Nuisance Vegetation Management, new contract- contract limit of \$38,192;
3. Blankinship and Associates, Aquatic Pesticide Compliance, new contract – contract limit of \$38,500;
4. Broadbent, Wetland Construction, new contract – contract limit of \$60,000;
5. Clean Tech Advocates, government advocacy, amendment – amendment limit of \$110,000;
6. Craig Thomsen, Riparian Vegetation Studies, new 2 year contract – contract limit of \$80,000
7. Eyasco, Data and Website Management, new contract – contract limit of \$303,760;
8. Freshwater Trust, BasinScout, new contract – contract limit of \$170,800;
9. GHD, CII Water Conservation Program, new contract – contract limit of \$125,000;
10. IN Communications, High School Video Contest and Public Outreach, new contract – contract limit of \$30,000;
11. Jacobs Engineering Group, Inc. (Formerly CH2MHILL), Solano HCP EIR/EIS, new contract – contract limit of \$60,000;
12. LSA Associates, Inc., Habitat Conservation Plan, new contract – contract limit of \$420,000;
13. Luhdorff & Scalmanini, Groundwater Monitoring and Data Collection, new contract – contract limit of \$167,444;
14. Normandeau & Associates, Fish Monitoring, new contract – contract limit of \$35,718;
15. Putah Creek Council, Watershed/Native Plant Nursery Management – new contract – contract limit of \$35,000;
16. Putah Creek Council, WaterWays Education Program, new contract – contract limit of \$120,000;

Recommended:   
Roland Sanford, General Manager

☐

Approved as  
recommended

☐

Other  
(see below)

☒

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next page

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**Modification to Recommendation and/or other actions:**

I, Roland Sanford, General Manager and Secretary to the Solano County Water Agency, do hereby certify that the foregoing action was regularly introduced, passed, and adopted by said Board of Directors at a regular meeting thereof held on June 14, 2018 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

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Roland Sanford  
General Manager & Secretary to the  
Solano County Water Agency

17. Regional Governmental Services, Human Resources and Financial Consulting, new two year contract – contract limit of \$150,000;
18. Richard Heath and Associates, Water Coordination Program, new contract – contract limit of \$59,375;
19. Rock Steady Juggling, School Water Education Program, new contract – contract limit of \$30,000;
20. Shandam Consulting, Inc., Professional IT Support, new contract – contract limit of \$175,000;
21. Solano Resource Conservation District, Suisun Marsh Watershed Education Program, new contract – contract limit of \$172,500;
22. Solano Resource Conservation District, Water Quality Bilge Pad Exchange Program, new contract – contract limit of \$65,000;
23. Streamwise, Geomorphic Assessment and Design – new contract – contract limit of \$50,000;
24. Sustainable Solano, Water Conservation, Permaculture and Outreach, new contract – contract limit of \$150,000;
25. Terraphase Engineering, Inc., Cache Slough Water Quality Monitoring, new contract – contract limit of \$55,000;
26. TERRA Realty Advisors, Inc., SCWA Office Expansion, new contract – contract limit of \$40,000,
27. UC Davis, Putah Creek Restoration Intern Program, new contract – contract limit of \$36,000;
28. UC Davis, Soils Rapid Assessment Protocol, amendment – contract limit of \$200,000
29. Waterfluence, Large Landscape Water Budget, new contract – contract limit of \$70,000;
30. Wildlife Survey and Photo Service, Monitor New Zealand Mud Snails and Quagga and Zebra Mussels in the Solano Project, new contract – contract limit of \$210,000;
31. Wildlife Survey and Photo Service, LPCCC Aquatic Monitoring, new contract – contract limit of \$32,149.14
32. Wilson Public Affairs, public outreach, new contract – contract limit of \$45,000
33. Yolo Resource Conservation District, Westside IRWMP Implementation Assistance, new contract – contract limit of \$61,306;
34. Zun Zun, Solano School Water Education Program, new contract – contract limit of \$40,000

#### FINANCIAL IMPACT:

Funding for these consultants is included in the Fiscal Year 2018-2019 Budget.

#### BACKGROUND:

1. AG Innovations will provide facilitation services for stakeholder meetings during development of the Solano Subbasin Groundwater Sustainability Plan.
2. Agrichem will continue to provide herbicide application consultation for the Ulati and Green Valley Flood Control Projects.
3. Blankinship and associates will continue to administer Aquatic Pesticide compliance.
4. Broadbent will administer Wetland Construction
5. Clean tech Advocates will provide governmental advocacy services and assist with legislative outreach.
6. Craig Thomsen will continue his riparian vegetation studies.
7. Eyasco will provide consulting services for document/file management, data and database management, and website management.
8. Freshwater Trust will develop BasinScout, a tool to be used by local stakeholders to optimize their groundwater use.
9. GHD will continue to administer the CII Water Conservation Program.
10. IN Communications will administer the Solano High School Video Contest and assist in public outreach.
11. Jacobs Engineering Group, Inc. (formerly CH2M Hill) will continue the preparation of the Solano Habitat Conservation Plan EIR/EIS;
12. LSA Associates, Inc., will continue to develop the Solano Habitat Conservation Plan. Tasks include completing the Public Draft HCP and developing programmatic wetland permits.
13. Luhdorff & Scalmanini will provide groundwater conditions reporting and groundwater management assistance.
14. Normandeau & Associates will provide fish monitoring and habitat analysis for Suisun, Green Valley, Ulati Flood Control Channel and Ledgebrook Creeks.
15. Putah Creek Council will host volunteer events and provide management of the Watershed/Native Plant Nursery.
16. Putah Creek Council will provide 4<sup>th</sup> and 5<sup>th</sup> graders in Solano County with watershed, water conservation and source water curriculum through the WaterWays Education Program.

17. Regional Government Services will continue to provide human resource and financial consulting services to Agency staff.
18. Richard Heath Associates will administer the Water Coordination Program to help low-income and seniors increase water use efficiency
19. Rock Steady Juggling will continue to provide water education to students of Solano County.
20. Shandam will continue to provide professional IT support for the Agency computer network, including installation of completely new SCWA network
21. Solano Resource Conservation District will continue to administer the education program for the Suisun Marsh Watershed.
22. Solano Resource Conservation District will implement the water quality bilge pad exchange program.
23. Streamwise will continue working on geomorphic assessments and designs.
24. Sustainable Solano will continue to educate water conservation, permaculture and outreach
25. Terraphase Engineering will monitor water quality in the Cache Slough Yolo Bypass region.
26. TERRA Realty will continue to coordinate key activities and negotiations for the Office Expansion.
27. UC Davis will provide interns to assist and cross train with Agency interns on Putah Creek restoration projects.
28. UC Davis will continue with the soils rapid assessment protocol.
29. Waterfluence will continue to administer the Solano Larger Landscape Water Budget Program.
30. Wildlife Survey and Photo will continue to monitor the Solano Project for New Zealand Mud Snails and Quagga and Zebra Mussels.
31. Wildlife Survey and Photo will continue to monitor LPCCC aquatics.
32. Wilson Public Affairs will assist with the preparation and dissemination of public outreach material.
33. Yolo Resource Conservation District will assist the Coordinating Committee with administrative functions of the Westside IRWMP implementation.
34. ZunZun will continue to market, schedule and present interactive school assemblies for grades K-6 at Solano County schools.

Copies of the above agreements and amendments are available on the SCWA web page ([www.scwa2.com](http://www.scwa2.com)) or from SCWA staff.

# LEGISLATIVE UPDATES

AMENDED IN SENATE MARCH 15, 2018

AMENDED IN SENATE FEBRUARY 26, 2018

**SENATE BILL**

**No. 919**

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**Introduced by Senator Dodd**

January 22, 2018

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An act to add Section 144 to the Water Code, relating to water resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 919, as amended, Dodd. Water resources: stream gages.

Under existing law, the State Water Resources Control Board administers a water rights program pursuant to which the state board grants permits and licenses to appropriate water. Existing law, the Open and Transparent Water Data Act, requires the Department of Water Resources, the board, and the Department of Fish and Wildlife to coordinate and integrate existing water and ecological data from local, state, and federal agencies.

This bill would require the Department of Water Resources, upon appropriation by the Legislature, to develop a plan to deploy a network of stream gages that includes a determination of funding needs and opportunities for reactivating existing gages. The bill would require the department, in consultation with the board, the Department of Fish and Wildlife, the Central Valley Flood Protection Board, interested stakeholders, and, to the extent they wish to consult, local agencies, to ~~prioritize the deployment of stream gages based upon gaps in the existing system of gages and specified considerations.~~ *develop the plan to address significant gaps in information necessary for water management. The bill would require the department to give priority in the plan to placing or reactivating stream gages where lack of data*

*contributes to conflicts in water management actions, as specified, and to consider specified criteria in developing the plan.*

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Fourteen percent of the state's significant stream segments  
4 are well gaged.

5 (b) California's current stream gage network is poorly funded  
6 and not well organized, and data on existing gages pertaining to  
7 funding, location, and operating condition is difficult to find.

8 (c) The stream gage network fails to report key variables such  
9 as flow, temperature, and drainage.

10 (d) For a stream gage to be effective in helping inform water  
11 management during climate extremes and highly variable flows,  
12 it should record quality data, report key variables such as flow and  
13 temperature, and make its data accessible to the public promptly.

14 (e) The largest individual sponsor of stream gages in California  
15 is the United States Geological Service Survey (USGS), which  
16 works largely in partnership with a variety of state and federal  
17 agencies that provide funding to support gages and at least 57  
18 percent of USGS-funded gages are also funded by a local agency.

19 (f) The data about which specific agencies are already funding  
20 particular stream gages is available for only 20 percent of active  
21 gages in California, and to better understand the gage landscape  
22 in the state, it is critical to know which agencies are funding  
23 particular gages.

24 SEC. 2. Section 144 is added to the Water Code, to read:

25 144. (a) Upon appropriation by the Legislature, the department  
26 shall develop a plan to deploy a network of stream gages that  
27 includes a determination of funding needs and opportunities for  
28 reactivating existing gages.

29 (b) The department, in consultation with the board, the  
30 Department of Fish and Wildlife, the Central Valley Flood  
31 Protection Board, interested stakeholders, and, to the extent they  
32 wish to consult, local agencies, shall ~~prioritize the deployment of~~  
33 ~~stream gages based upon gaps in the existing system of gages.~~

1 ~~Criteria for prioritization shall include all of the following: develop~~  
2 ~~the plan to address significant gaps in information necessary for~~  
3 ~~water management.~~

4 ~~(1) Integrating with the existing gage network.~~

5 ~~(2) Consistency with the California Water Action Plan.~~

6 ~~(3) Evaluating conditions, including flow settlements, voluntary~~  
7 ~~flow agreements, and ability to integrate multiple benefit water~~  
8 ~~management strategies.~~

9 ~~(4) Ability to provide data to help protect threatened and~~  
10 ~~endangered fisheries and wildlife.~~

11 ~~(5) Ability to provide data to help with drought, floods, and~~  
12 ~~impacts from wildfires and other natural disasters.~~

13 ~~(6) Ability to provide data to assist with groundwater~~  
14 ~~management.~~

15 ~~(7) Prioritizing watersheds with historical gage data.~~

16 ~~(8) Prioritizing watersheds that are included in state wildlife~~  
17 ~~action plans, integrated regional water management plans, or other~~  
18 ~~multibenefit program categories, or areas with approved sustainable~~  
19 ~~groundwater management plans.~~

20 ~~(9) Prioritizing areas where local agencies may enter cost-share~~  
21 ~~arrangements to facilitate ongoing integration and use of best~~  
22 ~~practices in water management.~~

23 ~~(c) The department shall give priority in the plan to placing or~~  
24 ~~reactivating stream gages where lack of data contributes to~~  
25 ~~conflicts in water management actions, including, but not limited~~  
26 ~~to, actions related to the following:~~

27 ~~(1) Water supply management.~~

28 ~~(2) Flood management.~~

29 ~~(3) Water quality management.~~

30 ~~(4) Ecosystem management.~~

31 ~~(d) Other criteria to be considered by the department in~~  
32 ~~developing the plan include all of the following:~~

33 ~~(1) Opportunities for local agencies to enter cost-share~~  
34 ~~arrangements to install or maintain the stream gage.~~

35 ~~(2) Ease of integrating the stream gage into the existing network.~~

36 ~~(3) Availability of historic gage data for specific locations.~~

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**THIRD READING**

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Bill No: SB 919  
Author: Dodd (D)  
Amended: 3/15/18  
Vote: 21

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**SENATE NATURAL RES. & WATER COMMITTEE:** 6-0, 3/13/18  
**AYES:** Hertzberg, Allen, Jackson, McGuire, Monning, Stern  
**NO VOTE RECORDED:** Stone, Hueso, Vidak

**SENATE APPROPRIATIONS COMMITTEE:** 5-2, 5/25/18  
**AYES:** Lara, Beall, Bradford, Hill, Wiener  
**NOES:** Bates, Nielsen

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**SUBJECT:** Water resources: stream gages

**SOURCE:** The Nature Conservancy

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**DIGEST:** This bill requires the Department of Water Resources (DWR), in consultation with the Water Resources Control Board (SWRCB), the Department of Fish and Wildlife (CDFW), the Central Valley Flood Protection Board (CVFP), and other interested stakeholders to develop the plan to address significant gaps in information necessary for water management.

**ANALYSIS:** Existing law, the Open and Transparent Water Data Act, requires DWR, in consultation with the California Water Quality Monitoring Council, the SWRCB, and CDFW, to create, operate, and maintain a statewide integrated water data platform, and to develop a strategic plan to guide program implementation and protocols for data sharing, documentation, quality control, public access, and promotion of open-source platforms and decision support tools related to water data.



This bill:

- 1) Requires DWR to develop a plan to deploy a network of stream gages that includes a determination of funding needs and opportunities for reactivating existing gages.
- 2) Requires DWR, in consultation with SWRCB, CDFW, CVFP, and other interested parties, to prioritize the deployment of stream gages based upon gaps in the existing system of gages, and specific criteria for prioritization.

### **Background**

In order to manage our water resources, whether for flood management, water supply planning, ecosystem protections, etc., we need to understand how much water flows down our rivers and streams and when those flows occur. Often we also need additional information regarding water quality such as temperature, turbidity, and electrical conductivity. To gather such information, we rely heavily on a system of stream gages.

Stream gages are devices to measure the hydrologic characteristics of a river or stream at a specific location. Some gages are as simple as a measuring stick that must be read manually and which simply show the stage (elevation of the water surface). Others can automatically measure and transmit highly accurate information on elevation, flow rate, temperature, turbidity, and other water quality indicators. According to The Nature Conservancy, such high quality “gold standard” gages cost about \$25,000 to install and \$15,000 - \$20,000 per year to maintain.

### **Comments**

*You Can't Manage What You Don't Measure.* There are over 3,600 locations in California where stream gages have been active at some point, but only 54% have been active recently. While not all those gages may have been necessary on an ongoing basis, it seems likely that such a large drop in active gages has impaired our knowledge of some key aspects of our hydrology.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- One-time costs of approximately \$500,000 to DWR (General Fund) for staff necessary to research and develop the required plan.

- One-time costs, likely under \$50,000 each (General Fund and various Special Funds), for staff from SWRCB, CDFW, CVFP to consult with DWR on the development of the plan.
- Unknown significant cost pressures resulting from recommendations for addressing information gaps.

**SUPPORT:** (Verified 5/25/18)

The Nature Conservancy (source)  
Audubon California  
Bay Area Council  
California Advisory Committee on Salmon and Steelhead Trout  
California Groundwater Coalition  
California Trout  
Clean Water Action  
Grassland Water District  
Groundwater Resources Association of California  
Metropolitan Water District of Southern California  
Napa County Board of Supervisors  
North Country Watch  
Planning and Conservation League  
Rural County Representatives of California  
Santa Clara Valley Water District  
Sierra Club California  
Sonoma County Water Agency  
Trout Unlimited  
Tuolumne River Trust  
Water Flows Free

**OPPOSITION:** (Verified 5/25/18)

None received

**ARGUMENTS IN SUPPORT:** According to the sponsor, "Following a difficult five-year drought, California had one of the wettest winters on record. California is famous for its highly engineered water system, which moves millions of gallons of water from north to south and east to west. Thirty-nine million people and our \$47 billion agricultural industry rely on that water, not to mention wildlife from the Sierra to the sea. And yet we have surprisingly little data about how much water is moving through our streams at any given time. There are over 3,600 locations in California where stream gages have been active at some point, but only 54% of this

network have been active recently. And even fewer of these gages provide the kind of rich, real-time reporting needed to manage what is arguably our most precious resource for people, farms, wildlife and fisheries.”

“Stream gages provide essential information about California’s water. Gaps in the stream gage network make it difficult to understand stream flow conditions and help ensure that both people and nature are getting water when and where they need it. Senate Bill 919 would help identify which watersheds have the most significant gage gaps, where inactive gages exist, and prioritize funding to deploy stream gages based upon the gaps in the system – and the need for better information for flood forecasting; water diversions; and inform least-impact strategies to protect fish and wildlife.”

Prepared by: Dennis O'Connor / N.R. & W. / (916) 651-4116  
5/26/18 14:24:12

\*\*\*\* END \*\*\*\*