

AGENDA
EL DORADO HILLS COUNTY WATER DISTRICT
(FIRE DEPARTMENT)
BOARD OF DIRECTORS
EIGHT HUNDRED THIRTY-EIGHTH MEETING
Thursday, December 16, 2021
5:30 p.m.
(1050 Wilson Blvd., El Dorado Hills, CA)

ATTENTION

Residents planning to address the Board of Directors at this Board meeting: due to the concerns about the COVID-19 virus, we respectfully ask if you are feeling ill for any reason not to attend in person.

Anyone who would like to participate in the meeting via Zoom may use the link or conference line below:

Zoom Webinar Video Conference link:

<https://us02web.zoom.us/j/82603873679?pwd=RTd1ZGQwY2x5bXp2VlBqbTJpVBFZz09>

Webinar ID: 826 0387 3679

Passcode: 614370

Conference Dial in:

1-669-900-9128

Please submit your comments in writing to inquiries@edhfire.com and they will be entered into the public record. If you are healthy and choose to attend the meeting, we ask that you maintain a six-foot buffer between you and others, as suggested by the State Department of Public Health.

NOTE

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the Board Clerk at 916-933-6623; ext. 1038, at least two (2) days prior to the meeting.

- I. Call to Order
- II. Closed Session Items
 - A. Closed Session pursuant to Government Code Section 54957(b)(1); Public Employee Performance Evaluation: Fire Chief
 - B. Closed Session pursuant to Government Code Sections 54956.9(d)(2) and 54956.9 (d)4); potential litigation; one matter
- III. Pledge of Allegiance
- IV. Consent Calendar (All matters on the Consent Calendar are to be approved by one motion unless a Board member requests separate action on a specific item.)
 - A. Approve Minutes of the 837th Board meeting held November 18, 2021
 - B. Approve Financial Statements and Check Register for November 2021
End Consent Calendar
- V. Oral Communications
 - A. EDH Professional Firefighters
 - B. EDH Firefighters Association
 - C. Any person wishing to address the Board on any item that is not on the Agenda may do so at this time. No action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three minutes per person and

twenty minutes for all comments unless otherwise authorized by the Board.

- VI. Correspondence
- VII. Attorney Items
- VIII. Committee Reports
 - A. Administrative Committee (Directors Durante and Hartley)
 - B. Finance Committee (Directors Bennett and Giraudo)
 - C. Joint Powers Authority (Directors Giraudo and White)
 - D. Communications (Ad-Hoc) (Directors Bennett and Durante)
 - E. Training Center (Ad-Hoc) (Directors Hartley and White)
- IX. Fire Chief's Report
- X. Operations Report
 - A. Operations Report (Receive and File)
- XI. Community Risk Reduction Report
 - A. CRRD Report
- XII. Fiscal Items
 - A. Receive and file 2020/2021 Final Audit Report, Management Letter and SAS 114 Governance Letter
 - B. Review and approve transfers from Unassigned General Reserve Fund to OPEB and Pension PARS Section 115 Trust accounts
- XIII. New Business
 - A. Review and approve Resolution 2021-19 acknowledging the Department's compliance with Sections 13146.2 and 13146.3 of the California Health and Safety Code
 - B. Request for Proposal for IT Managed Services
 - C. Request for bids for Training Center
 - D. Request for Quotations for SCBAs
 - E. Election of Board President and Vice President for 2022
 - F. Reorganization of Committees for 2022
 - G. Review and establish meeting dates for 2022
- XIV. Old Business
 - A. Rescue Annexation Update
 - B. Training Facility Update
 - C. EDHCSD/EDHFD 2x2 update (Directors Hartley and White)
- XV. Oral Communications
 - A. Directors
 - B. Staff
 - C. Schedule upcoming committee meetings
- XVI. Adjournment

*Director Greg Durante will be attending via teleconference from:
2588 Raleigh Way
El Dorado Hills, CA 95762*

Note: Action may be taken on any item posted on this agenda.

This Board meeting is normally recorded.

EL DORADO HILLS COUNTY WATER DISTRICT

EIGHT HUNDRED THIRTY-SEVENTH MEETING OF THE BOARD OF DIRECTORS

Thursday, November 18, 2021

5:30 p.m.

District Office, 1050 Wilson Boulevard, El Dorado Hills, CA 95762

I. CALL TO ORDER

President White called the meeting to order 5:30 p.m. Directors in attendance: Bennett, Durante, Giraudo, Hartley, and White. Staff in attendance: Chief Johnson. Counsel Cook was also in attendance.

Meeting adjourned to closed session at 5:30 p.m.

II. CLOSED SESSION ITEMS

- A. Closed Session pursuant to Government Code Section 54957(b)(1); Public Employee Performance Evaluation: Fire Chief
- B. Closed Session pursuant to Government Code Sections 54956.9(d)(2) and 54956.9 (d)4); potential litigation; one matter

The meeting reconvened at 6:11 p.m. The Board took no action during closed session.

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATION

- A. **New Administrative Assistant Christina Wilson Introduction** – Chief Lilienthal introduced new Administrative Assistant Christina Wilson to the Board.

V. CONSENT CALENDAR

- A. **Approve Minutes of the 836th Board meeting held October 21, 2021**
- B. **Approve Financial Statements and Check Register for October 2021**

Director Hartley made a motion to approve the Consent Calendar, seconded by Director Durante and unanimously carried.

VI. ORAL COMMUNICATIONS

- A. **EDH Professional Firefighters** – Brian Wilkey, Union President, stated the firefighters are looking forward to the “Movember” golf tournament and are preparing for the Santa Run.
- B. **EDH Firefighters Association** – None
- C. **Public Comment** – Daryl Whiteside, resident, thanked Staff for their professionalism and response to his difficulties with the plan review process.

VII. CORRESPONDENCE – None.

VIII. ATTORNEY ITEMS – Counsel Cook updated the Board on the progress of the Station

91 parcel split process, stating that he is still working through some septic system issues with the County and the property owner.

IX. COMMITTEE REPORTS

- A. Administrative Committee (Directors Durante and Hartley)** – Chief Johnson stated that Staff is working on getting consultants Fitch & Associates the data they requested and hope to have the Strategic Plan report finished in the first part of the year.
- B. Finance Committee (Directors Bennett and Giraud)** – No report.
- C. Joint Powers Authority (Directors Giraud and White)** – Chief Johnson stated that the County may potentially go out to RFP for ambulance services and is looking to extend the contract with the JPA while they explore solutions.
- D. Communications (Ad-Hoc) (Directors Bennett and Durante)** – No report.
- E. Training Center (Ad-Hoc) (Directors Hartley and White)** – No report.

X. FIRE CHIEF'S REPORT – Chief Johnson reported the following to the Board:

- The Rescue Board authorized the Fire Chief to submit a notice of intent to annex.
- The new Pierce Engines are both in service and will be a great asset for our Staff.
- Two temporary defensible space inspectors have been released as they have completed that all the initial inspections. The remaining inspector will work to close out all the follow up inspections and complaints.
- The Administrative office will be closed Thursday and Friday of Thanksgiving week and the “Movember” golf tournament will be held on November 29th.
- The annual Christmas dinner is on December 5th and the Santa Run is December 7-11.

XI. OPERATIONS REPORT

- A. Operations Report (Receive and file)** – Chief Hall highlighted that the call volume continues to increase, and the crews performed a night drill with four other agencies. There was also a water rescue incident.

XII. COMMUNITY RISK REDUCTION REPORT

- A. CRRD Report (Receive and file)** – Chief Johnson stated that the CRRD division is trying a different approach to handling the influx of plans and they seem to be gaining some ground. He is hopeful they will continue to reduce turnaround times.

XIII. FISCAL ITEMS

- A. Receive and file Accountability Act Annual Report (2020/21) for the Latrobe Zone Special Tax-** Accounting Specialist Selling presented the annual Accountability Act Report for the Latrobe Zone Special Tax.

Director White made a motion to approve the Accountability Act Annual Report (2020/21) for the Latrobe Zone Special Tax, seconded by Director Giraud, and unanimously carried.

- B. **Review and approve transfer from General Fund (unassigned) Reserve to CERBT OPEB account-** Continued to the December Board meeting.

XIV. NEW BUSINESS

- A. **Review and approve Resolution 2021-18 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act** – Accounting Specialist Selling stated that the Resolution approved at the October board meeting was missing the word “Basic”. The corrected Resolution is being presented to the Board for approval.

Director Hartley made a motion to approve Resolution 2021-18 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act, seconded by Director Durante, and unanimously carried. (Roll call: Ayes: 5; Noes: 0)

XV. OLD BUSINESS

- A. **Rescue Annexation Update** – No report.
- B. **Training Facility Update** – Chief Hall stated that an RFB will be presented to the Board for approval at the December regular meeting. He added that there will be a Community meeting scheduled for Thursday, December 2.
- C. **EDHCSD/EDHFD 2x2 update (Directors Hartley and White)** – No report.

XVI. ORAL COMMUNICATIONS

- A. **Directors** – The directors wished everyone a Happy Thanksgiving and are looking forward to the Santa Run.
- B. **Staff** – Chief Johnson thanked the Staff for all their hard work as the year is coming to a close.
- C. **Schedule upcoming committee meetings** – None

XVII. ADJOURNMENT

Director Durante made a motion to adjourn the meeting, seconded by Director Hartley and unanimously carried.

The meeting adjourned at 6:51 p.m.

Approved:

Tim White, President

Jessica Braddock, Board Secretary

This is a summary of the meeting. Board Meetings are recorded, and anyone wanting to listen to the full meeting recording should contact the main office at 916-933-6623 or inquiries@edhfire.com.

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2021



	FINAL Budget FY21/22	Actual November 2021	Actual YTD November 30, 2021	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
Revenue						
3240 · Tax Revenue						
3260 · Secured Tax Revenue	20,675,551	1,905,209	2,013,510	(18,662,041)		
3270 · Unsecured Tax Revenue	354,593	41,795	336,280	(18,313)		
3280 · Homeowners Tax Revenue	153,531	-	-	(153,531)		
3320 · Supplemental Tax Revenue	400,000	33,618	152,911	(247,089)		Timing of collection
3330 · Sacramento County Revenue	31,051	-	-	(31,051)		
3335 · Latrobe Revenue				-		
3335.2 · Latrobe Special Tax	36,900	3,810	4,170	(32,730)		
3335.3 · Latrobe Base Transfer	86,642	-	-	(86,642)		
3340 · Property Tax Administration Fee	(445,411)	-	-	445,411		
Total 3240 · Tax Revenue	21,292,857	1,984,433	2,506,871	(18,785,986)	12%	
3500 · Misc. Operating Revenue						
3506 · CRRD Cost Recovery Fees	230,000	36,281	152,092	(77,908)	66%	Collections trending higher than budget
3507 · Hosted Training Revenue	40,000	-	1,050	(38,950)	3%	Timing of classes
3512 · JPA Revenue	1,150,000	95,833	479,167	(670,833)	42%	
3513 · Rental Income (Cell site)	54,180	4,515	22,575	(31,605)	42%	
3514.1 · Operating Grants Revenue	-	-	-	-	0%	
3514.2 · Capital Grants Revenue	-	-	-	-	0%	
3515 · OES/Mutual Aid Reimbursement	731,400	310,039	865,584	134,184	118%	Timing and severity of fire season Interest revenue trending lower than budget
3520 · Interest Earned	85,000	105	13,543	(71,457)	16%	Collected Rescue Shared Services Agreement Admin Fee in Aug-21; Unbudgeted workers' compensation dividends awarded in Jul-Aug 2021
3500 · Misc. Operating Revenue - Other	132,000	6,367	197,399	65,399	150%	
Total 3500 · Misc. Operating Revenue	2,422,580	453,140	1,731,410	(691,170)	71%	
Total Operating Revenue	\$ 23,715,437	\$ 2,437,573	\$ 4,238,281	\$ (19,477,156)	18%	
3550 · Development Fee						
3560 · Development Fee Revenue	1,100,000	101,124	579,593	(520,407)	53%	Collections trending higher than budget
3561 · Development Fee Interest	-	2,919	39,890	39,890	100%	
Total 3550 · Development Fee	1,100,000	104,043	619,484	(480,516)	56%	
3568 · Proceeds from Insurance	-	-	3,003	3,003	100%	
3570 · Proceeds from Sale of Assets	-	-	-	-	0%	
Total Revenue	\$ 24,815,437	\$ 2,541,616	\$ 4,860,767	\$ (19,954,670)	20%	

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2021



	FINAL Budget FY21/22	Actual November 2021	Actual YTD November 30, 2021	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
Expenditures						
6000 · Salaries & Wages						
6001 · Salaries & Wages, Fire	7,127,488	552,389	2,786,819	4,340,669	39%	
6011 · Education/Longevity Pay	486,250	37,119	183,989	302,261	38%	
6016 · Salaries & Wages, Admin/Prev	1,089,657	91,754	453,907	635,750	42%	
6017 · Intern/Volunteer Stipends	3,000	-	780	2,220	26%	
6018 · Director Pay	16,000	1,100	4,200	11,800	26%	
6019 · Overtime						
6019.1 · Overtime, Operational	1,729,736	123,923	541,465	1,188,271	31%	
6019.2 · Overtime, Outside Aid	600,000	2,298	887,538	(287,538)	148%	Higher strike team OT than budgeted; will be offset by strike team revenue once all invoices are received
Total 6019 · Overtime	2,329,736	126,221	1,429,003	900,733	61%	
6020 · P.E.R.S. Retirement	3,285,400	133,038	2,198,747	1,086,653	67%	Annual UAL lump sum payments made in Jul-21
6030 · Workers Compensation	636,007	44,652	223,258	412,748	35%	
6031 · Life Insurance	6,799	(524)	2,098	4,701	31%	
6032 · P.E.R.S. Health Benefits	1,798,544	143,751	722,825	1,075,719	40%	
6033 · Disability Insurance	21,240	-	6,873	14,367	32%	
6034 · Health Cost of Retirees	1,190,583	74,519	667,672	522,912	56%	Annual lump sum payment to CERBT made in Sep-21
6040 · Dental/Vision Expense	235,560	16,173	90,727	144,833	39%	
6050 · Unemployment Insurance	15,120	24	1,280	13,840	8%	
6070 · Medicare	159,890	12,105	72,421	87,468	45%	
Total 6000 · Salaries & Wages	18,401,275	1,232,321	8,844,601	9,556,674	48%	
6100 · Clothing & Personal Supplies						
6101 · Uniform Allowance	53,000	-	24,600	28,400	46%	Semi-annual uniform allowance paid in Jul-21
6102 · Other Clothing & Personal Supplies	72,357	847	42,825	29,532	59%	Dual compliant pants purchased in Aug-21
Total 6100 · Clothing & Personal Supplies	125,357	847	67,425	57,932	54%	
6110 · Network/Communications						
6111 · Telecommunications	53,387	3,455	15,223	38,164	29%	Timing of invoices

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2021



	FINAL Budget FY21/22	Actual November 2021	Actual YTD November 30, 2021	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
6112 · Dispatch Services	60,000	-	-	60,000	0%	
6113 · Network/Connectivity	61,492	4,493	23,213	38,279	38%	
Total 6110 · Communications	174,879	7,947	38,436	136,442	22%	
6120 · Housekeeping	59,037	5,948	23,224	35,813	39%	
6130 · Insurance						
6131 · General Insurance	80,000	(164)	87,945	(7,945)	110%	Insurance renewal in Oct-21 higher than budget
Total 6130 · Insurance	80,000	(164)	87,945	(7,945)	110%	
6140 · Maintenance of Equipment						
6141 · Tires	35,000	1,657	6,994	28,006	20%	
6142 · Parts & Supplies	50,000	2,523	14,914	35,086	30%	
6143 · Outside Work	140,000	24,284	44,954	95,046	32%	
6144 · Equipment Maintenance	35,994	290	5,959	30,035	17%	
6145 · Radio Maintenance	20,250	5,989	11,128	9,122	55%	
Total 6140 · Maintenance of Equipment	281,244	34,743	83,948	197,296	30%	Timing of maintenance
6150 · Facilities Maintenance	215,700	18,770	40,429	175,271	19%	Timing of budgeted facilities projects
6160 · Medical Supplies						
6161 · Medical Supplies	60,975	6,277	15,990	44,985	26%	
Total 6160 · Medical Supplies	60,975	6,277	15,990	44,985	26%	Timing of purchases
6170 · Dues and Subscriptions	15,268	30	5,840	9,428	38%	
6180 · Miscellaneous						
6181 · Miscellaneous	12,000	401	4,570	7,430	38%	
6182 · Honor Guard	2,150	60	335	1,815	16%	
6183 · Explorer Program	2,044	-	70	1,974	3%	
6184 · Pipes and Drums	-	-	-	-	0%	
Total 6180 · Miscellaneous	16,194	461	4,975	11,219	31%	
6190 · Office Supplies	45,712	2,037	12,625	33,087	28%	
6200 · Professional Services						
6201 · Audit	15,900	-	12,360	3,540	78%	Audit fieldwork completed - final payment made in Dec-21
6202 · Legal/Human Resources	207,050	8,937	43,214	163,836	21%	Timing

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2021



	FINAL Budget FY21/22	Actual November 2021	Actual YTD November 30, 2021	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
6203 · Notices	2,500	-	-	2,500	0%	
6204 · Other Professional Services	109,573	2,286	31,223	78,350	28%	Timing
6205 · Elections/Tax Administration	-	-	-	-	0%	
6206 · Public Relations	4,505	300	340	4,165	8%	
Total 6200 · Professional Services	339,528	11,523	87,137	252,391	26%	
6210 · Information Technology						
6211 · Software Licenses/Subscriptions	189,534	2,326	18,498	171,036	10%	Timing of subscription payments and budgeted IT projects
6212 · IT Support/Implementation	271,100	10,769	61,966	209,134	23%	
6213 · IT Equipment	96,175	15,149	26,330	69,845	27%	
Total 6210 · Information Technology	556,809	28,245	106,794	450,015	19%	
6220 · Rents and Leases						
6221 · Facilities/Equipment Lease	58,064	4,810	23,710	34,355	41%	Lease payments paid through purchase date of solar systems
6222 · Solar Lease	17,277	-	14,049	3,228	81%	
Total 6220 · Rents and Leases	75,341	4,810	37,759	37,583	50%	
6230 · Small Tools and Supplies	102,316	1,597	18,291	84,025	18%	Timing of purchases
6240 · Special Expenses						
6241 · Non-Hosted Training	180,482	6,224	36,977	143,505	20%	Timing of training
6241.1 · EDC Hosted Training	30,000	-	15,719	14,281	52%	
6242 · Fire Prevention	119,050	5,116	18,253	100,797	15%	
Total 6240 · Special Expenses	329,532	11,340	70,948	258,584	22%	
6250 · Transportation and Travel						
6251 · Fuel and Oil	115,341	7,787	39,709	75,632	34%	
6252 · Travel	42,000	3,568	15,015	26,985	36%	
6253 · Meals & Refreshments	23,000	1,584	5,848	17,152	25%	
Total 6250 · Transportation and Travel	180,341	12,939	60,572	119,769	34%	
6260 · Utilities						
6261 · Electricity	17,500	798	7,030	10,470	40%	
6262 · Natural Gas/Propane	25,193	1,222	3,064	22,129	12%	
6263 · Water/Sewer	19,161	-	6,244	12,917	33%	
Total 6260 · Utilities	61,854	2,020	16,338	45,516	26%	
Total Operating Expenditures	\$ 21,121,361	\$ 1,381,690	\$ 9,623,276	\$ 11,498,085	46%	

El Dorado Hills Fire Department
Revenue and Expense Summary - ALL FUNDS
For the Period Ending November 30, 2021



	FINAL Budget FY21/22	Actual November 2021	Actual YTD November 30, 2021	Variance YTD Actual to Full Year Budget	(Target 42%) YTD Actual % of Full Year Budget	Notes/Comments
Operating Revenue - Operating Expenditures	\$ 2,594,076	\$ 1,055,883	\$ (5,384,995)	\$ 7,979,071		
6570 · OPEB UAL Lump Sum Payment	175,437	-	-	175,437	0%	Timing of transfer
6720 · Fixed Assets	4,377,128	1,564,728	2,384,513	1,992,615	54%	Solar System purchases complete, Engines placed in service, \$533k in Training Center WIP
Total Expenditures	\$ 25,673,926	\$ 2,946,418	\$ 12,007,789	\$ 13,666,137	47%	
Total Revenue - Total Expense	\$ (858,489)	\$ (404,801)	\$ (7,147,022)	\$ (6,288,533)		
<u>FUND TRANSFERS</u>						
Transfers to Development Fee Fund	\$ (1,100,000)					
Transfers from Development Fee Fund	1,862,594					
Transfers to Pension Reserve Fund	(1,000,000)					
Transfers from Capital Replacement Fund	2,550,277					
Transfers to Capital Replacement Fund	(1,454,382)					
Net Change in Unassigned/Non-Spendable Fund Balance	\$ (0)					

El Dorado Hills Fire Department

12/10/2021 9:10 AM

Register: 1000 · Bank of America
 From 11/01/2021 through 11/30/2021
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/01/2021	EFT	Sterling Administrati...	-split-		1.50	X		223,801.27
11/01/2021	EFT	El Dorado Disposal ...	-split-	10/01/21-10/31...	388.82	X		223,412.45
11/02/2021		Transfer from LAIF	1074 · Local Agency I...	Confirm #1650...		X	650,000.00	873,412.45
11/02/2021	EFT	Sterling Administrati...	-split-		629.31	X		872,783.14
11/02/2021	EFT	Sterling Administrati...	-split-		905.00	X		871,878.14
11/02/2021	EFT	Sterling Administrati...	-split-		924.30	X		870,953.84
11/02/2021	EFT	VSP Vision Care	6043 · Vision Insurance	Nov-21	681.41	X		870,272.43
11/03/2021	EFT	P. G. & E.	-split-	Oct-21	372.17	X		869,900.26
11/04/2021	EFT	Nationwide Retireme...	-split-	PR21-11-1	20,505.37	X		849,394.89
11/04/2021	EFT	P.E.R.S. ING	-split-	PR21-11-1	2,520.23	X		846,874.66
11/04/2021	EFT	P.E.R.S. Retirement	-split-	PR21-11-1	110,943.70	X		735,930.96
11/04/2021	EFT	Sterling Administrati...	-split-		412.00	X		735,518.96
11/04/2021	24607	7th Dimension LLC	-split-	Invoice # 184078	10,769.48	X		724,749.48
11/04/2021	24608	A-CHECK	6202 · Legal/Human R...	Inv # 59-06613...	15.00	X		724,734.48
11/04/2021	24609	Air Exchange	6150 · Facilities Maint...	Invoice # 9160...	1,134.92	X		723,599.56
11/04/2021	24610	Aramark	6120 · Housekeeping	Acct. # 175878...	41.20	X		723,558.36
11/04/2021	24611	AT&T	-split-	Oct-21 Inv # 1...	216.44	X		723,341.92
11/04/2021	24612	Blue Ribbon Personn...	6016 · Salaries & Wag...	Invoice # 11811	816.96	X		722,524.96
11/04/2021	24613	Burkett's	6190 · Office Supplies	Invoice # 1468...	162.51	X		722,362.45
11/04/2021	24614	Camino Power Tool	6144 · Equipment Mai...		165.50	X		722,196.95
11/04/2021	24615	The Home Depot Pro	-split-	Supplies	217.65	X		721,979.30
11/04/2021	24616	InterState Oil Compa...	-split-		2,158.71	X		719,820.59
11/04/2021	24617	Liebert Cassidy Whit...	-split-		2,529.00	X		717,291.59
11/04/2021	24618	Life Assist	-split-		3,009.58	X		714,282.01
11/04/2021	24619	L.N. Curtis & Sons	6231 · Hose		296.55	X		713,985.46
11/04/2021	24620	Managed Health Net...	6204 · Other Professio...	Invoice # PRM...	654.59	X		713,330.87
11/04/2021	24621	Motorola Solutions Inc	6145 · Radio Maintena...	Customer Acct....	139.00	X		713,191.87
11/04/2021	24622	Sierra Nevada Sealco...	-split-	Invoice # 524/5...	8,260.00	X		704,931.87
11/04/2021	24623	TJS Property Services	6120 · Housekeeping	Inv # 14651	2,695.20	X		702,236.67
11/04/2021	24624	Bobbi Bennett	-split-	Oct-21	200.00	X		702,036.67
11/04/2021	24625	Greg F. Durante (Dir...	-split-	Oct-21	200.00	X		701,836.67
11/04/2021	24626	Charles J. Hartley	-split-	Oct-21	200.00	X		701,636.67
11/04/2021	24627	John Giraudo	-split-	Oct-21	300.00	X		701,336.67
11/04/2021	24628	Timothy J. White	-split-	Oct-21	200.00	X		701,136.67
11/04/2021	24629	Chase Bank	2029 · Other Payable	October 2021	450.00			700,686.67
11/04/2021	24630	Wells Fargo Bank	2026 · EDH Associate...	October 2021	5,261.10			695,425.57
11/04/2021	PR21-11-1		-split-	Total Payroll T...	77,514.29	X		617,911.28
11/04/2021	PR21-11-1		1000 · Bank of Americ...	Direct Deposit	269,394.28	X		348,517.00
11/04/2021	PR21-11-1		1000 · Bank of Americ...	Payroll Checks		X		348,517.00
11/05/2021	EFT	ADP	6204 · Other Professio...	Payroll Process...	707.42	X		347,809.58

El Dorado Hills Fire Department

12/10/2021 9:10 AM

Register: 1000 · Bank of America
 From 11/01/2021 through 11/30/2021
 Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
11/05/2021	EFT	P. G. & E.	-split-	Oct-21	27.12	X		347,782.46
11/05/2021	EFT	ADP HCM	6204 · Other Professio...	Workforce No...	277.50	X		347,504.96
11/06/2021	EFT	Sterling Administrati...	-split-		150.00	X		347,354.96
11/09/2021		Transfer from Paypal	1010 · Paypal	Paypal Transfer		X	17,432.43	364,787.39
11/09/2021		Deposit	-split-	Deposit		X	104,607.81	469,395.20
11/09/2021	EFT	Sterling Administrati...	-split-		175.70	X		469,219.50
11/09/2021	EFT	Sterling Administrati...	-split-		1,368.00	X		467,851.50
11/10/2021		Deposit	-split-	VOID CHECK...		X	5,230.66	473,082.16
11/10/2021	EFT	U.S. Bank Telepay	2010 · Accounts Payable	Reference # 12...	35,234.58	X		437,847.58
11/10/2021	EFT	Sterling Administrati...	-split-		800.00	X		437,047.58
11/10/2021	EFT	Sterling Administrati...	6204 · Other Professio...		380.00	X		436,667.58
11/10/2021	24631	7th Dimension LLC	6213 · IT Equipment	Invoice # 184121	13,142.74	X		423,524.84
11/10/2021	24632	Advanced IPM	-split-		123.00	X		423,401.84
11/10/2021	24633	Aramark	6120 · Housekeeping	Acct. # 175878...	41.20	X		423,360.64
11/10/2021	24634	Blue Ribbon Personn...	6016 · Salaries & Wag...	Invoice # 11866	1,089.28	X		422,271.36
11/10/2021	24635	Caltronics Business ...	6190 · Office Supplies	Invoice # 3367...	293.81	X		421,977.55
11/10/2021	24636	Doug Veerkamp Gen...	-split-	Invoice # 3302...	601.36	X		421,376.19
11/10/2021	24637	Ferrell Gas	6262 · Natural Gas/Pro...	Account # 886...	547.75	X		420,828.44
11/10/2021	24638	The Home Depot Pro	6120 · Housekeeping	Supplies	57.92	X		420,770.52
11/10/2021	24639	InterState Oil Compa...	-split-		3,015.31	X		417,755.21
11/10/2021	24640	Life Assist	-split-		117.90	X		417,637.31
11/10/2021	24641	Motorola Solutions Inc	6145 · Radio Maintena...	Customer Acct...	568.12	X		417,069.19
11/10/2021	24642	National Garage Doo...	-split-		1,972.20	X		415,096.99
11/10/2021	24643	Paging & Wireless S...	6145 · Radio Maintena...	Invoice # 62578	4,252.00	X		410,844.99
11/10/2021	24644	Standard Insurance Co.	6031 · Life Insurance	Policy # 00 35...	7.60	X		410,837.39
11/10/2021	24645	Thomson Reuters Ta...	6241 · Non-Hosted Tra...	Invoice # 1771...	359.00	X		410,478.39
11/10/2021	24646	Sutphen Corporation	6142 · Parts & Supplies		51.14	X		410,427.25
11/10/2021	24647	Austin Woo	6241 · Non-Hosted Tra...		47.88	X		410,379.37
11/10/2021	24648	4640 Golden Foothill...	-split-	Invoice # 21275	5,230.66	X		405,148.71
11/11/2021	EFT	Sterling Administrati...	-split-		192.46	X		404,956.25
11/11/2021	EFT	Sterling Administrati...	-split-		97.20	X		404,859.05
11/12/2021	EFT	Sterling Administrati...	-split-		35.00	X		404,824.05
11/12/2021	EFT	P. G. & E.	-split-	Oct-21	234.49	X		404,589.56
11/12/2021	EFT	P. G. & E.	-split-	Oct-21	150.06	X		404,439.50
11/13/2021	EFT	Sterling Administrati...	-split-		375.40	X		404,064.10
11/15/2021			6204 · Other Professio...	Service Charge	266.49	X		403,797.61
11/15/2021	EFT	Verizon Wireless	-split-	Oct-21	3,471.59	X		400,326.02
11/15/2021	EFT	De Lage Landen Fina...	6190 · Office Supplies	Account # 152...	301.31	X		400,024.71
11/16/2021		Transfer from LAIF	1074 · Local Agency I...	Confirm #1650...		X	700,000.00	1,100,024.71
11/16/2021	EFT	Sterling Administrati...	-split-		716.00	X		1,099,308.71

El Dorado Hills Fire Department

12/10/2021 9:10 AM

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11/18/2021	EFT	P.E.R.S. ING	-split-	PR21-11-2	2,520.23	X		1,096,788.48
11/18/2021	EFT	P.E.R.S. Health	-split-	December 2021	216,051.29	X		880,737.19
11/18/2021	EFT	P.E.R.S. Retirement	-split-	PR21-11-2	107,011.71	X		773,725.48
11/18/2021	EFT	Sterling Administrati...	-split-		416.70	X		773,308.78
11/18/2021	EFT	Sterling Administrati...	-split-		1,200.00	X		772,108.78
11/18/2021	24649	4640 Golden Foothill...	-split-	Invoice # 21278	5,349.81	X		766,758.97
11/18/2021	24650	Aramark	6120 · Housekeeping	Acct. # 175878...	41.20	X		766,717.77
11/18/2021	24651	AIA Corporation	6181 · Other Miscellan...	VOID: Invoice ...		X		766,717.77
11/18/2021	24652	Big O Tires	-split-		1,657.10	X		765,060.67
11/18/2021	24653	Blue Ribbon Personn...	6016 · Salaries & Wag...	Invoice # 11923	1,089.28	X		763,971.39
11/18/2021	24654	Doug Veerkamp Gen...	-split-		6,153.52	X		757,817.87
11/18/2021	24655	FireCom	6145 · Radio Maintena...		1,029.60	X		756,788.27
11/18/2021	24656	Folsom Lake Ford	6143 · Outside Work	Invoice # FOT...	76.19	X		756,712.08
11/18/2021	24657	Golden State EmERGE...	6143 · Outside Work	Invoice # WI00...	14,937.73	X		741,774.35
11/18/2021	24658	Hefner, Stark & Mar...	-split-		6,014.50	X		735,759.85
11/18/2021	24659	InterState Oil Compa...	6251 · Fuel and Oil		1,276.27	X		734,483.58
11/18/2021	24660	Dale Jankowski	6040 · Dental/Vision R...	Dental	120.00	X		734,363.58
11/18/2021	24661	Larry R. Fry	6034 · Health Cost of ...		207.90	X		734,155.68
11/18/2021	24662	L.N. Curtis & Sons	-split-		3,623.55	X		730,532.13
11/18/2021	24663	National Garage Doo...	6150 · Facilities Maint...		180.00	X		730,352.13
11/18/2021	24664	Riverview Internatio...	6143 · Outside Work	Inv # 294245	2,688.89	X		727,663.24
11/18/2021	24665	Roebbelen Construct...	-split-	RCMS Billing:...	17,785.00			709,878.24
11/18/2021	24666	Ross Drulis Cusenbery	-split-	Invoice # 2019...	45,935.24			663,943.00
11/18/2021	24667	SignChef Inc.	6242 · Fire Prevention		1,018.88	X		662,924.12
11/18/2021	24668	Teleflex	6161 · General Medica...	Invoice # 9504...	1,503.92	X		661,420.20
11/18/2021	24669	Trace Analytics, Inc.	6144 · Equipment Mai...	Invoice # 21-2...	178.00	X		661,242.20
11/18/2021	24670	Value Appliance	-split-		531.44	X		660,710.76
11/18/2021	PR21-11-2		-split-	Total Payroll T...	72,710.93	X		587,999.83
11/18/2021	PR21-11-2		1000 · Bank of Americ...	Direct Deposit	260,819.01	X		327,180.82
11/18/2021	PR21-11-2		1000 · Bank of Americ...	Payroll Checks		X		327,180.82
11/19/2021	EFT	Nationwide Retireme...	-split-	PR21-11-2	20,505.37	X		306,675.45
11/19/2021	EFT	Sterling Administrati...	-split-		110.00	X		306,565.45
11/21/2021	EFT	Sterling Administrati...	-split-		35.00	X		306,530.45
11/22/2021	EFT	Verizon Wireless	-split-	Oct-21	420.11	X		306,110.34
11/22/2021	EFT	P. G. & E.	-split-	Oct-21	316.85	X		305,793.49
11/22/2021	24671	Blue Ribbon Personn...	6016 · Salaries & Wag...	Invoice # 11980	987.16	X		304,806.33
11/22/2021	24672	Capital Building Mai...	-split-	Invoice # 13386	1,117.75			303,688.58
11/22/2021	24673	Green Valley Road S...	6221 · Facilities/Equip...	Unit: H19 Tena...	339.00			303,349.58
11/22/2021	24674	The Home Depot Pro	-split-	Supplies	342.65	X		303,006.93
11/22/2021	24675	InterState Oil Compa...	-split-		1,128.01	X		301,878.92

El Dorado Hills Fire Department

12/10/2021 9:10 AM

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11/22/2021	24676	Life Assist	-split-		1,645.77	X		300,233.15
11/22/2021	24677	Riebes Auto Parts	6142 · Parts & Supplies	Invoice # 477480	75.56	X		300,157.59
11/22/2021	24678	Aramark	6120 · Housekeeping	Acct. # 175878...	41.20	X		300,116.39
11/22/2021	24679	Trace Analytics, Inc.	6144 · Equipment Mai...	Invoice # 21-2...	19.36	X		300,097.03
11/22/2021	24680	Youngdahl Consultin...	6720 · Fixed Assets	Invoice # 75890	435.00	X		299,662.03
11/22/2021	24681	Interwest Consulting ...	6242 · Fire Prevention	Invoice # 73894	2,753.75			296,908.28
11/23/2021	EFT	Sterling Administrati...	-split-		785.00	X		296,123.28
11/23/2021	EFT	Sterling Administrati...	-split-		314.00	X		295,809.28
11/24/2021		Deposit	3500 · Misc. Operating...	US Bank Quart...		X	931.25	296,740.53
11/25/2021	EFT	Allied Administrator...	6042 · Dental Insurance	December 2021	5,033.78	X		291,706.75
11/25/2021	EFT	State Compensation ...	6030 · Workers Compe...	Policy # 11048...	44,651.67	X		247,055.08
11/25/2021	EFT	Sterling Administrati...	-split-		200.00	X		246,855.08
11/25/2021	EFT	Sterling Administrati...	-split-		31.50	X		246,823.58
11/26/2021	EFT	Sterling Administrati...	-split-		777.94	X		246,045.64
11/28/2021	EFT	Sterling Administrati...	-split-		4.39	X		246,041.25
11/29/2021	EFT	Sterling Administrati...	-split-		393.23	X		245,648.02
11/30/2021		Transfer from LAIF	1074 · Local Agency I...	Confirm #1651...		X	565,000.00	810,648.02
11/30/2021		Deposit	-split-	Deposit		X	16,595.38	827,243.40
11/30/2021		Deposit	3513 · Rental Income (...)	Deposit		X	2,100.00	829,343.40
11/30/2021	EFT	Sterling Administrati...	-split-		356.00			828,987.40
11/30/2021	EFT	Sterling Administrati...	-split-		169.86			828,817.54

EL DORADO HILLS FIRE DEPARTMENT

“YOUR SAFETY ... OUR COMMITMENT”



MONTHLY OPERATIONS REPORT

NOVEMBER 2021

*All times are collected using a combination of Active 911 and Crystal Reports. The times are provided with the best accuracy possible given the limitations of technology in our system. The current system does not allow for accurate data collection.

Response (Per District) - 2021 vs. 2020

Response District	# of Responses <u>NOV. 2021</u>	# of Responses <u>Y.T.D. 2021</u>	# of Responses <u>NOV. 2020</u>	# of Responses <u>Y.T.D. 2020</u>
84	67	760	72	798
85	73	819	84	822
86	42	542	46	516
87	111	1,243	90	1,090
91	8	58	2	53
92	2	24	0	18
Mutual Aid	57	720	58	623
Transfer	8	164	15	181
TOTALS	368	4,330	367	4,101

Report: Tools - Queries – Incident Report Queries – NFIRS Incident Queries – Incidents By District (Summary)

Note: Run all Districts on 1 page each (manually add subdistricts)

Response (Per Unit) – 2021 vs. 2020

Unit Number	# of Responses <u>NOV. 2021</u>	# of Responses <u>Y.T.D. 2021</u>	# of Responses <u>NOV. 2020</u>	# of Responses <u>Y.T.D. 2020</u>	# of Responses <u>TOTAL 2020</u>
E-84	68	865	82	871	964
T-85/E-85	107	1,153	109	1,075	1,172
E-86	57	732	50	639	710
E-87	120	1,283	94	1,151	1,249
E-91	22	263	20	236	253
M-85	185	2,209	211	2,221	2,433
B-85	55	501	44	478	511

Report: Tools - Queries – Incident Report Queries – NFIRS Incident Queries – Incidents By Unit By District

Note: Run all Units (Monthly/YTD/Yearly) Report total number per report

Response (By Type of Call) – November 2021

RESPONSE DISTRICT	FALSE ALARMS	FIRE CALLS	GOOD INTENT CALLS	HAZEROUS CONDITION	EMS, RESCUE CALLS	PUBLIC SERVICE CALLS	EXPLOSIONS	SEVERE WEATHER CALLS	SPECIAL, OTHER CALLS
84	5	1	5	3	48	5	0	0	0
85	2	1	4	0	50	16	0	0	0
86	1	2	4	2	29	4	0	0	0
87	3	1	11	1	72	23	0	0	0
91	1	0	1	0	6	0	0	0	0
92	0	0	1	0	1	0	0	0	0
A/M	0	1	18	0	43	2	0	0	1
TOTAL	12	6	44	6	249	50	0	0	1

(Totals exclude transfers by M85)

Response (Incident Type) – November 2021

Incident Type	Incident Description	Number of Incidents
111	Building fire	1
113	Cooking fire, confined to container	1
131	Passenger vehicle fire	2
151	Outside rubbish, trash or waste fire	1
162	Outside equipment fire	1
251	Excessive heat, scorch burns with no ignition	1
300	Rescue, EMS incident, other	1
311	Medical assist, assist EMS crew	1
321	EMS call, excluding vehicle accident with injury	3
321C	EMS call, Cardiac	21
321G	EMS call, General Medical	133
321N	EMS call, Cancelled at Scene No Pt. Contact	7
321R	EMS call, Respiratory	19
321T	EMS call, Trauma, excluding veh accident with injury	39
321X	EMS call, Transfer	8
322	Motor vehicle accident with injuries	4
324	Motor Vehicle Accident with no injuries	13
412	Gas leak (natural gas or LPG)	2
421	Chemical hazard (no spill or leak)	1
424	Carbon monoxide incident	1
441	Heat from short circuit (wiring), defective/worn	1
442	Overheated motor	1
510	Person in distress, Other	6
511	Lock-out	3
522	Water or steam leak	1
541S	Animal problem snake	2
542	Animal rescue	1
550	Public service assistance, Other	2
551	Assist police or other governmental agency	2
553	Public service	2
554	Assist invalid	29
561	Unauthorized burning	2
611	Dispatched & cancelled en route	2
611A	Dispatched & canceled en route Fire Alarm	7
611F	Dispatched & canceled en route to Fire	3
611M	Dispatched & canceled en route Medical	7

611S	Dispatched & canceled en route Special Duty	2
611T	Dispatched & canceled en route Traffic Collision	7
622	No Incident found on arrival at dispatch address	12
631	Authorized controlled burning	1
650	Steam, Other gas mistaken for smoke, Other	1
651	Smoke scare, odor of smoke	1
652	Steam, vapor, fog or dust thought to be smoke	1
700	False alarm or false call, Other	5
733	Smoke detector activation due to malfunction	3
743	Smoke detector activation, no fire - unintentional	2
746	Carbon monoxide detector activation, no CO	2

*Emergency Response Summary –
Medic Units Response Time - El Dorado
November 2021*

URBAN RESPONSE,

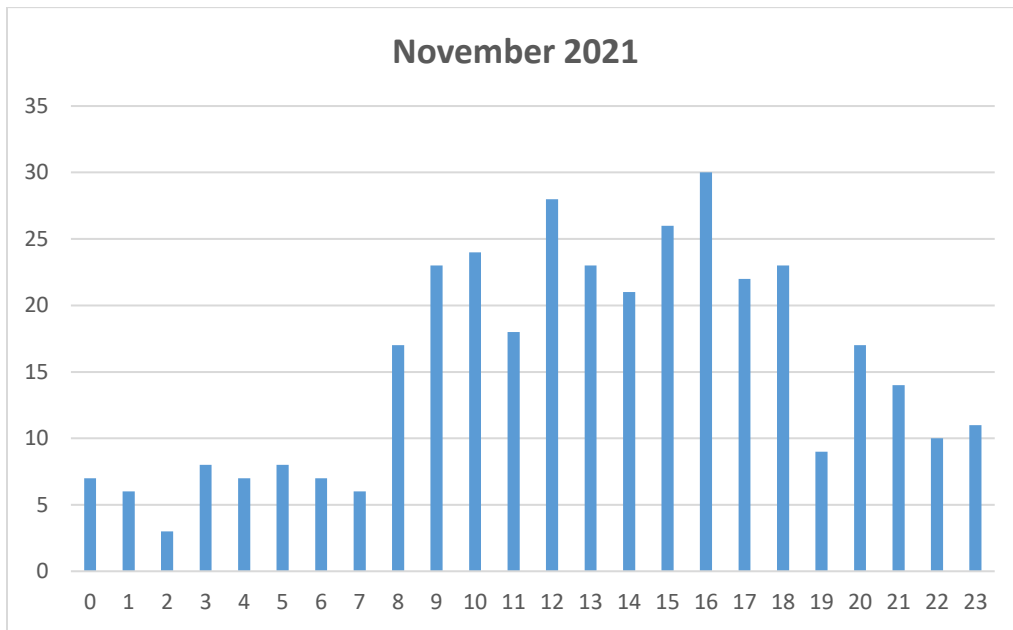
11-minutes, 90% of time

Response Time Between 00:00:00 - 00:00:59	3.28%
Response Time Between 00:01:00 - 00:01:59	4.10%
Response Time Between 00:02:00 - 00:02:59	10.25%
Response Time Between 00:03:00 - 00:03:59	18.44%
Response Time Between 00:04:00 - 00:04:59	34.02%
Response Time Between 00:05:00 - 00:05:59	51.64%
Response Time Between 00:06:00 - 00:06:59	65.57%
Response Time Between 00:07:00 - 00:07:59	72.13%
Response Time Between 00:08:00 - 00:08:59	81.15%
Response Time Between 00:09:00 - 00:09:59	86.07%
Response Time Between 00:10:00 - 00:10:59	90.98%

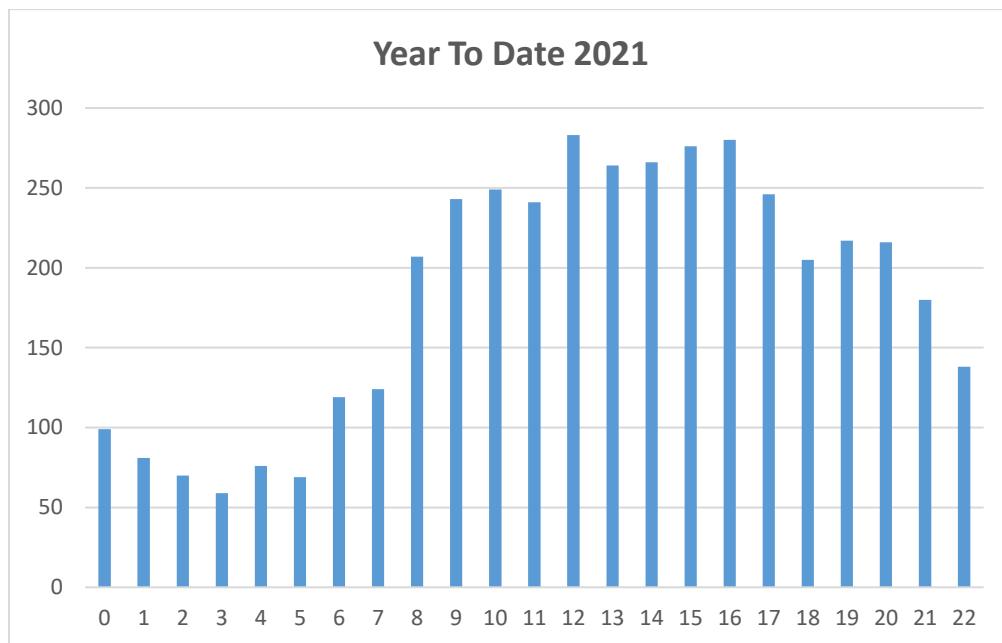
Medic Unit Response Comparison by Month/Year

MONTH	2021	2020
January	93.57%	93.63%
February	91.13%	92.02%
March	93.59%	92.41%
April	91.67%	94.83%
May	89.19%	93.06%
June	88.48%	93.94%
July	89.59%	89.61%
August	85.71%	93.57%
September	89.32%	89.66%
October	89.96%	88.53%
November	90.98%	94.26%
December		93.45%

Incidents by Hour of the Day



Hour of Day



Hour of Day

Training Division Update

Following a busy few months, the month of November provide an opportunity for personnel to catch up on training that had not been completed as of yet. The month of November was also used to have personnel review less frequently used skills, such as active shooter, MCI, and EMS.

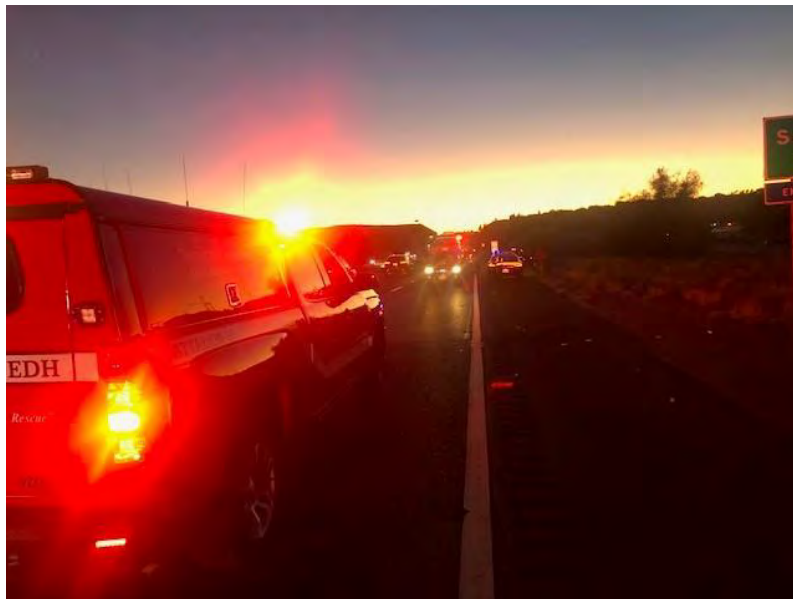
Currently EDH Fire has five employees who are working through their first year of probation. Currently all five probationary employees are successfully completing required tasks and expanding their knowledge, skills, and abilities. All employees are trained in emergency vehicle operations, this past month all five employees successfully participated in an EVOC (emergency vehicle operations course).

Additional training topics included training on the two new engines that were placed into service in the middle of November, mandatory harassment training, as well as continued officer development opportunities.

A-Shift – Chief John Johnston

Incidents

Multiple Vehicle collision – Hwy 50 at the County Line



Vehicle Collision



Vehicle Fire – Hwy 50 at Bass Lake Rd.



Homeless Camp Fire – County Club and Silver Dove Way



Traffic Collision EDH Blvd/Latrobe Offramp from east bound Hwy 50



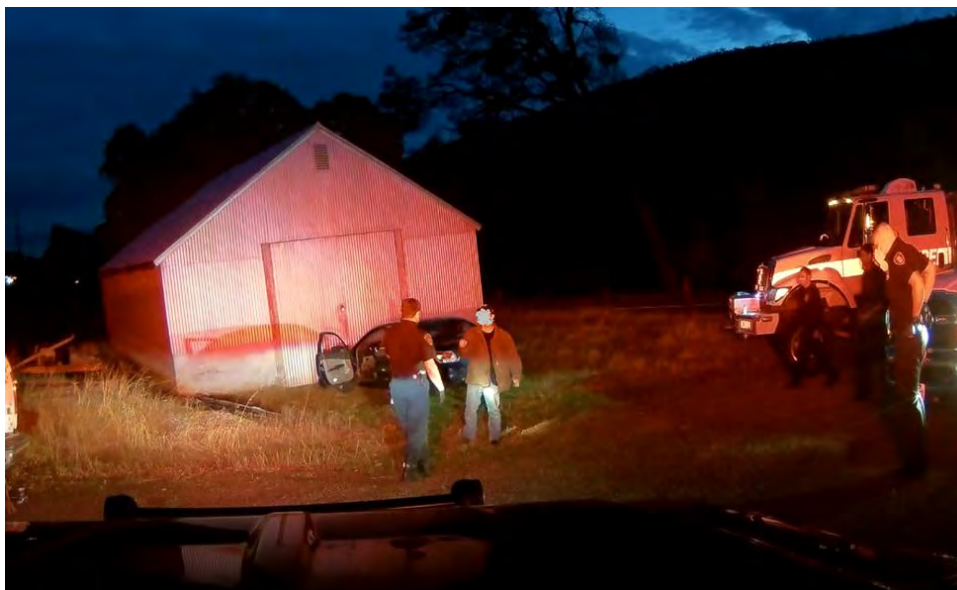
B-Shift – Chief Antonio Moreno

Incidents

Birmingham Ct., El Dorado Hills - Structure Fire – Crews responded to a residence for a structure fire. Upon arrival, personnel found laminar smoke coming from the front door. Crews determined the source of the smoke was from a fireplace with a closed damper. No fire extension beyond the fireplace. Personnel used a positive pressure ventilation fan to remove the smoke from the residence.



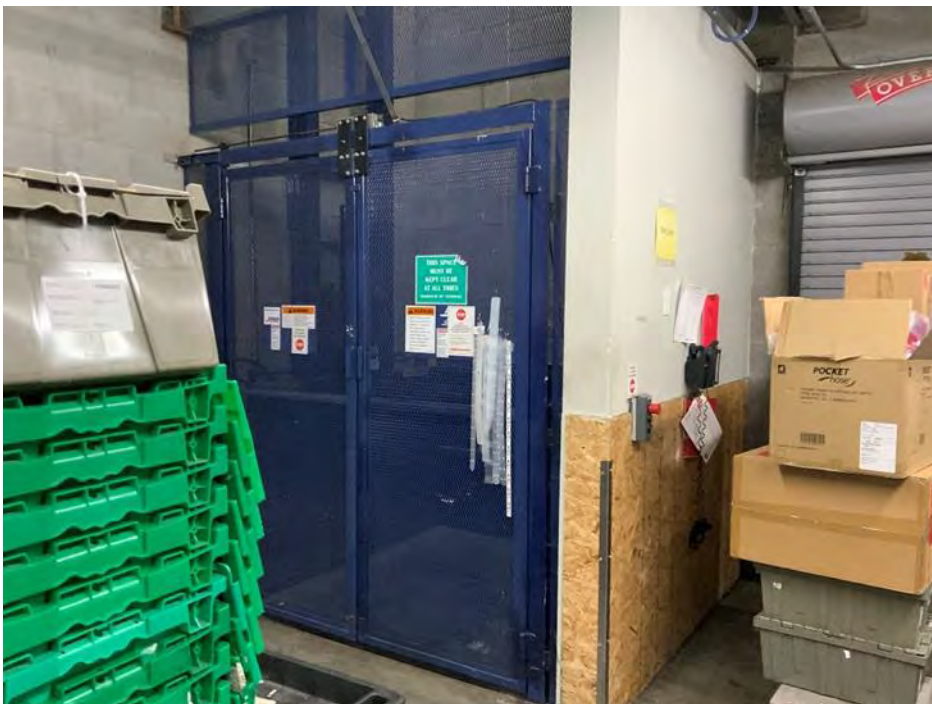
Latrobe Rd, Latrobe - Law Enforcement Incident – Personnel respond for a report of a medical aid. Upon contacting a subject in a vehicle, the individual became aggressive and belligerent. EDSO was requested and responded, ultimately taking the individual into custody.



Training

B-Shift personnel completed several training opportunities in the month of November. First, personnel took the opportunity to assess some target hazard locations/businesses.

CVS Target Hazard



District Church Ice Rink



Elevated Rescue Training



Career Development Training

Personnel completed training scenarios to develop the necessary skills, knowledge, and abilities for personal and professional growth.



Special Recognition



Captain Mathew Eckhardt was presented with a Letter of Commendation for his actions on the Blackstone Vegetation Fire. During a response for a vegetation fire, Captain Eckhardt directed incoming resources to locations that limited damage to vegetation, with no structures lost or personnel injured.

Firefighter Paramedic Stacy Minnich was presented with a Letter of Commendation for the care she rendered to a member of our community that was above and beyond the call of duty. Firefighter Paramedic Minnich demonstrated the Core Values of the El Dorado Hills Fire Department.



Customer Service Opportunity

Engine 87 responded to a medical emergency in Four Seasons; the patient was a grocery delivery driver. Engine 87 contacted Battalion 85 and a plan was developed to complete the delivery of all the groceries. Deliveries were made to Upper Serrano, Sienna Ridge in Bass Lake area, and Cimmaron Rd in Cameron Park.



C-Shift – Chief Dave Brady

Incidents

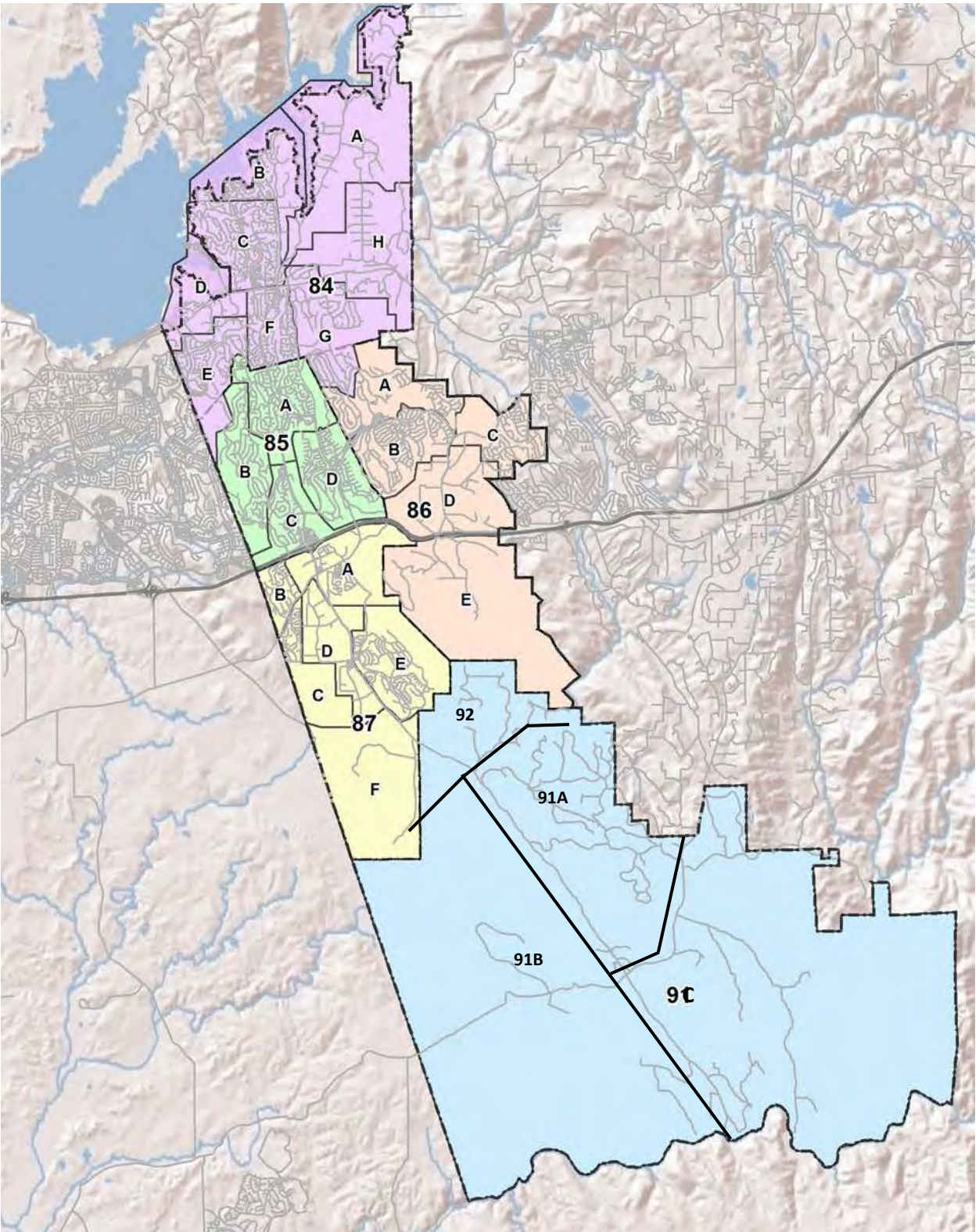
Rescue, CA - Law Enforcement Incident – Personnel were on emergency standby for approximately 15 hours while law enforcement managed a barricaded subject.



Community Event

Members of the Firefighters Association hosted and participated in the “Movember” Golf Tournament. The event is to raise money for men’s health.





EL DORADO HILLS FIRE DEPARTMENT

“YOUR SAFETY ... OUR COMMITMENT”



Community Risk Reduction Division

December 2021 Report

OVERVIEW

The El Dorado Hills Fire Department, Community Risk Reduction Division (CRRD) continues to see significant residential development and vegetation management program activity throughout the reporting period. Major construction activity continues in the Saratoga Estates, Serrano, Carson Creek, Bell Ranch and Sienna Ridge areas of the district. Beginning July 1st, CRRD staff assumed the responsibility to inspect certain fire safety provisions found in the California Building Code for new single-family dwellings/additions in the district. This has led to a significant increase (**561**) in the number of smoke alarm/carbon monoxide alarm inspections inside existing homes as part of a remodel permit.

CRRD has received a total of **951** construction permit plan review submittals since 1-1-21. Home construction permit activity was the leading permit submittal type with **580** plan applications received followed by **203** fire protection system applications and **114** miscellaneous applications.

CRRD completed **0** vacant lot and **0** defensible space inspections throughout the district. CRRD also investigated **2** Defensible Space citizen complaints on behalf of the County of El Dorado as part of their Vegetation Management program.

MAJOR ACCOMPLISHMENTS

CRRD staff completed the following activities during the last 30 days:

- Completed **98** site, building and fire protection plan reviews and **341** construction inspections.
- Completed **18** fire and life safety inspections of residential and commercial occupancies.
- Completed **7** car seat installation inspections for new parents.
- Completed **163** inspections of smoke and carbon monoxide alarms in existing homes.
- Staff issued **7** fire lane warning notices to vehicle owners violating parking restrictions.
- CRRD Technician Leslie Hobert completed the 40-hr. Car Seat Technician Course.

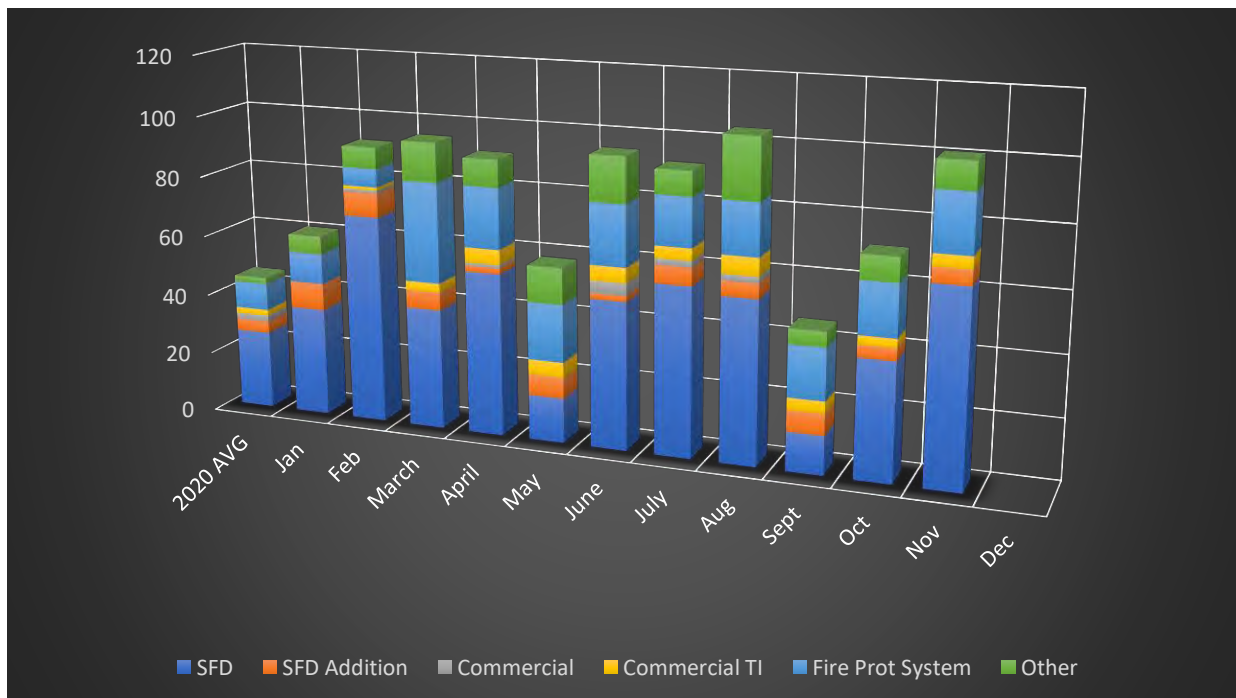


Table 1: 2021 New Construction Permits by Month

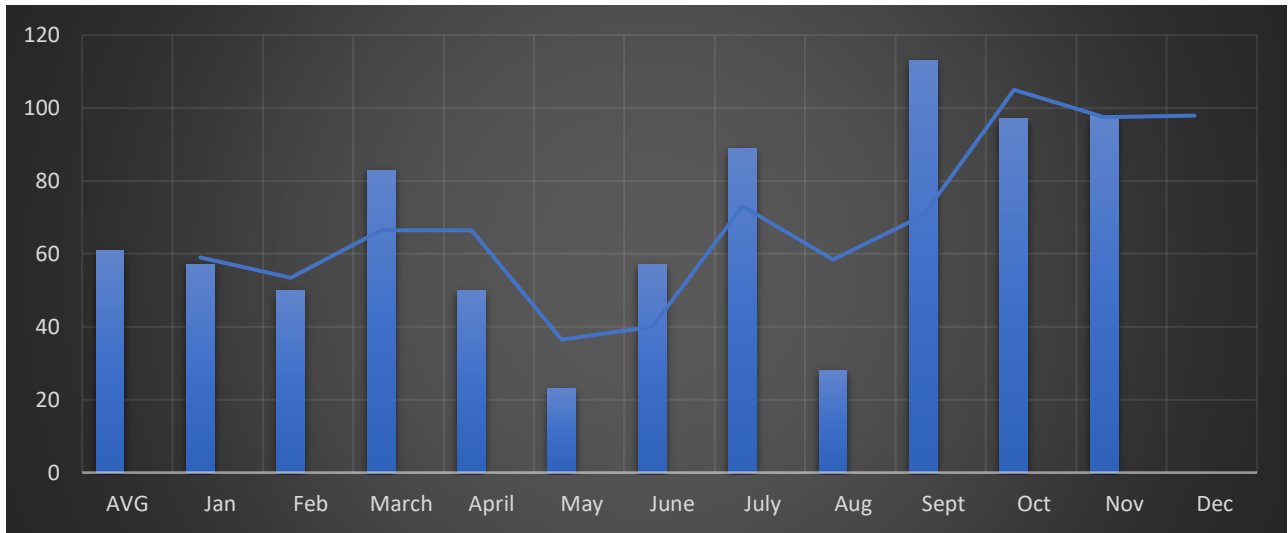


Table 2: Plans Reviews Completed by Month Report

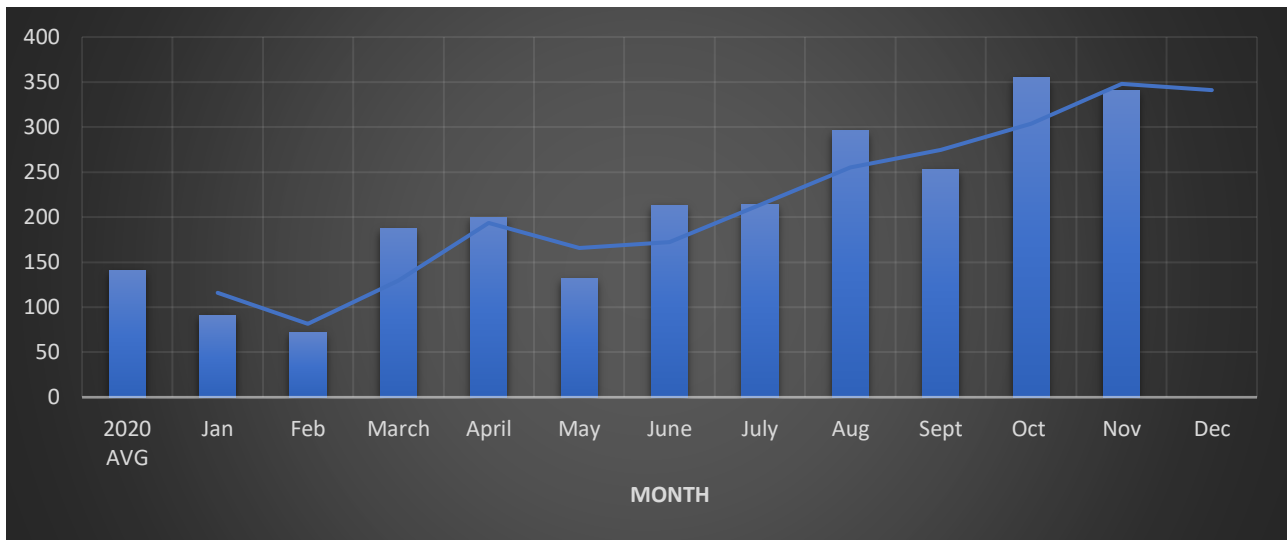


Table 3: Construction Inspections by Month Report

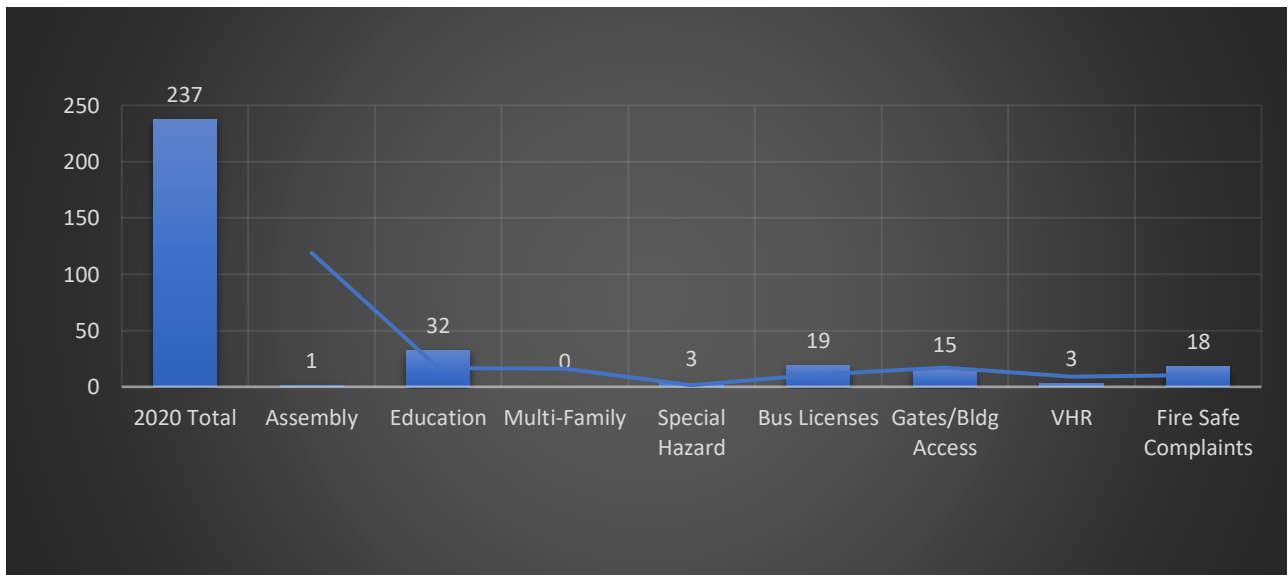


Table 4: Fire and Life Safety Inspection Report

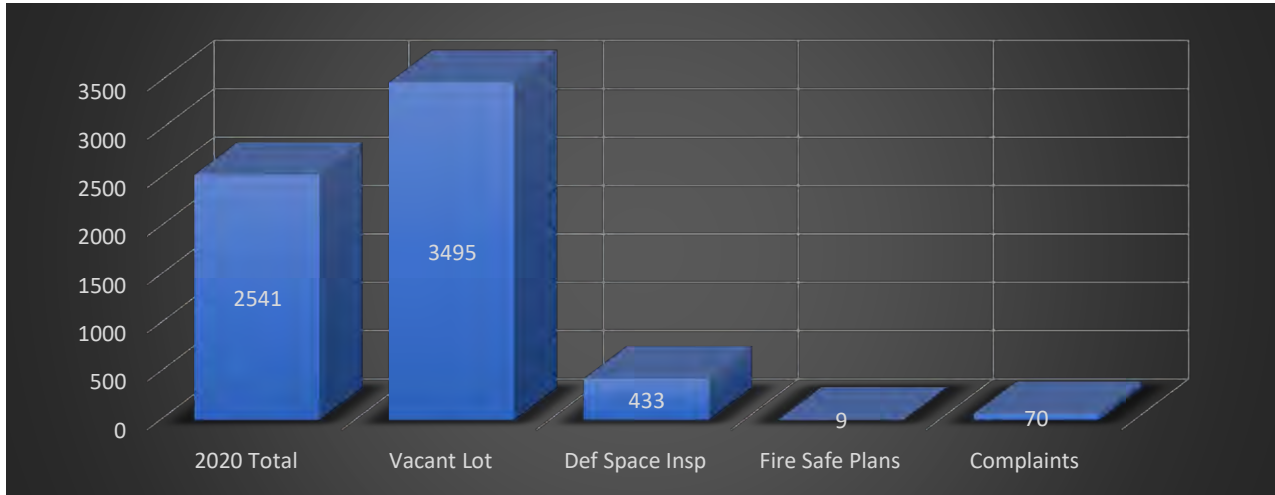


Table 5: Vegetation Management/ Defensible Space Inspections by Type Report

2021 FIRE PREVENTION WEEK

The winners of EDHFD’s 2021 Fire Prevention Month Poster Contest came to Station 85 to receive their awards. Kendall from Green Valley Elementary School was the overall 1st – 3rd Grade winner and Delaney from Oak Meadows Elementary School was the overall 4th – 5th grade winner. Both girls were extremely excited to get a tour from Chief Brady’s crew and place their poster magnets on the CRRD vehicles.



Figure 1: 2021 Fire Prevention Week Poster Contest Winners

COMMUNITY EMERGENCY RESPONSE TEAM

CERT members received on-going training on the El Dorado Hills Fire Department operations by Chief Johnson.



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MANAGEMENT LETTER

To the Board of Directors and Management
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)
El Dorado Hills, California

In planning and performing our audit of the financial statements of the governmental activities and the major fund of the El Dorado Hills County Water District (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given those limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

During our audit, we became aware of the following matters that warrant consideration:

Health Reimbursement Accounts

Through discussion with the Director of Finance, we noted that the Department started using Sterling Administration for the processing of HRA transactions in January 2020. Because the Department depends entirely on Sterling's reporting for its HRA balances, we recommend the Department consider implementing due diligence procedures to ensure Sterling has appropriate controls over the District's HRA accounts, are enforcing District policies over use of funds and are maintaining appropriate documentation over member transactions, at least on a test basis.

To the Board of Directors and Management
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)

Credit Card Transactions

During our testing of credit card transactions, we noted one transaction where the expense report was not reviewed by a supervisor until approximately 60 days after the transaction occurred. We recommend credit card expense reports should be reviewed timely and submitted to the finance department to pay the bill on time and record the expenses in the prior period.

* * * * *

This communication is intended solely for the information and use of management, the Board of Directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than the specified parties.

Richardson & Company, LLP

November 16, 2021



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GOVERNANCE LETTER

To the Board of Directors
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)
El Dorado Hills, California

We have audited the financial statements of the El Dorado Hills Fire Department for the year ended June 30, 2021, and have issued our report thereon dated November 16, 2021. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated April 9, 2021 and to a member of the Board of Directors during the audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note A to the financial statements. No new accounting policies were adopted that affected the financial statements and the application of existing policies was not changed during the year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the depreciable lives used for capital assets, grant and strike team receivables, the computation of the health reimbursement arrangement liability, the current portion of compensated absences, the computation of the net pension and other postemployment benefits liabilities and the computation of qualifying expenditures under restricted revenue sources. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The computation of the net pension liability and postemployment benefits liability were determined by actuarial valuations performed by qualified actuaries.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosures about the defined benefit pension plan, other postemployment benefits plan, and contingencies disclosed in Notes E, F, and H to the financial statements, respectively.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has posted the adjustment. Once reclassifying adjustment for capital revenue was posted during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 16, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principles to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and information related to the District's budgetary comparison schedule, pension and other post-employment benefits plans identified in the table of contents as required supplementary information to the financial statements, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

To the Board of Directors
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)
Page 3

Restriction of Use

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Richardson & Company, LLP

November 16, 2021



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INDEPENDENT ACCOUNTANTS' REPORT ON AGREED-UPON PROCEDURES
APPLIED TO APPROPRIATIONS LIMIT TESTING

To the Board of Directors
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)
El Dorado Hills, California

We have performed the procedures enumerated below to the accompanying calculation of the Appropriations Limit of the El Dorado Hills County Water District (doing business as (dba) El Dorado Hills Fire Department) (the District) for the year ended June 30, 2021. The District and the League of California Cities (as presented in the publication entitled *Agreed-Upon Procedures applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*) have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose to assist the District in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. The District's management is responsible for the Appropriations Limit calculation. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and our findings were as follows:

1. We obtained the District's calculation of the 2020/2021 appropriations limit and compared the limit and annual adjustment factors included in the calculation to the limit and annual adjustment factors that were adopted by resolution of the Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. We compared the methodology used to determine the cost of living adjustment component to Article XIII B, which states that the District may annually adjust the component for either the change in California per capita personal income or, the percentage change in the District's assessed valuation which is attributable to non-residential new construction. We recalculated the factor based on the above information.

Finding: No exceptions were noted as a result of our procedures.

3. We compared the methodology used to determine the population adjustment component to Article XIII B which states that the District may annually choose to adjust the component for either the change in population in the County in which the District is located, or the change in population within the unincorporated area of the County in which the District is located. We recalculated the factor based on the above information.

Finding: No exceptions were noted as a result of our procedures.

To the Board of Directors
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)

4. We compared the prior year appropriations limit presented in the accompanying appropriations limit calculation to the prior year appropriations limit adopted by the Board of Directors for the prior year.

Finding: No exceptions were noted as a result of our procedures.

5. We recalculated the 2020/2021 appropriations limit by multiplying the product of the two above factors by the prior year appropriations limit.

Finding: No exceptions were noted as a result of our procedures.

6. We compared the District's budgeted and actual revenues to the computed appropriations limit for fiscal year 2020/2021.

Finding: No exceptions were noted as a result of our procedures.

We were engaged by the District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We are not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on Appropriations Limit Calculation. Accordingly, we do not express such an opinion or conclusion. No procedures have been performed with respect to the determination of the Appropriations Limit for the base year, as defined by *Article XIII-B* of the California Constitution.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the use of the Board of Directors and management of the District and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Richardson & Company, LLP

November 16, 2021

APPENDIX A

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)
APPROPRIATIONS LIMIT CALCULATION
For the Year Ended June 30, 2021

APPROPRIATION LIMIT

ADOPTED BY DISTRICT:

Recorded in Final 2020/2021 Budget \$ 47,599,783

APPROPRIATION LIMIT

COMPUTATION PER REVIEW:

2019/2020 Appropriation Limit	\$ 44,306,416	
Cost of Living Factor:		
Change in California per capita income	1.0373	
Population Adjustment Factor:		
Population growth in district population	1.0357	
Auditor computed limitation		<u>47,599,783</u>
Variance		<u><u>\$ (0)</u></u>

**EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)**

Audited Financial Statements and
Compliance Report

June 30, 2021

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

AUDITED FINANCIAL STATEMENTS AND
COMPLIANCE REPORTS

June 30, 2021

TABLE OF CONTENTS

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	3
<u>Basic Financial Statements</u>	
Statement of Net Position and Governmental Fund Balance Sheet.....	9
Statement of Activities and Governmental Fund Revenues, Expenditures and Changes in Fund Balances	10
Notes to Basic Financial Statements.....	11
<u>Required Supplementary Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund.....	34
Schedule of the Proportionate Share of the Net Pension Liability and Schedule of Contributions to the Pension Plan (Unaudited)	35
Schedule of Changes in the Net OPEB Liability and Related Ratios (Unaudited)	36
Schedule of Contributions to the OPEB Plan (Unaudited)	37
<u>Compliance Report</u>	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	38



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)
El Dorado Hills, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the El Dorado Hills County Water District (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District as of June 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of revenues, expenditures and changes in fund balance - budget and actual - General Fund, the schedule of proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios and schedule of contributions to the pension plan as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Richardson & Company, LLP

November 16, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As management of the El Dorado Hills County Water District (Fire Department), we offer this Management Discussion and Analysis Report as an overview and analysis of the financial activities of the Fire Department for the fiscal year ended June 30, 2021.

Our discussion and analysis of the Fire Department provides the reader with an overview of the District's financial position and performance. The MD&A describes the significant changes from the prior year that occurred in general operations and discusses the activities during the year for capital assets. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our annual financial report including the financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- General Fund revenues for the year, mostly comprised of property tax revenues, exceeded expenditures by \$4,484,210. A portion of this excess is comprised of restricted development fee revenue and interest earnings, as well as restricted unrealized gains in the PARS Section 115 Pension trust account. Excluding restricted revenue, related interest earnings and unrealized gains, revenues exceeded expenditures by \$2,900,002. Of this excess, a net amount of \$827,587 was transferred to the District's Capital Replacement Fund, which is reported as committed fund balance. Further, there are planned contributions of \$1,203,967 and \$1,024,065 to the District's PARS Section 115 Pension and OPEB trust accounts, respectively. These Section 115 trust contributions will help offset the pension and OPEB unfunded liabilities.
- The District ended the fiscal year with a positive Net Position of \$34,505,825. This is made up of \$20,166,870 in net capital assets, \$11,503,774 in assets that are restricted for qualifying capital improvements related to District growth, and another \$4,720,362 in assets that are restricted for the payment of pension benefits. Unrestricted Net Position ended at \$(1,885,181), an increase from prior year's Unrestricted Net Position of \$(3,129,387).
- The Net Pension Liability increased from prior year to \$21,723,405, while the Net OPEB Liability decreased to \$11,127,651. Total combined Net Pension and OPEB liabilities were \$32,851,056 as of June 30, 2021, a net increase of \$768,352 from prior year.
- The District's General Fund reported total fund balances of \$39,927,710. Of this balance, \$23,703,574 is unrestricted. The portion of the unrestricted balance committed for future capital replacements is \$5,230,513. Another \$263,542 of the unrestricted balance is comprised of prepaid amounts that are nonspendable. The remaining \$18,209,519 of unrestricted fund balance represents approximately 88% of the year's total fund operating expenditures. This is consistent with the District's Reserve policy, which requires a minimum unrestricted fund balance of 50% annual operating expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District maintains its accounts in accordance with general accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The attached audit report is comprised of both governmental fund and government-wide financial statements.

Government-Wide Financial Statements

The government-wide financial statements include a Statement of Net Position and Statement of Activities. These statements report financial information using the full accrual basis of accounting and reflect a longer-term perspective. The government-wide statement of net position includes non-current assets and liabilities such as net fixed assets and the pension and other post-employment benefit (OPEB) unfunded liabilities, as well as related deferred inflows and outflows.

Fund Financial Statements

The governmental fund financial statements are comprised of a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances. These statements report current financial resources on a modified accrual basis and reflect a near term perspective. The fund balance sheet reflects assets and liabilities that are generally current in nature.

INVESTMENT POLICIES AND PROCEDURES

The Board reviews the District's investment policy periodically. During the 2020-21 fiscal year, the District's unrestricted funds were invested mostly with the State of California Local Agency Investment Fund and minimally with the El Dorado County Treasury.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The analysis below is based on information found in the District's Government-Wide Statement of Activities and Statement of Net Position.

Revenues

Total revenues for fiscal year 2020/21 increased by \$2,656,030 from prior year. The primary source of funding for the District to provide services is property taxes, which makes up approximately 79.1% of total revenues. Property Tax Revenues increased by \$1,114,184, or 5.8% from prior year. Development Fee Revenue decreased by \$140,368, or 10.9% from prior year. Other Revenue and JPA revenue remained relatively consistent with last fiscal year. There was a significant increase of \$1,465,927, or 693.4%, in OES/Mutual Aid Revenue. This increase is due to the District's heavy participation in a severe 2020 fire season. The District also had Operating and Capital Grant Revenue in 2021/22. The grants awarded to the District include CARES Act funding from El Dorado County to help pay for COVID-19 related expenditures, and an AFG grant to assist the District in purchasing Lucas Chest Compression Devices.

Summary of Total Revenues				
	2020/21	2019/20	\$ Change	% Change
General Revenues				
Property Tax Revenue	\$ 20,399,158	\$ 19,284,974	\$ 1,114,184	5.8%
Development Fees	1,146,558	1,286,926	(140,368)	-10.9%
Other Revenue	1,160,044	1,213,703	(53,659)	-4.4%
Total General Revenues	\$ 22,705,760	\$ 21,785,603	\$ 920,157	4.2%
Program Revenues				
JPA Revenue	\$ 1,150,000	\$ 1,150,000	\$ -	0.0%
OES/Mutual Aid Revenue	1,677,353	211,426	1,465,927	693.4%
Operating Grants Revenue	44,379	-	44,379	N/A
Capital Grants Revenue	225,566	-	225,566	N/A
Total Program Revenues	\$ 3,097,299	\$ 1,361,426	\$ 1,735,873	127.5%
Total Revenues	\$ 25,803,059	\$ 23,147,029	\$ 2,656,030	11.5%

Expenses

Total expenses for fiscal year 2020/21 remained relatively consistent with prior year, with a slight increase of \$156,396, or 0.7%. Most of the District's cost to operate is comprised of labor costs. Wages and Benefits made up approximately 86.7% of total expenses for the 2020/21 fiscal year and increased by \$390,589, or 1.9%, from 2019/20. This is primarily due to a substantial increase in Overtime resulting from the commitment of resources to strike teams in 2020/21, mostly offset by a decrease in both the GASB 68 Pension Expense and GASB 75 OPEB Expense. Professional Services and Information Technology expenses remained consistent with prior year. Maintenance costs decreased by \$96,761, or 17.8% from prior year, as there were significant one-time costs in 2019/20 for the Employee Development Center that did not continue into 2020/21. Other Operating Expense also decreased from prior year, primarily due to the one-time purchase or turnout replacements and technical rescue equipment in 2019/20.

Summary of Total Expenses				
	2020/21	2019/20	\$ Change	% Change
Public Protection				
Wages & Benefits	\$ 20,586,996	\$ 20,196,407	\$ 390,589	1.9%
Professional Services & IT	643,617	652,253	(8,637)	-1.3%
Maintenance	446,400	543,161	(96,761)	-17.8%
Other Operating Expense	1,004,988	1,126,863	(121,875)	-10.8%
Total Public Protection	\$ 22,682,001	\$ 22,518,684	\$ 163,317	0.7%
Depreciation Expense	\$ 1,066,471	\$ 1,073,392	\$ (6,921)	-0.6%
Total Expenses	\$ 23,748,472	\$ 23,592,076	\$ 156,396	0.7%

Net Position

The District's net position of \$34,505,825 at June 30, 2021 increased by \$2,054,587, or 6.3% from prior year. This increase is attributable to an increase in the District's Current Assets as well as a decrease in its Net OPEB Liability, partially offset by increases in the Net Pension Liability and Deferred Inflows of Resources. The increase in Current Assets is mostly due to increases in the Local Agency Investment Fund (LAIF) balance of \$1,554,203, the Development Fee Fund balance of \$988,809 and the Restricted

Pension Investment fund balance of \$439,783. Amounts due from other Governments also increased by \$646,960 as a result of large outstanding Cal OES Strike Team reimbursements. The decrease in the Net OPEB Liability of \$1,566,006, or about 12%, is mostly due to lower-than-expected healthcare premiums and negotiated changes in benefit caps. On the other hand, the Net Pension Liability increased by \$2,334,358, or 12% mostly due the amortization of prior year investment losses. There was also an increase in OPEB Deferred Inflows of \$1,111,820 due to changes in actuarial assumptions and differences between expected and actual experience.

Summary of Net Position				
	2020/21	2019/20	\$ Change	% Change
Current Assets	\$ 41,018,203	\$ 36,129,262	\$ 4,888,941	13.5%
Capital Assets	20,166,870	20,785,082	(618,212)	-3.0%
Deferred Outflows	12,190,596	12,216,570	(25,974)	-0.2%
Total Assets & Deferred Outflows	\$ 73,375,669	\$ 69,130,914	\$ 4,244,755	6.1%
Current Liabilities	1,802,753	1,567,107	235,646	15.0%
Net Pension Liability	21,723,405	19,389,047	2,334,358	12.0%
Net OPEB Liability	11,127,651	12,693,657	(1,566,006)	-12.3%
Other Non-Current Liabilities	1,371,391	1,357,087	14,304	1.1%
Deferred Inflows	2,844,644	1,672,778	1,171,866	70.1%
Total Liabilities & Deferred Inflows	\$ 38,869,844	\$ 36,679,676	\$ 2,190,168	6.0%
Net Position	\$ 34,505,825	\$ 32,451,238	\$ 2,054,587	6.3%

FINANCIAL ANALYSIS OF THE DISTRICT'S GENERAL FUND

The District's General Fund is broken down into an Unassigned Fund, a Nonspendable Fund (prepaids), Capital Replacement Fund (committed), a Development Fee Fund (restricted), and a Pension Benefit Fund (restricted). Fund balances totaled \$39,927,710 at the end of 2020/21, an increase of \$4,484,210 from 2019/20. The District saw increases in the Unassigned General Reserve Fund balance, the Capital Replacement Fund, The Development Fee Fund and the Restricted Benefit Fund (Pension). The Unassigned General Reserve Fund ended the fiscal year with a balance of \$18,209,519, an increase of \$2,229,790, or 14% from prior year. This increase is due to an excess of unrestricted revenues over expenditures, less transfers to the Capital Replacement Fund. The Committed, or Capital Replacement Fund balance, increased by \$827,587 from prior year, leaving an ending balance of \$5,230,513. This increase is the result of contributions to the fund in excess of capital purchases for the fiscal year. The District's Restricted Development Fee Fund balance ended at \$11,503,774, a 9.4% increase from prior year. This increase resulted from development fee revenue and interest collections exceeding transfers out for qualifying expenditures. While the District did not make any new contributions to its Pension Section 115 Trust account during fiscal year 2020/21, it did recognize unrealized gains in the account totaling \$439,783, bringing the Restricted Benefit Fund's ending balance to \$4,720,362. Outstanding reimbursements due to the General Reserve Fund from the Development Fee Fund of \$156,620 for qualifying expenditures made in 2020/21 are reflected in these balances.

Summary of Total Fund Balances

	2020/21	2019/20	\$ Change	% Change
General Reserve Fund - Unassigned	\$18,209,519	\$15,979,729	\$2,229,790	14.0%
General Reserve Fund - Nonspendable	\$263,542	\$265,302	(1,760)	-0.7%
Capital Replacement Fund	5,230,513	4,402,926	827,587	18.8%
Unrestricted Fund Balances	\$23,703,574	\$20,647,957	\$3,055,617	14.8%
Development Fee Fund	11,503,774	10,514,964	988,810	9.4%
Pension Benefit Fund	4,720,362	4,280,579	439,783	10.3%
Restricted Fund Balances	\$16,224,136	\$14,795,543	\$1,428,593	9.7%
Total Fund Balances	\$39,927,710	\$35,443,500	\$4,484,210	12.7%

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual financial results are evaluated against the District’s adopted (original) final budget and/or mid-year final budget on a monthly basis at its regular board meetings. Below is a comparison of the final mid-year budget and actual results for fiscal year 2020/21:

Budget vs. Actual - General Fund

	2020/21 Final Mid-Year Budget	2020/21 Actual	\$ Variance Favorable/ (Unfavorable)	% Variance Favorable/ (Unfavorable)
Total Revenues/Other Financing Sources	\$ 25,015,155	\$ 25,586,418	\$ 571,263	2.3%
Operating Expenditures	(20,550,580)	(20,653,949)	\$ (103,369)	0.5%
OPEB UAL Lump Sum Payment	(821,172)	-	821,172	-100.0%
Capital Outlay	(348,278)	(448,259)	(99,981)	28.7%
Net Change in Fund Balance	\$ 3,295,125	\$ 4,484,210	\$ 1,189,085	36.1%

- Actual revenue was greater than budgeted revenue by \$571,263 due to the following:
 - Secured and Supplemental property tax revenue ended higher than the budgeted estimates
 - Miscellaneous Operating Revenue collected was higher than the budgeted estimate due to the Rescue Shared Services Agreement administrative assistant passthrough costs, as well as higher than expected workers’ compensation insurance reimbursements
 - There was an unbudgeted gain on investment in the District’s PARS Pension Section 115 Trust account
- Actual operating expenditures came in slightly unfavorable to the final budget by \$103,369 due to the following:
 - Wages & Benefits were higher than budget, primarily due to higher overtime costs than anticipated
- The OPEB UAL Lump Sum Payment was favorable to budget by \$821,172 due to timing of the contribution to the District’s OPEB Section 115 Trust account. A contribution to this account will be made in fiscal year 2021/22

- Capital outlay was unfavorable to budget by \$99,981 due to higher expenditures on the Training Facility in-progress than anticipated

CAPITAL ASSETS

The District purchased capital assets totaling \$448,259 in 2020/21. This includes \$208,824 spent on the Training Center in-progress and \$132,923 on the purchase of 7 Chest Compression Devices (grant funded). The District also purchased and installed the equipment for three (3) Zoom rooms for \$69,715 (grant funded), including the community room at Station 85, and the two (2) training rooms at the Employee Development Center. Also grant funded was the acquisition of a Room Decontamination System for \$16,588. Finally, the District purchased two (2) replacement Portable Radios and two (2) radios for the new Pierce Engines that will be placed in service in 2021/22.

Approximately \$126,415 in assets were written off or disposed of in fiscal year 2020/21. The District did not recognize any loss on disposal, as the assets were all fully depreciated. District capital assets are valued at historical cost and depreciated over their estimated useful lives using the straight-line method. More information about capital assets may be found in Note C to the financial statements.

ECONOMIC OUTLOOK

The District's net position remains strong and reflects financial stability. There is a continuing trend of increased Development within the District and property values are at historic highs, with no signs of a decline in the near future. That being said, the District is cognizant of the significant challenges that lie ahead with increased pension and healthcare costs, as well as the potential of an economic recession triggered by the current global pandemic and looming inflation. The District's Board of Directors and staff continue to be pro-active in their efforts to keep healthy reserve balances and prefund Pension and OPEB obligations. The District plans to make deposits in excess of \$2 million to its PARS (Public Agency Retirement Services) Pension and OPEB Section 115 trust accounts in fiscal year 2021/22. These funds will serve to offset the growing unfunded liability balances and may also be utilized to offset future qualifying expenses in the event of an economic downturn. The District's Board of Directors and staff continuously monitor and communicate economic trends and forecasts to ensure sound fiscal management.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

For questions regarding this report, please contact the El Dorado Hills Fire Department Director of Finance at 1050 Wilson Blvd., El Dorado Hills, CA 95762. More information about the District can also be found at www.edhfire.com.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2021

	General Fund	Adjustments (Note J)	Statement of Net Position
ASSETS			
Cash and investments - unrestricted	\$ 22,269,712		\$ 22,269,712
Cash and investments - restricted	16,224,136		16,224,136
Receivables:			
Interest receivable - unrestricted	15,390		15,390
Due from other governments	742,724		742,724
Other receivables			
Deposits	1,502,699		1,502,699
Prepaid costs	263,542		263,542
Capital assets:			
Nondepreciable		\$ 4,331,447	4,331,447
Depreciable, net		15,835,423	15,835,423
TOTAL ASSETS	41,018,203	20,166,870	61,185,073
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan		5,860,509	5,860,509
Other postemployment benefits plan		6,330,087	6,330,087
TOTAL DEFERRED OUTFLOWS OF RESOURCES		12,190,596	12,190,596
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 41,018,203	32,357,466	73,375,669
LIABILITIES			
Accounts payable	\$ 337,897		337,897
Salaries and benefits payable	501,611		501,611
Compensated absences - current		797,476	797,476
Unearned revenue	34,344		34,344
Health reimbursement arrangement liability - current		131,425	131,425
Noncurrent liabilities:			
Compensated absences - noncurrent		894,067	894,067
Health reimbursement arrangement liability - noncurrent		477,324	477,324
Net pension liability		21,723,405	21,723,405
Net other postemployment benefits liability		11,127,651	11,127,651
TOTAL LIABILITIES	873,852	35,151,348	36,025,200
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	216,641	(216,641)	
Pension plan		1,660,386	1,660,386
Other postemployment benefits plan		1,184,258	1,184,258
TOTAL DEFERRED INFLOWS OF RESOURCES	216,641	2,628,003	2,844,644
FUND BALANCES/NET POSITION			
Fund balance:			
Nonspendable—prepaid costs	263,542	(263,542)	
Restricted for capital improvements	11,503,774	(11,503,774)	
Restricted for pension benefits	4,720,362	(4,720,362)	
Committed	5,230,513	(5,230,513)	
Unassigned	18,209,519	(18,209,519)	
TOTAL FUND BALANCES	39,927,710	(39,927,710)	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 41,018,203		
Net position:			
Investment in capital assets		20,166,870	20,166,870
Restricted for capital improvements		11,503,774	11,503,774
Restricted for pension benefits		4,720,362	4,720,362
Unrestricted		(1,885,181)	(1,885,181)
TOTAL NET POSITION		\$ 34,505,825	\$ 34,505,825

The accompanying notes are an integral part of these financial statements

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE

For the Year Ended June 30, 2021

	General Fund	Adjustments (Note J)	Statement of Activities
EXPENDITURES/EXPENSES			
Current:			
Public protection	\$ 20,653,949	\$ 2,028,052	\$ 22,682,001
Capital outlay	448,259	(448,259)	
Depreciation		1,066,471	1,066,471
TOTAL EXPENDITURES/EXPENSES	<u>21,102,208</u>	<u>2,646,264</u>	<u>23,748,472</u>
PROGRAM REVENUES			
Charges for services			
Reimbursements from other agencies	2,827,353		2,827,353
Federal operating grants	44,379		44,379
Federal capital grants	225,566		225,566
TOTAL PROGRAM REVENUES	<u>3,097,298</u>		<u>3,097,298</u>
NET PROGRAM EXPENSE	(18,004,910)	(2,646,264)	(20,651,174)
GENERAL REVENUES			
Property taxes and assessments	20,399,159		20,399,159
Fire impact fees	1,146,558		1,146,558
Investment earnings	430,157		430,157
Other revenues	500,681	216,641	717,322
Gain on disposal of capital assets		12,565	12,565
TOTAL GENERAL REVENUES	<u>22,476,555</u>	<u>229,206</u>	<u>22,705,761</u>
EXCESS OF REVENUES OVER EXPENDITURES	4,471,645	(4,471,645)	
OTHER FINANCING SOURCES/(USES)			
Proceeds from sale of capital assets	12,565	(12,565)	
TOTAL OTHER FINANCING SOURCES/(USES)	<u>12,565</u>	<u>(12,565)</u>	
NET CHANGE IN FUND BALANCE	4,484,210	(4,484,210)	
CHANGE IN NET POSITION		(2,429,623)	2,054,587
Fund balance/net position, beginning of year	35,443,500	(2,992,262)	32,451,238
FUND BALANCE/NET POSITION, END OF YEAR	<u>\$ 39,927,710</u>	<u>\$ (5,421,885)</u>	<u>\$ 34,505,825</u>

The accompanying notes are an integral part of these financial statements.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements present the El Dorado Hills County Water District, which is doing business as (DBA) the El Dorado Hills Fire Department. The financial statements of the El Dorado Hills County Water District (DBA El Dorado Hills Fire District) (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The most significant accounting policies of the District are described below.

Background: The El Dorado Hills County Water District was formed by the Board of Supervisors of the County of El Dorado pursuant to Division 12, Part 2, Chapter 4, Section 30320 of the Water Code of the State of California. In 1963, the El Dorado Hills Fire Department was established under the El Dorado Hills County Water District (the District). Ten years later, the citizens of El Dorado Hills voted to transfer all water and sewer system powers to the El Dorado Irrigation District; thereby leaving only fire protection under the direction of the District's Board.

The District's functions are governed by a five-member Board of Directors elected by the District's voting population. The Board of Directors manages the Fire Chief who oversees all financial, administrative and operational aspects of the District for the purpose of carrying-out fire and emergency services.

The District operates five fire stations. The District provides emergency medical services, rescue, fire suppression, and other public services as needed. The District is a member of the El Dorado County Emergency Services Authority (Authority), which also provides advanced life support and ambulance transport within the County. The District serves approximately 58,500 acres with close to 18,000 homes and an estimated population of 49,960.

As discussed above, the District is a member of the Authority under a Joint Powers Agreement. The District is not responsible for the liabilities of the Authority upon withdrawal from the Authority and has a proportionate residual equity interest in any assets of the Authority upon its dissolution.

Basis of Presentation – Fund Financial Statements: The accounts of the District are organized on the basis of funds. A fund is a separate accounting entity with a self-balancing set of accounts. All of the District's activities are reported in the General Fund.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenues to be available if they are collected within 90 days of the end of the current fiscal period or 60 days for taxes. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Payable balances consist primarily of payables to vendors.

Property and other tax revenues, reimbursements and interest earnings associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the District and accounts for revenues collected to provide services and finance the fundamental operations of the District. The fund is charged with all costs of operations.

Budgets: Budgets are adopted on a basis consistent with generally accepted accounting principles and in accordance with the District’s policy and procedure. Budgetary control is exercised by major object. All budgetary changes during the fiscal year require the approval of the District’s Board of Directors. Unencumbered budget appropriations lapse at the end of the fiscal year.

Risk Management: The District is a member of the Northern California Fire District Association’s liability and workers’ compensation insurance program provided through a private insurance company. The District’s claims have not exceeded the insurance coverage and no reductions of coverage have occurred during the past three years.

Restricted Assets: Restricted assets consist of \$11,503,774 of unspent fire impact fees collected by the County of El Dorado on the District’s behalf as well as \$4,720,362 of contributions to a Section 115 trust fund with the Public Agency Retirement Services (PARS) and related interest that is restricted to contributions to the District’s CalPERS pension plan as described in Note E. The impact fees are required to be spent on public facilities and equipment by the related County of El Dorado Ordinance. See Note G.

Deposits: Deposits include a deposit of \$1,498,228 with a manufacturer to build two Pierce Enforcer 1500 GMP Pumpers that were not delivered by year-end and a lease deposit.

Prepaid Costs: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both government-wide and fund financial statements. Prepaid costs of governmental funds are offset by a nonspendable portion of fund balance to indicate they do not represent resources available for future appropriation.

Capital Assets: Capital assets for governmental funds are not capitalized in the funds used to acquire or construct them. Capital acquisitions are reflected as expenditures in the governmental fund, and the related assets are reported in the government-wide financial statements. Capital assets are stated at historical cost or estimated historical cost if actual historical cost is not available. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Contributed capital assets are recorded at their acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

Capital assets are defined by the District as assets with at least three years expected life and meet the required minimum value threshold seen below. Costs of assets sold or retired are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale. Depreciation is recorded using the straight-line method over the useful lives of the assets as follows:

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Capital Asset Category</u>	<u>Threshold</u>	<u>Estimated Useful Life</u>
Land & easements	-	N/A
Building/improvements	50,000	39.5 years
Fire equipment (SCBA's)	1,000	8-15 years
Fire equipment (Other)	3,000	5-15 years
Hose (LDH)	3,000	15-20 years
Office equipment	3,000	3-7 years
Radio communications equipment	3,000	5 years
Fire apparatus	3,000	15 years
Vehicles	3,000	5-7 years
Furniture/fixtures/tools	3,000	3-7 years

Deferred Outflows and Inflows of Resources: In addition to assets and liabilities, the balance sheet will sometimes report separate sections for deferred outflows and inflows of resources. Deferred outflows of resources represent a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources include amounts deferred related to the District’s pension and OPEB plans under GASB Statements No. 68 and No. 75, respectively, as described in Notes E and F. Unavailable revenues in governmental funds arise when a potential revenue source does not meet both the “measurable” and “available” criteria for recognition in the current period. Revenues unavailable because they were not received in the availability period are recognized for the government-wide presentation.

Compensated Absences: The District compensates employees for unused vacation and, subject to certain conditions, sick leave upon separation from the District. The District’s policy for sick leave states that sick leave will not be paid upon separation due to termination for cause, but otherwise up to 60% of accumulated sick leave will be paid to the employee or employee’s beneficiary at retirement, separation or in the event of death. Sick leave may also be converted to service credit under the District’s pension plan with CalPERS. All vacation is accrued when earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General Fund is used to liquidate compensated absences.

Unearned Revenues: Unearned revenues arise when resources are received by the District before it has legal claim to them (i.e., when grant monies are received prior to the incurrence of qualifying expenditures). The District’s unearned revenues at year-end consisted mainly of unearned Community Risk Reduction Division fees.

Fund Balance: In the fund financial statements, governmental funds report nonspendable, restricted, committed, assigned and unassigned balances.

Nonspendable Funds – Fund balance should be reported as nonspendable when the amounts cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Nonspendable balances are not expected to be converted to cash within the next operating cycle, which comprise prepaid costs.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted Funds – Fund balance should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Amounts reported as restricted funds represent impact fees collected for future capital expenditures as well as amounts held in a Section 115 trust fund for future contributions to the District’s pension plan.

Committed Funds – Fund balance should be reported as committed when the amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, which is a Resolution of the Board of Directors. These amounts cannot be used for any other purpose unless the Board modifies or removes the fund balance commitment with another Resolution of the Board of Directors. Committed fund balance represents the capital replacement fund approved by the Board of Directors for replacement or necessary improvement of fleet and facilities that exceeds routine maintenance.

Assigned Funds – Fund balance should be reported as assigned when the amounts are constrained by the government’s intent to be used for specific purposes but are neither restricted nor committed.

Unassigned Funds – Unassigned fund balance is the residual classification of the District’s funds and includes all spendable amounts that have not been restricted, committed, or assigned to specific purposes.

When both restricted and unrestricted resources are available, it is the District’s policy to use restricted resources, then unrestricted resources as they are needed.

Net Position: The government-wide financial statements report net position. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. The outstanding balance of debt that is attributable to the acquisition, construction or improvement of the assets reduces the balance in this category. The District had no outstanding debt.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the District not restricted for any project or other purpose.

Property Taxes: The District receives property taxes from El Dorado County. Property taxes become a lien on the first day of the year they are levied. Secured property tax is levied on July 1 and due in two installments, on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. Unsecured property taxes are levied on July 1 and become delinquent on August 31. The District elected to receive the property taxes from the County under the Teeter Bill Program. Under this Program, the District receives 100% of the levied property taxes in periodic payments, with the County assuming responsibility for delinquencies. These taxes are accrued as intergovernmental revenue only if they are received from the County within 60 days after year end in the governmental fund. They are accrued when earned regardless of the timing of the related cash flows in the government-wide statement.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Joint Powers Authority: The District is a member agency of the El Dorado County Emergency Services Authority, a Joint Powers Authority (JPA), which provides ambulance and other pre-hospital emergency transport services on the west slope of El Dorado County. There are ten member agencies in total. The governing Board of Directors controls the operations of the JPA. The JPA Board is made up of a Fire Chief or authorized alternate from each member agency. The JPA is independently accountable for its fiscal matters and maintains its own accounting records under the oversight of the El Dorado County board of Supervisors. Each of the ten-member Fire Districts approves the JPA budget and their vote is carried by their Fire Chief to the Board. The JPA contracts with the District for one medic unit and six employees working shift work. The District is provided a flat fee that is designed to reimburse all costs incurred in the execution of the contract. The District is not responsible for the liabilities of the JPA upon dissolution. Separate financial statements for the JPA are available by contacting the JPA staff through the link at edcjpga.org.

Health Reimbursement Arrangement: The District provides an optional health reimbursement arrangement (HRA) for each full-time and part-time employee hired prior to October 1, 2019 working a minimum of 32 hours per week for dental and vision expenses. The benefit is also offered to the eligible employee's spouse and dependents. Eligible participants are allowed to submit qualifying dental and vision expenses for reimbursement under the HRA as defined in the Department Policy Manual. The benefit provided is \$145, \$175 and \$225 per month for employees with no dependents, one dependent and two or more dependents, respectively. As described in Note F, HRA benefits are extended to retirees. Retirees electing the HRA benefit are provided a monthly benefit of \$100 and \$150 with no dependents and one dependent, respectively. The District does not have a trust where the HRA assets are set aside for the benefit of employees. Consequently, the HRA assets are available to the District's creditors. The HRA benefits are not available to employees hired on or after October 1, 2019 and instead, the employees are provided District a paid dental and vision insurance plan. Employees hired prior to October 1, 2019 also have the option to elect a paid dental/vision insurance plan in lieu of the HRA.

Pension Plan: For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to the District's pension plan, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits Plan (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from these estimates.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Pronouncements: In June 2017, the GASB issued Statement No. 87, Leases. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. Any contract that meets this definition should be accounted for under the lease guidance, unless specifically excluded in this Statement. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. This Statement provides temporary relief to governments due to the COVID-19 pandemic by postponing the effective dates of Statements and Implementation Guides that first become effective or are scheduled to become effective for periods beginning after June 15, 2018 and later. Effective dates of the following Statements and Implementation Guides were postponed by one year: Statements No. 83, 84 and 88 to 93 as well as Implementation Guide No's 2018-1, 2019-1 and 2019-2. Effective dates for Statement No. 87 and Implementation Guide No. 2019-3 were postponed by 18 months. The requirements of this Statement defer the implementation date of the Statement above and are effective immediately.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*. This Statement 1) defines the term SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs to a SBITA; and 4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITA are based on the standards established in Statement No. 87, *Leases*, as amended. This statement is effective for fiscal years beginning after June 15, 2022.

The District is currently analyzing the impact of the required implementation of these new statements.

NOTE B – CASH AND INVESTMENTS

As of June 30, 2021, the District's cash and investments consisted of the following:

Cash and investments - unrestricted	\$ 22,269,712
Cash and investments - restricted	16,224,136
	<u>\$ 38,493,848</u>
Deposits in financial institutions	\$ 738,755
California Local Agency Investment Fund (LAIF)	20,342,248
Investment in County of El Dorado investment pool	12,692,483
Public Agency Retirement Services (PARS) Trust - mutual funds	4,720,362
	<u>\$ 38,493,848</u>

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE B – CASH AND INVESTMENTS (Continued)

Investment policy: California statutes authorize districts to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The investments held by the pension plan rate stabilization PARS Section 115 Trust are governed by an investment guideline document and not the California Government Code. The District's investment policy does not limit interest rate risk, credit risk or concentration of credit risk beyond what is required by the California Government Code, with the exception of limiting the maximum investment in one issuer for numerous investment types beyond what is required by the California Government Code. The average maturity of each investment pool is disclosed below.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit Risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating issued by a nationally recognized statistical rating organization. The County's investment pool does not have a rating provided by a nationally recognized statistical rating organization.

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2021, the carrying amount and balance per banks of the District's bank deposits were \$831,035 and \$738,755, respectively. Of the balance per banks, \$250,000 was covered by federal depository insurance and the remaining amount was collateralized by the pledging financial institution's investment securities, which were not in the name of the District.

California Local Agency Investment Fund (LAIF): LAIF is stated at fair value. LAIF is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The total fair value amount invested by all public agencies in LAIF is \$193,321,015,759 which is managed by the State Treasurer. Of that amount, 2.31 percent is invested in structured notes and asset-backed commercial paper. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE B – CASH AND INVESTMENTS (Continued)

portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The weighted average maturity of investments held by LAIF was 291 days at June 30, 2021.

Investment in the County of El Dorado's Investment Pool: The District maintains an investment in the County of El Dorado cash and investment pool, which is managed by the County Treasurer. The County pool is stated at fair value. The amount invested by all public agencies in El Dorado County's cash and investment pool is \$652,129,826 at June 30, 2021. The County does not invest in any derivative financial products. The County Treasury Investment Oversight Committee has oversight responsibility for the investment pool. The Committee consists of ten members as designated by State law. The value of pool shares in El Dorado County that may be withdrawn is determined on an amortized cost basis, which is different than the fair value of the District's position in the pool. Investments held in the County's investment pool are available on demand to the District and are stated at amortized cost. This investment is not subject to categorization under GASB No. 3. As of June 30, 2021, the weighted average maturity of the investments contained in the County's investment pool was approximately 699 days.

Investment in the PARS Trust: The District invested in a PARS Section 115 Trust Fund as a pension plan rate stabilization strategy. The District elected a discretionary investment approach, which allows the District to maintain oversight of the investment management, discretionary investment approach, control over target yield and the portfolio's risk tolerance. The District has elected to invest in the Moderately Conservative Index PLUS investment option, which is invested in index-based mutual funds, including exchange-traded funds. PARS uses Highmark Capital Management to help manage investment options. The assets are withdrawn from the PARS trust on an amortized cost basis. The average maturity of the PARS trust was 7.29 years at June 30, 2021.

Fair Value Measurement: The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments in LAIF and the County of El Dorado investment pool are not subject to the fair value hierarchy. The District's investment in PARS is valued at the net asset value of the underlying mutual funds of the PARS pool in which the District invests as provided by PARS.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE C – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance at June 30, 2020	Additions	Retirements	Transfers	Balance at June 30, 2021
Capital assets, not being depreciated:					
Land	\$ 3,714,639				\$ 3,714,639
Construction in process:					
Training facility	407,984	\$ 208,824			616,808
Total capital assets, not being depreciated	<u>4,122,623</u>	<u>208,824</u>			<u>4,331,447</u>
Capital assets, being depreciated:					
Buildings and improvements	19,638,747				19,638,747
Vehicles	6,250,070		\$ (114,599)		6,135,471
Equipment	2,399,775	239,435	(11,816)		2,627,394
Total capital assets being depreciated	<u>28,288,592</u>	<u>239,435</u>	<u>(126,415)</u>		<u>28,401,612</u>
Less accumulated depreciation:					
Buildings and improvements	(6,049,478)	(502,360)			(6,551,838)
Vehicles	(3,834,515)	(362,100)	114,599		(4,082,016)
Equipment	(1,742,140)	(202,011)	11,816		(1,932,335)
Total accumulated depreciation	<u>(11,626,133)</u>	<u>(1,066,471)</u>	<u>126,415</u>		<u>(12,566,189)</u>
Total capital assets being depreciated	<u>16,662,459</u>	<u>(827,036)</u>			<u>15,835,423</u>
Capital assets, net	<u>\$ 20,785,082</u>	<u>\$ (618,212)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,166,870</u>

NOTE D – LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity other than pension and OPEB liability activity for the year ended June 30, 2021:

	Balance June 30, 2020	Additions	Repayments	Balance June 30, 2021	Due Within One Year	Due in More Than One Year
Compensated absences	\$ 1,662,266	\$ 842,397	\$ (813,120)	\$ 1,691,543	\$ 797,476	\$ 894,067
Health reimbursement arrangement (HRA) liability	576,166	176,308	(143,725)	608,749	131,425	477,324
	<u>\$ 2,238,432</u>	<u>\$ 1,018,705</u>	<u>\$ (956,845)</u>	<u>\$ 2,300,292</u>	<u>\$ 928,901</u>	<u>\$ 1,371,391</u>

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE E – DEFINED BENEFIT PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District’s Cost-Sharing Multiple Employer Defined Benefit Pension Plan (the Plan or PERFC) administered by the California Public Employees’ Retirement System (CalPERS). PERFC consists of a miscellaneous risk pool and a safety risk pool, which are comprised of the following rate plans:

- Miscellaneous Rate Plan
- Miscellaneous Second Tier Rate Plan
- PEPRA Miscellaneous Rate Plan
- Safety Rate Plan
- Safety Second Tier Rate Plan
- PEPRA Safety Police Rate Plan

Although one Plan exists, CalPERS provides the information separately for the Miscellaneous and Safety Risk Pools and the information is presented separately below where available. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the 1959 Survivor Benefit level 4, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The rate plans’ provisions and benefits in effect at June 30, 2021, are summarized as follows:

	Miscellaneous Rate Plan	Miscellaneous Second Tier Rate Plan	PEPRA Miscellaneous Rate Plan
	Prior to August 13, 2011	August 13, 2011 to December 31, 2012	On or after January 1, 2013
Hire date			
Benefit formula (at full retirement)	3.0% @ 60	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	one year	three year	three year
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	1.426% to 2.418%	1.0% to 2.5%
Gross employee contribution rates	8.00%	7.00%	6.75%
Employee contribution rates paid by the District	8.00%	7.00%	0.00%
Gross employer contribution rates	15.445%	10.484%	7.732%
Employer contribution rates paid by employees	6.50%	6.50%	0.00%

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE E – DEFINED BENEFIT PENSION PLAN (Continued)

	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety Rate Plan
	Prior to August 13, 2011	August 13, 2011 to December 31, 2012	On or after January 1, 2013
Benefit formula (at full retirement)	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final average compensation period	one year	three year	three year
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.00%	2.40% to 3.00%	2.00% to 2.70%
Gross employee contribution rates	9.00%	9.00%	13.00%
Employee contribution rates paid by the District	9.00%	9.00%	0.00%
Gross employer contribution rates	23.674%	20.585%	13.044%
Employer contribution rates paid by employees	10.50%	10.50%	0.00%

The tables above reflect employer contribution percentages before an employee pick-up of employer contributions of 6.5% for Miscellaneous First and Second Tier and 10.5% for Safety First and Second Tier Rate Plans under the District’s MOU. Classic Miscellaneous and Classic Safety (Tiers 1 and 2) employees will contribute an additional 1.5% each year for a total of 8% and 12%, respectively, of their CalPERS reportable compensation to the employer’s percentage contribution to CalPERS effective July 1, 2021. The District pays the required employee contribution under the District’s MOU for all rate plans except the PEPRA rate plans. All rate plans except the PEPRA rate plans are closed to new members that are not already CalPERS participants. All miscellaneous rate plans are combined and reported below as the Miscellaneous Risk Pool and all safety rate plans are combined and reported below as the Safety Risk Pool.

Contributions: Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the risk pools are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the employer contributions of \$110,112 and \$2,280,375 were made to the Miscellaneous and Safety Risk Pools, respectively, for total contributions of \$2,390,487.

A. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources

As of June 30, 2021, the District reported net pension liabilities for its proportionate shares of the net pension liability of each risk pool as follows:

Miscellaneous Risk Pool	\$ 980,747
Safety Risk Pool	<u>20,742,658</u>
Total Net Pension Liability	<u>\$ 21,723,405</u>

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE E – DEFINED BENEFIT PENSION PLAN (Continued)

The District’s net pension liability for each risk pool is measured as the proportionate share of the net pension liability. The net pension liability of each risk pool is measured as of June 30, 2020, and the total pension liability for each risk pool used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the risk pool relative to the projected contributions of all participating employers, actuarially determined.

The District’s proportionate share of the net pension liability for each risk pool as of June 30, 2021 and 2020 were as follows:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
Proportion - June 30, 2020	0.022318%	0.296279%	0.189216%
Proportion - June 30, 2021	0.023251%	0.311341%	0.199656%
Change - increase (decrease)	0.000933%	0.015062%	0.010440%

For the year ended June 30, 2021, the District recognized pension expense of \$4,396,386 for both risk pools combined. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources for the Plan from the following sources:

	Miscellaneous Risk Pool		Safety Risk Pool		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 110,112		\$ 2,280,375		\$ 2,390,487	
Differences between actual and expected experience	50,541		1,608,488		1,659,029	
Changes in assumptions		\$ (6,995)		\$ (69,094)		\$ (76,089)
Differences between the employer's contribution and the employer's proportionate share of contributions		(40,660)		(1,543,637)		(1,584,297)
Change in employer's proportion	44,797		1,286,236		1,331,033	
Net differences between projected and actual earnings on plan investments	29,135		450,825		479,960	
Total	\$ 234,585	\$ (47,655)	\$ 5,625,924	\$ (1,612,731)	\$ 5,860,509	\$ (1,660,386)

The amount above reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the risk pools will be recognized as pension expense as follows:

Year Ended June 30	Miscellaneous Risk Pool	Safety Risk Pool	Total
2022	\$ 12,043	\$ 428,769	\$ 440,812
2023	28,016	648,048	676,064
2024	22,785	430,112	452,897
2025	13,974	225,889	239,863
	\$ 76,818	\$ 1,732,818	\$ 1,809,636

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE E – DEFINED BENEFIT PENSION PLAN (Continued)

Actuarial Assumptions: The total pension liabilities at the June 30, 2020 measurement date for each risk pool was determined using the following actuarial assumptions:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry-Age Normal Cost Method
Amortization Method	Level percent of payroll
Asset valuation method	Market value
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Payroll growth	2.750%
Projected salary increases	0.4% to 8.5% Miscellaneous and 0.97% to 17.0% Safety, depending on entry age and service
Investment rate of return	7.15%
Mortality ¹	Derived using CalPERS membership data for all funds

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website. All other actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study Report can be found on CalPERS' website under Forms and Publications.

Discount Rate: The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE E – DEFINED BENEFIT PENSION PLAN (Continued)

The table below reflects the long-term expected real rate of return by asset class for each risk pool. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(1)	Real Return Years 11+(2)
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.00%</u>		

- (1) An expected inflation of 2.00% used for this period.
(2) An expected inflation of 2.92% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District's proportionate share of the net pension liability for each risk pool, calculated using the discount rate for each risk pool, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous Risk Pool	Safety Risk Pool	Total
1% Decrease	6.15%	6.15%	6.15%
Net pension liability	\$ 1,511,761	\$ 32,270,019	\$ 33,781,780
Current discount rate	7.15%	7.15%	7.15%
Net pension liability	\$ 980,747	\$ 20,742,658	\$ 21,723,405
1% increase	8.15%	8.15%	8.15%
Net pension liability	\$ 541,987	\$ 11,283,368	\$ 11,825,355

Pension Plan Fiduciary Net Position: Detailed information about each risk pool's fiduciary net position is available in the separately issued CalPERS financial reports.

B. Payable to the Pension Plan

At June 30, 2021, the District reported payables for the outstanding amount of employer contributions to the Plan of \$51,103.

PARS Section 115 Trust: The District has made contributions to a defined contribution multiple employer Public Agency Retirement Services (PARS) Section 115 pension trust as a rate stabilization strategy. PARS acts as a common investment and administrative agent for participating public agencies. The District did not make any contributions during the year ended June 30, 2021 and assets total \$4,720,362 at June 30, 2021. Assets were invested in the PARS Moderately Conservative Index PLUS investment option. The assets in the trust are restricted for contributions to the District's CalPERS

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE E – DEFINED BENEFIT PENSION PLAN (Continued)

pension plan. The assets are not considered pension plan assets under GASB 68 as the assets are not available for pension benefits until contributed to CalPERS. The assets are not reachable by the District's creditors and are considered restricted for pension benefits. PARS has financial statements available upon request for its pension trust funds, which can be obtained by contacting the District's Finance Department.

NOTE F – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District's defined benefit OPEB plan (the Plan), is an agent multiple-employer defined benefit OPEB plan that provides OPEB benefit for all miscellaneous and public safety employees once they have a minimum of five years of CalPERS credited service with the District and a minimum of ten years of CalPERS credited service, including service at other public agencies. Employees hired prior to March 1, 2012 receive the same benefits as other employees whether or not the District remains in CalPERS. Eligible employees' surviving spouses and dependents are also eligible for benefits. The California Water Code grants the Board of Directors the authority to establish and amend the benefit terms, subject to the Memorandums of Understanding (MOU's) with the employees. The District participates in the CalPERS California Employers' Retiree Benefits Trust Fund (CERBT), which is a Section 115 trust fund administered by CalPERS. The CERBT is included in the CalPERS publicly available financial statements that can be obtained at www.calpers.ca.gov under Forms and Publications.

During the year ended June 30, 2018, the District joined a defined contribution multiple employer Section 115 trust fund for OPEB benefits administered by Public Agency Retirement Services (PARS). PARS acts as a common investment and administrative agent for participating public agencies. The PARS trust provides an alternative investment option for the District's existing OPEB plan assets. PARS has financial statements available upon request for its OPEB trust funds, which can be obtained by contacting the District's Finance Department.

No other publicly available reports are available for the Plan.

Benefits Provided: The Plan provides healthcare benefits for retirees, surviving spouses and their dependents. Benefits are provided through CalPERS, and the full cost of the benefits are covered by the Plan. Effective January 1, 2021, the District covered a maximum of the fourth highest cost plan offered in CalPERS Region 1 for represented employees, and up to \$2,850 for unrepresented employees. Beginning January 1, 2022, the District will cover a maximum of the fifth highest cost plan offered in CalPERS Region 1 for represented employees, and up to \$2,850 per month for unrepresented employees. The Plan provides a cash subsidy for monthly insurance premiums on a graded scale of 50% of insurance premium costs at ten years of service up to 100% of insurance premium costs at twenty years of service. Benefits do not cease at age 65 when the retiree or spouse is eligible for Medicare. Retirees are eligible to continue medical coverage as a participant with active employees at a blended premium rate until eligible for Medicare under CalPERS requirements. Retirees hired before October 1, 2019 are also eligible for a contribution to a health reimbursement arrangement (HRA) of \$150 per month for dental and vision expenses. The HRA contributions are not held in a trust for the benefit of participants and, therefore, are not considered plan assets. Employees hired on or after October 1, 2019 are offered dental and vision insurance benefits in retirement after 10 years of CalPERS credited employment with the District instead of the HRA benefits. The dental and vision insurance offered to retirees is limited to the employee plus one dependent.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE F – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Employees Covered by Benefit Terms: At June 30, 2021 (June 30, 2020 measurement date), the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	37
Active employees	<u>69</u>
Total	<u><u>106</u></u>

Contributions: The Board of Directors has the authority to establish and amend the contribution requirements of the District and employees under powers granted to it under the California Water Code, subject to the District’s Memorandum of Understanding with employee bargaining units.

The Board of Directors has established reimbursement percentages of actual insurance premiums paid by Plan members. No other contribution requirements exist under the Plan. Employees are not required to contribute to the Plan. During the fiscal year ended June 30, 2021, the District’s direct payments of insurance premiums were \$800,073, cash contributions to the trust were \$300,000, implied subsidy benefit payments were \$71,000 and administrative expenses paid outside of trust were \$1,949, resulting in total contributions of \$1,173,022. The District made contributions of \$300,000 to the CERBT.

Net OPEB Liability: The District’s net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020.

Actuarial Assumptions: The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2020
Measurement date	June 30, 2020
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	6.75%
Inflation	2.75%
Salary increases	3.00%
Investment rate of return	6.75%
Dental/vision cap increase	3.00%
Mortality rate	CalPERS 1997-2015 Experience Study
Pre-retirement turnover	CalPERS 1997-2015 Experience Study
Healthcare trend rate non-Medicare	7.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Healthcare trend rate Medicare	Non-Kaiser 6.1% and Kaiser 5.0% for 2022, both decreasing to an ultimate rate of 4.0% in 2076
Participation rate	Tier 1 100%; Tier 2 and 3 depending on vesting

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE F – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Pre-retirement mortality information was derived from data collected during 1997 to 2015 CalPERS 2017 Experience Study and post-retirement mortality information was derived from the 1997 to 2015 CalPERS Experience Study. The Experience Study Reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Changes in Assumptions: The following changes in assumption occurred at the June 30, 2020 measurement date: The medical trend rate for Kaiser Senior Advantage plans decreased; mortality improvement scale was updated to Scale MP-2020; no age-based claims costs for Medicare Advantage plans; and the ACA Excise Tax was removed.

Changes in Benefit Terms: Benefit caps were reduced from the highest HMO to the fifth highest cost plan in the region for the June 30, 2020 measurement date.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for CERBT and PARS investments as of the measurement date are summarized in the following table:

Asset Class	Target Allocation CERBT- Strategy 1	CERBT Expected Real Rate of Return	Target Allocation PARS-Capital Appreciation	PARS Expected Real Rate of Return
Global equity	59.0%	4.82%	73.0%	4.82%
Fixed income	25.0%	1.47%	20.0%	1.47%
TIPS	5.0%	1.29%		
Commodities	3.0%	0.84%		
REITs	8.0%	3.76%	2.0%	3.76%
Cash			5.0%	0.06%
Total	<u>100.0%</u>		<u>100.0%</u>	

Discount Rate: The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that District's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE F – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020	\$ 22,266,890	\$ 9,573,233	\$ 12,693,657
Changes in the year:			
Service cost	860,120		860,120
Interest	1,534,984		1,534,984
Changes in benefit terms	(1,288,437)		(1,288,437)
Differences between expected and actual experience	(580,362)		(580,362)
Changes in assumptions	(753,802)		(753,802)
Contributions - employer		1,079,446	(1,079,446)
Investment income		273,647	(273,647)
Benefit payments	(773,002)	(773,002)	
Administrative expenses		(14,584)	14,584
Net changes	<u>(1,000,499)</u>	<u>565,507</u>	<u>(1,566,006)</u>
Balance at June 30, 2021	<u>\$ 21,266,391</u>	<u>\$ 10,138,740</u>	<u>\$ 11,127,651</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate: The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease	Current	1% Increase
	5.75%	Discount Rate 6.75%	7.75%
Net OPEB liability	\$ 14,076,995	\$ 11,127,651	\$ 8,699,484

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
		Healthcare Cost Trend Rates	
Net OPEB liability	\$ 8,390,126	\$ 11,127,651	\$ 14,506,869

OPEB Plan Fiduciary Net Position: Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CERBT financial report at www.calpers.ca.gov and a PARS financial report available from the District.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE F – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2021, the District recognized OPEB expense of \$1,133,314. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,173,022	
Differences between actual and expected experience	128,931	\$ (515,153)
Changes in assumptions	4,749,365	(669,105)
Net differences between projected and actual earnings on plan investments	278,769	
Total	\$ 6,330,087	\$ (1,184,258)

The deferred outflow for changes in assumptions above mainly results from the effect of including the implied subsidy in the computation of the OPEB liability in 2019. This is due to a difference of opinion between the current and previous actuary about whether the implied subsidy is appropriate to include in the computation of the net OPEB liability for CERBT members.

The amount reported as deferred outflows of resources related to contributions after the measurement date will be recognized as a reduction of the net pension liability in the following fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	
2022	\$ 673,039
2023	714,551
2024	724,465
2025	714,382
2026	636,917
Thereafter	509,453
	\$ 3,972,807

Payable to the OPEB Plan: At June 30, 2021, there was no payable to the OPEB Plan.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE G – FIRE IMPACT FEES

The use of fire impact fees is restricted solely for financing public facilities and equipment necessary to serve new developments. Changes in unspent fire impact fees reported as restricted cash and investments were as follows during the year ended June 30, 2021:

Amount available at June 30, 2020	\$ 10,514,964
Add fees collected and investment income	1,156,004
Less qualifying expenditures and county administration fees	<u>(167,194)</u>
Amount available at June 30, 2021	<u>\$ 11,503,774</u>

NOTE H – COMMITMENTS AND CONTINGENCIES

Operating Leases: The District entered into solar leases at four fire stations during the year ended June 30, 2017 that expire during the year ending June 30, 2031. The leases contain an option to renew the leases for one additional two-year term and allow the District to purchase the assets for fair market value, but not less than a termination value amount specified in the lease, on the fifth and tenth anniversary of the commencement date and at the end of the lease term. Lease expense was \$53,181 in 2021 under the lease agreement, net of earned production credits.

On November 6, 2019, the District entered into a 5-year lease agreement for two units of a building in El Dorado Hills totaling approximately 3,439 square feet from May 22, 2020 to May 21, 2025. The lease contains two 5-year options to renew the lease at prevailing market rates. The facility is expected to be used for training classes until a permanent training facility is constructed and is expected to be funded with development fees. Lease expense was \$58,119 on the facility during 2021. Future payments on these leases at June 30, 2021 were as follows:

Year Ending June 30:	Solar Lease	Training Facility Lease
2022	\$ 70,080	\$ 55,574
2023	71,052	57,225
2024	72,024	58,876
2025	73,032	53,573
2026	74,040	
2027-2031	<u>385,992</u>	
	<u>\$ 746,220</u>	<u>\$ 225,248</u>

As discussed in Note J, April 2021, the Board of Directors approved exercising its option to purchase all leased solar systems described above, which terminated the leases.

Contingencies: The District is a party to claims and lawsuits arising in the normal course of business. The District’s management does not believe that the ultimate liability, if any, arising from these claims will have a material adverse impact on the financial position of the District.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE H – COMMITMENTS AND CONTINGENCIES (Continued)

The District has a number of funding sources under grant and other funding agreements that are subject to compliance audits by the provider. The amount of expenditures, if any, which may be disallowed by the provider cannot be determined although the District expects such amounts, if any, to be immaterial.

The County of El Dorado (the County) collects fire impact fees imposed on behalf of the District and deposits those fees into a separate account within the County's investment pool. The balance of the account in the County's investment pool holding the impact fees is reported as part of the District's cash and investments. The County will only release the fees from the County investment pool when the District incurs qualifying expenditures and provides supporting documentation for expenditures incurred that is acceptable to the County. It is possible that the County could disallow costs incurred by the District as part of the approval process.

COVID-19 Pandemic: The spread of the novel strain of coronavirus (known as "COVID-19") has had significant negative impacts throughout the world, including California. The World Health Organization declared the COVID-19 outbreak to be a pandemic in March 2020, and states of emergency have been declared by the United States, the State of California, and numerous counties throughout the State, including El Dorado County. The District also declared a state of emergency on March 31, 2020. Impacts of the COVID-19 outbreak to the District include, but are not limited to, an increase in the cost of medical supplies, personal protective equipment (PPE) and other equipment, as well as an increase in wages and benefits costs associated with COVID-related employee leave and/or quarantine. Further, an economic downturn affecting the District's service area could have an adverse impact on the future collection of property tax revenues.

Commitments: The District's Board of Directors included the design of a fire training facility as part of its strategic plan and two architectural contracts have been awarded not to exceed limits of \$2 million each for the construction of new facilities and major repairs and remodeling of existing facilities for Department-owned and leased general government buildings and grounds. Design costs are included as part of construction in progress, which is reported in capital assets on the District's balance sheet.

In December 2019, the District approved a 5-year agreement for shared fire services with Rescue Fire Protection District. The District will be reimbursed approximately \$75,000 per year for services and will be reimbursed \$37,770 for the cost of an administrative assistant under the agreement.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE I – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Amounts reported for governmental activities in the governmental funds balance sheet are being adjusted to arrive at the statement of net position. The adjustments are as follows at June 30, 2021:

Fund balances - Total Governmental Funds	\$ 39,927,710
Deferred outflows of resources on pensions and OPEB are not reported in the governmental funds.	12,190,596
Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds.	20,166,870
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.	
Compensated absences	(1,691,543)
HRA liability	(608,749)
Net pension liability	(21,723,405)
Net OPEB Liability	(11,127,651)
Revenues that are deferred in the governmental funds because they are not current financial resources are recognized in the government-wide statements.	216,641
Deferred inflows of resources on pensions and OPEB are not reported in the governmental funds.	<u>(2,844,644)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 34,505,825</u></u>

Amounts reported for governmental activities in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances are adjusted to arrive at the Statement of Activities for Government-wide presentation. The adjustments for the fiscal year ended June 30, 2021 are as follows:

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

NOTES TO BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2021

NOTE I – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
(CONTINUED)

Net change in fund balance - Governmental Funds \$ 4,484,210

The change in net position for governmental activities in the statement of activities is different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Capital outlay	448,259
Depreciation	(1,066,471)

Changes in deferred inflows and outflows related to the pension and OPEB plans do not result in the receipt or use of current financial resources and are not reported in the governmental funds.

Change in deferred outflows of resources	(25,974)
Change in deferred inflows of resources	(1,171,866)

Governmental funds do not present revenues that are not available to pay current expenditures. Such revenues are recognized in the Statement of Activities. 216,641

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences liability	(29,277)
Change in health reimbursement arrangement liability	(32,583)
Change in net pension liability	(2,334,358)
Change in net OPEB liability	1,566,006

NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 2,054,587

NOTE J – SUBSEQUENT EVENT

In April 2021, the District's Board of Directors approved exercising its option to purchase solar systems leased at stations 84, 85, 86 and 87. In August and September 2021, the District's purchased the solar equipment for a total of \$351,204.

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REQUIRED SUPPLEMENTARY INFORMATION

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND

For the Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes and assessments	\$ 20,128,574	\$ 20,107,241	\$ 20,399,159	\$ 291,918
Reimbursements from other agencies	1,582,000	2,867,802	2,827,353	(40,449)
Fire impact fees	1,400,000	1,257,013	1,146,558	(110,455)
Use of money and property	300,000	91,501	430,157	338,656
Federal capital grants	66,764	66,764	225,566	158,802
Federal operating grants	175,896	203,181	44,379	(158,802)
Other revenues	349,180	409,088	500,681	91,593
TOTAL REVENUES	<u>24,002,414</u>	<u>25,002,590</u>	<u>25,573,853</u>	<u>571,263</u>
EXPENDITURES				
Current				
Public protection				
Salaries and wages	8,377,612	8,293,641	10,041,529	(1,747,888)
Overtime	2,353,249	3,038,549	3,224,188	(185,639)
Retirement	4,074,979	3,137,941	1,485,269	1,652,672
Health insurance	1,798,141	1,712,921	1,712,822	99
Retiree health insurance	1,075,695	1,920,066	1,102,022	818,044
Other insurance	687,404	652,133	652,133	
Professional services	403,062	432,819	393,252	39,567
Employment taxes and benefits	421,468	389,156	392,118	(2,962)
Maintenance				
Equipment	279,640	294,840	287,981	6,859
Structures	171,867	142,025	158,419	(16,394)
Information technology	409,114	342,485	250,364	92,121
Communications	156,012	171,969	164,806	7,163
Special department expenditures	225,121	169,964	143,363	26,601
Clothing and personal supplies	172,425	120,086	74,471	45,615
Transportation and travel	134,000	112,215	115,175	(2,960)
Rents and leases	124,407	106,829	111,300	(4,471)
Other expenditures	351,491	334,113	344,737	(10,624)
Capital outlay	2,000,805	348,278	448,259	(99,981)
TOTAL EXPENDITURES	<u>23,216,492</u>	<u>21,720,030</u>	<u>21,102,208</u>	<u>617,822</u>
EXCESS OF REVENUES OVER EXPENDITURES	785,922	3,282,560	4,471,645	1,189,085
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets		12,565	12,565	
TOTAL OTHER FINANCING SOURCES (USES)		<u>12,565</u>	<u>12,565</u>	
NET CHANGE IN FUND BALANCE	<u>\$ 785,922</u>	<u>\$ 3,295,125</u>	4,484,210	<u>\$ 1,189,085</u>
Fund balance at beginning of year			<u>35,443,500</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 39,927,710</u>	

The accompanying notes are an integral part of these financial statements.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2021

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (UNAUDITED)
Last 10 Years**

	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.199656%	0.189216%	0.178197%	0.172267%	0.168837%	0.176436%	0.166733%
Proportionate share of the net pension liability	\$ 21,723,405	\$ 19,389,047	\$ 17,171,498	\$ 17,084,133	\$ 14,609,638	\$ 12,110,427	\$ 10,374,901
Covered payroll - measurement period	\$ 9,330,278	\$ 8,240,341	\$ 7,786,603	\$ 7,684,157	\$ 7,132,639	\$ 6,686,466	\$ 6,342,947
Proportionate share of the net pension liability as a percentage of covered payroll	232.83%	235.29%	220.53%	222.33%	204.83%	181.12%	163.57%
Plan fiduciary net position as a percentage of the total pension liability	75.56%	76.64%	77.96%	76.22%	74.06%	78.40%	79.82%

Changes in assumptions: The discount rate changed from 7.50% in 2015, to 7.65% in 2016 and 2017, and 7.15% in the 2018 and 2019 valuations.

**SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN (UNAUDITED)
Last 10 Years**

	2021	2020	2019	2018	2017	2016	2015
Contactually required contribution (actuarially determined)	\$ 2,390,487	\$ 2,145,247	\$ 1,898,684	\$ 1,615,849	\$ 1,609,245	\$ 1,506,948	\$ 1,535,189
Contributions in relation to the actuarially determined contributions	(2,390,487)	(2,145,247)	(1,898,684)	(1,615,849)	(1,609,245)	(2,706,948)	(1,535,189)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,200,000)	\$ -
Covered payroll - employer's fiscal year	\$ 9,303,656	\$ 9,330,278	\$ 8,240,341	\$ 7,786,603	\$ 7,684,157	\$ 7,132,639	\$ 6,686,466
Contributions as a percentage of covered payroll	25.69%	22.99%	23.04%	20.75%	20.94%	37.95%	22.96%

Notes to schedule:

Contribution valuation date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
Reporting valuation date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Reporting measurement date:	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Change in benefit terms: There were no changes to benefit terms.

Methods and assumptions used to determine contribution rates:

Actuarial method				Entry age normal cost method			
Amortized method				Level percentage of payroll, closed			
Remaining amortization period				Varies by rate plan, but not more than 30 years			
Asset valuation method				Market value			
Inflation	2.500%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary increases				Varies by entry age and service			
Investment rate of return and discount rate used to compute contribution rates	7.00%	7.25%	7.375%	7.50%	7.50%	7.50%	7.50%
Retirement age	50-67 years. Probabilities of retirement are based on the the most recent CalPERS Experience Study.						
Mortality	Most recent CalPERS Experience Study						

Omitted Years: GASB Statement No. 68 was Implemented During the Year Ended June 30, 2015. No information was Available Prior to this Date. Future years will be reported prospectively as they become available.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

For the Year Ended June 30, 2021

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 860,120	\$ 835,068	\$ 365,211	\$ 355,436
Interest	1,534,984	1,429,582	899,012	841,728
Changes in benefit terms	(1,288,437)			
Differences between expected and actual experience	(580,362)		191,319	
Changes in assumptions	(753,802)		7,047,446	
Benefit payments	(773,002)	(683,394)	(590,325)	(552,110)
Net change in total OPEB liability	(1,000,499)	1,581,256	7,912,663	645,054
Total OPEB liability - beginning	22,266,890	20,685,634	12,772,971	12,127,917
Total OPEB liability - ending (a)	<u>\$ 21,266,391</u>	<u>\$ 22,266,890</u>	<u>\$ 20,685,634</u>	<u>\$ 12,772,971</u>
Plan fiduciary net position				
Contributions - employer	\$ 1,079,446	\$ 1,584,856	\$ 1,890,325	\$ 852,110
Investment income	273,647	529,216	553,479	597,001
Benefit payments	(773,002)	(683,394)	(590,325)	(552,110)
Administrative expenses	(14,584)	(5,760)	(13,212)	(5,054)
Net change in plan fiduciary net position	565,507	1,424,918	1,840,267	891,947
Plan fiduciary net position - beginning	9,573,233	8,148,315	6,308,048	5,416,101
Plan fiduciary net position - ending (b)	<u>\$ 10,138,740</u>	<u>\$ 9,573,233</u>	<u>\$ 8,148,315</u>	<u>\$ 6,308,048</u>
Net OPEB liability - ending (a)-(b)	<u>\$ 11,127,651</u>	<u>\$ 12,693,657</u>	<u>\$ 12,537,319</u>	<u>\$ 6,464,923</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>47.67%</u>	<u>42.99%</u>	<u>39.39%</u>	<u>49.39%</u>
Covered-employee payroll - measurement period	<u>\$ 9,958,091</u>	<u>\$ 9,694,044</u>	<u>\$ 7,786,603</u>	<u>\$ 7,684,157</u>
Net OPEB liability as percentage of covered-employee payroll	<u>111.74%</u>	<u>130.94%</u>	<u>161.01%</u>	<u>84.13%</u>

Notes to schedule:

Valuation date	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2017
Measurement period - fiscal year ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2018
Benefit changes:	See below	None	None	None

Changes in assumptions: Investment rate of return was changed from 7% to 6.75%; demographic assumptions were updated to the CalPERS 2017 Experience Study; mortality improvement scale was updated to Scale MP-2018; active spouse and family participation was updated; implied subsidy was included; medical trend was updated to Getzen model; ACA Excise Tax estimate by 2% load was included on cash benefits; dental benefits were included; and payroll growth was changed from 2.75% to 3% at the June 30 2018 measurement date. Medical trend rate for Kaiser Senior Advantage plans decreased; mortality improvement scale was updated to Scale MP-2020; no age-based claims costs for Medicare Advantage plans; and ACA Excise Tax was removed at the June 30, 2020 measurement date.

Changes in benefit terms: Benefit caps reduced from highest HMO to 5th highest cost plan in region at the June 30, 2020 measurement date.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

EL DORADO HILLS COUNTY WATER DISTRICT
(DBA EL DORADO HILLS FIRE DEPARTMENT)
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN
LAST TEN FISCAL YEARS

For the Year Ended June 30, 2021

	2021	2020	2019	2018
Contractually determined contribution - employer fiscal year	\$ 871,073	\$ 773,002	\$ 683,394	\$ 890,325
Contributions in relation to the contractually determined contributions	<u>(1,173,022)</u>	<u>(1,079,446)</u>	<u>(1,584,856)</u>	<u>(1,890,325)</u>
Contribution deficiency (excess)	<u>\$ (301,949)</u>	<u>\$ (306,444)</u>	<u>\$ (901,462)</u>	<u>\$ (1,000,000)</u>
Covered-employee payroll - employer fiscal year	\$ 11,238,742	\$ 9,958,091	\$ 9,694,044	\$ 7,786,603
Contributions as a percentage of covered-employee payroll	10.44%	10.84%	16.35%	24.28%

Notes to Schedule:

Valuation date	June 30, 2020	June 30, 2018	June 30, 2018	June 30, 2017
Measurement period - fiscal year ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2018

Methods and assumptions used to determine contribution rates:

Investment rate of return	6.75%	6.75%	6.75%	7.00%
Payroll growth	3.00%	3.00%	3.00%	2.75%
Inflation	2.75%	2.75%	2.75%	2.75%
Healthcare trend initial, non-Medicare	7.00%	7.50%	7.50%	4.00%
Healthcare trend initial, Medicare (Non-Kaiser)	6.10%	6.50%	6.50%	4.00%
Healthcare trend initial, Medicare (Kaiser)	5.00%	6.50%	6.50%	4.00%
Healthcare trending down to	4.00%	4.00%	4.00%	4.00%
Actuarial cost method	Entry Age Normal Cost Method			
Amortization period (average expected remaining service life in years)	8.9	9.2	9.2	4.0
Asset valuation method	Market value			
Mortality	Most recent CalPERS experience study			

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

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COMPLIANCE REPORT



550 Howe Avenue, Suite 210
Sacramento, California 95825
Telephone: (916) 564-8727
FAX: (916) 564-8728

REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Directors
El Dorado Hills County Water District
(dba El Dorado Hills Fire Department)
El Dorado Hills, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the El Dorado Hills Fire Department (dba El Dorado Hills Fire Department) (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 16, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Richardson & Company, LLP

November 16, 2021



EL DORADO HILLS FIRE DEPARTMENT

"Serving the Communities of El Dorado Hills, Rescue and Latrobe"

DATE: December 16, 2021
TO: Board of Directors
AGENDA ITEM: XII-B
SUBJECT: Budget Excess Transfer to PARS

SUMMARY

Staff seeks Board approval to transfer the excess of fund revenues over fund expenditures (after fund transfers) for fiscal years 2020/21 and 2019/20 to the District Pension and OPEB Section 115 Trust accounts.

BACKGROUND

The District's Reserve Policy states that to the extent there is an excess of total revenues over total expenditures (including Pension contributions) in any fiscal year, the Board will make the actuarially determined contribution to pay down the OPEB unfunded liability. Further, the policy states that the Board shall maintain a restricted Pension Reserve Fund that will be funded utilizing excess Operating funds in the Board approved Final Budget each year.

DISCUSSION

Below is the calculation of the excess of total revenues over total expenditures for fiscal year 2020/21, after other fund transfers for the fiscal year are complete:

	2020/21	
Excess of Fund Revenue over Expenditures	\$ 4,484,210	Per Audited Financial Statements
Less: Transfers to Development Fee Fund	\$ (1,144,426)	Development Fee Revenue + Earned Interest
Plus: Transfers from Development Fee Fund	\$ 155,617	Qualifying Development Fee Expenditures
Less: Transfers to Pension Reserve Fund	\$ (439,783)	Unrealized Gain on PARS Section 115 Trust Account
		Net Decrease in Capital Replacement Fund for current year capital purchases
Plus: Transfers from Capital Replacement Fund	\$ 72,414	
Less: Transfers to Capital Replacement Fund	\$ (900,000)	Amount based on Capital Replacement Schedule
Excess of Fund Revenue over Expenditures after Fund Transfers	\$ 2,228,032	
Recommended Transfer to Pension Section 115 Trust	\$ (1,250,000)	Budgeted Transfer Amount
Recommended Transfer to OPEB Section 115 Trust	\$ (575,517)	Up to Actuarial Recommended Contribution
Remaining Excess of Fund Revenue over Expenditures after Fund Transfers	\$ 402,515	

There was a budgeted transfer to the Pension Section 115 Trust account of \$1,250,000 in the Board-approved 2020/21 Mid-Year Budget, which utilized budgeted excess Operating funds. The actuarially recommended net OPEB Trust contribution for 2021/22, net of a budgeted transfer of \$300,000 to CERBT, is \$575,517 (see Appendix A).

For fiscal year 2019/20, while a transfer was made to the Pension Section 115 Trust account of \$2,000,000, the policy-required contribution toward the OPEB unfunded liability has not yet been made. Below is the calculation of the excess of total revenues over total expenditures for fiscal year 2019/20, after other fund transfers for the fiscal year are complete:

	2019/20	
Excess of Fund Revenue over Expenditures	\$ 4,160,020	Per Audited Financial Statements
Less: Transfers to Development Fee Fund	\$ (1,504,149)	Development Fee Revenue + Earned Interest
Plus: Transfers from Development Fee Fund	\$ 572,510	Qualifying Development Fee Expenditures
Less: Transfers to Pension Reserve Fund	\$ (2,170,119)	Unrealized Gain on PARS Section 115 Trust Account + Lump Sum Transfers
Plus: Transfers from Capital Replacement Fund	\$ 187,772	Net Decrease in Capital Replacement Fund for current year capital purchases
Less: Transfers to Capital Replacement Fund	\$ (800,000)	Amount based on Capital Replacement Schedule
Excess of Fund Revenue over Expenditures after Fund Transfers	\$ 446,034	
Recommended Transfer to Pension Section 115 Trust	\$ -	Transfer already made above
Recommended Transfer to OPEB Section 115 Trust	\$ (446,034)	Up to Actuarial Recommended Contribution
Remaining Excess of Fund Revenue over Expenditures after Fund Transfers	\$ 0	

The actuarially recommended net OPEB Trust contribution for 2020/21, net of a transfer of \$300,000 to CERBT, is \$767,974 (see Appendix B).

FISCAL IMPACT


The recommended transfers to the Pension and OPEB Section 115 Trust accounts will decrease the District's Unassigned General Fund Balance by \$2,271,551. The remaining balance in the Unassigned General Fund, however, will still be well above the minimum required by the District's Reserve Policy (a minimum of six (6) months of Operating Expenses based on the prior fiscal year adopted Final Budget). The balance in the Unassigned General Fund as of June 30, 2021 was \$18,209,519 per the audited financial statements.

RECOMMENDATION

Staff recommends the Board approve the following transfers to the Pension and OPEB Section 115 Trust accounts:

Pension:	\$1,250,000
OPEB (2020/21):	\$ 575,517
OPEB (2019/20):	\$ 446,034
Grand Total:	\$2,271,551

Submitted by:



Jessica Braddock
Director of Finance

Approved by:



Maurice Johnson
Fire Chief

**El Dorado Hills Fire Department, Retiree Healthcare Plan
June 30, 2020 Actuarial Valuation
Page 3**

Recommended Contribution: Neither best practices or GASBS 75 require the Department to make up any shortfall (unfunded liability) immediately or take an immediate credit for any excess assets (surplus). Instead, the unfunded liability or surplus is typically amortized over time. The recommended contribution below is simply the year’s employer Normal Cost plus an amortization of the unfunded liability. In other words, the recommended contribution is the value of benefits earned during the year plus an amount to keep the plan on track for funding.

For this valuation, we calculated the 2021/22 and 2022/23 recommended contributions as the Normal Cost plus a 17-year² closed period amortization (as a level percent of pay amount) of the Unfunded AAL

Contributions to the trust are not actually required, but the difference between the recommended contribution and amounts contributed will increase the unfunded liability and UAAL amortization for the following year. 2022/23 contribution is calculated based on the assumption the City will pay 2021/22 recommended contributions Employer contributions are the total amounts paid to the CERBT and PARS trusts plus benefits or premiums, including Implied Subsidy, paid directly to or on behalf of retirees by the Department. The recommended contributions take into account a \$300,000 contribution to the CERBT Trust during 2020/21.

	<u>Recommended Contributions</u>	
	6.75%	
	<u>2021/22</u>	<u>2022/23</u>
■ Discount rate		
■ Fiscal year		
■ Normal cost + administrative expenses	\$ 951,112	\$ 980,810
■ UAAL amortization	<u>821,715</u>	<u>846,367</u>
■ Recommended contribution	1,772,828	1,827,177
■ Minus: Implied subsidy benefit payments	82,357	93,158
■ Minus: Estimated cash benefit payments	<u>814,954</u>	<u>840,058</u>
■ Estimated net Trust contribution	875,517	893,961
	less \$300,000 transfer to CERBT	

Projected Benefit Payments: Following is a 10-year projection of benefit payments:

<u>Year</u>	<u>Cash Benefit Payments</u>	<u>Implied Subsidy Benefit Payments</u>	<u>Total Benefit Payments</u>
2021/22	\$ 814,954	\$ 82,357	\$ 897,311
2022/23	840,058	93,158	933,216
2023/24	868,470	77,072	945,542
2024/25	956,098	90,619	1,046,717
2025/26	1,023,781	95,714	1,119,495
2026/27	1,142,361	127,740	1,270,101
2027/28	1,215,751	106,987	1,322,738
2028/29	1,388,245	153,087	1,541,332
2029/30	1,540,797	181,538	1,722,335
2030/31	1,716,317	231,550	1,947,867

² 20-year amortization period began in 2018/19.

**El Dorado Hills Fire Department, Retiree Healthcare Plan
June 30, 2018 Actuarial Valuation
Page 3**

Contributions to the trust are not actually required, but the difference between the recommended contribution and amounts contributed will increase the unfunded liability and UAAL amortization for the following year. Employer contributions are the total amounts paid to CERBT and PARS plus benefits or premiums, including Implied Subsidy, paid directly to or on behalf of retirees by the Department.

	<u>Recommended Contributions</u>		
■ Discount Rate		6.75%	
■ Fiscal year	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
■ Normal cost + administrative expenses	\$ 898,582	\$ 926,474	\$ 955,374
■ UAAL amortization	<u>920,216</u>	<u>947,822</u>	<u>976,257</u>
■ Recommended contribution	1,818,797	1,874,296	1,931,631
■ Estimated benefit payments	<u>729,305</u>	<u>806,399</u>	<u>863,657</u>
■ Estimated net Trust contribution	1,089,492	1,067,897	1,067,974
			less \$300,000 transfer to CERBT

Projected Benefit Payments: Following is a 10-year projection of benefit payments:

<u>Year</u>	<u>Cash Benefit Payments</u>	<u>Implied Subsidy Benefit Payments</u>	<u>Total Benefit Payments</u>
2018/19	\$ 663,019	\$ 66,286	\$ 729,305
2019/20	744,683	61,716	806,399
2020/21	788,245	75,412	863,657
2021/22	854,989	83,276	938,265
2022/23	916,340	90,499	1,006,839
2023/24	958,112	72,281	1,030,393
2024/25	1,057,848	83,187	1,141,035
2025/26	1,149,713	87,421	1,237,134
2026/27	1,294,808	115,718	1,410,526
2027/28	1,382,068	109,983	1,492,051



Maurice Johnson
Fire Chief

El Dorado Hills Fire Department

1050 Wilson Blvd. • El Dorado Hills, CA 95762 • Phone (916) 933-6623 • Fax (916) 933-5983

DATE: December 16, 2021

TO: Board of Directors

SUBJECT: California Health and Safety Code Sections 13146.2 - 13146.4 Compliance Report and Resolution

TOPIC

Staff recommends that the Board receive and adopt a resolution showing that for Calendar Year 2021 (CY 2021) the El Dorado Hills Fire Department (EDHFD) complies with California Health and Safety Code (HSC) Sections (§)13146.2, 13146.3 and 13146.4. These code sections require the Fire Chief, or their authorized designee, to inspect every building used as a public or private within his jurisdiction, for the purpose of enforcing specified building standards, not less than once per year. This code section also requires the Fire Chief, or their designee, to demonstrate that all hotels, motels, lodging houses apartment houses and certain residential care facilities have been inspected annually for compliance with specified building standards. All buildings located within the jurisdiction of EDHFD that meet either definition have been inspected in CY 2021 by the Fire Chief or their designee.

DISCUSSION

During CY 2021 EDHFD conducted fire and life safety inspections of all known public or private schools within our jurisdiction. Twenty-nine (29) schools were inspected by staff members of EDHFD. At the conclusion of these inspections all school buildings were found to be in compliance with the relevant building standards of the State.

During CY 2021 EDHFD conducted fire and life safety inspections of all hotels, motels, lodging house's apartment house's 2021 and certain residential care facilities within our jurisdiction. Seven (7) such facilities were inspected by staff members of EDHFD. At the conclusion of these inspections all such buildings were found to be in compliance with the relevant building standards of the State.

The list of sites inspected by EDHFD as part of this program can be found within Attachment # A to the board resolution.

POLICY COMPLIANCE

California Health and Safety Code §13146.4.

"Serving the Communities of El Dorado Hills, Rescue and Latrobe"

- (a) Every city or county fire department, city and county fire department, or district required to perform an annual inspection pursuant to Sections 13146.2 and 13146.3 shall report annually to its administering authority on its compliance with Sections 13146.2 and 13146.3.
- (b) The report made pursuant to subdivision (a) shall occur when the administering authority discusses its annual budget, or at another time determined by the administering authority.
- (c) The administering authority shall acknowledge receipt of the report made pursuant to subdivision (a) in a resolution or a similar formal document.

CONCLUSION

The district meets all requirements of HSC §13146.2 and §13146.3 in CY 2021. Staff recommends the approval of the attached resolution demonstrating compliance with HSC §13146.4 of all required building by the El Dorado Hills Fire Department this year.

FISCAL IMPACT

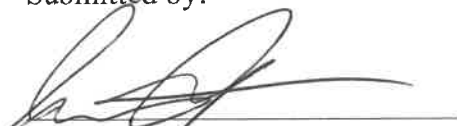
HSC §13146.4 requires the administering authority to acknowledge receipt of the report in a resolution or a similar formal document. To the extent this code section does expand the responsibility of a local agency, the section does create a state-mandated local program. The California Constitution requires the state to reimburse local agencies for certain costs mandated by the State. Statutory provisions establish procedures for making that reimbursement.

There is no current cost recovery for these building inspections as part of the EDHFD Fee Schedule.

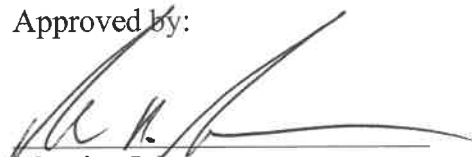
RECOMMENDATION

Staff respectfully recommends the Board approve to receive and adopt a resolution showing compliance with California Health and Safety Code Section 13146.4 in CY 2021.

Submitted by:


Bryce DeWitt
Fire Inspector, CRR

Approved by:


Maurice Johnson
Fire Chief

EL DORADO HILLS FIRE DEPARTMENT

RESOLUTION NO. 2021-19

A RESOLUTION OF THE EL DORADO HILLS COUNTY WATER DISTRICT BOARD OF DIRECTORS ACKNOWLEDGING THE EL DORADO HILLS FIRE DEPARTMENT'S COMPLIANCE WITH SECTIONS 13146.2 AND 13146.3 OF THE CALIFORNIA HEALTH AND SAFETY CODE

WHEREAS, California Health and Safety Code Section 13146.4 requires all fire departments that provide fire protection services to report annually to its administering authority on its compliance with Sections 13462.2 and 13146.3; and

WHEREAS, California Health and Safety Code Sections 13146.2 and 13146.3 require all fire departments that provide fire protection services to perform annual inspections in every building used as a public or private school, hotel, motel, lodging house, apartment house and certain residential care facilities for compliance with specified building standards; and

WHEREAS, the El Dorado Hills Fire Department has conducted 29 of 29 Group E(school) and 7 of 7 Group R (hotel, motel, lodging house, etc.) fire and life safety inspections for the reporting period of Calendar Year 2021; and

WHEREAS, the El Dorado Hills County Water District Board of Directors intends this Resolution to fulfill the requirements of the California Health and Safety Code regarding acknowledgment of the El Dorado Hills Fire Department's compliance with California Health and Safety Code Sections 13146.2 and 13146.3.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the El Dorado Hills County Water District acknowledging compliance by the El Dorado Hills Fire Department with California Health and Safety Code Sections 13146.2 and 13146.3 in the area encompassed by the El Dorado Hills Fire Department as shown on Exhibits A and B.

The foregoing resolution was passed and adopted by the Board of Directors of the El Dorado Hills Fire Department at a meeting of said Board held on 16th day of December 2021 by the following vote:

AYES:
NOES:
ABSENT:

ATTEST:

Jessica Braddock, Board Secretary

Tim White, President

Exhibit A

El Dorado Hills Fire Department Calendar Year 2021 Completed State Regulated Inspections
GROUP E OCCUPANCIES (PUBLIC OR PRIVATE SCHOOL)

Bergamo Montessori School

4521 Serrano Parkway
El Dorado Hills, CA 95762

Jackson Elementary School

2561 Francisco Drive
El Dorado Hills, CA 95762

Busy Bees Preschool

1261 Hawk's Flight Court
El Dorado Hills, CA 95762

John Adams Academy

1102 Investment Boulevard
El Dorado Hills, CA 95762

Froggie Frontier Preschool

1001 Olson Lane
El Dorado Hills, CA 95762

Kindercare

2220 Francisco Drive
El Dorado Hills, CA 95762

Golden Hills School

1060 Suncast Lane
El Dorado Hills, CA 95762

Kindercare

3959 Park Drive
El Dorado Hills, CA 95762

Holy Trinity School

3115 Tierra De Dios Drive
El Dorado Hills, CA 95762

Lake Forest Elementary School

2240 Salsbury Drive
El Dorado Hills, CA 95762

It's Kid's Time

4363 Town Center Boulevard
El Dorado Hills, CA 95762

Lakeview Elementary School

3371 Brittany Way
El Dorado Hills, CA 95762

Latrobe Elementary School

7680 South Shingle Road
El Dorado Hills, CA 95762

Madrone Montessori

5001 Windplay Dr.
El Dorado Hills, CA 95762

Marble Valley Academy

5005 Hillsdale Circle
El Dorado Hills, CA 95762

Marina Village Middle School

1901 Francisco Drive
El Dorado Hills, CA 95762

Miller's Hill School

7900 South Shingle Road
El Dorado Hills, CA 95762

Montessori Manor

2222 Francisco Drive
El Dorado Hills, CA 95762

Oak Meadow School

7701 Silva Valley Parkway
El Dorado Hills, CA 95762

Oak Ridge High School

1120 Harvard Way
El Dorado Hills, CA 95762

Opportunity Acres

7315 South Shingle Road
El Dorado Hills, CA 95762

Point Quest Education

4900 Windplay Drive
El Dorado Hills, CA 95762

Praiseland Academy

5003 Windplay Drive
El Dorado Hills, CA 95762

Rising Sun Montessori School

4940 Robert J Matthews Parkway
El Dorado Hills, CA 95762

Rolling Hills Middle School

7141 Silva Valley Parkway
El Dorado Hills, CA 95762

Silva Valley Elementary School

3001 Golden Eagle Lane
El Dorado Hills, CA 95762

The Gift of Kids Daycare and Preschool

5130 Golden Foothill Parkway

El Dorado Hills, CA 95762

Valley View Charter Montessori

1665 Blackstone Parkway

El Dorado Hills, CA 95762

William Brooks Elementary School

3610 Park Drive

El Dorado Hills, CA 9576

Exhibit B

El Dorado Hills Fire Department, Calendar Year 2021 Completed State Regulated Inspections
GROUP R OCCUPANCIES

(HOTELS, APARTMENTS, AND CERTAIN RESIDENTIAL CARE FACILITIES)

Copper Hill Apartments

3440 El Dorado Hills Boulevard
El Dorado Hills, CA 95762

Holiday Inn

4360 Town Center Boulevard
El Dorado Hills, CA 95762

El Dorado Estates Gracious Retirement

4240 Town Center Boulevard
El Dorado Hills, CA 95762

Lake Forest Apartments

3025 Vantage Center Drive
El Dorado Hills, CA 95762

El Dorado Village Apartments

1026 Olson Lane
El Dorado Hills, CA 95762

Lessara Luxury Apartments

2230 Valley View Parkway
El Dorado Hills, CA 95762

Vineyards Apartments

2100 Valley View Parkway
El Dorado Hills, CA 95762



EL DORADO HILLS

FIRE DEPARTMENT

"Serving the Communities of El Dorado Hills, Rescue and Latrobe"

DATE: December 16, 2021
TO: Board of Directors
AGENDA ITEM: **XIII-B**
SUBJECT: Request for Proposal for IT Managed Services

TOPIC

Staff seeks Board approval to release a RFP to accept proposals from qualified information technology firms specializing in comprehensive managed IT services.

SUMMARY

Staff has identified the need to seek proposals from qualified information technology firms specializing in comprehensive managed IT services. The Department has not taken this service out for RFP in more than four (4) years to ensure we are getting the highest quality service for the best cost possible. The Department desires high quality managed IT services, high level of internal customer service, efficient IT project management, and stable operational reliability.

DISCUSSION

IT management in the Department has evolved over the last decade. We have transitioned between several different IT managed service providers.

The Department's reliance on technology is increasing every year to meet the Administrative and Operational objectives of providing high level service to the community. Emergency calls rely on the use of technology for receiving the call, responding to the call, mapping, and documenting emergency scene activities.

The Department seeks to maintain the core of its current IT infrastructure, but recognizes that enhancements that will promote resiliency and ensure a maximum return on its technology-related investments are needed. A reliable and experienced managed IT service provider is critical to providing the technical expertise to ensure that the public tax dollars are spent on only the best IT infrastructure improvements.

Timeline

Release Request for Proposal	December 17, 2021
Site Visits by Proposer	December 27, 2021, & January 4, 2022
Deadline for Proposer Questions	January 13, 2022, at 5:00 PM PDT
Proposals Due	February 1, 2022, at 5:00 PM PDT
Estimated Service Start Date	April 2022 (target date)

FISCAL IMPACT

Currently, the Department spends approximately \$120,000 annually on our current managed IT service provider. In addition to the annual service contract cost, the Department has to pay separately for any special IT projects.

In the next few years, the Department expects to make significant investments into a new phone system, new alerting system, IT security enhancements, and implementation of ImageTrend and Community Risk Reduction software programs.

RECOMMENDATION

Staff recommends the Board approve release of the "Request for Proposal for IT Managed Services."

Submitted by:



Michael Lilienthal
Deputy Chief

Approved by:



Maurice Johnson
Fire Chief

EL DORADO HILLS FIRE DEPARTMENT

Request for Proposal

December 16, 2021

SECTION 1 – INTRODUCTION

The El Dorado Hills Fire Department ("Department") is accepting proposals from qualified information technology firms ("Proposer's") specializing in comprehensive managed IT services. Ideally, the Department prefers firms with some familiarity managing a fire department environment. However, the Department will entertain a company or companies that can supply specific needs in the requested IT areas. Such providers should be able to provide responsive and high-quality services that are specific to the criteria listed or have the ability to show strengths in all criteria.

The Department seeks to maintain the current infrastructure but is open to recommended enhancements that will promote resiliency and ensure a maximum return on its technology-related investments.

The Department is an independent California special district that provides fire and emergency medical services to a portion of the West end of the unincorporated area of El Dorado County. The Department operates under a Shared Services Agreement with the Rescue Fire Protection District. The Department currently operates six (6) fire stations (including Rescue). The Department encompasses approximately 100 square miles and serves an estimated population of 50,000 people. The Department provides fire suppression, emergency medical, paramedic ambulance transport, technical and heavy rescue, fire prevention/community risk reduction, and public education services to a predominately suburban community that still retains large areas that are rural in nature.

The Department is currently utilizing a private company to provide IT services. In-house personnel supports the private company as shown below:

- A full-time Deputy Chief of Administration who oversees the entire IT infrastructure;
- A full-time Administrative Assistant II who is the point of contact for overall coordination and communication with all out-sourced IT, handles the management of the Department's website and Sharepoint Intranet, manages and programs the Voice Over IP phone system;
- One Firefighter on a shift schedule who handles Department mobile technology using iPhone/iPads;
- Three Firefighters on shift schedule who handle the management of Firehouse Program and Telestaff Software;
- One full-time Firefighter who handles the management of the Mobile Data Computers and Com Tech fire station alerting system.

SECTION 2 – PROPOSAL SUBMISSION

Release Request for Proposal	December 17, 2021
Site Visits by Proposer	December 27, 2021, and/or January 4, 2022
Deadline for Proposer Questions	January 13, 2022, at 5:00 PM PDT

Proposals Due

February 1, 2022, at 5:00 PM PDT

Estimated Service Start Date

April 2022 (target date)

The Department will endeavor to administer the process in accordance with the terms and dates outlined; however, the Department reserves the right to modify the activities, timeline, or any other aspect of the process at any time, as deemed necessary.

Note: *Current and past providers of managed IT services to the Department are eligible to and may submit proposals responsive to this request.*

RFP and Attachments

This Request for Proposal (“RFP”) in its entirety is available on the Department’s website at www.edhfire.com. It is the Proposer’s responsibility to check back on the website for any addenda that may be issued prior to the proposal due date.

Inquires

All inquiries related to this RFP are to be directed, in writing, to Deputy Chief Lilienthal, at mlilienthal@edhfire.com. **All inquiries must be received by 5:00 PM, PDT, Thursday, January 13, 2022.** Inquiries will be answered via e-mail. Information obtained from any other source is not official and should not be relied upon by Proposer’s.

Submission

Submit your response via email, and also mail one signed original to the mailing address below. If discrepancies exist between the email and U.S mailed copies, the email copy shall be used as the basis for resolving any discrepancies. All proposals, whether accepted or rejected, shall become the property of the Department upon submission.

Proposals must be received no later than 5:00 PM Pacific Daylight Time, on February 1, 2022. Proposals received after this time and date will not be considered.

Mail your proposals to:

El Dorado Hills Fire Department - IT Managed Services
c/o Deputy Chief Michael Lilienthal
1050 Wilson Boulevard
El Dorado Hills, CA 95762

Email your proposal to the following email address:

mlilienthal@edhfire.com
cwilson@edhfire.com

SECTION 3 – SCOPE OF SERVICES

Services to be Provided

Note: proposals should include a plan for how to provide the following services listed below. A solution for meeting the service needs listed below should be included if you are unable to directly provide any of the services listed.

1. Fully managed IT network solution 24/7/365 – management of the entire network system, including technical support for up to 80 end users. Fire Department employees work an alternating firefighter shift schedule and require technical support access 24/7/365
2. Management of approximately fifty (50) PC/Laptops
3. Network Management of multiple printers
4. Management of Department's 22 Vehicle Mounted Mobile Device Computers (MDC)
5. Management of six (6) Department Servers
6. Assist department personnel with the management of the Comtech Emergency Alerting System (3rd party system)
7. Management of the Department's hardline Rip and Run printers (Emergency Alerting Fax System)
8. VPN access for employees to work remotely
9. Management of wireless internet at stations and training facilities
10. Management of the Department's four (4) Zoom rooms
11. Assistance with management of the Department's Mobile Technology – thirty (30) Cell phones and sixty-five (65) iPads
12. On-site service as needed
 - a. **Note:** the Department is requesting a separate option in the bid to pay for up to twenty-four (24) hours of regular weekly on-site support by a Tier 1 Tech support person at the Fire Department Administrative Office located at 1050 Wilson Blvd. El Dorado Hills, CA.
13. Assist Department personnel with website management (Joomla platform), including ensuring compliance with all appropriate laws (may be referred to a third party)
14. SharePoint/Intranet management/oversight (Office 365 bundle) including site design, functionality, and permissions (may be referred to a third party) – authorized Department employees will add content
15. Voice Over IP Phone system management (current phones are ESI Phones) – roughly seventy (70) desk phones spread over six (6) fire stations to be managed and programmed (assistance available by 3rd party)
16. Assistance with recommending software and hardware infrastructure improvements as part of the Department's annual budget development
17. Maintain tracking lists of IT-related assets and warranties

18. Maintain an IT equipment replacement schedule
19. Maintain security measures and software to protect the Department's IT system
20. Special projects and weekly meetings related to IT issues
21. **Note:** some of the programs commonly used by the Department: Office 365 programs, SharePoint, Firehouse Software by ESO, Image Trend Software, Learning Stream, Telestaff, Email Using Microsoft Outlook, Active 911, Tablet Command, PayPal, and QuickBooks.

SECTION 4 – RFP PROCEDURES

Evaluation of Proposals

All proposals submitted will be reviewed by Department Staff. Overall responsiveness to the RFP is an essential factor in the evaluation process. At the completion of the proposal review, top-ranking Proposers may be asked to provide a presentation on their proposal and demonstration of services and products. Additional information may be requested at that time.

The Fire Chief will recommend to the Department's Board of Directors the Proposer that best fulfills the Department's requirements and represents the best value to the Department. No single factor will determine the final award decision.

Determination of best value to the Department shall be based upon, but not limited to, the following:

1. Qualifications and experience with IT services
2. Strength of entity members and team
3. Experience with government agencies with similar services and size to the Department
4. Overall solutions presented
5. Service availability, ease of process, customer service, and convenience
6. Proven systems in place for timely communication and follow-up
7. Ability to provide efficient, user-friendly services and support
8. Cost

Terms of Agreement

1. The Fire Chief will recommend a Proposer to the Department's Board of Directors along with the pricing and contract form delivered during the submission process. If a contract cannot be negotiated for any reason, another Proposer may be selected.
2. Proposers will be required to obtain, and during the terms of the contract maintain, insurance policies as detailed in Attachment A – Insurance Requirements.
3. Proposers that employ any person or persons to fulfill the contract will be required to have a policy of Worker's Compensation Insurance as required by the Labor Code of the State of California.
4. The successful Proposer will commence work after the transmittal of a fully executed contract.

SECTION 5 – RFP SUBMISSION REQUIREMENTS

General Information

1. If a service requirement or section of the RFP cannot be met by a Proposer, then “No Proposal” should be indicated in the relevant section of the RFP. An alternative equivalent service may be proposed.
2. If a service is provided by a third party, indicate this clearly in the appropriate section, and include the name of the company that will be providing the service.
3. Provide all costs associated with all requested services and any recommended service enhancements in the Proposal.

Proposal Format

Proposals must follow prescribed format. Do not include any extraneous or marketing material. Proposals shall include sections using the titles as shown below.

Cover Letter

1. Legal name and address of the Proposer
2. Address where contract will be housed
3. Website address of Proposer
4. Signature of the individual who is authorized to bind the Proposer contractually
5. Confirmation of the receipt of the RFP and all addenda thereto
6. Statement that the proposal is valid for a 90-day period from the proposal due date
7. Name, title, address, telephone number, and e-mail address of the individual to whom correspondence and other contacts should be directed during the selection process

References

Provide three (3) references for which you currently provide IT services that are of similar size, and with similar scope of services as the Department. Include the following information for each reference:

1. Contact name and title
2. Name and address of government agency
3. Telephone number and e-mail address of contact
4. Services provided by the government agency

Project Narrative

1. Profile – General overview of corporate structure, the number, and tenure of employees qualified to support each element of the scope of service, project management skills and quality control strategies, total number of clients currently supported by the Proposer and a list of the individuals/unit that will be the Proposer’s lead contact for the contract.
2. Experience – Experience in providing IT services to government agencies of similar size and services as the Department.
3. Qualifications – Qualifications to provide IT services to the Department including, but not limited to, certifications, licenses, professional association memberships, training, knowledge of industry standards, and expertise with the fire service in California and the United States. Describe what sets the Proposer’s services apart from others.
4. Service Availability – Include hours of operation, and after-hours availability. Specify the system(s) you have in place to ensure 24/7/365 emergency access after-hours.

5. Service Enhancements – Please include any service enhancements, additional services, or alternate approaches to the requested services, where feasible, which may not be specifically requested, but would be of benefit to the Department.

Cost Proposal

The Department anticipates entering into a monthly cost for services contract, with a minimum term of one year; the Department will also consider a multiple-year term if advantageous to the Department. Please provide a total monthly fee and associated breakdown by task. For the Help Desk/On Site Support Scope, please break down your proposed fee for each element separately (e.g. on-site support should be a stand-alone item).

While the Department requests this contract be all inclusive, it recognizes that there may be instances where services may exceed those considered in a basic monthly scope of work. The Proposer shall provide examples on what types of services might fall into this category and provide appropriate pricing – examples could include: site visits outside of prescheduled visits; afterhours assistance; emergency response visits; additional discounts for multi-year agreements; other special circumstances.

Please include a sample contract form and the signature of the individual who is authorized to bind the Proposer contractually on the Cost Proposal.

SECTION 6 – GENERAL INFORMATION

Notice to Proposer

The RFP does not constitute a contract or offer of employment. The cost of preparation and submission of proposals shall be the obligation of the Proposers.

Rejection of Proposals

The Department reserves the right to reject any or all of the proposals and further reserves the right to waive any informalities or irregularities in any proposal. Proposals that do not address the requirements will be considered non-compliant and will not be reviewed or rated.

Protest of Bid Process

Any Proposer who wishes to file a complaint about the bid process, selection process, or method of award may do so in writing. Protest letters must be submitted to the Department within ten (10) days of awarding the contract.

Discrepancy or Other Errors in RFP

If a Proposer perceives a discrepancy, conflict, omission, or error amongst terms within the RFP or between the RFP and any other relevant documents, the Proposer shall immediately and timely notify the Department in writing of the specific problem(s) perceived. Notice of any modification made by the Department to the RFP and any relevant documents at issue will be sent to all parties who were sent an RFP and of which the District is aware.

If a Proposer fails to timely notify the Department of the perceived error prior to the date and time stated for submission of proposals, the proposal shall be submitted at the Proposer's own risk, and if awarded the contract, the contractor shall not be entitled to additional compensation, damages, or time by reason of any and all perceived errors or their later correction.

Conflict of Interest

A conflict of interest exists wherever an individual could benefit directly or indirectly from access to information or from a decision over which they may have influence and also includes a perceived conflict where someone might reasonably perceive there to be such benefit and influence. A conflict of interest occurs when a staff member or Proposer attempts to promote a private or personal interest that results in an interference with the objective exercise of their job responsibilities, or gains any advantage by virtue of his/her position with the El Dorado Hills Fire Department or businesses, consultants, or individuals doing business with the El Dorado Hills County Water District or the El Dorado Hills Fire Department. Conflicts of interest may be real, potential or perceived.

The Proposer should disclose conflicts of interest, in writing, to the Ad Hoc Strategic Planning Committee which will consider the nature of the Proposer's responsibilities and the degree of potential or apparent conflict in deciding the course of action that the Proposer needs to take to remedy the conflict of interest.

Limitations

The Department reserves the right to reject any or all proposals and to waive any and all irregularities to choose the successful Proposer and may amend the scope of this RFP at any time and in any manner, which in its opinion, best serves the Department interests. The Department expects to complete its evaluation process to select a qualified Proposer, but reserves the right to change key dates and action as the need arises. The Department intends to award the project to one Proposer; however, the Department retains the right to award one or more separate contracts to one or more Proposers, at the Department sole discretion. The proposals in response to this RFP will become the property of the Department and may be used by the Department in any way it deems appropriate. The Department reserves the unqualified right to modify and/or suspend any and all aspects of the RFP, to request further information from any firm or person responding to the RFP, to waive any defect as to form or content of this RFP or any response thereto, to extend deadlines for accepting responses or accept amendments to responses after expiration of deadlines and to reject any and all responses to the RFP.

No individual or firm responding to this RFP shall obtain any claim or right of action against the Department by reason of any aspect of the RFP, defects or abnormalities contained herein, defects or abnormalities in the selection process, the rejection of any proposal, the acceptance of any proposal, any statements, representation, acts or omissions of the Department, the exercise of any discretion by the Department in connection with any of the foregoing, or any and all other matters arising out of all or any of the foregoing.

The Department shall not be obligated to respond to any proposal submitted, nor be legally bound in any manner by submission of the proposal.

The Department is not required to accept the lowest priced proposal. A variety of factors will be evaluated to determine the most advantageous proposal based on, for example, experience, financial strength, technical capability, costs and performance. All costs of preparing and submitting responses to this RFP shall be borne by the Proposer and not the Department.

ATTACHMENT A: INSURANCE REQUIREMENTS

Minimum Insurance

The accepted Proposer (“Contractor”) shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, or employees.

Contractor shall maintain limits no less than:

1. General Liability including operations, products and completed operations, as applicable
\$1,000,000 per occurrence for bodily injury, personal injury, and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Errors and Omissions Liability
\$1,000,000 per occurrence or per claim. If protection is accomplished through a “claims made” policy, a 36-month extended reporting period shall be provided.
3. Automobile Liability
\$1,000,000 per accident for bodily injury and property damage.

Deductibles and Self-Insured Retention

Any deductibles or self-insured retention must be declared to and approved by the Department. At the option of the Department - Either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the Department, its officers, officials, employees, and volunteers; or, the Contractor shall provide a financial guarantee satisfactory to the Department guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

Other Insurance Provisions

The general liability is to contain, or be endorsed to contain, the following provisions:

1. The Department, its officers, officials, employees, and volunteers are to be covered as additional insured as respects: liability arising out of activities performed by or on behalf of the Contractor; or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Department, its officers, officials, employees, or volunteers.
2. For any claims related to the services provided by the Contractor, the Contractor's insurance coverage shall be primary insurance as respects the Department, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the Department, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

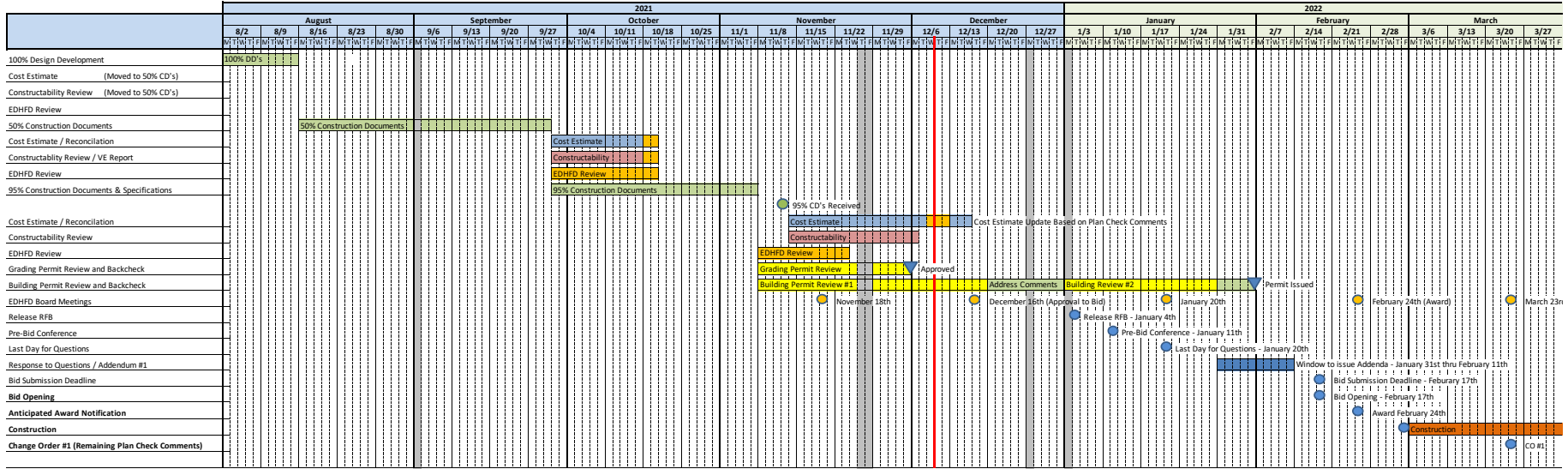
3. Any failure to comply with reporting or other provisions of any policies required by this clause, including breaches of warranties, shall not affect coverage provided to the Department, its officers, officials, employees, or volunteers.
4. The Contractor's insurance shall apply separately to each insured against whom claim is made, or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled, except for non-payment of premium, by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Department. In the event the policy is canceled for non-payment of premium, ten (10) days prior written notice, as stated above, will be given.

Acceptability of Insurers

The insurance company providing coverage must be licensed to do business in the State of California, with an A.M. Best rating of not less than A: VII.

Verification of Coverage

Contractor shall furnish the Department original certificates of insurance and endorsement(s) affecting coverage to the Department for approval. The Commercial General Liability endorsement shall be a form CG 20 10 11 85, and shall have the required wording. All certificates and endorsements are to be received and approved by the Department before work commences. The Department reserves the right to require complete, certified copies of all insurance policies required by this section.





MAURICE JOHNSON
Fire Chief

REQUEST FOR BIDS (RFB)

The El Dorado Hills Fire Department is requesting bids for:
NEW CONSTRUCTION – EL DORADO HILLS FIRE TRAINING CENTER

SUBMIT SEALED BIDS TO:

El Dorado Hills Fire Department
Fire Station # 85
Attn: Deputy Chief Dustin Hall
1050 Wilson Blvd.
El Dorado Hills, CA 95762

Indicate your company’s name and project title on the front of each sealed RFB envelope or package. The El Dorado Hills Fire Department shall not be responsible for the premature opening of a submission which is not properly addressed or identified. All RFBs received will be stamped by date and time received. This date of receipt will prevail over postmark date. Late submissions will not be considered. Responses to this RFB must be received by the submission deadline and at the location specified above. Submissions addressed to anyone other than the person specified under the, “Submit Sealed Bid To,” section will not be accepted.

1.0 RESTRICTION ON COMMUNICATION WITH STAFF

Once this RFB is issued and until a selection has been made and announced, bidders are prohibited from communicating with any Department employee or Department consultant other than the contact listed below or their designee. Under no circumstance will verbal answers or comments be binding. Only direct communication documented via email will be considered valid in this process. The Department reserves the right to reject any submission for violation of this provision. Any questions regarding this RFB shall be done in writing via email to:

Construction Manager, Rich Miller, at: richm@roebbelen.com

2.0 ADDENDA/AMENDMENTS

The Department reserves the right to issue addenda or amendments to this RFB. Prospective bidders should inform the Department of their intent to bid as soon as possible by emailing the contact listed in Section 1.0 in order to be added to the notification list for this RFB. It is the bidder’s responsibility to obtain any and all addenda or amendments. If the Department issues one or more addenda or amendments, the bidder shall acknowledge each addendum or amendment and compliance therewith with the bidder’s submittal through the execution of the Bidder’s Checklist provided in this RFB. A submission may be deemed non-responsive for failing to submit the latest version of the RFB. The Department reserves the right to extend the date that submissions are due.

3.0 RFB SCHEDULE

RFB SCHEDULE	DATE	TIME	LOCATION
Request for Bid Issued	Tuesday, January 4, 2022		
Mandatory Pre-Bid Conference/Job Walk	Tuesday, January 11, 2022	9:00 AM	See Section 7.0
Question Submission Deadline	Thursday, January 20, 2022	4:00 PM	By Email Only
Addenda Issued	TBD	4:00 PM	By Email Only
Bid Submission Deadline	Thursday, February 17, 2022	2:00 PM	Fire Station #85
Bid Opening	Thursday, February 17, 2022	2:30 PM	In-Person, Fire Station #85
Anticipated Award Notification	Thursday, February 24, 2022		

TABLE OF CONTENTS

1.0 Restriction on Communication with Staff	1
2.0 Addenda/Amendments	1
3.0 RFB Schedule	1
4.0 Project Description	3
5.0 General Conditions	3
6.0 Contract Documents	3
7.0 Mandatory Pre-Bid Conference/Job-Walk	3
8.0 Inspection of Site	4
9.0 Submission of Questions	4
10.0 Equal Products Proposals	4
11.0 Subcontracting	5
12.0 Public Works Project Eligibility & License Requirements	5
13.0 Ineligible Contractors	5
14.0 Prevailing Wage	5
15.0 Bid Submission Instructions	6
16.0 Submission Method	6
17.0 Bid Submittal Contents	6
18.0 Bid Proposal	6
19.0 Non-Collusion	7
20.0 Bid Guaranty	7
21.0 Conflict of Interest	7
22.0 Disclosure of Bid Submittal Contents	7
23.0 Costs of Bid Preparation	7
24.0 Bid Non-Revocable	8
25.0 Opening of Bids	8
26.0 Responsible Bidder	8
27.0 Responsive Bid	8
28.0 Prohibition on Bidder Terms & Conditions	8
29.0 Right to Reject Bids	8
30.0 Non-Discrimination	9
31.0 Gratuities	9
32.0 Bid Withdrawal	9
33.0 Bid Protests	9
34.0 Notice of Intent to Award	10
35.0 Contract Price	10
36.0 Insurance Requirements	10
37.0 Surety Requirements	10
38.0 Statement of Acceptance	10
Submittal Form 1: Bid Proposal	11
Submittal Form 2: Bidder’s Bond	13
Submittal Form 3: Non-Collusion Affidavit	14
Submittal Form 4: Contractor’s License & Registration Form	15
Submittal Form 5: Past Performance	16
Submittal Form 6: Designation of Subcontractors	17
Submittal Form 7: Bidder’s Checklist	18
Contract Form 1: Agreement	20
Contract Form 2: Performance Bond	25
Contract Form 3: Payment Bond	26
Contract Form 4: Contractor’s Certificate Regarding Workers Compensation	27
Exhibit A: General Conditions	28

4.0 PROJECT DESCRIPTION

The El Dorado Hills Fire Department is seeking written bids from California State licensed General Building Contractors "Class B" for the construction of a Fire Training Center on Department-owned property located at Cypress Point Court, El Dorado Hills, California 95762 (Project). The Project includes the construction of a two-story and three-story residential Class 'A' live fire training structures of approximately 10,000 sf, and a one-story classroom structure of approximately 1,600sf. These non-essential services buildings are comprised of concrete floor and concrete/metal framed roof and CMU walls. The site is approximately 11 acres and will include grading, underground utilities, street lighting, concrete paving and landscaping. The Project will include the two-story residential structure as a Deductive Alternate.

The Department intends to procure the services of a single Class B contractor for the construction of the Project. The general contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences, and procedures, and for coordinating all portions of the construction work.

The Project will be completed under a public works contract administered by the Department with assistance from the Department's design consultant and construction manager in accordance with the stated schedule. The Department intends to award the contract based upon the lowest, responsive, responsible bid.

Time of completion of the work for the Project is 365 calendar days from the date of issuance of the Notice to Proceed as described in the General Conditions.

5.0 GENERAL CONDITIONS

The rights, responsibilities, duties, and privileges of each party to a contract award resulting from this RFB, and the rules that will govern the relationship between the parties, are defined and described in the Exhibit A: General Conditions.

6.0 CONTRACT DOCUMENTS

The Contract Documents are those documents listed in the Agreement as comprising the entire agreement between the Department and the Contractor, including, but not limited to, this RFB, the Agreement, General Conditions, Technical Specifications, Project Plans, bidder's submittal, and all addenda/amendments to any of these documents.

Contract Documents can be downloaded from the bid listing on [Builders Connected \(www.buildersconnected.com\)](http://www.buildersconnected.com).

7.0 MANDATORY PRE-BID CONFERENCE/JOB WALK

Bids are required for the entire work described herein. A mandatory pre-bid conference will be held at 9:00 AM on Tuesday, January 11, 2022 at the Department's Conference Room located at 4640 Golden Foothill Pkwy, Suite #20, El Dorado Hills, CA 95762. A mandatory job-walk of the Project site will immediately follow the pre-bid conference. The Department will not be responsible for any transportation or expenses associated with attending the mandatory pre-bid conference and job-walk.

Due to current COVID-19 related restrictions and room capacity constraints, each bidder is only permitted up to two (2) representatives to participate in the pre-bid conference/job walk. Appropriate social distancing and public safety measures will be enforced during the pre-bid conference/job walk.

Late attendees will not be permitted to participate in the pre-bid conference/job-walk nor will their firms be eligible to submit a bid. Bidders must attend the pre-bid conference/job-walk in its entirety to be eligible to submit a bid. The failure of any bidder to have its authorized representative attend the mandatory pre-bid conference and job-walk will result in rejection of its bid and its bid proposal will be returned to the bidder, unopened.

8.0 INSPECTION OF SITE

Bidders are responsible for verifying site conditions of the Project area and obtaining all required information necessary to submit their bids prior to the submission deadline. Attention is directed to bidder's obligation to examine the Project site; compare the site with the plans and specifications; determine any site variation that affects the bid; and investigate the conditions or existing clearances, restrictions, or limitations that affect access to the Project site. Bidder's failure to do any and all of the above shall not be a basis for claim of additional monies or extension of time.

Bidders may inspect the Project site in addition to the mandatory job-walk to satisfy themselves by personal examination or by such means, as they may prefer, of the location of the proposed work and of the actual condition at the Project site. Bidders to notify construction manager prior to any site visit. Inspections shall be between 8:00 AM – 5:00 PM on weekdays only.

Submission of a bid by the bidder shall constitute acknowledgment that, if awarded the contract, the bidder has relied on its own examination of the site of work, access to the site, and all other data and matters requisite to the fulfillment of the work and on its own knowledge of the facilities on and in the vicinity of the site of the work to be constructed under the contract. Each bidder represents that its bid is based upon the materials and equipment described in the Contract Documents.

9.0 SUBMISSION OF QUESTIONS

Prior to submitting a bid, bidders shall thoroughly examine the Contract Documents and shall participate in the mandatory pre-bid conference/job walk in order to understand the site conditions and scope of work for the Project. Written requests for interpretations or correction of any ambiguity, inconsistency, or error found in the Contract Documents shall be submitted to the Construction Manager via email prior to the Question Submission Deadline as noted on Page 1 of this RFB.

The Department may issue addenda or amendments with clarifications or interpretations of any received questions, concerns, errors or ambiguities. If any addenda or amendments are issued, they will be furnished to all attendees of the mandatory pre-bid conference/job-walk and publicly posted. Any addenda or amendments will be issued no later than 72 hours prior to bid opening. No bidder shall rely on any interpretation or correction given by any other method.

No subsequent claim for extra work will be allowed on account of claimed misunderstanding of the meaning or intent of the Contract Documents, site conditions, or any other documents included in this RFB if the item occasioning the claim appeared in, or was inferable from, said documents or from site investigations mandated for bidding purposes.

10.0 EQUAL PRODUCT PROPOSALS

The materials, products, and equipment described in the Contract Documents establish a standard of required function, dimension, appearance, and quality to be met by any substitution. Equal product proposals will be considered only if received by the Construction Manager by the Question Submission Deadline as noted on Page 1 of this RFB. Such proposals shall include the name of the material or equipment for which it is to be substituted, and a complete description of the proposed substitution including drawings, performance and test data, and other information necessary for an evaluation by the Department. The burden of proof of the merit of the proposed substitution is upon the bidder.

If the Department approves a proposed substitution, such approval will be set forth in an addendum. Bidders shall not rely upon approvals made in any other manner.

11.0 SUBCONTRACTING

The general contractor may subcontract portions of the work to subcontractors who are eligible to perform work on a public works project. All subcontractors must possess the appropriate license for their trade, and such license must be current and valid at the time of bid submission throughout the completion of the Project. All subcontractors of any tier must be in compliance with the eligibility and licensing requirements described in this RFB.

Pursuant to Section 1777.1 of the California Labor Code, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a subcontractor on a public works project. The list of debarred subcontractors is available from the California Department of Industrial Relations (DIR).

Bidders are required to complete and submit the Designation of Subcontractors with their bid submittal. Each bidder shall list on the form provided, the name, address, DIR public works contractor (PWC) registration number, and description of work to be completed by each subcontractor to whom the bidder proposes to sublet portions of the work in excess of one-half of one percent (0.5%) of the Total Base Bid. After the contract award, the Contractor may not subcontract, transfer, or assign any portion of the contract without prior written approval from the Department.

Notwithstanding the use of approved eligible subcontractors, the successful bidder will be the prime contractor and will be solely responsible for the performance of the work on the Project, including any portions of the work to be performed by subcontractors. Contractor will be solely responsible for ensuring that all work performed on the Project, including all work performed by subcontracts, shall be in accordance with the Contract Documents, including all applicable terms and conditions.

12.0 PUBLIC WORKS PROJECT ELIGIBILITY AND LICENSE REQUIREMENTS

This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations. Additionally, and specifically, the following sections of the California Labor Code shall be adhered to: 1725.5, 1771, 1771.1 & 1771.4.

No contractor or subcontractor of any tier may bid on, be awarded, or perform work on a public works project unless registered with the Department of Industrial Relations as a PWC pursuant California Labor Code Section 1725.5. All contractors and subcontractors involved in this Project must furnish electronic certified payroll records to the Labor Commissioner by means of the Labor Commissioner's eCPR data system.

No bid will be accepted from a bidder who is not licensed as a General Building Contractor "Class B" in accordance with the provisions of Chapter 9, Division III, of the Business and Professions Code, Section 7000, et seq., known as the Contractors' License Law. Bidder's license must be current and valid at the time of bid submission throughout the completion of the Project. Further, bidder shall certify on the Contractor's License and Registration Form that it is eligible to bid on public works projects and is in compliance with all licensing and registration requirements.

13.0 INELIGIBLE CONTRACTORS

No contractor or subcontractor who is ineligible to bid on a public works project pursuant to the California Labor Code may bid or perform work on the Project. Bids received from any contractor who is ineligible to bid on public works projects or who is otherwise not in compliance with all licensing and registration requirements, or bids listing any subcontractor who is ineligible or otherwise not in compliance with all licensing and registration requirements, will be rejected and returned to the bidder.

14.0 PREVAILING WAGE

This is a public works project and all work performed on the Project shall be performed at prevailing wage rates. In accordance with the provisions of California Labor Code Section 1770, the Director of the Department of Industrial Relations has ascertained the general prevailing wage rate of wages applicable to the work to be done in accordance with the standards set forth in Labor Code Section 1773.

The Contractor shall be required to post a copy of the general prevailing rates of per diem wages in a conspicuous location at the job site prior to the commencement of work on the Project. The Contractor shall also keep an accurate certified payroll record in accordance with the requirements set forth in Section 1776 of the California Labor Code and the General Conditions included herein.

15.0 BID SUBMISSION INSTRUCTIONS

To successfully submit a bid, bidders are required to submit a sealed bid submittal packet to the location specified in the "Submit Sealed Written Bid To" section on Page 1 of this RFB. The bid submission packet shall contain all items outlined in Section 17.0 of this RFB. No bid will be accepted unless it is made on the forms provided in this RFB. The bidder or its authorized representative shall sign all bid forms as indicated.

The bidder shall provide one (1) complete original "wet-signed" submittal.

16.0 SUBMISSION METHOD

Sealed bids shall be submitted using one of the following methods:

1. In Person – hand delivered to the El Dorado Hills Fire Department to the address provided in the "Submit Sealed Bids To" section on Page 1.
2. By mail or courier service - Bid must be received at the address provided in the "Submit Sealed Bids To" section on Page 1 by the submission deadline. Postmark dates will not be accepted.
3. Faxed or emailed bids will not be accepted.

17.0 BID SUBMITTAL CONTENTS

To be considered responsive, bidders shall submit the following information in the following order. Bids shall be made on the forms provided in this RFB. A bid may be deemed nonresponsive for failing to provide any of these items:

1. Completed and signed RFB (Pages 1-11)
2. Bid Proposal (Submittal Form 1)
3. Bidder's Bond (Submittal Form 2) OR Certified/Cashier's Check
4. Non-Collusion Affidavit (Submittal Form 3)
5. Contractor's License and Registration Form (Submittal Form 4)
6. Past Performance (Submittal Form 5)
7. Designation of Subcontractors (Submittal Form 6)
8. Submittal Checklist (Submittal Form 7)

18.0 BID PROPOSAL

Bid price shall include everything necessary for the completion of construction and fulfillment of the contract including, but not limited to, furnishing all materials, equipment, tools, plant and other facilities, and all management, superintendence, labor, required testing, applicable permits, licenses, and other necessary services. Bid price shall also include allowance for all federal, state, and local taxes.

A construction contingency allowance of 5% shall be added to the bid price and calculated separately on the Bid Proposal. The use of construction contingency is outlined in the General Conditions.

Total Base Bid shall be calculated as proposed bid price plus 5% contingency. Price for the Deductive Alternate, as outlined in the Project Plans and Specifications, shall be listed separately on the Bid Proposal and shall reflect the cost savings for removing that portion of the Project from the scope of the Project, including contingency.

The lowest bid shall be the lowest total of the bid prices on the base contract plus 5% contingency allowance and those deductive items specifically identified in the bid solicitation as being used for the purpose of determining the lowest bid price in accordance with Public Contract Code.

Bids shall indicate the prices proposed in figures and in words and shall provide all other information requested herein. In case of discrepancy, the bid amount in words shall prevail over the bid amount in figures.

Bidders must satisfy themselves of the accuracy of the estimate of the quantities of the work to be done by personal examination of the location of the Project and by examination of the Contract Documents. Bidders shall not, at any time after the submission of a bid, dispute or complain of such estimate, or assert that there was any misunderstanding in regard to the nature or amount of work to be done.

19.0 NON-COLLUSION

Each bidder submitting a bid must execute the Non-Collusion Affidavit enclosed herein to certify that the bidder has not entered into a collusive agreement with any other persons, firm, or corporation in regard to any bid submitted. By executing the Non-Collusion Affidavit, the bidder represents and warrants that its response is genuine and not made in the interest of or on behalf of any person not named therein; that the bidder has not directly induced or solicited any other person to submit a sham response or any other person to refrain from submitting a response; and that the bidder has not in any manner sought collusion to secure any improper advantage over any other person submitting a response.

20.0 BID GUARANTY

No bid will be considered responsive unless accompanied by a guaranty in the amount of ten percent (10%) of the Total Base Bid shown on the Bid Proposal, which shall be one of the following: (a) a Bidder's Bond supplied in the form provided in this RFB written by an admitted surety satisfactory to the Department in its sole discretion, or (b) a certified or cashier's check made payable to the Department. In the event a successful bidder fails to satisfy all conditions for accepting the award within ten (10) calendar days of the award notification, the Department may declare the bidder's Bid Guaranty in default.

Bidder acknowledges that the amount of actual damages the Department would suffer in such event is extremely difficult and impractical to determine at this time by reason of the uncertainties, lapse of time, expense and loss of likely bidders resulting from the probable need to re-advertise and call for new bids. Bidder agrees that if a default occurs, the amount of such Bid Guaranty shall be kept by the Department as liquidated damages and agrees that the Department may then award the work to any other bidder or may call for new bids.

The Bid Guaranties for the three (3) acceptable lowest Total Base Bids will be held until the contract has been awarded. The Bid Guaranty of the successful bidder will be held until completion of the Project, while the others will be returned within seven (7) days following the execution of the Agreement with the successful bidder. All other Bid Guaranties will be returned to bidders within seven (7) days following the bid opening.

21.0 CONFLICT OF INTEREST

By submitting a bid, bidder represents and warrants that it and its subcontractors presently have no interest, and shall not obtain any interest, direct or indirect, which would conflict in any manner with the performance of work on the Project, including, but not limited to, any provision of services to any federal, state, or local regulatory or other public agency which has any interest, adverse or potentially adverse to the Department, as determined in the reasonable judgment of the Department's Board of Directors. Entering into any contract resulting from this RFB does not preclude the successful bidder from working for others, as long as such work does not constitute a conflict of interest.

22.0 DISCLOSURE OF BID SUBMITTAL CONTENTS

All bids and other materials submitted in response to this RFB become the property of the Department. Selection or rejection of a bid does not affect this right. Upon notice of contract award, the bid submittals and associated materials are available for review by the public to the extent allowed by the California Public Records Act, (Government Code Section 6250-6270 and 6275-6276.48). By submitting a bid, the bidder acknowledges and accepts that the contents of the bid submittal and associated documents will become open to public inspection.

All original bid submittals will be retained for official files and will become public record after the award of a contract unless the proposal or specific parts of the bid submittal can be shown to be exempt by law, including, but not limited to, Government code §6276. Each bidder may clearly label part of a submittal as "CONFIDENTIAL" if the proposer thereby agrees to indemnify and defend the Department for asserting such a designation in response to a request under the California Public Records Act. The failure to so label any information that is released by the Department will constitute a complete waiver of all claims for damages caused by any release of the information.

23.0 COSTS OF BID PREPARATION

The bidder assumes all costs associated with the preparation of the bid submittal, including pre-bid conference/job walks, printing/reproduction, etc.

24.0 BID NON-REVOCABLE

In consideration of the Department's reliance on and investigation and consideration of the bid submittal, the bidder agrees that such bid shall be irrevocable and shall not be withdrawn for sixty (60) calendar days following the bid opening even though an award may be made to another bidder. Thereafter, such bid shall be automatically relieved.

25.0 OPENING OF BIDS

The bid opening will be conducted in-person at the submission site. Bid openings will be listed by bidder name and address.

26.0 RESPONSIBLE BIDDER

It is the intention of the Department to award this contract to the responsible bidder with the lowest responsive bid. Public Contract Code Section 1103 defines "responsible bidder" as "a bidder who has demonstrated the attributes of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the public works contract." This includes the ability to complete projects on time, specifically when working on multiple projects concurrently. A bidder that is determined by the Department not to be responsible due to failure to meet these requirements shall have their bid disqualified.

27.0 RESPONSIVE BID

The Department will award this contract to the lowest responsible bidder submitting a responsive bid based on the information contained in the Contract Documents. The Department may contact bidders to clarify information contained in their bid submittal.

The Department reserves the right to reject any or all bids offered in response to this request and either rebid or take any other action permitted by statute. The Department reserves the right to negotiate the terms and conditions of any final pricing of the goods and services described herein.

Before the contract is awarded, the Department may, at its discretion, require from the bidders further evidence of qualification, ability to perform, necessary facilities, and financial responsibility, and may consider such evidence in making the decision on the award of this contract. In addition, the Department may require the Contractor to submit a complete disclosure of Contractor's staffing level, current and anticipated workload, and affirm that they can meet all Project requirements and have the personnel and equipment to complete the Project within the budget and schedule stipulated in the contract. Notwithstanding the Contractor's affirmation that they can meet the Project requirements, if the Department, in their review of the Contractor's past performance, finds documented evidence of inability to meet the Project schedule or cost requirements, the Department will have cause to reject the bid.

28.0 PROHIBITION ON BIDDER TERMS AND CONDITIONS

A bidder may not submit the bidder's own contract terms and conditions in a response to this RFB. If a submittal contains such terms and conditions, the Department, at its sole discretion, may determine the bid to be a nonresponsive counter-offer, and the bid may be rejected.

29.0 RIGHT TO REJECT BIDS

The Department reserves the right to reject any and all bids, to waive any informality, minor technical defect, or irregularity in bid submittals, and to accept or reject any items of a bid submittal. The Department, at its discretion, may reject as incomplete any bid which is in any way conditional, includes exceptions, alterations or omissions, or includes reservations to the terms of this RFB or other Contract Documents.

The Department will reject bids from any bidder who does not meet eligibility and licensing requirements or for whom there is documented evidence of project schedule delays and cost overruns and/or documented inability to meet project performance requirements. Further, if the Department determines that a bidder has provided incorrect information which the bidder knew or should have known was materially incorrect, that bid will be determined non-responsive, and the bid will be rejected.

30.0 NON-DISCRIMINATION

The Department, in accordance with applicable law and regulations in awarding public works contracts, will not discriminate on the grounds of race, sex, color, national origin, or any other similar characteristics protected by applicable law.

31.0 GRATUITIES

No person will offer, give, or agree to give any Department employee, its representatives, or consultants any gratuity, entertainment, gift, special service, discount, or offer of employment in connection with the award of any contract by the Department. No Department employee, its representatives, or consultants will solicit, demand, accept, or agree to accept from any other person a gratuity, entertainment, gift, special service, discount, or offer of employment in connection with any Department contract. Bidder will report to the Fire Chief any attempt by any employee, representative, or consultant of the Department to obtain such favors.

32.0 BID WITHDRAWAL

Bid submittals may be withdrawn prior to the bid opening only by a signed, written notice received by the Department representative identified on Page 1 of this RFB prior to the commencement of the bid opening.

Bidders are liable for all errors or omissions contained in their bid submittal. Bidders will not be allowed to alter bid submittals after the deadline for submitting a bid. Any attempts to amend a submitted bid by way of a letter or facsimile or any other document or means, which would result in a bid being incomplete, ambiguous, inconsistent, or otherwise noncompliant, shall result in the bid being rejected. The Department will not accept any amendments, revisions, or alterations to bids after the bid submission deadline.

33.0 BID PROTESTS

A bidder who intends to protest the apparent low bid must submit the protest to the Department representative identified on Page 1 of this RFB within five (5) business days after the bid opening. Only notification made in writing by personal delivery or mail shall be accepted.

A bid protest must be a complete written statement detailing the basis for the protest, including reference to specific facts, portions of the bid or Contract Documents, or reference to specific statutes, that form the basis of the protest. The protest must be signed by the party filing the protest. Failure to give written notice by close of business on the fifth business day following the bid opening shall waive the right to protest.

Protests based on any objection or ambiguity in the Contract Documents will be considered waived and invalid if these faults were not brought to the attention of the Department, in writing, by the Question Submission Deadline listed on Page 1 of this RFB.

If a bid protest is received, the Department shall make notification to the apparent low bidder and shall afford the apparent low bidder an opportunity to submit a written response to the bid protest. The Department shall not be required to hold an administrative hearing to consider the protest, rather the Construction Manager shall consider the merits of any timely bid protest and make a final determination thereon.

A bid protest may be withdrawn at any time while under consideration by the Department.

34.0 NOTICE OF INTENT TO AWARD

The Department will have the option, at its sole discretion, to issue a Notice of Intent to Award to the apparent lowest responsible and responsive bidder, as defined in Sections 26.0 and 27.0 of this RFB, considering the following factors:

1. If the lowest Total Base Bid is equal to or less than the Project budget, that bidder may be awarded the contract.
2. If the lowest Total Base Bid is greater than the Project budget, but the lowest Total Base Bid less the Deductive Alternate is equal to or less than the Project budget, that bidder may be awarded the contract.
3. The Department reserves the right to reject any or all bids at its sole discretion as described in this RFB.

The Notice of Intent to Award will be made by the date designated in Section 3.0, and will be subject to approval by the Department’s Board of Directors.

Within ten calendar (10) days following approval by the Board, the successful bidder shall submit to the Department Representative, Deputy Chief Dustin Hall, the following:

1. Executed Agreement (Contract Form 1)
2. Performance Bond (Contract Form 2)
3. Payment Bond (Contract Form 3)
4. Contractor’s Certificate Regarding Workers Compensation (Contract Form 4)
5. Certificates of Insurance as outlined in the General Conditions

35.0 CONTRACT PRICE

The Contract Price for the Agreement shall equal the Total Base Bid or Total Base Bid less the Deductive Alternate as outlined in Section 34.0. The Contract Price may be adjusted during the course of the Project to include Department-approved change orders or other adjustments in accordance with the Contract Documents.

36.0 INSURANCE REQUIREMENTS

The successful bidder will be required to furnish, within ten (10) calendar days following the approval of the Notice of Intent to Award by the Department’s Board, copies of all required Certificates of Insurance as outlined the General Conditions for acceptance by the Department. Insurance is to be placed with insurers with a Best’s rating of no less than A-VII, or equivalent rating.

37.0 SURETY REQUIREMENTS

The successful bidder will be required to furnish, within ten (10) calendar days following the approval of the Notice of Intent to Award by the Department’s Board, a Payment Bond in an amount equal to one hundred percent (100%) of the Contract Price, and a Performance Bond in an amount equal to one hundred percent (100%) of the Contract Price for approval by the Department. Only bonds executed by admitted surety insurers satisfactory to the Department and that qualify as defined in the California Civil Procedures Code, Section 995.120 shall be accepted.

The surety must be a California-admitted surety and listed by the U.S. Treasury with a bonding capacity in excess of the Contract Price. Prior to approval by the Department, the surety shall provide the documentation required by California Civil Code Section 995.660. If any surety becomes unacceptable to the Department or fails to furnish reports as to financial condition, as required by the Department, the successful bidder must promptly furnish such additional surety as may be required from time to time to protect the interests of the Department and of persons supplying labor or materials in the prosecution of the work pursuant to the Agreement.

Bidders are hereby notified that, in accordance with the provisions of Public Contract Code Section 22300, securities may be substituted for any monies which the Department may withhold pursuant to the terms of the Agreement, to ensure performance.

38.0 STATEMENT OF ACCEPTANCE

By submitting a response to this RFB, the bidder declares that they have read and understand the terms, conditions, and requirements of the Contract Documents and is authorized to bind the bidder’s company or organization to the terms and conditions contained herein. The bidder acknowledges acceptance of these terms and conditions, and waives all claims, rights, demands, and the benefit of any provisions of any statute, rule of law, or regulation that might affect the rights of the Department under this RFB.

FILLED OUT BY BIDDER

Signature: _____ Title: _____ Date: _____

Print Name: _____ Company Name: _____

BID PROPOSAL

Legal Contractual Name of Bidder: _____

Mailing Address: _____

Phone Number: _____ Email Address: _____

The work for which this proposal is submitted is for construction in accordance with the provisions (including the payment of not less than the prevailing wage rates set forth therein) and Agreement annexed hereto, the project plans and specifications described below.

The Project Plans and Specifications for the work to be done are titled: El Dorado Hills Fire Department
Fire Training Center

If the proposal is accepted and the undersigned shall fail to enter into the Agreement and furnish the documents required by this Agreement, with surety and insurance satisfactory to the Department within ten (10) calendar days following the approval of the Notice of Intent to Award by the Department’s Board of Directors, the Department may, at its option, determine that the bidder has abandoned the contract, and thereupon this proposal and the acceptance thereof shall be null and void and the forfeiture of such security accompanying this proposal shall operate and the same shall be the property of the Department.

The undersigned, as bidder, declares that the only persons or parties interested in this proposal as principals are those named herein; that this proposal is made without collusion with any other person, firm, or corporation; that the bidder has carefully examined the location of the proposed work, the attached proposed form of contract, and all Contract Documents therein referenced, including any addenda or amendments; that the bidder and all subcontractors are eligible to bid, be awarded, and perform work on a public works project, and are in compliance with all licensing and registration requirements; and that the bidder proposes, and agrees if this proposal is accepted, that the bidder will contract with the Department, in the form of the copy of the Agreement attached hereto, to provide all necessary machinery, tools, apparatus and other means of construction, and to do all the work and furnish all the materials specified in the Contract Documents, in the manner and time therein prescribed, and according to the requirements of the Department as therein set forth, and that the bidder will take in full payment therefore the bid amount specified in this Bid Proposal for Fire Training Facility.

1.0 TOTAL BASE BID

The undersigned bidder hereby proposes and agrees to perform the contract including, without limitation, all its component parts; to perform everything required to be performed; to provide and furnish any and all labor, materials, tools, equipment, applicable taxes, and services necessary to perform the work of this contract in a complete and workmanlike manner in accordance with the Contract Documents for the following lump sum:

Bid Price: \$ _____

Contingency (5%): \$ _____

Total Base Bid (Bid Price + Contingency): \$ _____

Total Base Bid (in words): _____ **Dollars**

2.0 DEDUCTIVE ALTERNATE

Description of alternate listed below is primarily a scope definition and does not necessarily detail the full range of materials and processes needed to complete the construction.

Deductive Alternate: Burn Building #2	\$ _____
Contingency Deductive (5%):	\$ _____
Total Deductive:	\$ _____
Total Base Bid Less Deductive Alternate	\$ _____
Total Base Bid Less Deductive Alternate (in words):	_____ Dollars

**Refer to Project Plans and Specifications for scope and details.*

In case of discrepancy, the bid amount in words shall prevail over the bid amount in figures.

Company Name (Printed):	_____
Bidder Signature:	_____
Bidder Name (Printed):	_____
Bidder Title:	_____
Date:	_____

Submittal Form 2

BIDDER'S BOND

KNOW ALL PERSONS BY THESE PRESENTS THAT _____ (hereinafter Principal), as Principal, and _____ a corporation organized and doing business under and by virtue of the laws of the State of California and duly licensed for the purpose of making, guarantying or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as Surety, are held and firmly bound unto the El Dorado Hills Fire Department (hereinafter called the Obligee), in the penal sum of TEN PERCENT (10%) OF THE TOTAL BASE BID of the Principal named above, submitted by said Principal to the Obligee, for the work described below, for the payment of which sum in lawful money of the United States, well and truly be made, we bind ourselves and each of our successors and assigns, jointly and severally, firmly by these presents. In no case shall the liability of the Surety hereunder exceed the sum of \$_____.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT,

WHEREAS, the Principal is about to hand in to the Obligee a bid for the construction of the Project described as El Dorado Hills Fire Department Fire Training Center in accordance with the Contract Documents filed in the office of the Obligee and under the notice inviting bids therefor.

NOW, THEREFORE, if the bid as submitted by said Principal shall be accepted, and the contract for such work or supplies be awarded to the Principal, and the said Principal shall fail, neglect or refuse to enter into a contract to perform said work or deliver said supplies, or to furnish good and sufficient bond and proof of insurance therefore, then the amount of this bond shall be declared to be forfeited to the Obligee, El Dorado Hills Fire Department.

In the event suit is brought upon this bond by the Obligee and judgment is recovered, the Surety shall pay all costs incurred by the Obligee in such suit including a reasonable attorney's fee to be fixed by the court.

IN WITNESS WHEREOF, Principal and Surety have caused these presents to be duly signed and sealed this day of _____, 2022.

Signature of Principal: _____

Signature of Surety: _____

Business Address: _____

City, State, Zip: _____

Phone: _____

NOTES:

1. Signature of those executing for the Surety must be properly acknowledged.
2. The bid bonds for the three (3) acceptable lowest bidders shall be retained until the Department's Board has approved the Notification of Intent to Award. All other bid bonds shall be returned to the bidder within seven (7) days following the bid opening.

NON-COLLUSION AFFIDAVIT

STATE OF CALIFORNIA

EL DORADO COUNTY

I, the undersigned, an authorized representative of _____, being first duly sworn, deposes and says that the forgoing bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

I hereby certify, under penalty of perjury, that the facts contained in this Non-Collusion Affidavit are true and correct.

Company Name (Printed): _____

Bidder Signature: _____

Bidder Name (Printed): _____

Bidder Title: _____

Date: _____

CONTRACTOR’S LICENSE AND REGISTRATION FORM

PROJECT: El Dorado Hills Fire Department Fire Training Facility

Any person or entity submitting a bid on this Project to engage in the business or act in the capacity of a contractor shall be licensed as a contractor in accordance with the provisions of Division 3, Chapter 9 of the California Business and Professions Code, and registered with the California Department of Industrial Relations (DIR) pursuant to California Labor Code Section 1725.5. To bid on this Project, the bidder is required to possess one or more of the following State of California Contractor Licenses: Class B. A bid submitted to the Department by a contractor who is not licensed and registered as set forth above shall be considered non-responsive and shall be rejected by the Department. The bidder’s license must remain active and in good standing throughout the term of the Agreement.

Before awarding the contract for this Project, the Department must verify that the contractor was properly licensed and registered when the contractor submitted its bid on this project. In order for the Department to verify the license and registration status of a contractor, the contractor, at the time it submits its bid for the project, shall provide in writing to the Department its contractor's license number, name on the license, classification, and expiration date of the license; and its DIR public works contractor registration number and prevailing wage labor classification.

Any bidder or contractor not so licensed and registered shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board and the Department of Industrial Relations. Failure of the bidder to obtain proper and adequate licensing and/or registration for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.

CERTIFICATION

In accordance with the California Business and Professions Code and the California Labor Code, we do hereby, under penalty of perjury, certify that the following contractor’s license and registration information is true and correct.

Contractor’s License Number: _____

License Expiration Date: _____

Contractor’s Classification: _____

DIR Public Works Contractor Registration Number: _____

Prevailing Wage Labor Classification(s): _____

Contractor’s Name (Printed): _____

Contractor’s Signature: _____

Bidder Signature: _____

Bidder Name (Printed): _____

Bidder Title: _____

PAST PERFORMANCE

Bidder shall list three (3) projects of similar size and scope completed within the last five (5) years.

<p>Project Name: _____</p> <p>Date of Completion: _____ Contract Amount: _____</p> <p>Owner: _____ Owner POC: _____</p> <p>Email Address: _____ Phone #: _____</p> <p>Project Description: _____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>Project Name: _____</p> <p>Date of Completion: _____ Contract Amount: _____</p> <p>Owner: _____ Owner POC: _____</p> <p>Email Address: _____ Phone #: _____</p> <p>Project Description: _____</p> <p>_____</p> <p>_____</p> <p>_____</p>
<p>Project Name: _____</p> <p>Date of Completion: _____ Contract Amount: _____</p> <p>Owner: _____ Owner POC: _____</p> <p>Email Address: _____ Phone #: _____</p> <p>Project Description: _____</p> <p>_____</p> <p>_____</p> <p>_____</p>

DESIGNATION OF SUBCONTRACTORS

In compliance with the provisions of Section 4100-4114 of the Public Contracts Code of the State of California, and any amendments thereof, each bidder shall set forth below the name and location of the place of business of each subcontractor who will perform work or labor or render service to the bidder in or about the construction of the work or improvement to be performed under these specifications in excess of one-half of one percent (0.5%) of the bidder’s Total Base Bid. The bidder shall list the portion of the work which will be done by such subcontractor.

If the bidder fails to specify a subcontractor for any portion of the work to be performed under the contract, the bidder shall be deemed to have agreed to perform such portion itself, and the bidder shall not be permitted to subcontract that portion of the work except under the conditions allowed by applicable law.

SUBCONTRACTOR (Name/Location)	DIR PWC REGISTRATION #	DESCRIPTION OF WORK	ESTIMATED VALUE

**BIDDER'S CHECKLIST
(To Be filled out by Bidder)**

All items on the Bidder's Checklist must be initiated and dated for the Proposal to be considered complete.

1. **SIGNED RFB**
Pages 1-10 of the RFB have been thoroughly examined, understood and signed by an authorized representative of the bidder.

Initial: _____ Date: _____
2. **BID PROPOSAL**
Submittal Form 1: Bid Proposal has been completed, signed, and submitted.

Initial: _____ Date: _____
3. **BIDDER'S BOND**
Submittal Form 2: Bidder's Bond has been executed by the bidder and an approved surety or this bid is accompanied by a certified or cashier's check in an amount not less than ten percent (10%) of the Total Base Bid.

Initial: _____ Date: _____
4. **NON-COLLUSION AFFIDAVIT**
Submittal Form 3: Non-Collusion Affidavit has been completed, signed, and submitted.

Initial: _____ Date: _____
5. **CONTRACTOR'S LICENSE AND REGISTRATION FORM**
Submittal Form 4: Contractor's License and Registration Form has been completed, signed, and submitted.

Initial: _____ Date: _____
6. **PAST PERFORMANCE**
Submittal Form 5: Past Performance has been completed, signed, and submitted.

Initial: _____ Date: _____
7. **DESIGNATION OF SUBCONTRACTORS**
Submittal Form 6: Designation of Subcontractors has been completed, signed, and submitted.

Initial: _____ Date: _____
8. **MANDATORY PRE-BID CONFERENCE/JOB WALK AND PROJECT INSPECTION**
The bidder certifies that it attended the mandatory pre-bid conference/job-walk, has toured the project site, and is familiar with the work involved.

Initial: _____ Date: _____
9. **CONTRACT DOCUMENTS**
The bidder certifies that it has thoroughly examined and understood the Contract Documents (including, but not limited to, the RFB, General Conditions, Project Plans, and Specifications).

Initial: _____ Date: _____

**Submittal Form 7
BIDDER'S CHECKLIST – PAGE 2**

10. **ADDENDA/AMENDMENTS**

The bidder certifies it has verified receipt of any and all addenda/amendments to this RFB and confirms that this Bid Proposal incorporates and is inclusive off all items contained in such addenda/amendments.

Initial: _____ Date: _____

11. **AGREEMENT**

The bidder certifies that the Agreement for the work of the Project has been reviewed and understood. If awarded, the bidder agrees to execute the Agreement within ten (10) calendar days following the approval of the Notification of Intent to Award by the Department's Board of Directors.

Initial: _____ Date: _____

12. **OTHER BOND REQUIREMENTS**

If awarded, the bidder agrees to secure payment and performance bonds issued by an approved surety equating one hundred percent (100%) of the contract amount within ten (10) calendar days following the approval of the Notification of Intent to Award by the Department's Board of Directors.

Initial: _____ Date: _____

13. **CONTRACTOR'S CERTIFICATE REGARDING WORKERS COMPENSATION**

If awarded, the bidder agrees to complete, sign, and submit the Contractor's Certificate Regarding Workers Compensation within ten (10) calendar days following the approval of the Notification of Intent to Award by the Department's Board of Directors.

Initial: _____ Date: _____

14. **ORIGINAL/COPIES**

The bidder has provided one (1) complete "wet-signed" original submittal.

Initial: _____ Date: _____

Contract Form 1
(To be completed by successful bidder only)

AGREEMENT
EL DORADO HILLS FIRE DEPARTMENT FIRE TRAINING CENTER

This Agreement, dated _____ is by and between the El Dorado Hills Fire Department (“Department”), and _____ (“Contractor”), hereinafter collectively referred to as the “Parties”. This Agreement will be effective upon final execution by the Parties.

RECITALS

WHEREAS, the Department intends to build a new fire training center “Project” located on Cypress Point Court in El Dorado Hills, California; and

WHEREAS, The Department gave authorized notice by its Request for Bid (RFB) for the El Dorado Hills Fire Training Center Project; and

WHEREAS, the Department conducted a public bid opening for the project whereby the Contractor was identified as the lowest responsible and responsive bidder; and

WHEREAS, on _____ the Department’s Board of Directors approved the Notification of Intent to Award the construction contract for the Project to the Contractor, conditioned on the Contractor’s ability to provide executed copies of all documents specified in RFB within ten (10) calendar days of the Board’s approval of the Notification of intent to Award; and

WHEREAS, the Contractor has provided to the Department executed copies of all documents specified in RFB within ten (10) calendar days of the Board’s approval of the Notification of intent to Award; and

WHEREAS, the Contractor is professionally qualified to complete the work of the Project and agrees to complete such work in accordance with the Contract Documents, including the terms and conditions set forth herein.

NOW, THEREFORE, the Parties agree as follows:

1. **HEADINGS**. Headings herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
2. **RECITALS**. The above recitals are incorporated as if fully set forth herein.
3. **SCOPE OF WORK**. The Contractor shall furnish all equipment, tools, apparatus, facilities, material, labor, and skill necessary to perform and complete in a good and workmanlike manner the Project in accordance with the Contract Documents (as defined herein) and applicable law.
4. **CONTRACT TIME**. The Contractor must complete the Project in accordance with the Contract Documents within three-hundred sixty-five (365) calendar days from the date specified in the Department’s Notice to Proceed (“Contract Time”). Remedies for failure to timely complete the Project shall be in accordance with the Contract Documents.

**Contract Form 1
AGREEMENT – PAGE 2**

5. CONTRACT PRICE. As full compensation in consideration of completion of the Project in accordance with the Contract Documents and in consideration of the fulfillment of all of the Contractor's obligations under the Contract Documents, the Department will pay the Contractor in lawful money of the United States the total price of \$ _____ as specified in the Contractor's completed Bid Proposal dated _____, which includes a construction contingency allowance of 5%. The final Contract Price shall be the Total Base Bid, less any Deductive Alternate, plus any costs charged to the construction contingency. Any unused portions of the construction contingency shall not be charged to the Department.
6. PAYMENT. Payment to the Contractor under this Agreement will be for work actually performed in accordance with the Contract Documents and will be made in accordance with the requirements of the Contract Documents and applicable law. The Department will have no obligation to pay the Contractor any amount in excess of the Contract Price unless this Agreement is first modified in accordance with its terms. The Department's obligation to pay the Contractor under this Agreement is subject to and may be offset by charges that may apply to the Contractor under this Agreement. Such charges include, but are not limited to, charges for liquidated damages and/or substitute performance in accordance with the Contract Documents.
7. CONTRACT DOCUMENTS. This Agreement consists of the following documents ("Contract Documents"), all of which are incorporated herein and made a part of this Agreement as if set forth in full. In the event of a conflict between or among the Contract Documents, precedence will be in the following order:
 - a) This Agreement, any amendments hereto, and any change orders signed by authorized representatives of the Department and the Contractor;
 - b) The General Conditions and any change orders and other amendments to the General Conditions signed by authorized representatives of the Department and the Contractor;
 - c) The Technical Specifications, addenda to the Technical Specifications signed by authorized representatives of the Department and issued prior to bid opening, Equal Product Proposals accepted by the Department and signed by authorized Department representatives prior to bid opening, and change orders and other amendments to the Technical Specifications signed by authorized representatives of the Department and the Contractor;
 - d) The Project Plans, addenda to the Project Plans signed by authorized representatives of the Department and issued prior to bid opening, Equal Product Proposals accepted by the Department and signed by authorized Department representatives prior to bid opening, and change orders and other amendments to the Project Plans signed by authorized representatives of the Department and the Contractor;
 - e) Request for Bid;
 - f) The Contractor's submitted proposal package.
8. INTERPRETATION OF CONTRACT DOCUMENTS. Any question concerning the intent or meaning of any provision of the Contract Documents, including, but not limited to, the Technical Specifications or Project Plans, must be submitted to the Department for issuance of an interpretation and/or decision by the Department, or its designee, in accordance with the requirements of the Contract Documents. Interpretations or decisions by any other method concerning the Contract Documents will not be binding on the Department. The decision of the Department, or its designee, shall be final.

**Contract Form 1
AGREEMENT – PAGE 3**

9. INDEPENDENT CONTRACTOR. No relationship of employer and employee is created by this Agreement; it being understood and agreed that the Contractor and its subcontractors are at all times independent contractors, and can perform work for others. The Contractor and its subcontractors are not the agents or employees of the Department in any capacity whatsoever and the Department shall not be liable in any manner for any acts or omissions by the Contractor or its subcontractors, or for any obligations or liabilities incurred by the Contractor, its subcontractors, employees, or agents.

The Contractor and its subcontractors shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, health insurance medical care, hospital care, retirement benefits, social security, disability, workers' compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

The Contractor and its subcontractors shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees, and the Contractor and its subcontractors agree to indemnify and hold the Department harmless from any and all liability which the Department may incur because of the Contractor's or subcontractors' failure to pay such amounts.

In carrying out the work contemplated herein, the Contractor and its subcontractors shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as independent contractors and shall not be treated or considered in any way as officers, agents, and/or employees of the Department.

The Contractor and its subcontractors shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which the Contractor and its subcontractors are engaged in the geographical area in which the Contractor and its subcontractors practice their profession.

Notwithstanding the foregoing, if the Department in its discretion determines that, pursuant to federal and state law, the Contractor or its subcontractors are employees for purposes of income tax withholding, the Department may upon two (2) weeks' notice to the Contractor or its subcontractors, withhold from payments otherwise due to the Contractor and its subcontractors hereunder federal and state income taxes and to pay said sums to the federal and state governments.

10. CONFLICT OF INTEREST. Contractor covenants that it and its subcontractors shall not obtain any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement, including but not limited to any provision of services to any federal, state or local regulatory or other public agency which has any interest adverse or potentially adverse to the Department, as determined in the reasonable judgment of the Board of Directors of the Department. Entering into this Agreement does not preclude Contractor from working for others as long as Contractor ensures that such work does not constitute a conflict of interest.

**Contract Form 1
AGREEMENT – PAGE 4**

11. LIMITATION OF LIABILITY. Under no circumstances will the Contractor be entitled to consequential damages for any loss of profit or damage to reputation. Under no circumstances will the Contractor be permitted to limit their liability to an amount less than one million (\$1,000,000.00) dollars. Under no circumstances will the Contractor be entitled to limit special or consequential damages claimed by the Department.
12. ASSIGNMENT PROHIBITED. The Contractor may not assign part or all of this Agreement, or any moneys due or to become due under this Agreement, or any other right or interest of the Contractor under this Agreement, or delegate any obligation or duty of the Contractor under this Agreement without the prior written approval of an official authorized to bind the Department and an authorized representative of Contractor's surety or sureties. Any such purported assignment or delegation without such written approval on behalf of the Department and the Contractor's sureties will be void and a material breach of this Agreement subject to all available remedies under this Agreement and at law and equity.
13. NOTICE OF THIRD PARTY CLAIMS. Pursuant to Public Contracts Code Section 9201, the Department shall provide the Contractor with notice of claims relating to this Contract filed by third parties no later than ten (10) business days from the date of receipt of the claim. The Contractor shall be responsible for reimbursing the Department for its reasonable costs in providing the notification.
14. MODIFICATION OF AGREEMENT. This Agreement may be supplemented, amended, or modified only by the mutual agreement of the Parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both Parties.
15. SEVERABILITY. If any term or provision or portion of a term or provision of this Agreement is declared invalid or unenforceable by any court of lawful jurisdiction, then the remaining terms and provisions or portions of terms or provisions will not be affected thereby and will remain in full force and effect.
16. SUCCESSORS AND ASSIGNS. This Agreement is binding upon and inures to the benefit of the successor, executors, administrators, and assigns of each party to this Agreement, provided, however, that the Contractor shall not assign or transfer by operation of law or otherwise any or all rights, burdens, duties, or obligations without prior written consent of the Department. Any attempted assignment without such consent shall be invalid.
17. NOTICES. All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:
 - a) Personal delivery: When personally delivered to the recipient, notices are effective on delivery.
 - b) First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox.
 - c) Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.
 - d) Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL Worldwide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Addresses for purpose of giving notice are as follows:

Department: El Dorado Hills Fire Department
Attn: Deputy Chief Dustin Hall
1050 Wilson Blvd.
El Dorado Hills, CA 95762

Contractor: _____

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address by giving the other party notice of the change in any manner permitted by this Agreement.

- 18. SIGNATORIES. By signing this Agreement, signatories warrant and represent that they have executed this Agreement in their authorized capacity.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year below written.

DEPARTMENT:

By: _____
Name: _____
Title: _____
Date: _____

CONTRACTOR:

By: _____
Name: _____
Title: _____
Date: _____

Contract Form 2

(To be completed by successful bidder only)

PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS THAT _____
(hereinafter Principal), as Principal, and _____ a corporation organized and doing business under and by virtue of the laws of the State of California and duly licensed for the purpose of making, guarantying or becoming sole surety upon bonds or undertakings required or authorized by the laws of the State of California, as Surety, are held and firmly bound unto the El Dorado Hills Fire Department (hereinafter called the Obligee), in the penal sum of \$_____and no more, for the work described below, for the payment of which sum in lawful money of the United States, well and truly be made, we bind ourselves and each of our successors and assigns, jointly and severally, firmly by these presents as herein described above provided.

THAT WHEREAS, the Principal has entered into a contract with Obligee for the construction of:

El Dorado Hills Fire Department Fire Training Center

NOW, THEREFORE, the condition of this obligation is such that if the above bounded Principal shall in all things stand to abide by, and well and truly keep and perform the covenants, conditions and agreements in the foregoing contract agreed on his/her or their part to be kept and performed at the time and in the manner herein specified, and shall indemnify and save harmless the El Dorado Hills Fire Department, its officers, agents and employees as therein stipulated, then this obligation shall become null and void; otherwise, it shall remain in full force and virtue.

The Surety herein, for value received, hereby stipulates and agrees that no change, extension of time, alteration, addition or modification to the terms and conditions of said contract, or the specifications accompanying the same shall in any manner affect its obligations on this bond, and said Surety does hereby waive notice of any such change, extension, alteration or addition.

IN WITNESS WHEREOF, Principal and Surety have caused these presents to be duly signed and sealed this day of _____, 2022.

Signature of Principal: _____

Signature of Surety: _____

Business Address: _____

City, State, Zip: _____

Phone: _____

NOTES:

1. Signature of those executing for the Surety must be properly acknowledged.
2. This Bond must be in an amount equal to 100% of the Contract Price.

**Contract Form 3
(To be completed by successful bidder only)**

PAYMENT BOND

KNOW ALL PERSONS BY THESE PRESENTS, that whereas, the El Dorado Hills Fire Department acting through its Board of Directors, has awarded _____ hereinafter designated as the Principal, a contract for: El Dorado Hills Fire Department Fire Training Center.

AND WHEREAS, said Principal is required to furnish a bond in connection with said contract, provided that if said Contractor, or any of its subcontractors, shall fail to pay for any materials, provisions, provender or other supplies, or teams, used in, upon, for or about the performance of the work contracted to be done, or any work or labor done thereon of any kind, or for amounts due under the Unemployment Insurance Code with respect to such labor, the Surety of this bond will pay the same.

NOW, THEREFORE, we, _____ as Principal and _____ as Surety, are held firmly bound unto the El Dorado Hills Fire Department hereinafter called Department, in the penal sum of \$ _____, and no more, for the payment of which sum well and truly to be made, we bind ourselves and each of our successors and assigns, jointly and severally, firmly by these presents as herein described above provided.

The condition of this obligation is such that, if said Principal, or its subcontractors, shall fail to pay for any materials, provisions, provender or other supplies or teams used in, upon, for or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Code with respect to such work or labor, as required by the provisions of Title 15, Part 4, Third Division of the California Civil Code, commencing with Section 3082, and providing that the persons, companies or corporations so furnishing said materials, provisions, or other supplies, appliances or power used in, for or about the performance of the work contracted to be executed or performed, or any person, company, or corporation, renting, or hiring implements, or machinery, or power, for, or contributing to said work to be done, or any person who performs work or labor upon the same, or any person who supplies both work and materials therefor, shall have complied with the provisions of said Title 15, the Surety, or Sureties, hereon will pay the same in an amount not exceeding the sum specified in his/her or its bond, and also, in case suit is brought upon this bond, a reasonable attorney's fee to be fixed by the Court, then this obligation shall become null and void; otherwise, it shall remain in full force and virtue.

IN WITNESS WHEREOF, Principal and Surety have caused these presents to be duly signed and sealed this day of _____, 2022.

Signature of Principal: _____

Signature of Surety: _____

Business Address: _____

City, State, Zip: _____

Phone: _____

NOTES:

1. Signature of those executing for the Surety must be properly acknowledged.
2. This Bond must be in an amount equal to 100% of the Contract Price.

Contract Form 4
(To be completed by successful bidder only)

**CONTRACTOR'S CERTIFICATE
REGARDING WORKERS COMPENSATION**

TO: El Dorado Hills Fire Department

I am aware of the provisions of Section 3700 of the Labor Code of the State of California which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and I will comply with such provisions before commencing the performance of the work of this contract.

Contractor: _____

Signatory Name (Printed): _____

Title: _____

Signature: _____

Business Address: _____

City, State, Zip: _____

Telephone: _____

Date: _____

EXHIBIT A
GENERAL CONDITIONS
EL DORADO HILLS FIRE DEPARTMENT FIRE TRAINING CENTER

1. DEFINITIONS

The following terms as used in any agreement of which these General Conditions are a part, are defined as follows:

- 1.1 Agreement: The agreement between the Department and Contractor concerning the Project, as evidenced by and comprised of the Contract Documents.
- 1.2 Architect: The person or persons so specified on the title sheet of the Technical Specifications and/or Project Plans.
- 1.3 Bid Package: All of the documents listed as comprising the entire Bid Package as specified in the Request for Bids and representing the full set of documents made available to bidders on the Project.
- 1.4 Department or Owner: El Dorado Hills Fire Department
- 1.5 Contract Documents: All those documents listed in the Agreement as comprising the entire agreement between the Department and the Contractor.
- 1.6 Contractor: The successful bidder for the Project and party to the Agreement with the Department as specified in the Agreement.
- 1.7 Days: Unless otherwise specified in the Contract Documents, days mean calendar days.
- 1.8 Equal Product Proposals: As defined in the Request for Bids.
- 1.9 Project: The El Dorado Hills Fire Department Fire Training Center Project as described in the Technical Specifications and Project Plans.
- 1.10 Construction Manager: The Department's authorized representative for administration and overall management of the Project Agreement and Work. The Construction Manager is the official point of contact between the Department, the Architect, and the Contractor.
- 1.11 Project Plans: The primarily graphic detailed requirements concerning the Project contained in the Bid Package and any addenda to the Project Plans signed by authorized Department representatives and issued prior to bid opening, Equal Product Proposals accepted by the Department and signed by authorized Department representatives prior to bid opening, and change orders and other amendments to the Project Plans signed by authorized representatives of the Department and the Contractor in accordance with the requirements of the Contract Documents.
- 1.12 Project Inspector: The party or parties charged by the Department with inspecting the Project for compliance with the requirements of the Contract Documents and applicable laws and regulations. The Project Inspector acts under the direction of the Department and shall coordinate with the Construction Manager and Architect as directed by the Department in accordance with the Contract Documents.
- 1.13 Separate Contractor: A person, firm or corporation that is obligated as a party to a sole-source contract with the Department to perform part of the Project work. For purposes of these General Conditions Separate Contractors include, but are not limited to, those that are obligated as parties to a sole-source contract with the Department to specially fabricate and install a portion of the Project Work according to the Technical Specifications and/or Project Plans.

- 1.14 Subcontractor: A person, firm or corporation that is obligated as a party to a contract with the Contractor to perform part of the Project work. For purposes of these General Conditions Subcontractors include, but are not limited to, those that are obligated as parties to a contract with the Contractor to specially fabricate and install a portion of the Project Work according to the Technical Specifications and/or Project Plans.
- 1.15 Technical Specifications: The written technical Project requirements contained in the Bid Package and any addenda to the Technical Specifications signed by authorized Department representatives and issued prior to bid opening, Equal Product Proposals accepted by the Department and signed by authorized Department representatives prior to bid opening, and change orders and other amendments to the Technical Specifications signed by authorized representatives of the Department and the Contractor in accordance with the requirements of the Contract Documents.
- 1.16 Work: The furnishing of all equipment, tools, apparatus, facilities, material, labor and skill necessary to perform and complete in a good and workmanlike manner the Project as shown in the Technical Specifications and Project Plans in accordance with the Contract Documents and applicable law.
- 1.17 Written Notice: Notice will be deemed to have been duly served for purposes of these General Conditions and any agreement of which they are a part if delivered in person to the individual or to a member of the firm or to any office of the corporation for whom the notice is intended, or if sent by registered or certified mail to the last known business address known to the party giving notice. Unless otherwise specified in the Contract Documents, the last known address of the Contractor shall be that listed in the Contractor's completed Proposal Cover Page and Bid Schedule.

2. SCOPE OF WORK

- 2.1 Documents Furnished by Department. The Department will furnish to the Contractor, free of charge, five (5) sets of prints of the Project Plans and Technical Specifications for execution of the Work. Throughout the performance of the Work the Contractor must keep one copy of the Project Plans and Technical Specifications in good order and available for review on site by the Construction Manager, Architect, Department, and any other Department contractors or representatives.
- 2.2 Ownership of Documents Furnished by Department. All documents furnished by the Department, including, but not limited to, the Technical Specifications, Project Plans, and any copies, are the property of the Department. Documents furnished by the Department may not to be used on any other work. All documents furnished by the Department must be returned to Department upon completion of the Project.
- 2.3 Technical Specifications and Project Plans.
 - 2.3.1 The Technical Specifications and Project Plans are complementary and intended to mutually include items necessary for the proper execution and completion of the Work by the Contractor. What is required by one shall be as binding as if required by both.
 - 2.3.2 In general, the Project Plans indicate design, location, and dimensions, and the Technical Specifications indicate qualities, standards, and workmanship. Any Work indicated on the Project Plans and not mentioned in the Technical Specifications or vice versa must be furnished as though fully set forth in both. Work that is not particularly detailed, marked or specified shall be the same as similar Work that is detailed, marked or specified. The Contractor shall furnish items necessary for the installation of materials and the operation of equipment depicted in the Project Plans or specified in the Technical Specifications that are suitable to allow such materials and equipment to function properly at no extra charge.

Project Plans shall not be scaled. Any discrepancies found in dimensions shall be brought to the immediate attention of the Construction Manager.

- 2.3.3 The Contractor shall notify the Construction Manager as soon as possible of any apparent errors or inconsistencies, including, but not limited to, typographical or notational errors in the Project Plans, Technical Specifications, and/or in work done by others affecting the Work. The Department will issue instructions concerning any such apparent errors or inconsistencies. If the Contractor proceeds with Work impacted by apparent errors or inconsistencies without instructions from the Department, the Contractor shall do so at its sole risk and shall have all of the obligations and the Department will have all of the rights and remedies specified herein concerning any resulting damage or defect.
- 2.3.4 The General Conditions apply with equal force to all of the Project, including extra work authorized by the Department in accordance with the Contract Documents. The Contractor shall submit any required shop diagrams and/or drawings by the times and in the quantities indicated in the Technical Specifications. Any such shop diagrams and/or drawings must completely show the Work to be done, expanding on the Project Plans concerning details not previously shown, field conditions and the condition of the Work. Construction Manager, Architect, or Department review of such shop diagrams and/or drawings will concern conformance with the design concept as expressed in the Contract Documents only. Neither the Construction Manager, Architect, nor the Department assumes any responsibility for the correctness or accuracy of the dimensions or any other contents of any shop diagrams and/or drawings submitted by the Contractor. The Contractor shall check all dimensions at the Work site. Shop diagrams and/or drawings must be clearly marked with the name of the Project and the name of the Contractor, subcontractor or supplier making the submittal, and shall be stamped and signed by the Contractor and submitted under a signed transmittal letter from the Contractor certifying that all dimensions have been checked at the Work site. These requirements are mandatory. The Architect will not review shop diagrams and/or drawings that do not satisfy these requirements. The Contractor shall be responsible for any and all discrepancies between dimensions of the actual Project site and/or Work and those shown on shop diagrams and/or drawings submitted by the Contractor, and for any other errors contained in or resulting from such shop diagrams and/or drawings, including, but not limited to, errors in material and/or equipment quantities and any resulting errors, delays or additional cost in the performance of the Project.

3. CONTROL OF WORK AND MATERIAL

- 3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract.
- 3.2 Architect's Status. Except as otherwise provided in the Contract Documents, the Architect will not be responsible for and will not have control or charge of construction means, methods, techniques, or procedures or for safety precautions in connection with the Work. The Architect, however, will have authority to reject materials and/or workmanship that do not conform to the requirements of the Contract Documents. The Architect will also have the authority to require inspection or testing of the Work.
- 3.3 Construction Manager's Status. The Construction Manager will administer the Project in accordance with the Contract Documents. After execution of the Agreement and issuance of the Notice to Proceed, all correspondence and/or instructions concerning the Project between the Contractor, and/or the Architect, and/or the Department shall be forwarded through the Construction Manager. The Construction Manager will be responsible to provide daily inspections to provide assurance to the Department that the Work performed by the Contractor is in full compliance with the requirements of the Contract Documents. Except as otherwise provided in the Contract Documents, the Construction Manager will not be responsible for and will not have control or charge of construction means,

methods, techniques, or procedures or for safety precautions in connection with Work. The Construction Manager, however, will have authority to reject materials and/or workmanship that do not conform to the requirements of the Contract Documents. The Construction Manager will advise the Architect and the Department concerning decisions on all claims of the Contractor and all other matters relating to the execution and progress of the Work or the interpretation of the Contract Documents. The Construction Manager will also advise the Contractor, the Department, and the Architect of any findings that the Work does not conform to the Contract Documents.

3.4 Inspection and Testing of Work and Material.

3.4.1 The Department, the Construction Manager, the Architect, and their representatives will have access to the Project at all times wherever it is in preparation or progress. The Contractor shall provide proper facilities for such access and for inspection.

3.4.2 The Contractor shall inspect all materials as delivered and promptly return all defective materials without waiting for their rejection by the Architect or Construction Manager.

3.4.3 If the Construction Manager, the Technical Specifications, or any laws, ordinances, or any public authority require any Work to be tested or approved, the Contractor shall give the Construction Manager timely notice of the Contractor's readiness for inspection. Inspections will be promptly made, and where practicable, at the source of supply. Any work subject to such testing that is covered up without timely notice to the Construction Manager or without the approval or consent of the Construction Manager shall, if required by the Construction Manager, be uncovered for examination at the Contractor's expense.

3.4.4 Tests of materials or qualification tests required by the Contract Documents must be made in accordance with the Technical Specifications and the requirements of the California Building Standards Code as adopted by the Department and other applicable law. Copies of all testing reports shall be distributed as required in the Technical Specifications.

3.4.5 The Department or its representatives may order re-examination of questioned Work. If ordered to do so, the Contractor shall uncover such Work. If such Work is found to be according to the Contract Documents, the Department will pay the cost of uncovering and restoring the Work, unless such Work was subject to testing and covered up without timely notice to or approval of the Construction Manager. If re-examined Work is found not in accordance with the Contract Documents, the Contractor shall pay the cost of uncovering and restoring the Work.

3.4.6 The Contractor shall replace or correct without charge any material or workmanship found not to conform to the requirements of the Contract Documents, unless the Department consents to accept such material or workmanship with an appropriate adjustment in the Contract Price. The Contractor shall promptly segregate and remove non-conforming material from the Project site.

3.5 Samples Furnished by the Contractor. The Contractor shall furnish all samples for approval as directed in sufficient time to permit the Architect to examine, approve and select samples before they are required by the progress of the Work. Portions of the Work for which samples are required and for which the Architect has selected samples must be in accordance with such approved samples. Samples shall be sent prepaid to the Architect or to such place as the Architect may direct.

3.6 Materials and Substitutions.

3.6.1 Materials used for the Work shall be new, free of liens, claims, and security interests of third parties, and of the quality specified. No used or refurbished materials or equipment shall be allowed. Specifications shall not contain restrictions that will limit competitive bids, except

where expressly approved by the Department. Exceptions shall only be as permitted by the Department in conformance with Public Contract Code Section 3400. Where articles, materials, and/or equipment are identified by brand or proprietary names, at least two names shall be used, and such names shall be followed by the words "or equal." When not particularly specified, materials shall be the best of their class or kind. The Contractor shall, upon request of the Department, Architect, or Construction Manager, submit satisfactory evidence as to the kind and quality of materials.

- 3.6.2 If the Contractor submitted complete information to the Department for products proposed as equals in accordance with the Bid Package, and the Department approved such products proposed as equals in writing, the Contractor may either furnish such products approved as equals, or furnish the products listed by manufacturer name, brand or model number in the Technical Specifications or Project Plans. The Department retains the right, in its sole discretion, to accept or reject any other proposed substitution. To be considered, proposals concerning products proposed as equals must include sufficient information to permit the Department to determine whether the products proposed as equals will satisfy the same performance requirements as products listed by manufacturer's name, brand or model number. Such performance requirements may include, but are not limited to, size, strength, function, appearance, ease of maintenance and repair, and useful life requirements. If the Department does not accept a proposed substitution, the Contractor shall furnish the product specified in the Technical Specifications or Project Plans for the Contract Price, regardless of whether the product is specified by manufacturer's name, brand or model number, or otherwise.
- 3.6.3 During the performance of the Work, all materials shall be neatly stacked, properly protected from the weather and other adverse impacts, and placed so as to avoid interference with efficient progress of the Work, with other activities of the Department, or with the use of existing Department facilities by the public. The Contractor shall arrange for delivery, storage, protection, and security of Department-purchased materials, systems and equipment, which are a part of the Project, until such items are incorporated into the Project. All materials shall be delivered so as to ensure efficient and uninterrupted progress of the Work. Materials shall be stored so as to cause no obstruction and so as to prevent overloading of any portion of the Work. The Contractor shall be responsible for damage or loss of materials delivered to and/or stored at the Work site due to weather or other causes. The Contractor shall promptly remove from the Work site all materials rejected by the Department or its representatives as failing to conform to the requirements of the Contract Documents, whether such non-conforming materials have been incorporated in the Work or not. If the Department or its representatives so direct, the Contractor shall promptly replace and re-execute Work performed by the Contractor and order the replacement and re-execution of Work performed by subcontractors using non-conforming materials with materials that satisfy the requirements of the Contract Documents without expense to the Department. The Contractor shall bear the expense of making good all Work destroyed or damaged by such removal.
- 3.7 Onsite Records.
- 3.7.1 The Contractor shall maintain at the Project site a record copy of all subcontracts, Project Plans, Specifications, addenda, change orders, architectural issued revisions, and other modifications, kept in good order and marked to record all changes made during construction; shop drawings; product data; samples; submittals; purchases; materials; equipment; maintenance and operating manuals and instructions; other related documents and revisions which arise out of any subcontracts. The Contractor shall maintain records of principle building layout lines, elevations for the bottom of footings, floor levels and key site elevations certified by a qualified surveyor or professional engineer, if necessary. All records must be made available to the Department, at the Department's request. At the completion of the project, the contractor shall deliver all such records to the Department.

- 3.7.2 Audit and Examination of Records. The Department may examine and audit at no additional cost to the Department all books, estimates, records, contracts, documents, subcontract job cost reports and other Project related records of the Contractor, subcontractors engaged in performance of the Work, and suppliers providing supplies, equipment and other materials required for the Work, including computations and projections related to bidding, negotiating, pricing or performing the Work or contract modifications and other materials concerning the Project, including, but not limited to, Contractor daily logs, in order to evaluate the accuracy, completeness, and currency of cost, pricing, scheduling and any other project related data. The Contractor shall make available all such Project related data at all reasonable times for examination, audit, or reproduction at the Contractor's business office at or near the Project site, and at any other location where such Project related data may be kept until three (3) years after final payment under the Agreement. Pursuant to California Government Code Section 8546.7, if the amount of public funds to be expended is in excess of \$10,000, this Agreement shall be subject to the examination and audit of the State Auditor, at the request of the Department, or as part of any audit of the Department, for a period of three (3) years after final payment under the Agreement.
- 3.8 Advertising. Advertising signs by the Contractor or any subcontractor may only be displayed if approved in writing by the Department in advance of placement. Advertising signs shall be maintained to the satisfaction of the Department. Advertising signs must also conform to all El Dorado County and or El Dorado Hills Business Park Design Guideline requirements including being subject to applicable permits and licenses. Approval by the Department does not in any way relieve the Contractor or subcontractors from conforming to El Dorado County and or El Dorado Hills Business Park Design Guideline requirements for displaying signs. Costs for obtaining sign permits, licenses, or approvals and costs for furnishing, installing, and maintaining advertising signs shall be the sole responsibility of the Contractor.
- 3.9 Construction Schedule.
- 3.9.1 General Scheduling Requirements.
- 3.9.1.1 Submittals required under this Section include:
- a) Preliminary Construction Schedule
 - b) Construction Schedule
 - c) Schedule Updates
 - d) As-Built Schedule
 - e) Schedule Revisions
 - f) Resume of Project Scheduler
 - g) Other Schedules as may be required
- 3.9.1.2 The term "Schedule(s)" refers to the Preliminary Construction, Construction Schedule and any variations, revisions, or updates thereof.
- 3.9.1.3 The Contractor will develop and maintain the Schedule for the scope of Work contained in the Contract Documents. The Schedule will be used to:
- a) Assure adequate planning, scheduling, and reporting during execution of the construction and related activities so they may be prosecuted in an orderly and expeditious manner, within the Contract Time and the milestones stipulated by the Contract Documents;
 - b) Assure coordination of the Work of the Contractor and the various subcontractors and suppliers at all tiers;
 - c) Form the basis of preparation and evaluation of the Contractor's monthly progress payments;
 - d) Monitor the progress of the Work and evaluate potential schedule impacts of proposed changes to the Contract Documents; and,

- e) Assist in detecting problems for the purpose of taking corrective action and to provide a mechanism or tool for determining and monitoring such corrective actions.
- 3.9.1.4 In developing the Schedule, the Contractor will be responsible for assuring that subcontractor Work at all tiers, as well as Contractor's own Work, is included in the Schedule and well-coordinated in a logical and reasonable plan of the Work.
- 3.9.1.5 Time is of the essence. The Work will be prosecuted such that it will ensure meeting the specified Contract Time. By execution of the Agreement, the Contractor represents that he has analyzed the Work, the materials and methods involved, the systems of the building, availability of qualified labor, restrictions of the Project site, constraints imposed, their own workload and capacity to perform the Work, and agrees that the specified times are reasonable considering the existing conditions prevailing in the locality of the Work, including weather conditions, and other factors, with reasonable allowance for variations from average or ideal conditions.
- 3.9.1.6 The Preliminary Construction and Construction Schedules must be developed utilizing the Precedence Diagramming Method. The Contractor must use the latest version of Primavera P6 Enterprise Project Portfolio Management for scheduling the Work.
- 3.9.1.7 Milestones
- a) The milestone completion dates indicated are considered essential to the satisfactory performance of this Project and to the coordination of all Work therein.
 - b) Milestone dates will not be changed by submission of a Schedule that shows earlier or later completion dates, unless specifically authorized by a change order.
- 3.9.1.8 Float Time
- a) Total Float is the number of days by which an activity may be delayed without adversely affecting the milestone completion date(s). Total Float is measured in reference to the milestone date(s), and not the latest calculated Schedule finish date.
 - b) Longest Critical Path is the longest series of dependent activities within the Schedule that determines when the Work of a milestone or the entire Work of the Project is complete.
 - c) A Critical Activity is one whose Total Float is equal to or less than zero, and whose Early Finish dates are equal to or later than the Late Finish dates by which it must be performed for the Project to complete by the milestone date(s). A Critical Activity may or may not be on the Longest Critical Path.
 - d) Project Float is the number of days between the Contractor's Scheduled date for completion of the Work as indicated by its Longest Critical Path, and the Contract Time specified for the completion date of the milestone.
 - e) Float is not for the exclusive use or benefit of either the Contractor or the Department. Float time will be apportioned according to the needs of the Project and as accepted by the Department.
 - f) An Early Completion Schedule is one that reflects earlier completion than the Final Completion milestone date. In the event the Contractor submits an Early Completion Schedule, the difference between the Schedule's calculated completion and the Final Completion milestone date will be considered part of the available Project Float and will be subject to the Float sharing requirements set forth herein. The Contractor will not be entitled to any Contract Time extensions, or extended jobsite expenses on account of any

delays to the Schedule early completion dates unless all Project Float has been consumed and performance of the Work extends beyond the milestone dates.

- g) The Department reserves the right to issue a change order revising the Contract Time and associated milestones to those indicated in the Contractor's Early Completion Schedule.
- h) The use of Float suppression techniques such as preferential sequencing, special lead/lag logic restraints, unjustifiably extended activity durations, or constrained dates is not allowed and will be grounds for rejection of the Construction Schedule or any revisions or updates thereto.

3.9.1.9 The Contractor must engage its major subcontractors in the development and updating of all submitted Schedules and receive their buy-in on the Schedule prior to submittal.

3.9.1.10 The Contractor must submit, for the Department's approval, the resume of their proposed Project Scheduler who will be responsible for developing, maintaining and providing Time Impact Analyses of the Schedules. The Project Scheduler must be proficient in CPM scheduling using Primavera P6 software, have demonstrated experience in Projects with similar scheduling complexity and requirements, and be capable of fulfilling the requirements of this Section.

3.9.1.11 Acceptance by the Department of the Contractor's Schedule does not relieve the Contractor of any responsibility whatsoever for the accuracy or feasibility of the Schedule, or of the Contractor's ability to meet the Contract Time or milestone dates, nor does such acceptance acknowledge or admit the reasonableness of the activities, logic, durations, manpower, or cost-loading of the Contractor's Schedule.

3.9.1.12 Failure by the Contractor to include any element of Work required for performance of the Work or failure to properly sequence the Work will not excuse the Contractor from completing all Work within the Contract Time, regardless of the Department's acceptance of the Construction Schedule.

3.9.1.13 Failure of the Contractor to comply with the requirements of this section shall be considered grounds for a determination by the Department, pursuant to the Agreement, that the Contractor is failing to prosecute the Work with such diligence as will ensure its completion within the Contract Time.

3.9.2 Pre-Scheduling Conference.

3.9.2.1 Convene a Pre-Schedule Meeting with the Department to review methods and procedures related to the Preliminary Construction and Construction Schedules, including, but not limited to, the following:

- a) Provide verification that the personnel planned to develop and update the Schedule have proper qualifications.
- b) Review dates established in the Contract Documents and other milestones of important events.
- c) Discuss constraints, access issues, Work restrictions, and security procedures.
- d) Discuss sequencing, phasing, Work stages, area separations, interim milestones, and the Department's requirements for activation activities and use prior to acceptance, if any.
- e) Review timeline of mobilization activities on the Project Site, including notices, permits and time to acquire, set up and occupy the field office(s).
- f) Review Schedule general and technical requirements.
- g) Review Schedule for Work of the Department's separate contracts and interface points with other contracts.

- h) Review processes and procedures for updating of Schedule and progress evaluation.
- i) Review delivery durations and dates for owner-furnished products.
- j) Review procedures and durations for commissioning, startup and close-out.
- k) Review procedures for assessing Schedule impacts, Schedule delays, and time extensions.
- l) Data exchange and communications.

3.9.2.2 The Pre-scheduling conference must be attended by all of the Contractor's key Project personnel, listed subcontractors and accepted Project Scheduler.

3.9.3 Preliminary Construction Schedule.

3.9.3.1 Within fourteen (14) days following the Notice to Proceed, the Contractor must submit, for the Department's review, three (3) printed and one (1) electronic copy of a Preliminary Construction Schedule. This Schedule must show detailed activities for Work to be completed in the first ninety (90) days of the Project. All Work planned to be performed during the remainder of the Project performance period may be represented by summary activities.

3.9.3.2 The Preliminary Construction Schedule must indicate milestones for the Project and define the following:

- a) Proposed procurement activities to be accomplished during the first ninety (90) days of the Project. Procurement activities must include product data and/or shop drawing submittals, submittals review and approval as well as fabrication and delivery of key and long lead procurement elements.
- b) Proposed construction activities to be accomplished during the first ninety (90) days of the Project. For those activities, activity durations must be in units of whole working days and must be limited to a maximum of fifteen (15) working days for each activity, unless otherwise specified herein.
- c) Summary activities not included above, which are necessary to properly indicate the approach to scheduling the remaining Work areas or phases of the Work. The Work for each phase or area must be represented by at least one summary activity such that they cumulatively indicate the entire Work. The approximate duration for each summary activity must be shown on the Preliminary Construction Schedule.

3.9.3.3 The Preliminary Construction Schedule must conform to the requirements described herein.

3.9.3.4 The Preliminary Construction Schedule accepted by the Department must be used as the accepted Schedule of Values for progress payments during the first sixty (60) days of the Project while the Construction Schedule (discussed hereafter) is being developed and accepted.

3.9.3.5 The Preliminary Construction Schedule must be updated on a monthly basis while the Construction Schedule is being developed. The monthly updating of the Preliminary Construction Schedule must be consistent with the procedures and requirements described herein.

3.9.3.6 The accepted Preliminary Construction Schedule must be used for the review of time extension request(s) during the first ninety (90) days of the Project while the Construction Schedule is being developed.

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- 3.9.3.7 Within seven (7) days after receipt by the Department of the Preliminary Construction Schedule, the Department will make recommendations to the Contractor as to adjustments to the Preliminary Construction Schedule. These recommendations, if accepted by both the Department and Contractor, will be incorporated into the development of the Construction Schedule. The Contractor must provide a response to the concerns of the Department, to its satisfaction, before the submittal of the Construction Schedule.
- 3.9.3.8 Once accepted by the Department, the Preliminary Construction Schedule will form the basis of the initial accepted Construction Schedule.
- 3.9.4 Construction Schedule.
- 3.9.4.1 Within forty-five (45) days following Notice to Proceed, Contractor must submit to the Department a proposed Construction Schedule in CPM format.
- 3.9.4.2 The proposed Construction Schedule must conform to the requirements described herein. The Contractor must use the accepted Preliminary Construction Schedule and the Department's comments thereon as the basis for the Construction Schedule.
- 3.9.4.3 The proposed Construction Schedule will be reviewed in the following manner:
- a) Within fourteen (14) days after receipt by the Department of the proposed Construction Schedule, the Department will notify the Contractor of any concerns it may have in regard to the Schedule.
 - b) If the Department questions the Contractor's proposed activities, logic, durations, , the Contractor must, within seven (7) days after receipt of the Department's request, provide a satisfactory revision to, or adequate justification for, these activities, logic, durations, to the satisfaction of the Department.
 - c) Upon the Contractor addressing the comments and Construction Schedule requirements to the satisfaction of the Department, the Department will accept the proposed Construction Schedule and it will then be considered the accepted Construction Schedule.
 - d) In the event the Contractor fails to define any element of Work, activity or logic and the Department's review does not note this omission or error, such omission or error, when discovered by the Contractor or the Department, must be corrected by the Contractor and immediately submitted to the Department as a schedule revision request and will not affect the Contract Time.
- 3.9.4.4 Accepted Construction Schedule
- a) The accepted Construction Schedule will be used as the baseline to evaluate all Work yet to be performed and subsequent updates to the Construction Schedule.
 - b) No activity is to be deleted from the initial accepted Construction Schedule. In the event that an activity is no longer appropriate to the plan, either by change order or otherwise, it must be indicated with "zero duration" as of the date such determination is made and offsetting cost adjustment made as required to balance within the activity's cost account.
 - c) Acceptance by the Department of the Contractor's Construction Schedule will be a condition precedent to the making of any progress payments after the first ninety (90) days of the Contract Time.
 - d) Monthly progress payments will be based upon information developed during the monthly Schedule Update progress.

- 3.9.4.5 The initial Construction Schedule submission must reflect the Contractor's initial "plan of execution" as contemplated at the date of the Notice to Proceed, with no regard for actual progress or conditions encountered through the preparation time for its submittal.
- 3.9.4.6 If requested by the Department, the Contractor must furnish a written narrative of the Contractor's determination of durations and or sequence of critical activities. Such explanation must include the number of crews, crew composition, number of shifts per day, number of hours in a shift and the number of work days per week.
- 3.9.5 Technical Requirements.
- 3.9.5.1 General:
- a) Milestone dates must be adhered to and must be clearly identified on the Schedule.
 - b) Milestone dates must not be changed without the written consent of the Department via an executed change order.
 - c) Start milestones must be constrained by "Start On or Before" or "Start No Earlier Than" constraints.
 - d) Completion milestones must be constrained by "Finish On or Before" constraints.
 - e) "Mandatory", "Start On", and "Finish On" constraints will not be allowed.
 - f) All other phasing & sequencing requirements prescribed in the Contract Documents must be represented by the use of appropriate constraints, as agreed to by the Department.
- 3.9.5.2 Scope Definition:
- a) Activities scheduled to occur in the first ninety (90) days in the Preliminary Construction Schedule and the entire Construction Schedule must be developed to an acceptable level of detail that is adequate for progress monitoring and payment evaluation, as determined by the Department. The level of detail of the Contractor's Schedule will be a function of the complexity of the Work involved. Construction activities must represent the continuous work of a single crew in a defined Work area or location and have duration of no longer than fifteen (15) work days, unless otherwise accepted by the Department. Non-construction activities (such as procurement, fabrication, etc.) may have durations in excess of fifteen (15) work days.
 - b) Activity descriptions must be unique, full, clear and readily identifiable from Construction Documents.
 - c) Activity IDs must be alpha-numeric, indicating the activity's building, area and location.
 - d) Indicate a responsibility code for each activity. Responsibility for each activity must be identified with a single performing organization, typically the subcontractor name.
 - e) If requested by the Department, the Schedule activities must also be assigned a code indicating the relevant Specification Section or drawing number.
 - f) The Schedule must be organized in a Work Breakdown Structure as agreed by the Department to assist in understanding work flow and sequencing.
 - g) The Schedule must reflect the entire scope of Work required by the Contract Documents, including but not limited to:
 - 1. Submittal & Procurement activities as set out under Section 3.9.5.3 below.
 - 2. Field testing of equipment and materials.
 - 3. Detailed activities for mobilization, all temporary and preparatory Work necessary before the commencement of construction activities.

4. A finish milestone type activity denoting the “dry-in’ of each building.
5. All construction of mock-ups, and prototypes and/or samples.
6. Work by the Department: Include a separate activity for each portion of Work performed by the Department or the Department’s separate contractors.
7. Separate activities for owner-furnished products.
8. Separate activities for submittals, fabrication & delivery and installation of Contractor-Furnished-Contractor-Installed (CFCI) and Owner-Furnished-Contractor-Installed (OFCI) items.
9. Activities for Furnishings, Fixtures & Equipment (FFE) installation, whether performed by the Contractor or the Department.
10. Complete startup, testing and commissioning sequence at each building/major area, including but not limited to: final utility connections, start-up & pre-functional testing of equipment/system, testing & balancing for water/air system, functional performance testing and building flush-out. The schedule must include all testing activities conducted by or authorities having jurisdiction. Allow a minimum of fifteen (15) working days for startup, testing and commissioning at each building/major area.
11. All close-out activities including:
 - i. Preparation and submittal of operations and maintenance manuals and as-built documents;
 - ii. Demonstration and training;
 - iii. Final cleanup;
 - iv. The Department’s pre-final inspection, Contractor certification of Final Completion milestone date, punch list development, Contractor’s correction of punch list, the Department’s final inspection at each building/major area as may be applicable. Activity duration for punch list development and punch list correction must be no less than fourteen (14) days and twenty one (21) days, respectively.

3.9.5.3 Submittals:

- a) The Schedule must identify detailed activities for the following:
- b) Preparation, review and approval of all submittals which are key to timely and orderly completion of Work or as required by the Department.
- c) Procurement Activities: for all long lead items and/or major items requiring a total duration for all tasks below of more than sixty (60) days, the Schedule must show a sequence of activities, including:
 1. Preparation of shop drawings and sample submissions.
 2. Review and approval of shop drawings and samples: Include review and re-submittal times specified in the Technical Specifications in the Schedule. Coordinate submittal review dates and durations in the Schedule with the Submittal Log.
 3. All involved State or regulatory agency document reviews (deferred reviews) times and permits required for the performance of the Work.
 4. Anticipated execution date of purchase order.
 5. Shop fabrication time.
 6. Delivery time.

3.9.5.4 Durations:

- a) Use "one workday" as the unit of time. Include list of nonworking days and holidays incorporated into the Schedule as a calendar.
- b) All activities whose durations are stipulated by the Contract Documents, as well as milestones, must be scheduled on a 7-day work week calendar.

- c) Proposed durations assigned to each activity will be the Contractor's best estimate of time required to complete the activity considering the scope and resources planned for the activity. However, activity durations and/or dates must not be resource driven.

3.9.5.5 Logic Network:

- a) Include all constraints, phasing or Work restrictions indicated in the Contract Documents.
- b) All activity start and finish ends must be tied into the Schedule by logical restraints. The Schedule must only contain two (2) open ended activities: NTP with no predecessor relationship, and the latest completion milestone with no successor relationship.
- c) All activities requiring time to complete must be included in the Schedule as an activity (cure time, etc.).
- d) The Schedule must not include any start-to-finish relationships.
- e) The Schedule must not include any negative lags or finish-to-start relationships with positive lag. Lags in start-to-start or finish-to-finish relationships must not exceed the duration of the predecessor or successor activity, respectively.
- f) The Schedule's Longest Critical Path must be comprised of the anticipated controlling operations, which are most significant in nature and are key for completing the Work per the milestone dates.
- g) The number of critical and near critical activities must be kept to a minimum and must not exceed 20%. A near critical activity is one who's Total Float value is less than twenty (20) working days.
- h) With the exception of milestones, the use of constraints that override Schedule calculated early or late dates will not be allowed.
- i) Acceptance of the Schedule will not preclude the Department from later rejecting what it deems to be Float suppression. Correction of Float suppression must be a prerequisite for consideration of any milestone adjustment.

3.9.5.6 Weather:

- a) Normal inclement weather conditions, also referred to as anticipated weather days, will be considered and included in the planning and scheduling of all Work influenced by high or low ambient temperatures, wind, and/or precipitation to ensure completion of all Work within the Contract Time.
- b) Normal inclement weather conditions have been determined by an assessment of average historical climatic conditions as described in Section 8.7. All weather-sensitive activities must be assigned a calendar that incorporates anticipated weather days as non-work days, in accordance with the rain days per month provided in Section 8.7.
- c) A "rain day" will only be a day where rain precipitation is greater than 0.10" within a 24-hour period as described in Section 8.7.
- d) No time extension will be allowed due to inclement weather unless it meets the criteria set forth herein and impacts the Contract Time as demonstrated by a Time Impact Analysis prepared in accordance with Section 8.8.1.
- e) Work must be planned to minimize the impact of rain and include the grading of the Work area, installation of dewatering pumps and provision of covers.
- f) Keep drainage and dewatering systems operable 24 hours per day and 7 days each week throughout construction.

3.9.5.7 Reports. For the Preliminary Construction and Construction Schedules, provide:

- a) An electronic copy of Schedule in P6 format, and labeled to comply with requirements for submittals. Include type of Schedule (Preliminary

Construction, Construction Schedule, Update, or Revision), revision number and date on label.

- b) Narrative explaining:
 - 1. The Schedule's general plan, sequencing and major crew rotation.
 - 2. Work restrictions and/or constraints accounted for in the Schedule.
 - 3. Adequate substantiation of critical and near-critical activities, identifying those to be performed by the Department.
 - 4. The anticipated impact of weather delays on and how it has been accounted for in the Schedule.
 - 5. Assumptions used for activity durations, assumptions regarding crew sizes, equipment requirements and production rates.
 - 6. Any potential areas of concern or specific areas requiring coordination it may have identified.
 - 7. Any long-lead time materials or equipment in the Work.
 - 8. Any proposed deviations from the Contract scheduling requirements with adequate justification.
- c) Activity Table grouped by WBS and sorted by Early Finish, including Activity ID, Activity Name, Original Duration, Early & Late dates, Total Float, Calendar together with a color coded Gantt Chart (red being Longest Critical Path, green being non-critical) showing logic links. Activity Table must show subtotals per major area and Schedule Grand Totals.
- d) Same report as described above, filtered for the Longest Critical Path activities only.
- e) Activity Table listing Activity ID, Activity Name, Original Duration, Start & Finish dates, Total Float, Predecessors and Successors, together with a color coded Gantt Chart showing logic links.
- f) Activity Table including Activity ID, Activity Name, Original Duration, Start & Finish dates, Total Float, Activity Budgeted Cost, Activity Budgeted Labor Units, and Responsibility Code together with a color coded Gantt Chart. Activity Table must show subtotals per major area and Schedule Grand Totals.

3.9.6 Schedule Updates.

3.9.6.1 Update pertains to, and is limited to, the posting of actual progress of all activities.

3.9.6.2 Logic changes, Schedule of Values adjustments, addition or deletion of activities, modifications to activity original durations are all considered Schedule revisions and must be submitted separately in a Schedule Revision request.

3.9.6.3 Schedule must be updated with:

- a) Actual Start and Actual Finish dates, consistent with dates provided by the Contractor's Daily Report.
- b) Actual Start & Finish dates inserted into the Schedule must only be based on the activity's physical progress, irrespective of the dollar amount earned. Billing for stored materials and/or equipment does not constitute an Actual Start of an activity.
- c) Activity Physical Percent Complete, based on the actual progress of the activity through the update Data Date.
- d) Activity Remaining Duration and Duration Percent Complete.
- e) Dollar amounts earned for each activity during the update period, which must be the product of the activity's budgeted cost and the Physical Percent complete through the update data date.

3.9.6.4 Once this information has been recorded, this data will be processed by computer by the Contractor, and will be used as the basis for the Contractor's monthly progress payment.

- 3.9.6.5 In addition to these monthly updates, interim updates may be performed on the Construction Schedule at the discretion of the Department. While these interim updates will not be for payment purposes, the Contractor must provide such update data to the Department as required to complete these updates.
- 3.9.6.6 Logical relationships between activities performed out of sequence during the month of the Schedule Update, must be adjusted after their completion to reflect the actual sequence and must be identified in the accompanying narrative report. Sequence revisions occurring beyond the Update's data date must be submitted to the Department.
- 3.9.6.7 All approved change orders must be added to the Schedule Updates at an appropriate level of detail, including responsible subcontractor, activity value, and manpower, consistent with the approved change order.
- 3.9.6.8 The Schedule Update calculations must:
- a) Retain the existing logic relationships when activities start or finish out-of-sequence. The use of "Progress Override" is prohibited;
 - b) Not be resource leveled. Activity dates and durations must not be driven by assigned resources;
 - c) Dissociate remaining duration from activity's Physical Percent Complete.
- 3.9.6.9 Neither acceptance, nor lack of the Department's comment on a Schedule Update that shows late completion will modify the Contract Time or milestones.
- 3.9.6.10 Approved schedule revision requests and comments provided by the Department on the preceding month's update must be incorporated into the Schedule.
- 3.9.6.11 Upon finalization of the computerized Schedule update, the Contractor must submit the following reports for the processing of the Contractor's payment application:
- a) An electronic copy of the Schedule Update in P6 format.
 - b) Activity Table including Activity ID, Activity Name, Original Duration, Remaining Duration, Physical Percent Complete, Start (Early or Actual Start), Finish (Early or Actual Finish), Total Float, Activity Budgeted Total Cost, Actual Period Cost, Actual Total Cost, Cost to Complete, together with a color coded Gantt Chart showing logic links. Activity Table must show subtotals per major area and Grand Totals.
 - c) Activity Table and Gantt Chart including Activity ID, Activity Name, Original Duration, Remaining Duration, latest accepted Construction Schedule Start/Finish Dates & Total Float, current update Start/Finish dates & Total Float, and Finish Variance. Activity Table must show subtotals per major area and Grand Totals.
 - d) Narrative report describing:
 1. Actual Work performed during the reporting period.
 2. Any areas of concern, current or anticipated Schedule impacts and proposed corrective actions to mitigate those impacts.
 3. Corrected out-of-sequence occurrences in addition to any changes or deviations from the planned sequence as reflected in the accepted Construction Schedule.
 4. Proposed revisions, including added or deleted Work that will be submitted before the next schedule update via a schedule revision request.

5. The current Schedule's critical path Work and any changes thereto from the previous update. Review of Contractor's interface and coordination with other Work on the Project.
 6. A total number of labor by craft actually engaged on the Work during the reporting period, with such total stated separately as to office, supervisory, and direct labor per subcontractor.
- e) The current status of long lead items and equipment and critical material deliveries.

3.9.6.12 Progress Payments:

- a) The submission and acceptance of progress updates and the cost reports calculating the value of Work done for any given pay period for each activity, based on the percentage complete for that activity, will be the basis for monthly progress payments.
- b) The monthly updating of the Construction Schedule must be an integral part and basic element of the estimate upon which progress payments will be made. If, in the judgment of the Department, the Contractor fails or refuses to provide information required to accomplish a complete Construction Schedule update, or has included unapproved revisions in the Schedule update, the Contractor will be deemed to have not provided the required estimate upon which progress payments may be made, and will not be entitled to progress payments until all necessary information has been provided to the satisfaction of the Department.

3.9.7 Revised Construction Schedule.

3.9.7.1 Updating the Construction Schedule to reflect actual progress will not be considered revisions to the Construction Schedule.

3.9.7.2 If, as a result of the monthly Schedule Update, the Construction Schedule no longer represents the actual prosecution and progress of the Work, or if the Department believes further Schedule detailing is necessary, upon the Department's request, the Contractor must propose a Revised Construction Schedule, within ten (10) days.

3.9.7.3 The Contractor may also request revisions to the accepted Construction Schedule in the event the Contractor's planned performance methods are revised. If revisions to the accepted Construction Schedule are contemplated, the Contractor must submit the proposed changes along with a written narrative of the proposed changes. If accepted by the Department, these changes will be incorporated into the Construction Schedule.

3.9.7.4 Schedule revisions must be submitted utilizing a copy of the most recent accepted Construction Schedule update as modified with proposed changes; a narrative explanation of the change(s); and a copy of a detailed comparison with the most recent Department-accepted Construction Schedule update detailing all proposed changes.

3.9.7.5 Upon acceptance, the revised Construction Schedule becomes the accepted Construction Schedule and the basis for evaluating future progress payments, status, impacts, and/or changes.

3.9.8 Recovery Schedule.

3.9.8.1 If the Department determines that Contractor's progress is not sufficient to achieve completion of Work within the milestone dates or any adjustments thereof, the

Department may order the Contractor to do any or all of the following, at no cost to the Department:

- a) Furnish a plan and/or recovery Schedule, in Construction Schedule format, for improving progress and recovering the Contractor delays.
- b) Take steps as necessary to improve progress and advise the Department thereof in writing.
- c) Increase the personnel employed, add overtime operations, increase the number of shifts per day, increase the capacity of construction equipment and plants, change sequence of operations, change methods of operation, or take other steps to improve progress and recover the Contractor's delays.

3.9.9 Short Interval Schedule.

3.9.9.1 The Contractor must submit, on a weekly basis, a progress Schedule, hereinafter referred to as Short Interval Schedule, listing the activities in progress or completed during the previous week and the activities Scheduled for the succeeding two (2) weeks.

3.9.9.2 The Short Interval Schedule must be generated out of the Construction Schedule and include further details to provide a day-to-day plan of upcoming Work. All activities shown in this Short Interval Schedule must be identified by a corresponding Activity ID and Activity Description as shown in the accepted Construction Schedule.

3.9.10 As-Built Schedule.

3.9.10.1 As a condition precedent to the release of retention and making final payment, submit an "As-Built Schedule," as the last Schedule Update showing all activities at 100% completion and indicating Actual Start and Finish Dates. This Schedule must reflect the sequence in which the Project was actually constructed.

3.10 Contractor Coordination of the Project.

3.10.1 The Department reserves the right to do other work in connection with or in the vicinity of the Project by contract or otherwise, and Contractor shall at all times conduct the Project so as to impose no hardship on the Department, others engaged in the Project or separate contractors working at the Work site. The Contractor shall afford separate contractors reasonable opportunity for storage of their materials, access to the Project site, and execution of their work. The Contractor shall adjust, correct and coordinate the Project with the work of others so that no delays result in the Project or other work at or near the Work site.

3.10.2 If any part of the Project depends for proper execution or results upon the work of the Department or any other contractor, the Contractor shall, before proceeding with such Work, promptly report to the Department any apparent discrepancies or defects in such other Work. Failure of the Contractor to promptly report any apparent discrepancy or defect will be deemed an acceptance of the Department's or separate contractor's Work as fit and proper.

3.10.3 The Contractor shall anticipate the relations of the various trades to the progress of the Project and shall ensure that required anchorage or blocking is furnished and set at proper times. Anchorage and blocking necessary for each trade shall be part of the Work, except where stated otherwise.

4. CHANGES IN PROJECT

- 4.1 Construction Contingency. Included in the Contract Price is a 5% construction contingency allowance which shall be used to pay for unforeseen Work that must be completed in order to deliver the Project. The use of the construction contingency to pay for Work shall require approval by the Department, but no reasonable use shall be disallowed. No Work that should have otherwise been anticipated and included in the Bid Proposal shall be charged to the construction contingency. The Contractor shall itemize the approved use of the construction contingency and account for the construction contingency balance on a separate accounting accompanying each payment request. The Department shall not be responsible to pay for any unused portion of the construction contingency.
- 4.2 Department Directed Change Orders. The Department may at any time during the progress of the Work direct any amendments to the Project or any of the Contract Documents, including, but not limited to the Technical Specifications, or Project Plans. Such amendments will in no way void the agreement, but will be applied to amend the Contract Price, if such amendments affect the Contract Price; the Project schedule, if such amendments affect the Project schedule; or any other provision of the Contract Documents based on a fair and reasonable valuation of the amendment in accordance herein.
- 4.3 Writing Requirement. Change orders and other amendments to the Technical Specifications, the Project Plans, or other Contract Documents may be made only in writing executed by authorized representatives of the Department and the Contractor.
- 4.4 Contractor Proposed Change Orders. Change order proposals that are not contingency-eligible must be submitted by the Contractor in writing to the Construction Manager, prior to the commencement of any Work for which the change order applies. The Department reserves the right to reject any change order requests.
- 4.5 All Change Orders. All change order proposals must be submitted on completed Change Order forms provided by the Construction Manager. All such change order proposals shall itemize all cost impacts of the proposed change order and include a total price for that change order and the amended Contract Price that would become effective upon execution of the change order. All change order proposals shall specify any change in the Construction Schedule, or in any project milestone including, but not limited to, the Contract Time, under the change order. It is understood that change orders that do not specify a change in any milestone, including, but not limited to, the Contract Time, shall be accomplished by the Contract Time then in effect.
- 4.6 Change Order Pricing. Change order pricing will be governed by the following:
- 4.6.1 Unit prices specified in the Contract Documents will apply to cost impacts involving items for which the Contract Documents specify unit prices
- 4.6.2 Cost impacts involving items for which no unit prices are specified will be calculated by adding the itemized actual direct cost that would be added or reduced under the change order and an allowance for indirect costs in accordance with this section. Itemization for direct costs for required labor must include the classifications of labor required, the total hours required for each classification, the hourly rate for each classification and other labor related costs such as liability and workers compensation insurance, social security, retirement and unemployment insurance. All other direct cost impacts for which no unit prices are specified must be itemized as appropriate, including the cost of any rental equipment, required materials, or supplies. Indirect costs for a subcontractor added under a change order if the subcontractor performed the work may not exceed an allowance of fifteen (15) percent of the total subcontractor direct costs added under the change order. Indirect costs for the Contractor added under a change order if a subcontractor performs the work shall not exceed seven (7) percent of the sum of the subcontractor's direct costs and indirect costs. If the Contractor performs the change order work, the indirect costs for the Contractor added under change order may not exceed

an allowance of fifteen (15) percent of the total Contractor's direct costs added under the change order. Such indirect cost allowances cover Contractor and subcontractor overhead and profit under the change order and include the cost of insurance in addition to that required pursuant herein, bond premiums, superintendent labor, clerical labor, home office expenses, worksite office expenses, and utility costs under the change order. Such costs may not be itemized as direct costs under a change order. Indirect costs deducted under a change order will be calculated in exactly the same way as indirect costs added under a change order, except indirect costs deducted under a change order shall be calculated as an amount equal to three (3) percent of the total of combined Contractor and subcontractor direct costs deducted under the change order.

- 4.7 Liability Under Unapproved Change Orders. The Contractor shall be solely responsible for any and all losses, costs, or liabilities of any kind incurred by the Contractor, any subcontractor engaged in the performance of the Project, any party supplying material or equipment for the Project or any third party that are incurred pursuant to Contractor-proposed change orders prior to issuance of an approved change order executed in accordance with this section.
- 4.8 Owner's Right to Direct. Owner may direct the prosecution of change order work, while pricing is being negotiated, and prior to the formal execution of the change order.
- 4.9 Changes Subject to Contract Documents. Any changes in the Project and/or the Contract Documents pursuant to change orders and any other amendments issued in accordance with the Contract Documents, including this section, will in all respects be subject to all provisions of the Contract Documents, including, but not limited to, the Technical Specifications and the Project Plans, except as modified by such change orders or amendments.
- 4.10 Change Order Disputes.
- 4.10.1 Disputed Department Directed Change Orders. If the Contractor disputes a Department directed change order following a reasonable effort by the Department and the Contractor to resolve the dispute including, at a minimum, a meeting between appropriate representatives of the Contractor and the Department, the Contractor shall commence performing the Project consistent with the disputed change order within five (5) working days of the last meeting between representatives of the Contractor and the Department to resolve the dispute, or within the time specified in the disputed Department directed change order, whichever is later. In performing Work consistent with a disputed Department-directed change order pursuant to this provision the Contractor will have all of the Contractor's rights concerning claims pursuant to the Contract Documents and applicable law.
- 4.10.2 Disputed Contractor Proposed Change Orders. If the Department disputes a Contractor proposed change order, the Department and the Contractor will use reasonable efforts to resolve the dispute including, at a minimum, holding a meeting between appropriate representatives of the Contractor and the Department. Regardless of and throughout any such efforts to resolve the dispute, the Contractor shall continue performing the Work irrespective of and unmodified by the disputed change order. In continuing to perform the Work, the Contractor will retain all of the Contractor's rights under contract or law pertaining to resolution of disputes and protests between contracting parties. Disputes between the Department and the Contractor concerning any Contractor-proposed change order or other amendment do not excuse the Contractor's obligation to perform the Project in accordance with the Contract Documents excluding such Contractor-proposed change order or other amendment by the Contract Time or waive any other Project milestone or other requirement of the Contract Documents.

5. TRENCHING AND UTILITIES

- 5.1 Excavation More Than Four Feet Deep. In accordance with California Public Contract Code Section 7104, if the Work involves excavation more than four feet deep the Contractor shall promptly notify the Department in writing before disturbing: any material that the Contractor believes may be hazardous waste, as defined in Section 25117 of the Health and Safety Code, that is required to be removed to a Class I, Class II or Class III disposal site in accordance with provisions of existing law; any subsurface or latent physical conditions at the Project site differing from those indicated; or any unknown physical conditions at the Project site of any unusual nature, different materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents. The Department will promptly investigate any such conditions for which notice is given. If the Department finds that the conditions do materially differ, or involve hazardous waste, and would cause a decrease or increase in the cost or time of performance of the Project, the Department will issue a change order pursuant to Section 4 of these General Conditions. If a dispute arises between the Department and the Contractor concerning whether the conditions materially differ, or involve hazardous waste, or cause a decrease or increase in the cost or time of performance, the Contractor shall not be excused from any completion date provided in the Contract Documents, but shall proceed with all Work to be performed.
- 5.2 Excavation of Five Feet or More. In accordance with California Labor Code Section 6705, contractors performing contracts exceeding \$25,000 in cost and involving the excavation, five or more feet deep, shall submit for the Department's acceptance, prior to excavation, a detailed plan showing the design of shoring, bracing, sloping, or other provisions to be made for worker protection from the hazard of caving ground during excavation. If the plan varies from the shoring system standards, it must be prepared by a registered civil or structural engineer.

6. PROJECT SITE

- 6.1 Use of Department Property. The Contractor shall not use Department property (including equipment, instruments, and supplies) or personnel for any purpose other than in the performance of its obligations under this contract.
- 6.2 Use of Project Site. The Contractor shall confine operations at the Project site to areas permitted by law, ordinances, permits, and the Contract Documents. The Contractor shall not unreasonably encumber the Project site with materials or equipment. Personnel of the Contractor and subcontractors shall not occupy, live upon, or otherwise make use of the Project site during any time that work is not being performed at the Project site, except as otherwise provided in the Contract Documents.

The Contractor shall keep the Project and surrounding areas free from accumulations of waste material and rubbish generated by the Contractor and its subcontractors. The Contractor shall remove all rubbish, tools, equipment, and surplus materials leaving the area "broom clean" upon completion of the Project. Trash and rubbish must be transported daily from the site and legally disposed of. Contaminated or dangerous materials must be removed and promptly disposed of if encountered. No materials may be burned, buried, or otherwise disposed of on site. Tools, equipment, and site protections measured are to be removed upon Project completion.

- 6.3 Parking. Contractor shall organize its work in such a manner so as to minimize the impact of its operations on the surrounding community. To the extent that the number of workers on the site is likely to have an adverse impact on neighborhood parking, Contractor shall develop a parking plan for those individuals working on the site that is reasonably acceptable to the Department.

7. PROJECT FACILITIES

- 7.1 Work Site Offices. Any Work site office facilities used by the Contractor and/or its privities must conform to all applicable codes, ordinances and regulations. The Contractor shall provide to the Department at the job site the exclusive use of one private office space, a minimum size of 8' X 10', complete with power, lights, heat and air conditioning during the entire duration that the Contractor's Work is in progress. The Contractor shall also provide the Department a plan layout table, a desk, a chair, a four-drawer file cabinet, a high- speed internet connection with wireless router, and shared use of a copy machine at the job site. The cost of such site office facilities and related items shall be paid for by the Contractor.
- 7.2 Site Staging and Temporary Facilities. Contractor shall coordinate the preparation of construction staging areas on-site for the Project and the preparation of the site for construction, including, but not limited to fencing, barricades, access parking, or other items reasonably necessary for efficient construction. Contractor shall coordinate all required utility shut downs, road closures, traffic closures, and the like. Contractor shall be responsible for the cost of temporary power used during the construction of the Project, including, but not limited to, the cost of installing such temporary wiring as may be required to bring power to the site. Contractor shall also be responsible for the cost of all temporary construction and facilities necessary for the Project site.
- 7.3 Department Rights of Access and Ownership. The Department and its authorized representatives will at all reasonable times while such office facilities are located at the Project site (including, at a minimum, all times during which the Work is performed), have access to any such Work site office facilities used by the Contractor and/or its privities. With respect to the right of access of the Department and its authorized representatives, neither the Contractor nor its privities shall have a reasonable expectation of privacy pursuant to the Fourth Amendment to the Unites States Constitution or other applicable law concerning such Work site office facilities used by the Contractor and/or its privities. Without exception, any and all Project related materials located at such Work site facilities will be deemed at all times to be Department property subject to inspection and copying by the Department and its authorized representatives at all reasonable times while such facilities are located at the Work site (including, at a minimum, all times during which the Project is performed). Any interference by the Contractor or its privities with the Department's rights of access and/or ownership pursuant to this section will constitute a material breach of the Agreement subject to any and all remedies available pursuant to the Contract Documents and at law and equity.

8. PROSECUTION AND PROGRESS OF THE PROJECT

- 8.1 Allowable Work Hours. The Contractor shall comply with any applicable noise ordinance and neither it nor its subcontractors shall undertake work on the Project site other than at the times and sound level permitted by such noise ordinance.
- 8.2 Liquidated Damages. Time is of the essence in the Agreement. The Department and the Contractor agree that it will be difficult and/or impossible to determine the actual damage which the Department will sustain in the event of the Contractor's failure to fully perform the Project or to fully perform all of the Contractor's obligations that have accrued pursuant to the Agreement by the Contract Time. Accordingly, the Department and the Contractor agree in accordance with California Government Code Section 53069.85 that the Contractor will forfeit and pay to the Department liquidated damages in the sum of \$1,000.00 per day for each and every calendar day completion of the Work and/or performance of all of the Contractor's obligations that have accrued pursuant to the Agreement is delayed beyond the Contract Time. The Department and the Contractor further agree in accordance with California Government Code Section 53069.85 that the liquidated damages sum specified in this provision is not manifestly unreasonable under the circumstances existing at the time the Agreement was made, and that the Department may deduct liquidated damages sums in accordance with this provision from any payments due or that may become due the Contractor under the Agreement.

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- 8.3 No Damage for Delay Beyond Department and Contractor Control.
- 8.3.1 The Contractor will not be held responsible for delays in performance of the Project caused by delay beyond the control of both Department and Contractor, such as by strikes, lockouts, or labor disturbances that are not within the control of the Contractor to resolve. This provision will not apply where the delay would not have occurred but for a previous Contractor caused delay in the prosecution of the Work.
- 8.3.2 The Department will not be liable to the Contractor, any subcontractor or other entity engaged in the performance of the Work, any supplier, or any other person or organization, or to any surety or employee or agent of any of them, for damages arising out of or resulting from (i) delays beyond the control of the Department and the Contractor including but not limited to fires, floods, epidemics, abnormal weather conditions, earthquakes and acts of God or acts or neglect by utility owners or other contractors performing other work, or (ii) delays caused by the Department, its officials, officers, employees, agents, or volunteers, or delays caused by the Construction Manager or the Architect. An extension of the Contract Time in an amount equal to the time loss due to such delay(s) will be the Contractor's sole and exclusive remedy for such delay(s).
- 8.4 No Damage for Contractor Caused Delay. Contractor shall not be entitled to additional compensation for extended field or home office overhead, field supervision, costs of capital, interest, escalation charges, acceleration costs or other impacts for any delays to the extent such delays are caused by the failure of the Contractor or any subcontractor or other entity engaged in performance of the Project to perform the Work in accordance with the Contract Documents.
- 8.5 No Damage for Other Delay. Contractor will not be entitled to damages for delay to the Project caused by the following, which the Department and Contractor agree will be deemed for purposes of California Public Contract Code Section 7102 either not caused by the Department, and/or within the contemplation of the Department and the Contractor, and/or reasonable under the circumstances:
- 8.5.1 Exercise of the Department's right to sequence the Project in a manner that would avoid disruption to the Department and other contractors based on: the failure of the Contractor or any subcontractor or other entity engaged in the performance of the Project to perform the Work in accordance with the Contract Documents, enforcement by the Department or any other governmental agency of competent jurisdiction of any government act or regulation, or enforcement by the Department of any provisions of the Agreement.
- 8.5.2 Requests for clarification or information concerning the Contract Documents or proposed change orders or modifications to the Contract Documents, including extensive and/or numerous such requests for clarification or information or proposed change orders or modifications, provided such clarifications or information or proposed change orders or modifications are processed by the Department or its representatives in a reasonable time in accordance with the Contract Documents.
- 8.6 Delays Caused by the Department and/or Its Privities. Either the Department or the Contractor may propose a change in the Contract Time for extensive and unreasonable delays that are purported to be caused by the Department and/or its privities. Such proposed changes in the Contract Time will constitute change order proposals subject to Section 4. In accordance with Section 4, the Department and the Contractor may agree upon pricing for the cost impacts, if any, resulting from such delays. If such pricing is in anticipation of cost impacts that may, but have not yet occurred, the Department will be obligated to pay the Contractor for such anticipated impacts in accordance with the Agreement and any applicable, approved change orders only to the extent the Contractor actually incurs the anticipated cost impacts. Notwithstanding anything to the contrary in Section 4, the Department and the Contractor may agree to a daily rate or cap or lump sum that will apply to the cost impacts, if any, resulting from delay purportedly caused by the Department and/or its privities subject to this provision.

However, if such daily rate or cap or lump sum is in anticipation of cost impacts that have not yet occurred, the Department will be obligated to pay such daily rate or cap or lump sum only to the extent the Contractor actually incurs such cost impacts.

- 8.7 Weather Delays. Contractor will only be allowed a time extension for Adverse Weather conditions if requested by contractor in compliance with the time extension request procedures herein and only if all of the following conditions are met:
- a. The weather conditions constitute Adverse Weather, defined as : precipitation in excess of 0.1” during a 24 hour period or otherwise unusually severe precipitation, sleet, snow, hail, or extreme temperature or air conditions in excess of the norm for the location and time of year it occurred based on the closest weather station data averaged over the past five years
 - b. Adverse weather affects the Critical Path work of the Construction Schedule
 - c. Contractor’s labor is dismissed as a result of the Adverse Weather
 - d. Exceeds twenty (20) days per year.
- 8.8 Delay Claims. Whenever the Contractor claims a delay for which the Contract Time may be extended, the Contractor shall request an extension of time within seven (7) calendar days of the start of the delay. The request must be in writing and describe in detail the cause for the delay, and, if possible, the foreseeable extent of the delay. Failure of the Contractor to submit such a request with the specified time frame shall constitute a waiver by the Contractor of any request for extension, and no extension shall be granted as a consequence of such delay.
- 8.8.1 In the event the Contractor encounters an excusable delay and intends to submit a request for time extension, the Contractor must furnish a Time Impact Analysis (TIA) illustrating the impact of the change or delay on the milestone durations. The TIA must be prepared in accordance with the requirements set forth below:
- a) The impact must be represented by a sub-network of activities, hereinafter referred to as the Impact Fragnet that represents the scope of the change or delay.
 - b) The Impact Fragnet will be inserted into a copy of the latest accepted Construction Schedule Update prior to the onset of the impact’s effect on the schedule. Said copy is defined as the “Impacted Schedule”.
 - c) The Impact Fragnet must tie into the existing schedule activities that are immediately impacted by the change or delay. Every reasonable effort to mitigate the potential delay by either isolating its impact or planning “work-around” approaches to the Work must be considered and incorporated where deemed effective.
 - d) The Impacted Schedule must be calculated compared to the original accepted Construction Schedule Update used for the analysis to quantify the extent of the time adjustment due the Contractor.
 - e) The delay demonstrated by the Impacted Schedule must not exceed actual delay when the analysis is performed after the fact. The Impact Schedule must incorporate all actual dates and durations known as at the time of its submittal.
 - f) Correction of Float suppression in the Impacted Schedule, as may be determined by the Department, may be a condition precedent to any time adjustment determination. Extension requests must demonstrate that the delay: 1) impacts the Longest Critical Path, 2) consumes all available Total Float of the Longest Critical Path whether expressly indicated by the Schedule or embedded in the remaining activity durations and/or sequence, and 3) extends the remaining performance period beyond the Project milestone date(s).
 - g) The Contractor must provide adequate justification for the Impact Fragnet durations and linkages to the schedule activities. The Impacted Schedule, along with a narrative describing the foregoing must be submitted to the Department for review.
 - h) If approved, the Impact Fragnet will become a permanent part of the accepted Construction Schedule. The Contractor will not unilaterally make changes to the accepted Construction Schedule to justify impacts without the approval of the Department.

- i) The Department will not have any obligation to consider any time extension request unless the requirements described herein are met. The Department will not be responsible or liable to Contractor for any constructive acceleration due to failure of the Department to grant time extensions should Contractor fail to substantially comply with the submission requirements and the justification requirements of this Contract for time extension requests.
 - j) If the Contractor is requesting compensation for the delay, the TIA must demonstrate lack of concurrency with other non-excusable or non-compensable critical delays. To establish entitlement to compensation, all activity paths and their respective Float must be examined. The Contractor must clearly demonstrate that but-for the Department-caused delay, the Contractor could have finished the Work in accordance with the approved Contract Time.
- 8.9 Suspension by the Department for Convenience. The Department may, at any time, without cause, order the Contractor, in writing, to suspend, delay, or interrupt the Project in whole or in part for such period of time, up to ninety (90) days, as the Department may determine, with such period of suspension to be computed from the date of delivery of the written order. Such order shall be specifically identified as a "Suspension Order" under this section. The Project may be stopped for such further period upon mutual agreement.
- 8.9.1 Upon receipt of a Suspension Order, the Contractor shall, at the Department's expense, comply with its terms and take all reasonable steps to minimize costs allocable to the Project covered by the Suspension Order during the period of stoppage.
 - 8.9.2 Within ninety (90) days after the issuance of the Suspension Order, or such extension to that period as is agreed upon by the Contractor and the Department, the Department shall either cancel the Suspension Order or delete the work covered by such Suspension Order by issuing a change order.
 - 8.9.3 If a Suspension Order is canceled or expires, the Contractor shall continue with the Project. A change order will be issued to cover any adjustments of the Contract Price or the Contract Time necessarily caused by such suspension. Any claim by the Contractor for an adjustment of the Contract Price or the Contract Time shall be made within twenty-one (21) days after the end of the suspension. The Contractor agrees that submission of its claim within said twenty-one (21) days is an express condition precedent to its right to arbitrate or litigate such a claim.
 - 8.9.4 The provisions of this section shall not apply if a Suspension Order is not issued by the Department. A Suspension Order shall not be required to stop the Project as permitted or required under any other provision of the Contract Documents.

9. CONTRACTOR RESPONSIBILITIES

- 9.1 Eligibility. By executing the Agreement, the Contractor certifies that the Contractor is not ineligible to perform work on public works projects pursuant to California Labor Code Sections 1777.1 or 1777.7. In accordance with California Public Contract Code Section 6109(a), contractors who are ineligible to perform work on public works projects pursuant to California Labor Code Sections 1777.1 or 1777.7 may neither bid on, be awarded or perform the Project. The Contractor shall hold harmless and indemnify the Department from and against any and all damages, costs, and liability arising from or as a consequence of any violation of Public Contract Code Section 6109.
- 9.2 Confidentiality. The Contractor agrees that any information, whether proprietary or not, made known or discovered during the performance of or in connection with this Project for the Department will be kept confidential and not be disclosed to any other person or entity except as required by law. The Contractor agrees to immediately notify the Department if it is requested to disclose to others any information made known or discovered during the performance of or in connection with this contract.

- These conflict of interest and future service provisions and limitations shall remain fully effective for five (5) years after the Contractor's termination of services to the Department hereunder.
- 9.2 Supervision of the Project. The Contractor shall be solely responsible for the performance of the Work, including portions of the Work to be performed by subcontractors. The Contractor is charged with ensuring that all orders or instructions from the Department, Construction Manager or Architect are disseminated to and followed by all subcontractors engaged in performance of the Project. The Contractor shall supervise the Project using the Contractor's best skill and attention. At any time during the progress of the Project, the Department, the Construction Manager, or the Architect may require the Contractor and/or subcontractors engaged in performance of the Project to attend a project meeting and the Contractor shall attend, and ensure the attendance of any subcontractors whose attendance is required by the Department and/or advisable in light of the matters to be addressed at the meeting.
- 9.3 Contractor's Superintendent. The Contractor shall keep on the Project, throughout its progress, a competent superintendent satisfactory to the Department. The superintendent may not be changed without the consent of the Department. The superintendent shall be available at the Project site at any and all times that Work is performed by the Contractor or any subcontractors. The superintendent shall represent the Contractor and all directions given by the Department to the superintendent will bind the Contractor in accordance with the Agreement. Superintendent time included in Contractor's completed bid schedule and/or in approved change orders, if any, must be included in Contractor's approved overhead rate and may not be charged as a direct cost.
- 9.4 Competent Employees. The Contractor shall at all times enforce strict discipline and good order among the Contractor's employees and may not employ on the Project any unfit person or anyone not skilled in the Work assigned, or anyone incompetent or unfit for the duties of that person. When the Department determines that a Contractor employee does not satisfy the requirements of this provision, upon notice from the Department, the Contractor shall ensure that employee performs no further Work and is no longer present at the Work site. Any such Contractor employee shall not again be employed on the Work without Department approval.
- 9.5 Items Necessary for Proper Completion of the Project. Except as otherwise noted in the Contract Documents, the Contractor shall provide and pay for all labor, materials, equipment, permits, fees, licenses, facilities and services necessary for the proper execution and timely completion of the Project in accordance with the Contract Documents.
- 9.6 Construction Reports. The Contractor shall submit daily construction reports detailing the daily progress of the Work to the Construction Manager on at least a weekly basis.
- 9.7 Subcontracting.
- 9.7.1 By executing the Agreement, the Contractor certifies that no subcontractor included on the list of proposed subcontractors submitted with the Contractor's bid is ineligible to perform work on public works projects pursuant to California Labor Code Sections 1777.1 or 1777.7. In accordance with California Public Contract Code Section 6109(a), subcontractors who are ineligible to perform work on public works projects pursuant to California Labor Code Sections 1777.1 or 1777.7 may neither bid on, be awarded or perform as a subcontractor on the Work. In accordance with California Public Contract Code Section 6109(b), any contract on a public works project entered into between a contractor and a debarred subcontractor is void as a matter of law. The Contractor shall ensure that no debarred subcontractor receives any public money for performing the Project, and any public money that may have been paid to a debarred subcontractor for the Work is returned to the Department. The Contractor shall be responsible for payment of wages to workers of a debarred subcontractor who has been allowed to perform the Project.

- 9.7.2 The Agreement and the performance of the Project are subject to the requirements of the Subletting and Subcontracting Fair Practices Act codified at California Public Contract Code Section 4100 and following. If the Contractor fails to specify a subcontractor or specifies more than one subcontractor for the same portion of the Work in excess of one-half of 1 percent of the Contractor's Total Base Bid, the Contractor agrees that the Contractor is fully qualified to perform that portion of the Work with the Contractor's own forces, and that the Contractor will perform that portion of the Work with the Contractor's own forces. If after award of the Agreement the Contractor subcontracts, except as provided for in California Public Contract Code Sections 4107 or 4109, any such portion of the Work, the Contractor will be subject to the penalties set forth in California Public Contract Code Sections 4110 and 4111, including cancellation of the Agreement, assessment of a penalty of up to 10 percent of the amount of the subcontract, and disciplinary action by the Contractors State License Board.
- 9.7.3 Any portion of the Work performed for the Contractor by a first-tier subcontractor shall be pursuant to a written subcontract. Each such subcontract shall require the subcontractor, to the extent of the work to be performed by the subcontractor, to be bound to the Contractor by the terms of the Contract Documents, to assume toward the Contractor all the obligations and responsibilities which the Contractor assumes towards the Department by the Contract Documents, and to perform such portion of the Project in accordance with the Contract Documents. Each such subcontract shall preserve and protect the rights of the Department under the Contract Documents, with respect to the work to be performed by subcontractor, so that subcontracting thereof will not prejudice such rights. Nothing contained in the any subcontract shall create any contractual relationship between any subcontractor and the Department. The Contractor shall also cause any first-tier subcontractor to incorporate the Contract Documents in any lower-tier subcontracts as described herein.
- 9.7.4 The Contractor shall be solely responsible for any delay or additional costs incurred as a result of its failure to provide adequate or accurate project information to a subcontractor that results in improper submittals and/or work, or time or other impacts.
- 9.7.5 Coordination of Subcontract Work: The Contractor is responsible for scheduling the Work of subcontractors so as to avoid delay or injury to either Work or materials.
- 9.8 Taxes. Payment of all applicable Federal, State, and local taxes shall be the sole responsibility of the Contractor.
- 9.9 Insurance. Within ten (10) calendar days following the Department's approval of the Notice of Intent to Award, the Contractor shall submit to the Construction Manager certificate(s) evidencing the insurance coverages outlined below. Copies of required endorsements must be attached to the provided certificates. It is the responsibility of the Contractor to notify its insurance advisor or insurance carrier(s) regarding coverage, limits, forms, and other insurance requirements specified below. All documents must be received and approved by the Department prior to the commencement of any services. Please note, the required coverages outlined below shall not limit the amount of coverage provided, but shall be the minimum requirements acceptable to the Department. The Department's insurance requirements shall not be construed to and in no manner limit or restrict the liability of the Contractor.
- 9.9.1 General Liability. Shall be on an Occurrence basis, not a Claims Made basis. Minimum limits and structure shall be:
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|---------------------------------|-------------|
| a) General Liability Aggregate: | \$2,000,000 |
| b) Products Comp/Op Aggregate: | \$2,000,000 |
| c) Personal & Adv Injury: | \$1,000,000 |
| d) Each Occurrence: | \$1,000,000 |
| e) Fire Damage: | \$100,000 |

- 9.9.2 Automobile Liability.
- a) Commercial Automobile Liability (for corporate/business owned vehicles, including non-owned and hired vehicles) - \$1,000,000 Combined Single Limit
 - b) Personal Lines Automobile Liability (for individually owned vehicles) - \$250,000 per person, \$500,000 each accident, \$100,000 property damage
- 9.9.3 Workers' Compensation and Employer's Liability. The Contractor and any subcontractors engaged in performance of the Project shall secure payment of workers compensation insurance in accordance with California Labor Code Section 3700 and other applicable law. The Contractor shall verify that all Subcontractors comply with this requirement.
- a) Per Statute
 - b) \$1,000,000 per accident for each accident
 - c) \$1,000,000 for disease
 - d) This policy shall be endorsed to waive the insurers' subrogation rights against the Department.
- 9.9.4 Professional Liability.
- a) Professional Liability or Errors and Omissions Liability: \$1,000,000 per claim and aggregate.
- 9.9.5 Builders Risk and Liability.
- a) Coverage shall be in an amount equal to the replacement cost of the completed Project (without deduction for depreciation) including the cost of excavations, grading, and filling.
 - b) Policy limits shall be 100% of the Contract Price plus 15% to cover administrative costs, design costs, and the costs of inspections and construction management.
 - c) Insured property shall include material or portions of the construction work located away from the Project site but intended for use at the Project site, and shall cover material or portions of the construction work in transit. The policy or policies shall cover the cost of removing debris, including demolition.
 - d) The policy or policies shall provide that all proceeds thereunder shall be payable to the Department, and shall name the Department, Contractor, and all subcontractors and suppliers of all tiers as named insured. The Department will collect, adjust, and receive all monies which may become due and payable under the policy or policies, may compromise any and all claims thereunder, and will apply the proceeds of such insurance to the repair, reconstruction, or replacement of the construction work.
 - e) Any deductible applicable to the insurance shall be identified in the policy or policies' documents, and responsibility for paying the part of any loss not covered because of the application of such deductibles shall be apportioned among the parties except for the Department as follows: if there is more than one claimant for a single occurrence, then each claimant shall pay a pro-rata share of the per occurrence deductible based upon the percentage of their paid claim to the total paid for the insured. The Department shall be entitled to 100% of its loss. The Contractor shall pay the Department any portion of that loss not covered because of a deductible at the same time the proceeds of the insurance are paid to the Department. Any insured, other than the Department, making claim to which a deductible applies shall be responsible for 100% of the loss not insured because of the deductible.
- 9.9.6 Additional Insured. For each insurance policy required under the Agreement, except for the required workers compensation insurance policy, the Contractor shall provide endorsements that add the Department as an additional insured.

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- a) The Department, its officers, directors, officials, employees, and volunteers are to be endorsed as additional insureds as respects to liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired, or borrowed by the Contractor. The coverage shall contain no endorsed limitations on the scope of protection afforded to the Department, its officers, directors, officials, employees, or volunteers.
- 9.9.7 Insurance policies shall include a provision for the Department to be given thirty (30) days prior written notice of cancellation and thirty (30) days written notice of any material change(s) requested by the policy holder of said insurance policies. The Contractor shall furnish documentary evidence of such policies and the renewal or continuance of such insurances within ten (10) business days of any expiration date(s) thereof during the life of the Agreement.
- 9.9.8 The Department will not be responsible for any deductible that may apply in any of the said insurance policies.
- 9.10 Indemnities.
- 9.10.1 The Contractor shall indemnify, defend and hold harmless the Department, its officers, directors, officials, employees, consultants (including, but not limited to, the Construction Manager and Architect), and volunteers from and against losses (including without limitation the cost of repairing defective work and remedying the consequences of defective work) arising out of, resulting from, or relating to the following:
- a) The failure of the Contractor or its subcontractors to perform its obligations under this Agreement
 - b) The inaccuracy of any representation or warranty by the Contractor or its subcontractors given in accordance with or contained in the Contract Documents
 - c) Any claim of damage or loss by any subcontractor against the Department arising out of any alleged act or omission of the Contractor or any other subcontractor, or anyone directly or indirectly employed by the Contractor or any subcontractor
 - d) Any claim of damage or loss resulting from hazardous materials introduced, discharged, or disturbed by the Contractor or its subcontractors as required in the Contract Documents
- 9.10.2 The Department and its consultants shall not be liable or responsible for any accidents, loss, injury (including death) or damages happening or accruing during the term of the performance of the work herein referred to or in connection therewith, to persons and/or property, and to the fullest extent permitted by law, the Contractor shall fully indemnify, defend and hold harmless the Department and its consultants and protect the Department and its consultants from and against the same as provided above. In addition to the liability imposed by law upon the Contractor for damage or injury (including death) to persons or property by reason of the negligence of the Contractor, its officers, agents, employees or subcontractors, which liability is not impaired or otherwise affected hereby, the Contractor shall defend, indemnify, hold harmless, release and forever discharge the Department, its officers, directors, officials, employees, consultants, and volunteers from and against and waive any and all responsibility of same for every expense, liability, or payment by reason of any damage or injury (including death) to persons or property suffered or claimed to have been suffered through any negligent act, omission, or willful misconduct of the Contractor, its officers, agents, employees, or any of its subcontractors, or anyone directly or indirectly employed by either of them or from the condition of the premises or any part of the premises while in control of the Contractor, its officers, agents, employees, or any of its subcontractors or anyone directly or indirectly employed by either of them, arising out of the performance of the work called for by this Agreement. The Contractor agrees that this indemnity and hold harmless shall apply even in

the event of negligence of the Department, its officers, directors, officials, employees, consultants, and volunteers regardless of whether such negligence is contributory to any claim, demand, loss, damage, injury, expense, and/or liability; but such indemnity and hold harmless shall not apply (i) in the event of the sole negligence of the Department, its officers, directors, officials, employees, consultants, and volunteers; or (ii) to the extent that the Department shall indemnify and hold harmless the Contractor for hazardous materials pursuant to the Contract Documents.

- 9.10.3 In claims against any person or entity indemnified under this section that are made by an employee of the Contractor or any subcontractor, a person indirectly employed by the Contractor or any subcontractor, or anyone for whose acts the Contractor or any subcontractor may be liable, the indemnification obligation under this section shall not be limited by any limitation on amount or type of damages, compensation, or benefits payable by or for the Contractor or any subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- 9.10.4 The indemnification obligations under this section shall not be limited by any assertion or finding that the person or entity indemnified is liable by reason of a non-delegable duty.
- 9.10.5 The Contractor shall indemnify the Department and its consultants from and against losses resulting from any claim of damage made by any separate contractor against the Department arising out of any alleged acts or omissions of the Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or anyone for whose acts either of them may be liable.
- 9.10.6 The Contractor shall indemnify separate contractors from and against losses arising out of the negligent acts, omissions, or willful misconduct of the Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or anyone for whose acts either of them may be liable.
- 9.10.7 This Department shall provide to the Contractor reasonably, timely notification of the receipt of any third party claim relating to this Agreement.
- 9.10.8 These indemnity provisions shall survive any termination of the Agreement and/or the final performance of the Agreement by the Contractor.
- 9.11 Licenses/Permits/Fees. The Contractor shall, without additional expense to the Department, obtain all licenses, permits, fees, and other approvals required for the performance of the Work as outlined below. The Contractor shall, without additional expense to the Department, comply with all conditions set by all the required licenses and permits.
- 9.11.1 The Department will make direct payment to the authority having jurisdiction for the building permit, sewer, and stormwater connection fees for the Project; to the water Department for connection fees for the Project; to El Dorado Irrigation District (EID) and PG&E for design and connection fees for the Project; to the phone company and cable company for connection fees for the Project; and to the authority having jurisdiction for any Project impact fees.
- 9.11.2 The Contractor shall pay for all licenses, permits or fees not paid for by the Department under Section 10 and for all costs associated with performance of the Work including temporary power, temporary phone, temporary water, temporary sanitation facilities, traffic control, and traffic and all other encroachment.
- 9.12 California Labor Code Requirements.

- 9.12.1 Work Hours. In accordance with California Labor Code Section 1810, eight (8) hours of labor in performance of the Work shall constitute a legal day's work under the Agreement.

In accordance with California Labor Code Section 1811, the time of service of any worker employed in performance of the Work is limited to eight (8) hours during any one (1) calendar day, and forty (40) hours during any one (1) calendar week, except in accordance with California Labor Code Section 1815, which provides that work in excess of eight (8) hours during any one (1) calendar day and forty (40) hours during any one (1) calendar week is permitted upon compensation for all hours worked in excess of eight (8) hours during any one (1) calendar day and forty (40) hours during any one (1) calendar week at not less than one-and-one-half times the basic rate of pay.

- 9.12.2 Prevailing Wage. The Contractor shall comply and shall ensure that all subcontractors, at any tier, comply with prevailing wage law pursuant to the State of California Labor Code, including but not limited to Section 1720 et seq. of the State of California Labor Code. Compliance with these sections is required by the Agreement. The work under the Agreement is subject to compliance monitoring and enforcement by the State of California Department of Industrial Relations (DIR).

The DIR has ascertained the general prevailing per diem wage rates in the locality in which the work is to be performed for each craft, classification, or type of worker required to perform the work. The Contractor shall post a copy of the general prevailing per diem wage rates as well as job site notices as prescribed by regulation at the job site. By this reference, such schedule is made part of the Contract Documents. The Contractor shall pay not less than the prevailing wage rates, as specified in the schedule and any amendments thereto, to all workers employed by the Contractor in the execution of the Project. The Contractor shall cause all subcontracts, at any tier, to include the provision that all subcontractors shall pay not less than the prevailing rates to all workers employed by such subcontractors in the execution of the Project.

The Contractor shall forfeit to the Department, as a penalty, not more than \$200 for each calendar day or portion thereof for each worker that is paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any portion of the work done by the Contractor or any subcontractor. The amount of this penalty shall be determined pursuant to applicable law. Such forfeiture amounts may be deducted from the Contract Price or sought directly from the surety under its Performance Bond if there are insufficient funds remaining in the Contract Price. The Contractor shall also pay to any worker who was paid less than the prevailing wage rate for the work or craft for which the worker was employed for any portion of the work, for each day, or portion thereof, for which the worker was paid less than the specified prevailing per diem wage rate, an amount equal to the difference between the specified prevailing per diem wage rate and the amount which was paid to the worker. Review of any civil wage and penalty assessment shall be made pursuant to section 1742 of the California Labor Code.

If a subcontractor worker engaged in performance of the Project is not paid the general prevailing per diem wages by the subcontractor, the Contractor is not liable for any penalties therefore unless the Contractor had knowledge of that failure or unless the Contractor fails to comply with all of the following requirements:

- a) The contract executed between the Contractor and the subcontractor for the performance of part of the Project must include a copy of the provisions of California Labor Code Sections 1771, 1775, 1776, 1777.5, 1813, and 1815.
- b) The Contractor shall monitor payment of the specified general prevailing rate of per diem wages by the subcontractor by periodic review of the subcontractor's certified payroll records.

- c) Upon becoming aware of a subcontractor's failure to pay the specified prevailing rate of wages, the Contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for performance of the Project.
- d) Prior to making final payment to the subcontractor, the Contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages to employees engaged in the performance of the Project and any amounts due pursuant to California Labor Code Section 1813.

9.12.3 Certified Payroll. In accordance with California Labor Code, the Contractor and all subcontractors engaged in performance of the Project, shall keep accurate payroll records showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed in performance of the Work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating that the information contained in the payroll record is true and correct and that the employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by the employer's employees on the public works project. The payroll records required pursuant to California Labor Code Section 1776 shall be certified and shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

- a) A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or the employee's authorized representative on request;
- b) A certified copy of all payroll records shall be made available for inspection upon request to the Department, the State of California Division of Labor Standards Enforcement, and the Division of Apprenticeship Standards of the State of California Department of Industrial Relations;
- c) A certified copy of all payroll records shall be made available upon request by the public for inspection or copies thereof made; provided, however, that the request by the public shall be made to either the Department, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement. The public shall not be given access to such records at the principal offices of the Contractor or subcontractors. Any copy of the records made available for inspection as copies and furnished upon request to the public or any public agency by the Department shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address, and social security number. The name and address of the Contractor performing the work shall not be marked or obliterated.
- d) The Contractor shall file a certified copy of the payroll records with the entity that requested the records within ten (10) days after receipt of a written request.

The Contractor shall regularly file a certified copy of the payroll records with the State of California Department of Industrial Relations, in accordance with monitoring and enforcement requirements, no less frequently than monthly.

In the event of noncompliance with the requirements of this section or with the State of California Labor Code Section 1776, the Contractor shall have ten (10) days in which to comply following receipt of notice specifying in what respects the Contractor must comply. Should noncompliance still be evident after the ten (10) day period, the Contractor shall forfeit to the Department, as a penalty, \$100 for each day, or portion thereof, for each worker, until strict compliance is accomplished. Such forfeiture amounts may be deducted from the Contract Price.

9.12.4 Apprentices. In accordance with California Labor Code Section 1777.5, the Contractor, on behalf of the Contractor and any subcontractors engaged in performance of the Project, shall

be responsible for ensuring compliance with California Labor Code Section 1777.5, governing employment and payment of apprentices on public works contracts.

- 9.12.5 In case it becomes necessary for the Contractor or any subcontractor engaged in performance of the Project to employ on the Work any person in a trade or occupation (except executive, supervisory, administrative, clerical, or other non-manual workers as such) for which no minimum wage rate has been determined by the Department of Industrial Relations, the Contractor shall pay the minimum rate of wages specified therein for the classification which most nearly corresponds to Work to be performed by that person. The minimum rate thus furnished will be applicable as a minimum for such trade or occupation from the time of the initial employment of the person affected and during the continuance of such employment.
- 9.13 Compliance with Applicable Laws and Ordinances.
- 9.13.1 The Contractor and all subcontractors engaged in the performance of the Project shall conform to the following specific rules and regulations as well as all other laws, ordinances, rules and regulations that apply to the Project. Nothing in the Technical Specifications or Project Plans is to be construed to permit Work not conforming to the following:
- a) All laws, statutes, the most recent building codes, ordinances, rules, regulations, and lawful orders of all public authorities having jurisdiction over the Department, the Contractor, any subcontractor, the Project, the Project site, the construction work, or the prosecution of the construction work;
 - b) All requirements of any insurance company issuing insurance required hereunder;
 - c) The Federal Occupational Safety and Health Act (OSHA) and all other applicable code requirements relating to safety;
 - d) Applicable titles in the State of California Code of Regulations;
 - e) Applicable sections in the State of California Labor Code;
 - f) All applicable code requirements relating to nondiscrimination, payment of prevailing wages, payroll records, apprentices, and work day.
- 9.13.2 Without limiting the foregoing, the Contractor shall comply with the provisions regarding nondiscrimination, payment of prevailing wages, payroll records, apprentices, and work day set forth in this contract.
- 9.13.3 The Contractor shall comply with and give notices required by all applicable code requirements, including all environmental laws and all notice requirements under the State of California Safe Drinking Water and Enforcement Act of 1986 (State of California Health and Safety Code Section 25249.5 and applicable sections that follow). The Contractor shall promptly notify the Department in writing if the Contractor becomes aware during the performance of the work that the Contract Documents are at variance with applicable code requirements.
- 9.13.4 If the Contractor performs work on the Project which it knows or should know is contrary to applicable rules and regulations, without prior written notice to the Department, the Contractor shall be responsible for such construction work and any resulting damages including, without limitation, the costs of correcting defective work.
- 9.14 Guaranty. The Contractor guarantees all of the Project for one year from the date of Final Completion for the correction of defective work. Defective work is work that is unsatisfactory, faulty, omitted, incomplete, deficient, or does not conform to the requirements of the Contract Documents, directives of the Department, or the requirements of any inspection, reference standard, test, or approval specified in the Contract Documents.
- 9.14.1 The Contractor shall (1) correct defective work that becomes apparent during the progress of the Project or during the Guaranty Period and (2) replace, repair, or restore to the

Department's satisfaction any other parts of the Project and any other real or personal property which is damaged or destroyed as a result of defective work or the correction of defective work. The Contractor shall promptly commence such correction, replacement, repair, or restoration upon notice from the Department, but in no case later than ten (10) days after receipt of such notice; and the Contractor shall diligently and continuously prosecute such correction to completion. The Contractor shall bear all costs of such correction, replacement, repair, or restoration, and all losses resulting from such defective work, including additional testing, inspection, and compensation for architect's services and expenses. The Contractor shall perform corrective work at such times that are acceptable to the Department and in such a manner as to avoid, to the extent practicable, disruption to the Department's activities.

9.14.2 If immediate correction of defective work is required for life safety or the protection of property and is performed by the Department or separate contractors, the Contractor shall pay to the Department all reasonable costs of correcting such defective work. The Contractor shall replace, repair, or restore to the Department's satisfaction any other parts of the Project and any other real or personal property which is damaged or destroyed as a result of such defective work or the correction of such defective work.

9.14.3 The Contractor shall remove from the Project site portions of the Project and materials which are not in accordance with the Contract Documents and which are neither corrected by the Contractor nor accepted by the Department.

9.14.4 If the Contractor fails to commence correction of defective work within ten (10) days after notice from the Department or fails to diligently prosecute such correction to completion, the Department may correct the defective work; and, in addition, the Department may remove the defective work and store salvageable materials and equipment at the Contractor's expense.

If the Contractor fails to pay the costs of such removal and storage as required by this section within ten (10) days after written demand, the Department may, without prejudice to other remedies, sell such materials at auction or at private sale, or otherwise dispose of such material. The Contractor shall be entitled to the proceeds of such sale, if any, in excess of the costs and damages for which the Contractor is liable to the Department, including compensation for the architect's services and expenses. If such proceeds of sale do not cover costs and damages for which the Contractor is liable to the Department, the Contract Price shall be reduced by such deficiency. If there are no remaining payments due the Contractor or the remaining payments are insufficient to cover such deficiency, the Contractor shall promptly pay the difference to the Department.

9.14.5 The Contractor's obligations under this section are in addition to and not in limitation of its warranty in accordance with this contract or any other obligation of the Contractor under the Contract Documents. Enforcement of the Contractor's express warranties and guarantees to repair contained in the Contract Documents shall be in addition to and not in limitation of any other rights or remedies the Department may have under the Contract Documents or at law or in equity for defective work. Nothing contained in this section shall be construed to establish a period of limitation with respect to other obligations of the Contractor under the Contract Documents. Establishment of the Guaranty Period relates only to the specific obligation of the Contractor to correct the defective work and in no way limits either the Contractor's liability for defective work or the time within which proceedings may be commenced to enforce the Contractor's obligations under the Contract Documents.

9.15 Safety.

- 9.15.1 In accordance with generally accepted construction practices and applicable law, the Contractor shall be solely and completely responsible for conditions of the Work site, and shall take adequate safety precautions and provide adequate protection against damage, injury, or loss to the following:
- a) Employees involved in the Project and other persons who may be affected thereby.
 - b) The Project in place and materials and equipment to be incorporated therein, whether in storage on or off the Project site, under care, custody, or control of the Contractor or subcontractors.
 - c) Other property at the Project site and adjoining property.

This requirement will apply continuously and not be limited to normal working hours. For purposes of California Labor Code Section 6400 and related provisions of law, the Contractor and the Contractor's privities and any other entities engaged in the performance of the Project shall be "employers" responsible for furnishing employment and a place of employment that is safe and healthful for the employees, if any, of such entities engaged in the performance of the Project. Neither the Department nor its officials, officers, employees, agents, volunteers or consultants will be "employers" pursuant to California Labor Code Section 6400 and related provisions of law with respect to the Contractor, the Contractor's privities or other entities engaged in the performance of the Project.

- 9.15.2 The Contractor shall furnish and place proper guards and systems for the prevention of accidents, including, but not limited to, those systems required pursuant to Title 8, Section 1670 and following of the California Code of Regulations concerning safety belts and nets. The Contractor shall erect and maintain, as required by existing conditions and performance of the Project, adequate safeguards for safety and protection, including providing adequate lighting and ventilation, posting danger signs and other warnings against hazards, promulgating safety regulations, and notifying owners and users of adjacent sites and utilities. The Contractor shall provide and maintain any other necessary systems or devices required to secure safety of life or property at the Work site in accordance with accepted standards of the industry and applicable law. The Contractor shall maintain during all night hours sufficient lights to prevent accident or damage to life or property.
- 9.15.3 The Contractor shall not load or permit any part of the Project or the Project site to be loaded so as to endanger the safety of persons or property. When use or storage of explosives, other hazardous materials, equipment, or unusual methods are necessary for execution of the Project, the Contractor shall exercise the utmost care and carry on such activities only under the supervision of properly qualified personnel.
- 9.15.4 In such instance where the Contractor's scope of work includes the abatement and removal of hazardous materials found anywhere on or within the Project site, the Contractor shall comply with all laws, including, without limitation, the requirements of the Environmental Protection Agency and all jurisdictional agencies and all laws relating to safety, health welfare, and protection of the environment, in removing, treating, encapsulating, passivating, and/or disposing of hazardous materials, including, but not limited to, removal, treatment, encapsulation, passivation, and/or disposal of the hazardous materials. If any notices to governmental authorities are required, the Contractor shall also give those notices at the appropriate times. The Contractor shall ensure abatement subcontractors and disposal sites are appropriately licensed and qualified. The Contractor's obligations under this section shall include signing (as the agent for the Department) any manifests required for the disposal of hazardous materials.
- 9.15.5 The Contractor shall be solely responsible for the implementation and maintenance of a Site Specific Safety Plan to ensure that the Work site is maintained and the Work is performed in a safe manner in accordance with the Contract Documents and applicable law. The Contractor shall designate a responsible member of the Contractor's organization at the Project site

whose duty shall be the prevention of accidents. Such plan must be made available for review upon request of the Department.

- 9.15.6 Review and inspection by the Department, the Construction Manager, the Architect, and/or other representatives of the Department of the Contractor's performance of the Project will not constitute review of the adequacy of the Contractor's safety measures in, on, or near the Work site. Such reviews and inspections do not relieve the Contractor of any of the Contractor's obligations under the Contract Documents and applicable law to ensure that the Work site is maintained and the Work is performed in a safe manner.
- 9.16 Assignment of Unfair Business Practice Claims. In accordance with California Public Contract Code Section 7103.5, the Contractor and any subcontractors offer and agree to assign to the Department all rights, title, and interest in and to all causes of action the Contractor or any subcontractors may have under Section 4 of the Clayton Act (15 U.S.C. § 15) or under the Cartwright Act (Chapter 2 (commencing with § 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to this contract. This assignment shall be made and become effective at the time the Department tenders final payment to the Contractor, without further acknowledgement by the parties.
- 9.17 Nondiscrimination Clause. During the performance of this contract, the Contractor and its subcontractors shall not lawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, religion, color, ancestry, religious creed, national origin, physical or mental disability (including HIV and AIDS), medical condition, age, marital status, sexual orientation, denial of family and medical care leave and denial of pregnancy disability leave. The Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. The Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

10. MEASUREMENT AND PAYMENT

- 10.1 F.O.B. All shipments must be F.O.B. destination to the Work site and/or other sites indicated in the Contract Documents. The Contract Price is all-inclusive (including sales tax). There shall be no additional compensation paid for containers, packing, unpacking, drayage or insurance.
- 10.2 Progress Payments. The Contractor shall, on a monthly basis, submit to the Department, with a complete copy to the Construction Manager, a verified application for payment for work completed and a schedule update as specified in Section 3.9 of the General Conditions. Unless otherwise provided in the Contract Documents, no allowances or payments will be made for material or equipment not placed at the Work site.
- 10.2.1 Contractor shall be expected to accept a purchase order from the Department with Net 45 day payment terms from the date of pay application. Generally, the Department pays all invoices within 30 days.
- 10.2.2 To be eligible for payment, the Contractor's applications for payment shall include certified payroll reports, and all necessary supporting documentation (such as fringe benefits statement), prepared in accordance with California Labor Code Section 1776 and the Agreement for each employee of the Contractor and any subcontractors engaged in the

performance of the Project during the preceding months. The Contractor and all subcontractors shall also submit their certified payroll records directly to the Labor Commissioner using the DIR's data-driven electronic Certified Payroll Record (eCPR) reporting system as required by the Agreement. Applications for payment will not be processed without certified payroll reports and verification that such certified payroll reports have been uploaded to the DIR as described herein. Failure to comply with these requirements or to provide an application for payment in conformance with this section may delay payment.

- 10.2.3 The Department will not be bound by prices contained in an application for payment that are higher than the Contract Price. If a price increase has not been accepted in writing by Department, the pay application may be rejected. No advance payment shall be made for the goods or services furnished by the Contractor pursuant to the Agreement.
- 10.2.4 In accordance with California Public Contract Code Section 20104.50, the Construction Manager, in consultation with the Department and the Architect, will review applications for payment as soon as practicable after receipt. Any application or part of an application that is determined to be improper will be returned to the Contractor as soon as practicable, but no later than seven (7) calendar days after receipt by the Construction Manager, along with a written description of the reasons why the application is improper. The Contractor's failure to submit a schedule in the time specified in Section 3.9, or its submission of a schedule to which the Department has taken any uncorrected exception, shall serve as a basis for returning an application for payment in its entirety.
- 10.3 Retention. From each progress payment, the Department shall withhold five percent (5%) as security for final performance on the Project. Pursuant to Public Contract Code Section 22300 et seq., the Contractor shall be allowed to make substitution of securities as set forth in that section. Such substitution shall be allowed up to one time during each payment period.
- 10.3.1 Unless the Contractor has elected to post securities in lieu of retention in accordance with California Public Contract Code Section 22300 and the Agreement, and the Contractor and the Department have executed an escrow agreement in accordance with the Public Contract Code and the Agreement, the Department will make progress payments to the Contractor in accordance with applicable law in the amount of ninety-five (95) percent of the value of the labor actually performed and the material incorporated in the Project as specified in Contractor's verified application for payment upon approval by the Department's authorized representative(s). Payout of progress payments will not be construed as acceptance of the Work performed. If the Contractor has elected to post securities in lieu of retention in accordance with Public Contract Code Section 22300 and the Agreement and the Contractor and the Department have executed an escrow agreement in accordance with the Public Contract Code and the Agreement, the Department will make payments to the Contractor or the Contractor's escrow agent in accordance with such escrow agreement.
- 10.4 Securities in Lieu of Retention. In accordance with Public Contract Code Section 22300, except where Federal regulations or polices do not permit substitution of securities, the Contractor may substitute securities for any moneys withheld by the Department to ensure performance of the Work. At the Contractor's request and expense, securities equivalent to the amount withheld will be deposited with the Department, or with a state or federally chartered bank in California as the escrow agent, who will then pay those moneys to the Contractor under the terms of an Escrow for Security Deposit agreement. Upon satisfactory completion of the Project, the securities will be returned to the Contractor.
- 10.4.1 Alternatively, at the Contractor's request and expense, the Department will pay retentions earned directly to the escrow agent. At the Contractor's expense, the Contractor may direct investment of the payments into securities. Upon satisfactory completion of the Project, the Contractor will receive from the escrow agent all securities, interest, and payments received by the escrow agent from the Department pursuant to this provision and the terms of the

- Escrow for Security Deposit agreement. The Contractor will, within twenty (20) days of receipt of payment, pay to each subcontractor the respective amount of interest earned, less costs of retention withheld from each Subcontractor, on monies withheld to ensure the Contractor's performance of the Work.
- 10.4.2 Securities eligible for investment in accordance with this provision include those listed in Government Code Section 16430, bank or savings and loan certificates of deposit, interest bearing demand deposit accounts, standby letters of credit, or any other security mutually agreed, to by the Contractor and the Department.
- 10.4.3 The Contractor will be the beneficial owner of any securities substituted for moneys withheld and will receive any interest thereon.
- 10.5 Payments to Subcontractors. Attention is directed to the provisions in Section 7108.5 of the Business and Professions Code concerning prompt payment to subcontractors. The Contractor shall return all monies withheld in retention from the subcontractor within thirty (30) days after receiving payment for work satisfactorily completed, even if the other contract work is not completed and has not been accepted in conformance with "Acceptance of Contract," of the General Conditions. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise available to the Contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the Contractor or deficient subcontract performance or noncompliance by a subcontractor.
- 10.5 Final Payment. The Department will pay the Contractor's final application for payment and release retention in accordance with applicable law and this section, following acceptance of the Work provided that:
- a) The Contractor has furnished evidence satisfactory to the Department that all claims for labor and material have been paid, or the time for filing valid stop notices has passed and no stop notices have been filed, or all stop notices filed have been released by valid release or release bond acceptable to the Department.
 - b) No claim has been presented to the Department by any person based upon any acts or omissions of the Contractor or any subcontractor engaged in the performance of the Work.
 - c) No other claim or dispute exists under the Agreement or applicable law concerning payment of the Contractor's final invoice and/or release of the Agreement retention.
 - d) The Contractor's application for final payment contains a written waiver of all claims against the Department of which the Contractor may not yet have asserted at the time of the submission of the application for final payment.
- 10.6 Non-Allowable Direct Charges. The following costs are not allowable direct charges under the Agreement. The following costs may only be paid under the Agreement, if at all, as part of any allowance for contractor overhead and/or profit established under the Agreement.
- a) Labor costs in excess of applicable prevailing wages pursuant to the Agreement and applicable law, liability and workers compensation insurance, social security, retirement and unemployment insurance and other employee compensation and benefits pursuant to bona fide compensation plans in effect at the time specified for the opening of Project bids for contractor and subcontractor employees engaged in the performance of the Work. However, in no event will allowable direct labor charges under the agreement include employee bonuses, employee vehicles or vehicle allowances, employee telephones or telephone allowances, or employee housing or housing allowances, whether or not such benefits are part of a bona fide compensation plan in effect at the time specified for the opening of Project bids
 - b) Superintendent labor and clerical labor
 - c) Bond premiums
 - d) Insurance in excess of that required pursuant to the Contract Documents
 - e) Utility costs
 - f) Work Site office expenses

- g) Home office expenses

11. PROJECT ACCEPTANCE AND CLOSEOUT

- 11.1 Occupancy. The Department reserves the right to occupy or use any part or parts of the Project before the Project is fully performed. Subject to applicable law, exercising this right will in no way constitute acceptance of any part of the Project so occupied or used or acceptance of the entire Project, nor will such occupancy or use in any way affect the times when payments will become due the Contractor, nor will such occupancy or use in any way prejudice the Department's rights under the Agreement, any Agreement bonds, or at law or equity. Occupancy or use shall not waive the Department's rights to assess liquidated damages in accordance with the Agreement after the date of such occupancy or use.
- 11.2 Initial Start-Up and Testing. The Contractor shall direct the initial startup and testing of utilities, building, electrical, and mechanical systems and equipment. The Contractor shall coordinate and schedule training sessions on applicable systems and equipment for the Department's relevant personnel and ensure that the trade contractor's obligation in providing this training is fulfilled before release of retention.
- 11.3 Substantial Completion. Substantial Completion means the stage in the progress of the Project, as determined by the Architect, when the Project is complete and in accordance with the Contract Documents, except only for completion of minor items which do not impair the Department's ability to occupy and fully utilize the Project for its intended purpose, and a Certificate of Occupancy has been issued.

When the Contractor gives notice to the Department that the Project is substantially complete, unless the Department determines that the Project is not sufficiently complete to warrant an inspection to determine Substantial Completion, the Department will inspect the Project. If the Department determines that the Project is not substantially completed, the Department will prepare and give to the Contractor a comprehensive list of items to be completed or corrected before establishing Substantial Completion. The Contractor shall take immediate steps to remedy the stated deficiencies and give notice of correction to the Department and Construction Manager. Failure to include an item on such list does not alter the responsibility of the Contractor to complete the Project in accordance with the Contract Documents. The Department will make an inspection to determine whether the Project is substantially complete.

- 11.4 Punch List. Once Substantial Completion has been determined, the Contractor shall conduct a site walk with the Department and prepare a punch list. The Contractor shall complete all punch list items within twenty-one (21) calendar days after the issuance of the punch list. The Contractor shall conduct follow-up punch walks as needed until all items have been completed to the satisfaction of the Department. The Contractor shall be the single point of contact for all punch list and warranty items and be responsible for all warranty items for the life of the warranty period.
- 11.5 Project Acceptance. All finished Work will be subject to inspection and acceptance or rejection by the Department, the Construction Manager, the Architect, and other government agencies having jurisdiction over the Project. Final acceptance of the Project will be at the discretion of the Department.
 - 11.5.1 Once all punch list work has been completed and upon notification from the Contractor that the Project is ready for final inspection, the Department will make such inspection.
 - 11.5.2 In evaluating the Project, no allowance will be made for deviations from the Technical Specifications, Project Plans or other Contract Documents unless already approved in writing in accordance with the requirements of Section 4.

- 11.5.3 Prior to acceptance of the Project, Contractor shall perform the final clean-up of the Project site including, but not limited to, trash and debris disposal, glass cleaning, trash chutes, and street cleaning, as applicable.
- 11.5.4 Before acceptance of the Project the Contractor shall submit:
- a) One (1) set of marked up Project Plans and Technical Specifications that clearly depict actual conditions of the performed Work (As-Builts)
 - b) Complete set of product manuals (O&M)
 - c) Attic stock
 - d) Equipment schedule
 - e) Proposed schedule of maintenance for new building systems and equipment
 - f) Environmental, health, and safety documents for new building
 - g) Applicable inspection certificates/permits
 - h) All guarantees and warranties from manufacturers or procured by the Contractor from subcontractors
 - i) All other submittals required by the Contract Documents
- 11.5.5 The Department will accept the Project in writing only when the Project has been fully completed to the Department's reasonable satisfaction and in accordance with the Contract Documents, including, without limitation, satisfaction of all punch list items and submittals of required documents.
- 11.5.6 The fact that the Work and materials have been inspected from time to time and that progress payments have been made shall in no way be construed as acceptance of any part of the Project and does not relieve the Contractor of the responsibility of replacing and making good any defective or omitted work or materials in accordance with the requirements of the Contract Documents.

12. REMEDIES AND DISPUTES

- 12.1 Assurance of Performance. If at any time Department believes the Contractor may not be adequately performing its obligations under the Agreement or that the Contractor may fail to complete the services as required by the Agreement, the Department may, at its option, request from the Contractor prompt written assurances of performance and a written plan acceptable to the Department, to correct the observed deficiencies in the Contractor's performance. The Contractor shall provide such written assurances and written plan within three (3) calendar days of the receipt of the Department's request and shall thereafter diligently commence and fully perform such written plan. The Contractor acknowledges and agrees that any failure to provide such written assurances and written plan within the required time shall constitute grounds for termination pursuant to the terms and conditions of the Agreement.
- 12.2 Dispute Resolution and Continuance of Work. In the event of a dispute between the Department and the Contractor as to performance of the work or the interpretation of the Agreement, or payment or nonpayment for work performed or not performed, the Department and the Contractor shall attempt to resolve the dispute. The Contractor or the Department may demand in writing an informal meet and confer conference to attempt to settle any matter in dispute. If the Department and the Contractor are unable to settle the dispute, the matter shall be submitted to mediation, pursuant to the terms of California Public Contract Code 9204(d)(2)(B). Pending resolution of this dispute, the Contractor agrees to continue the Project diligently to completion. If the dispute is not resolved, the Contractor agrees it shall neither rescind the Agreement nor stop the progress of the Project. If the matter is not resolved after mediation, the Contractor's sole remedy shall be to submit such controversy to binding arbitration. Such arbitration shall be conducted in accordance with California Code of Civil Procedure 1280-1294.4 which provisions are expressly incorporated herein. The prevailing party shall be entitled, as part of its costs, to a reasonable attorney's fee to be fixed by the court or the arbitrator.

12.3 Termination.

12.3.1 Termination by Contractor for Cause. The Contractor shall have the right to terminate the Agreement only upon the occurrence of one of the following:

- a) Provided that the Department has not commenced reasonable action to remove any order of a court within the ninety (90) day period, the Project is stopped for ninety (90) consecutive days, through no act or fault of the Contractor, any subcontractor, or any employee or agent of the Contractor or any subcontractor, due to an issuance of an order of a court or other public authority having jurisdiction or due to an act of government, such as a declaration of a national emergency making material unavailable.
- b) The Department fails to perform any material obligation under the Contract Documents and fails to cure such default within thirty (30) days, or the Department has not commenced to cure such default within thirty (30) days where such cure will require a reasonable period beyond thirty (30) days and diligently prosecutes the same to completion, after receipt of notice from the Contractor stating the nature of such default.
- c) Repeated suspensions by the Department, other than such suspensions as are agreed to by the Contractor, which constitute in the aggregate more than 20% of the Contract Time.

12.3.1.1 Upon the occurrence of one of the events listed in above, the Contractor may, upon ten (10) days additional notice to the Department, and provided that the condition giving rise to the Contractor's right to terminate is continuing, terminate the Agreement.

12.3.1.2 Upon such termination by the Contractor, the Department shall pay to the Contractor the sum of the following:

- a) The amount of the Contract Price allocable to the portion of the Project properly performed by the Contractor as of the date of termination, less sums previously paid to the Contractor;
- b) Plus an amount equal to 5% of the difference between the Contract Price and the amount of the Contract Price allocable to the portion of the Project properly performed by the Contractor as of the date of termination;
- c) Plus previously unpaid costs of any items delivered to the Project site which were fabricated for subsequent incorporation in the Project;
- d) Plus any proven losses with respect to materials and equipment directly resulting from such termination;
- e) Plus reasonable demobilization costs;
- f) Plus reasonable costs of preparing a statement of the aforesaid costs, expenses, and losses in connection with such termination.

12.3.1.3 Such payment will be the sole and exclusive remedy to which the Contractor is entitled in the event of termination of the Agreement by the Contractor pursuant to this section; and the Contractor will be entitled to no other compensation or damages and expressly waives the same.

12.3.2 Termination by the Department for Cause. The Department will have the right to terminate the Agreement for cause at any time after the occurrence of any of the following events:

- a) The Contractor becomes insolvent or files for relief under the bankruptcy laws of the United States.
- b) The Contractor makes a general assignment for the benefit of its creditors or fails to pay its debts as the same become due.
- c) A receiver is appointed to take charge of the Contractor's property.

- d) The commencement or completion of any activity on the critical path is more than seven (7) days behind the date set forth in the Contract Time for such activity, and which results in an inexcusable delay.
- e) The Contractor abandons the Project.

12.3.2.1 Upon the occurrence of any of the following events, the Department will have the right to terminate the Agreement for cause if the Contractor fails to promptly commence to cure such default and diligently prosecute such cure within five (5) days after notice from the Department, or within such longer period of time as is reasonably necessary to complete such cure:

- a) The Contractor persistently or repeatedly refuses or fails to supply skilled supervisory personnel, an adequate number of properly skilled workers, proper materials, or necessary equipment to prosecute the Project in accordance with the Contract Documents.
- b) The Contractor fails to make prompt payment of amounts properly due subcontractors after receiving payment from the Department.
- c) The Contractor disregards applicable code requirements.
- d) The Contractor persistently or materially fails to execute the Project in accordance with the Contract Documents.
- e) The Contractor is in default of any other material obligation under the Contract Documents.
- f) The Contractor persistently or materially fails to comply with applicable safety requirements.

12.3.2.2 Upon any of the occurrences referred to in above, the Department may, at its election and by notice to the Contractor, terminate the Agreement and take possession of the Project site and all materials, supplies, equipment, tools, and construction equipment and machinery thereon owned by the Contractor; accept the assignment of any or all of the subcontracts; and then complete the Project by any method the Department may deem expedient. If requested by the Department, the Contractor shall remove any part or all of the Contractor's materials, supplies, equipment, tools, and construction equipment and machinery from the Project site within seven (7) days of such request; and if the Contractor fails to do so, the Department may remove or store, and after ninety (90) days sell, any of the same at the Contractor's expense.

12.3.2.3 If the Agreement is terminated by the Department as provided in this section, the Contractor shall not be entitled to receive any further payment until the expiration of thirty-five (35) days after Final Completion and acceptance of the Project by the Department.

12.3.2.4 If the unpaid balance of the Contract Price exceeds the cost of completing the Project, including all additional costs and expenses made necessary thereby, including costs for the Department's staff time, plus all losses sustained, including any liquidated damages provided under the Agreement, such excess shall be paid to the Contractor. If such costs, expenses, losses, and liquidated damages exceed the unpaid balance of the Contract Price, the Contractor shall pay such excess to the Department.

12.3.2.5 No termination or action taken by the Department after termination shall prejudice any other rights or remedies of the Department provided by law or by the Contract Documents upon such termination; and the Department may proceed against the Contractor to recover all losses suffered by the Department.

12.3.3 Termination by the Department for Convenience. The Department may, at its option, terminate the Agreement, in whole or from time to time in part, at any time by giving notice

to the Contractor. Upon such termination, the Contractor agrees to waive any claims for damages, including loss of anticipated profits, on account thereof; and, as the sole right and remedy of the Contractor, the Department shall pay the Contractor as outlined below.

12.3.3.1 Upon receipt of notice of termination under this section, the Contractor shall, unless the notice directs otherwise, do the following:

- a) Immediately discontinue work on the Project to the extent specified in the notice.
- b) Place no further orders or subcontracts for materials, equipment, services, or facilities, except as may be necessary for completion of such portion of the Project as is not discontinued.
- c) Promptly cancel, on the most favorable terms reasonably possible, all subcontracts to the extent they relate to the performance of the discontinued portion of the Project.
- d) Thereafter do only such work as may be necessary to preserve and protect work on the Project already in progress and to protect materials, plants, and equipment on the Project site or in transit thereto.

12.3.3.2 Upon such termination, the obligations of the Agreement shall continue as to portions of the Project already performed and, subject to the Contractor's obligations outlined above, as to bona fide obligations assumed by the Contractor prior to the date of termination.

12.3.3.3 Upon such termination, the Department shall pay to the Contractor the sum of the following:

- a) The amount of the Contract Price allocable to the portion of the Project properly performed by the Contractor as of the date of termination, less sums previously paid to the Contractor;
- b) Plus an amount equal to 5% of the difference between the Contract Price and the amount of the Contract Price allocable to the portion of the Project properly performed by the Contractor as of the date of termination;
- c) Plus previously unpaid costs of any items delivered to the Project site which were fabricated for subsequent incorporation in the Project;
- d) Plus any proven losses with respect to materials and equipment directly resulting from such termination;
- e) Plus reasonable demobilization costs;
- f) Plus reasonable costs of preparing a statement of the aforesaid costs, expenses, and losses in connection with such termination.

12.3.3.4 The above payment shall be the sole and exclusive remedy to which the Contractor is entitled in the event of termination of this contract by the Department pursuant to this section; and the Contractor will be entitled to no other compensation or damages and expressly waives same.

12.4 Claims.

12.4.1 In accordance with California Public Contract Code Section 20104.2, the following procedures apply to claims of \$375,000 or less between the Contractor and the Department.

12.4.1.1 The claim shall be in writing and include the documents necessary to substantiate the claim. Claims must be delivered within twenty-one (21) calendar days after the occurrence of the event giving rise to such claim or within twenty one (21) calendar days after the claimant first recognizes the condition giving rise to the claim, whichever is later. Failure to submit a claim within the specified time frame shall be reason to reject the claim. Claims must be filed on or before the date of final

payment. Nothing in this subdivision is intended to extend the time limit or supersede notice requirements otherwise provided by contract for the filing of claims.

- 12.4.1.2 For claims of less than fifty thousand dollars (\$50,000), the Department shall respond in writing to any written claim within forty-five (45) days of receipt of the claim, or may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the Department may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the Department and the Contractor. The Department's written response to the claim, as further documented, shall be submitted to the Contractor within fifteen (15) days after receipt of the further documentation or within a period of time no greater than that taken by the Contractor in producing the additional information, whichever is greater.
- 12.4.1.3 For claims of over fifty thousand dollars (\$50,000) and less than or equal to three hundred seventy-five thousand dollars (\$375,000), the Department shall respond in writing to all written claims within sixty (60) days of receipt of the claim, or may request, in writing, within thirty (30) days of receipt of the claim, any additional documentation supporting the claim or relating to defenses to the claim the Department may have against the Contractor. If additional information is thereafter required, it shall be requested and provided pursuant to this subdivision, upon mutual agreement of the Department and the Contractor. The Department's written response to the claim, as further documented, shall be submitted to the Contractor within thirty (30) days after receipt of the further documentation, or within a period of time no greater than that taken by the Contractor in producing the additional information or requested documentation, whichever is greater.
- 12.4.1.4 If the Contractor disputes the Department's written response, or the Department fails to respond within the time prescribed, the Contractor may so notify the Department, in writing, either within fifteen (15) days of receipt of the Department's response or within fifteen (15) days of the Department's failure to respond within the time prescribed, respectively, and demand an informal conference to meet and confer for settlement of the issues in dispute. Upon a demand, the Department shall schedule a meet and confer conference within thirty (30) days for settlement of the dispute.
- 12.4.1.5 Following the meet and confer conference, if the claim or any portion remains in dispute, the Contractor may file a claim as provided in Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code. For purposes of those provisions, the running of the period of time within which a claim must be filed shall be tolled from the time the Contractor submits his or her written claim pursuant to subdivision (a) until the time that claim is denied as a result of the meet and confer process, including any period of time utilized by the meet and confer process.
- 12.4.1.6 This article does not apply to tort claims and nothing in this article is intended nor shall be construed to change the time periods for filing tort claims or actions specified by Chapter 1 (commencing with Section 900) and Chapter 2 (commencing with Section 910) of Part 3 of Division 3.6 of Title 1 of the Government Code.
- 12.4.2 In accordance with California Public Contract Code Section 20104.4, the following procedures apply to civil actions to resolve claims of \$375,000 or less between the Department and the Contractor:

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- 12.4.2.1 Within sixty (60) days, but no earlier than thirty (30) days, following the filing or responsive pleadings, the court shall submit the matter to non-binding mediation unless waived by mutual stipulation of both parties. The mediation process shall provide for the selection within fifteen (15) days by both parties of a disinterested third person as mediator, shall be commenced within thirty (30) days of the submittal, and shall be concluded within fifteen (15) days from the commencement of the mediation unless a time requirement is extended upon a good cause showing to the court or by stipulation of both parties. If the parties fail to select a mediator within the 15-day period, any party may petition the court to appoint the mediator.
- 12.4.2.2 If the matter remains in dispute, the case shall be submitted to judicial arbitration pursuant to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, notwithstanding Section 1141.11 of that code. The Civil Discovery Act of 1986 (Article 3 (commencing with Section 2016) of Chapter 3 of Title 3 of Part 4 of the Code of Civil Procedure) shall apply to any proceeding brought under this subdivision consistent with the rules pertaining to judicial arbitration.
- 12.4.2.3 Notwithstanding any other provision of law, upon stipulation of the parties, arbitrators appointed for purposes of this article shall be experienced in construction law, and, upon stipulation of the parties, mediators and arbitrators shall be paid necessary and reasonable hourly rates of pay not to exceed their customary rate, and such fees and expenses shall be paid equally by the parties, except in the case of arbitration where the arbitrator, for good cause, determines a different division. In no event shall these fees or expenses be paid by state or county funds. In addition to Chapter 2.5 (commencing with Section 1141.10) of Title 3 of Part 3 of the Code of Civil Procedure, any party who is receiving an arbitration award requests a trial de novo but does not obtain a more favorable judgment shall, in addition to payment of costs and fees under that chapter, pay the attorney's fees of the other party arising out of the trial de novo.
- 12.4.2.4 The court may, upon request by any party, order any witnesses to participate in the mediation or arbitration process.
- 12.4.3 In accordance with California Public Contract Code Section 20104.6, the Department shall not fail to pay money as to any portion of a claim which is undisputed except as otherwise provided in the Agreement. In any suit filed under Public Contract Code Section 20104.4 concerning the Agreement, the Department shall pay interest at the legal rate on any arbitration award or judgment. Such interest shall accrue from date the suit was filed.

**EL DORADO HILLS
FIRE DEPARTMENT**
Issued: December 23, 2021



REQUEST FOR QUOTATIONS
Scott Safety Air-Pak X3 PRO
Self-Contained Breathing Apparatus (SCBA)

Deadline for Submission of Proposals:
January 13, 2022, 2:00 p.m.

For an electronic version of this Request for Quotations, go to:
<https://edhfire.com/>

Table of Contents

SECTION ONE: ACTIVITIES AND TIMELINES.....3

SECTION TWO: GENERAL BIDS SUMMARY3

SECTION THREE: PROGRAM BACKGROUND AND OVERVIEW.....3

SECTION FOUR: SCOPE OF Quotes3

SECTION FIVE: PROPOSAL PACKAGE REQUIREMENTS4

A. PROPOSAL FORMAT 4

B. PROPOSAL ELEMENTS 4

SECTION SIX: BID PROPOSAL PROCESS5

A. SUBMITTAL OF PROPOSALS 5

B. SUBMITTER’S QUESTIONS 5

C. COSTS OF DEVELOPING THE PROPOSAL 6

D. PROPOSAL TERMS AND CONDITIONS..... 6

E. EVALUATION OF PROPOSALS..... 6

 1....SELECTION PROCESS 6

 2....EVALUATION CRITERIA & SCORING 6

 3....AWARD 7

H. PROTEST/APPEAL PROCESS..... 7

I. PUBLIC RECORDS ACCESS..... 8

SECTION ONE: ACTIVITIES AND TIMELINES

ACTIVITY	DATE
• Release of published Request for Quotations	December 23, 2021
• Advertise & Solicit Quotes	December 20, 2021
• Deadline for receiving all questions	December 30, 2021
• Deadline for Quote responses to be received by District	January 13, 2022
• Review Committee evaluates and ranks proposals	Week of January 17, 2022
• Board of Directors Approval (Tentative)	January 20, 2022
• Notice of contract award (Tentative)	January 24, 2022
• Deadline for protests/appeals (Tentative)	February 2, 2022
• Contract executed (Tentative)	February 3, 2022

SECTION TWO: GENERAL QUOTES SUMMARY

This Request for Quotations is to invite formal proposals from vendors who wish to be considered for selection to provide Scott Safety Air-Pak X3 PRO Self-Contained Breathing Apparatus units, supporting equipment, and training to the El Dorado Hills Fire Department (EDHFD).

SECTION THREE: PROGRAM BACKGROUND AND OVERVIEW

The EDHFD has encumbered the funds to purchase Self Contained Breathing Apparatus (SCBA) units. We are looking for a vendor that can provide **(57)** complete SCBA units by **May 10, 2022**.

SECTION FOUR: SCOPE OF BID

(57) COMPLETE SELF-CONTAINED BREATHING APPARATUS UNITS

Each complete unit will include:

- a. (1) Scott Safety Air-Pak NFPA 2018 X3 PRO, 5500PSI, Snap-Change, Quick Disconnect Regulator, Universal Dual EBSS, Console with PASS and SEMS II Pro, Manufacturer Part Number X8915025305A03.
- b. (1) Scott Safety 45-minute, Carbon Wrapped Cylinder with Snap-Change Valve, 5500 PSI, EDHFD Identifier, Manufacturer Part Number 200970-01.
- c. (1) Scott Safety AV-3000 HT Facepiece with EPIC 3 Voice Amplifier Bracket. Sizes TBD, Manufacturer Part Number 201215-28.

- d. (1) Scott Safety EPIC 3 Voice Amplifier, Manufacturer Part Number 201275-01.

ADDITIONAL REQUIREMENTS

- a. (26) Scott Safety AV-3000 HT Facepiece with EPIC 3 Voice Amplifier Bracket. Sizes TBD, Manufacturer Part Number 201215-28.
- b. (54) Scott Safety 45-minute, Carbon Wrapped Cylinders with Snap-Change Valve Connection, 5500 PSI, EDHFD Identifier, Manufacturer Part Number 200970-01.
- c. (6) Scott Safety 60-minute, Carbon Wrapped Cylinders with Valve, CGA Connection, 5500 PSI, EDHFD Identifier, Manufacturer Part Number 200972-01.
- d. (6) Scott Safety RIT-Pak III with Bag, 5500 PSI, with Rectus connection. Includes mask, bag, high- and low-pressure connections, Manufacturer Part Number 200954-15.
- e. (4) Scott Safety Ska-Pak AT, 3000 PSI, with 3000/Carbon/10-minute cylinder, nylon harness, E-Z Flo Vibralert, Hansen airline connection, Manufacturer Part Number SAR423030431001.
- f. (10) Scott Safety Tool Adapter, Snap Change, Manufacturer Part Number 200388-01.
- g. Scott Safety SEMS II Telemetry Software, Manufacturer Part Numbers 8005197, 8006951, 201088-03.
- h. The selected vendor will work cooperatively with EDHFD to provide product support to include training for a minimum of four (4) full eight (8) hour training days to ensure personnel are adequately trained to operate all SCBA equipment.

SECTION FIVE: PROPOSAL PACKAGE REQUIREMENTS
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A. PROPOSAL FORMAT

Proposals are to be straightforward, clear, concise, and responsive to the information requested. For proposals to be considered complete, proposers must provide all requested information.

Each proposer must submit one original proposal and **two (2) additional copies of the proposal**. The original must be clearly marked "ORIGINAL."

B. PROPOSAL ELEMENTS

1. **Cost - Include** in cost proposal a breakout of the following:

- a. Equipment
 - b. Shipping
 - c. Training for EDHFD personnel
 - d. Tax
 - e. Total Cost
2. **Availability** - List date in which equipment will be shipped to the El Dorado Hills Fire Department.

SECTION SIX: BID PROPOSAL PROCESS
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A. SUBMITTAL OF PROPOSALS

Sealed proposals must be received at the El Dorado Hills Fire Department Administration Office, **NO LATER THAN 2:00 p.m. January 13, 2022.**

Proposals are to be addressed as follows:

**Request for Quotations - Scott Air-Pak X3 PRO
SCBA El Dorado Hills Fire Department
Attention: Deputy Chief Dustin Hall
1050 Wilson Blvd,
El Dorado Hills, CA 95762**

Proposer's name and return address must also appear on the envelope.

Proposals will be received only at the address shown above and must be received by the time indicated. It is the sole responsibility of the proposer to send or deliver its proposal so that it is received by the time and date required, regardless of postmark. Any proposal received after said time and/or date or at a place other than the stated address, cannot be considered and **will not be accepted.** No e-mailed or facsimile proposals will be considered. The Administration Office time stamp shall be considered the official timepiece for the purpose of establishing the actual receipt of proposals.

B. SUBMITTER'S QUESTIONS

Questions regarding the Bid Proposals must be submitted exclusively in writing to EDHFD by **2:00p.m., December 30, 2021.** EDHFD will not respond to any questions submitted after this time. EDHFD will use an addendum to the Bid Proposal to post any questions received, along with written responses, on the EDHFD website, www.edhfire.com. **It is the responsibility of the proposers to check the EDHFD website to review the questions and responses.** Any oral responses to questions are not binding on EDHFD.

Questions should be addressed to:

**El Dorado Hills Fire Department
Attn: Deputy Chief Dustin Hall
1050 Wilson Blvd
El Dorado Hills, CA 95762**

C. COSTS OF DEVELOPING THE PROPOSAL

All costs incurred in the preparation of a proposal are the responsibility of each proposer and will not be reimbursed by EDHFD.

D. PROPOSAL TERMS AND CONDITIONS

It is the responsibility of each proposer to be familiar with all the specifications, terms, and conditions of the Bid Proposal. By the submission of a proposal, the proposer certifies that if awarded a contract, proposer will make no claim against EDHFD based upon ignorance of or misunderstanding of the specifications.

Each proposer shall submit its proposal with the understanding that the proposal will become a part of the official file on this matter and shall be subject to disclosure, if requested by a member of the public, following the completion of negotiations.

By submitting a proposal, each proposer certifies that all statements in this proposal are true. This constitutes a warranty, the falsity of which shall include the right, at EDHFD's option, of declaring any contract made, as a result thereof, null and void. Proposals shall be completed, executed, and submitted in accordance with the instructions of this Bid Proposal. If a proposal is not submitted in the format specified in this Bid Proposal, it may be rejected, unless EDHFD determines that the nonconformity is either a minor irregularity or that the defect or variation in the proposal is immaterial or inconsequential. EDHFD may give the proposer an opportunity to cure any deficiency resulting from a minor irregularity or an immaterial or inconsequential defect, or EDHFD may waive such deficiency, whichever is most advantageous to EDHFD.

EDHFD cannot accept proposals from any individual who is currently employed with the EDHFD (California Government Code §29708).

E. EVALUATION OF PROPOSALS

The objective is to perform a thorough and fair evaluation of submitted proposals and facilitate the selection of a vendor that best satisfies EDHFD's requirements. The following describes the evaluation process and associated components.

1. SELECTION PROCESS

- a. This bid will be awarded to the vendor that offers the best price and can meet the deadline for delivery.

2. EVALUATION CRITERIA & SCORING

A.	Cost of Proposal	95 pts
B.	Availability to Deliver Product by Deadline	5 pts

3. AWARD

Award will be made to the qualified proposer whose proposal will be most advantageous to EDHFD, with price and delivery of product.

Proposers will receive mailed Award/Non-Award notification(s), which will include the name of the proposer to be awarded this contract.

Proposers are advised EDHFD reserves the following prerogatives:

- To reject any or all proposals,
- To consider historic information and fact, whether gained from the proposer’s proposal or any other source, in the evaluation process; and
- The proposer is cautioned that it is the proposer’s sole responsibility to submit information related to the evaluation categories and EDHFD is under no obligation to solicit such information if it is not included with the proposal. Failure of the individual or firm to submit such information may cause an adverse impact on the evaluation of the proposal.

F. PROTEST/APPEAL PROCESS

The following procedure is provided if a proposer wishes to protest the Bid Proposal process or appeal the recommendation to award a contract for Scott Air-Pak X3 PRO Self-Contained Breathing Apparatus once the Notices of Award/Non-Award have been issued.

1. Any protest must be submitted in writing to:

**El Dorado Hills Fire Department
1050 Wilson Blvd
El Dorado Hills, CA 95762
Attention: Deputy Chief Dustin Hall**

2. The protest must be submitted before 2:00 p.m. of the seventh (7th) business day following the date of the Notice of Award.
3. The protest must contain a complete statement of the basis for the protest. The protest must include the name, address, telephone number and e-mail address of the person representing the protesting party.
4. The procedure and time limits are mandatory and are the proposer's sole and exclusive remedy in the event of a bid protest.

Proposer's failure to comply with these procedures shall constitute a waiver of any right to further pursue the protest, including filing a Government Code claim or legal proceedings.

Upon receipt of written protest/appeal, EDHFD will review and provide an opportunity to settle the protest/appeal by mutual agreement, will schedule a meeting to discuss or issue a written response to advise of an appeal/protest decision within five (5) business days of receipt of the appeal/protest.

G. PUBLIC RECORDS ACCESS

Proposers should be aware that submitted proposals are subject to the California Public Records Act and may be disclosed to members of the public upon request. It is the responsibility of the proposers to clearly identify information in their proposals that they consider to be confidential under the California Public Records Act. To the extent that EDHFD agrees with that designation, such information will be held in confidence whenever possible. All other information will be considered public.

All information regarding the proposals will be held as confidential until such time as the Review Committee has completed its evaluation and, or if, contract negotiations are complete.