

**BOARD OF DIRECTORS
HILTON CREEK COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING
TUESDAY, MAY 11, 2021
5:00 P.M.
TELECONFERENCE (ZOOM)
AGENDA**

****NOTE:** Members of the public will have the opportunity to directly address the Board of Directors concerning any item listed on the Agenda below before or during consideration of that item. In order to better accommodate members of the public, specific times for Agenda Items will be heard at the specified time or soon thereafter. Agenda Items without specific times may be rearranged to accommodate the Board's schedule. All public comments will be limited by the President of the Board to a speaking time of five minutes.

- 1. CALL MEETING TO ORDER**
 - A. Roll Call

- 2. ADDITIONS TO AGENDA**
 - A. Items added to the agenda must be approved by the Board pursuant to Government Code Section 54954.2

- 3. PUBLIC COMMENT**
 - A. The public may make a statement or pose questions on Items NOT on the agenda** (see note above)

- 4. CONSENT AGENDA**
 - A. Financial Reports**
 1. Consideration & Approval of Disbursements List
 2. Disbursements and Checks Numbered 8166-8175
 3. One-signor Checks Numbered 8176-8180
 - B. Review & Acceptance of Monthly Financial Reports**
 1. Account Balances – All Funds
 2. Revised Budget Report: YTD Actual to Budget Report
 3. Southern California Edison Report
 - C. Approval of Minutes**
 - A. Minutes of the Regular Board Meeting of April 13, 2021

- 5. SEWER FACILITIES UPDATE - GENERAL MANAGER UPDATE**
 - A. General Manager Report on Status of Facilities, Operational Stability
 1. Vactoring/TV Update

- 6. NEW BUSINESS**
 - A. Request for Proposal – Sewer Rate Study
 - B. Legal Review – Contract Services

- 7. OLD BUSINESS**
 - A. Letter to Sierra Springs Residents – Easement Access

8. NEW ITEMS/ADDITIONS FOR FUTURE AGENDAS

9. BOARD MEMBER COMMENTS/REPORTS

10. ANNOUNCEMENTS

A. Regular Board Meeting: June 8, 2021 at 5:00 p.m.

11. CLOSED SESSION:

A. CONFERENCE LABOR NEGOTIATIONS (*Gov Code Section 54957.6*) *Unrepresented Employees:*

1. General Manager
2. Secretary of the Board / Finance Officer

12. ADJOURNMENT

TELECONFERENCE INFORMATION

As authorized by Governor Newsom's Executive Order, N-29-20, dated March 17, 2020, the meeting will be held via teleconferencing with members of the Board attending from separate remote locations. This altered format is in observance of recent recommendations by local officials that certain precautions be taken, including social distancing, to address the threat of COVID-19.

Important Notice to the Public Regarding COVID-19

Based on guidance from the California Department of Public Health and the California Governor's Officer, in order to minimize the spread of the COVID-19 virus, please note the following:

There is no physical location of the meeting open to the public. If you wish to participate in the meeting via teleconferencing, please email your request to info@hiltoncreekcsd.com

If you wish to make a comment on a specific agenda item before the meeting, please submit your comment via email by 5:00 p.m. on the day prior to the Board meeting. Please submit your comment to info@hiltoncreekcsd.com. All comments will be made a part of the record. Please make sure to submit a separate email for each item that you wish to comment upon.

If you are watching the live stream of the Board meeting and wish to make either a general public comment or to comment on a specific agenda item as it is being heard, please submit your comment to info@hiltoncreekcsd.com. All comments will be made a part of the record. Please make sure to submit a separate email for each item that you wish to comment upon.

Documents and materials relating to an open session agenda item that are provided to the Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at the District Office, by arrangement, by calling the District Secretary at (760) 965-9696

In compliance with the Americans with Disabilities Act, if you are a disabled person and need a disability-related modification or accommodation to participate in this meeting, then please contact Lorinda Beatty at (760) 965-9696. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

HILTON CREEK COMMUNITY SERVICES DISTRICT CHECKS WRITTEN - ALL FUNDS

05/07/21

April 14 through May 11, 2021

Accrual Basis

Type	Date	Num	Name	Memo	Amount
Apr 14 - 17, 21					
Bill Pmt -...	04/14/2021	Auto	FRONTIER COMMUNICATIONS	04/15/2021 Auto Payment	-42.19
Check	04/14/2021	Encu...	Encumbrance	Earmarked for SDRMA INSURANCE	-10,000.00
Liability C...	04/15/2021		QuickBooks Payroll Service	Created by Payroll Service on 04/14/2021	-2,866.02
Paycheck	04/16/2021	DD10...	BEATTY, LORINDA A	Direct Deposit	0.00
Paycheck	04/16/2021	DD10...	BURNETT, KYLE	Direct Deposit	0.00
Check	04/16/2021		PERS 457 Contributions	PPE 04/16/2021	-329.41
Check	04/16/2021	Auto	PERS Retirement	PPE 4/16/2021	-446.53
Check	04/16/2021		PERS Health Insurance	May 2021	-857.12
Apr 14 - 17, 21					-14,541.27
Week of Apr 18, 21					
Check	04/21/2021	Auto	VERIZON WIRELESS	District Phones	-125.41
Check	04/23/2021	TRAN...	Transfer to Capital Reserve Acct	Lanners - 70 Delta Drive A6025028	-7,343.00
Check	04/23/2021	Auto	SCE	03/05/2021 to 04/04/2021	-530.02
Check	04/23/2021	Auto	SCE	03/05/2021 to 04/04/2021	-1,462.87
Week of Apr 18, 21					-9,461.30
Week of Apr 25, 21					
Check	04/26/2021	TRAN...	Transfer to Capital Reserve Acct	06034037-001 Gray Bear LLC 95 Hidde...	-70.00
Check	04/26/2021	Trans...	Transfer to Capital Reserve Acct	A6025011 (A6025025) 70 Delta Drive L...	-20.00
Liability C...	04/26/2021	E-pay	United States Treasury	94-2834850 QB Tracking # -1302578846	-82.68
Liability C...	04/29/2021		QuickBooks Payroll Service	Created by Payroll Service on 04/28/2021	-2,866.01
Paycheck	04/30/2021	DD10...	BEATTY, LORINDA A	Direct Deposit	0.00
Paycheck	04/30/2021	DD10...	BURNETT, KYLE	Direct Deposit	0.00
Check	04/30/2021	Auto	PERS Retirement	PPE 4/30/2021	-446.53
Check	04/30/2021	Auto	PERS 457 Contributions	PPE 04/30/2021	-329.41
Bill Pmt -...	05/01/2021	8163	J.T. HATTER ELECTRIC	Standby - May 2021	-750.00
Week of Apr 25, 21					-4,564.63
Week of May 2, 21					
Check	05/05/2021	Auto	MAMMOTH DISPOSAL	Waste Connections	-165.38
Week of May 2, 21					-165.38
May 9 - 11, 21					
Liability C...	05/10/2021		QuickBooks Payroll Service	Created by Payroll Service on 05/06/2021	-1,208.90
Bill Pmt -...	05/10/2021	8174	BABCOCK LABORATORIES, INC.		-476.00
Bill Pmt -...	05/11/2021	8166	BABCOCK LABORATORIES, INC.	VOID:	0.00
Bill Pmt -...	05/11/2021	8167	BILLY CZESCHIN	1010430155	-500.00
Bill Pmt -...	05/11/2021	8168	CHUCK VILLAR CONSTRUCTION,...	Invoice 19858 - Sierra Springs Spill	-488.66
Bill Pmt -...	05/11/2021	8169	J.T. HATTER ELECTRIC	Contract Services Stand by - June 2021	-1,327.50
Bill Pmt -...	05/11/2021	8170	MAMMOTH COMMUNITY WATER ...	0010420 - Lab	-270.00
Bill Pmt -...	05/11/2021	8171	UMPQUA BANK	April 2021	-6,884.64
Paycheck	05/11/2021	DD10...	ADAMSON, CYNTHIA R	Direct Deposit	0.00
Paycheck	05/11/2021	DD10...	CONNOLLY, ISABEL S	Direct Deposit	0.00
Paycheck	05/11/2021	DD10...	CZESCHIN, WINDSOR	Direct Deposit	0.00
Paycheck	05/11/2021	DD10...	HIGERD, GARRETT	Direct Deposit	0.00
Paycheck	05/11/2021	DD10...	SHIPLEY, STEVE H	Direct Deposit	0.00
Check	05/11/2021	8172	VOID	VOID Misprint	0.00
Check	05/11/2021	8175	Cynthia Adamson	FY 2020/2021 Medical Reimb	-1,125.46
May 9 - 11, 21					-12,281.16
TOTAL					-41,013.74

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: BOARD OF DIRECTORS
FROM: LORINDA BEATTY
SUBJECT: ACCOUNT BALANCES REPORT
DATE: MAY 11, 2021

Notable changes to Account Balances

Sewer Fund Checking – Bank of America **\$73,820.72**

Included in this amount is \$60,000 that remains in the checking account but is earmarked in an Encumbrance Account (on the books) for specific future expenses. Eventually this money will be moved to an investment account or disbursed.

Capital Reserve **\$44,222.32**

The Capital Reserve account received sewer fee connections, inspection fee and availability fees collected. Transfer into Capital Reserve total \$15,166.00.

County Investment Pool – Combined **\$654,925.26**

Property Tax received in April in the amount of \$44,548.33

Delinquent Accounts Tax Collection Total \$3,808.65 will be distributed in May

LAIF – Combined **\$9,599.84**

Interest received total \$10.48. Distributed appropriately between Juniper Drive and Sewer Fund.

Juniper Drive Checking **\$45,912.92**

No significant changes to the Juniper Drive Checking Account,

REQUESTED ACTION: Information Only

Hilton Creek Community Services District
Sewer Funds Account Balances
As Of
April 30, 2021

Account	Previous				4/30/2021
	Balance	Credits	Debits	Adjustments	Balance
**Bank of America	81,968.67	28,173.93	(47,321.88)	10,000.00	72,820.72
Sewer Fund Use Fees & Expenses		12,748.95	(30,305.41)		
Cancelled / Return/ Other					
County Inv. Pool Transfer					
LAIF Transfers					
Capital Reserve Transfer		-			
Connection Fees		14,686.00	(14,686.00)		
County Loan Transfer					
Availability Fees		90.00	(480.00)		
Juniper Deposits/Expenses		648.98	(1,850.47)		
Juniper Drive Transfers					
Encumberance				10,000.00	60,000.00
Capital Reserve	29,056.03	15,166.29	-	-	44,222.32
Connection & Availability Fees		15,166.00			
Transfers			-		
Interest		0.29			
LAIF	4,957.36	5.42	-	-	4,962.78
Checking Transfers					
Interest		5.42			
Other					
Other					
County Investment Pool	300,269.28	48,356.98	-	-	348,626.26
Checking Transfers					
LAIF Transfers					
Interest		-			
Unsec. Property Tax		87.15			
Secure Property Tax		42,768.56			
Other					
Unitary Property Tax		1,692.62			
Delinquent Accounts Collection		3,808.65			
ENCUMBERANCE (In Checking)	50,000.00	10,000.00	-	-	60,000.00
Beneft Liabilities					
Vactor					
Operations			-		
Administrative Operations		10,000.00			
Total**	416,251.34	91,702.62	(47,321.88)	10,000.00	470,632.08

** Balance Owed to Sewer Fund 1,899.23
Total with Juniper Drive Oweing 472,531.31

Juniper Drive Special Zone of Benefit Funds

**As Of
April 30, 2021**

	Previous	Credits	Debits	Adjustments	4/30/2021 Balance
Bank of America	44,731.88	1,181.04	-	-	45,912.92
Juniper Drive Fees Collected		1,181.04			
Juniper Drive Expenses					
LAIF	4,632.00	5.06	-	-	4,637.06
Interest		5.06			
Other					
County Investment Pool	305,174.60	-	-	-	306,299.00
Checking Transfers					
Interest		-			
Other					
Total**	354,538.48	1,186.10	-	-	355,724.58

** Balance Owed to Sewer Fund (1,899.23)
Total with Balance Owing to Sewer Fund 353,825.35

Juniper Drive Wash					
Fwd	JD Fees Coll	JD Checks	JD JES	ADJ	JD Owes SF
	(697.74)	648.98	(1,850.47)		(1,899.23)

Funds collected / paid in Sewer Fund

Sewer Financial Reports

April 2021

HILTON CREEK COMMUNITY SERVICES DISTRICT

Balance Sheet

As of April 30, 2021

05/05/21

Accrual Basis

	Apr 30, 21
ASSETS	
Current Assets	
Checking/Savings	
1 Bank of America-Checking	12,820.72
2 Encumbrance Account	60,000.00
3 B of America-Capital Reserve	44,222.32
4 Mono Co Treasury Inv. Pool	344,817.61
5 LAIF	
General Sewer Fund	4,957.36
5 LAIF - Other	5.42
Total 5 LAIF	<u>4,962.78</u>
Total Checking/Savings	466,823.43
Accounts Receivable	
Accounts receivable	
AVAILABILITY FEES	720.00
SEWER USE FEES	
Finance Charge	-467.12
LIEN FEE	200.00
SEWER USE FEES - Other	<u>5,511.85</u>
Total SEWER USE FEES	5,244.73
Accounts receivable - Other	12.00
Total Accounts receivable	<u>5,976.73</u>
Total Accounts Receivable	5,976.73
Other Current Assets	
Allowance for uncollectibles	0.05
Total Other Current Assets	<u>0.05</u>
Total Current Assets	472,800.21
Fixed Assets	
Property, Plant & Equipment	
Equipment	3,104,881.53
Facilities Improvements	78,028.37
Other Equipment	21,391.22
Vehicles	<u>16,500.00</u>
Total Property, Plant & Equipment	<u>3,220,801.12</u>
Total Fixed Assets	3,220,801.12

HILTON CREEK COMMUNITY SERVICES DISTRICT

Balance Sheet

As of April 30, 2021

	Apr 30, 21
Other Assets	
Accumulated depreciation	-2,665,639.35
Total Other Assets	-2,665,639.35
TOTAL ASSETS	1,027,961.98
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
6 Juniper Dr SZB Clearing Acct	-1,899.23
Accounts payable	-854.83
Payroll Liabilities	8,319.40
Total Other Current Liabilities	5,565.34
Total Current Liabilities	5,565.34
Long Term Liabilities	
PENSION LIABILITIES	
Def inflows of resources-actuar	33,770.00
Def outflows of resources-actua	-34,290.00
Deferred outflows-contributions	-6,585.98
Net Pension Liability	237,045.00
Total PENSION LIABILITIES	229,939.02
Total Long Term Liabilities	229,939.02
Total Liabilities	235,504.36
Equity	
Capital Improvement Reserve	33,533.07
Retained Earnings	735,189.65
Net Income	23,734.90
Total Equity	792,457.62
TOTAL LIABILITIES & EQUITY	1,027,961.98

Juniper Drive Financial Reports

April 2021

JUNIPER DRIVE SPECIAL ZONE OF BENEFIT

Balance Sheet

As of April 30, 2021

05/05/21

Accrual Basis

	<u>Apr 30, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
101 - Checking - B of A	45,912.92
102 - LAIF	4,632.00
Mono County Treasury Inv. Pool	306,299.00
Total Checking/Savings	<u>356,843.92</u>
Accounts Receivable	
120 - ACCOUNTS RECEIVABLE	
122 - MAINTENANCE FEES	3,386.85
Total 120 - ACCOUNTS RECEIVABLE	<u>3,386.85</u>
Total Accounts Receivable	3,386.85
Other Current Assets	
JDSZB Wash Account	-1,899.23
Total Other Current Assets	<u>-1,899.23</u>
Total Current Assets	<u>358,331.54</u>
TOTAL ASSETS	<u>358,331.54</u>
LIABILITIES & EQUITY	
Equity	
32000 · 304 - Retained Earnings	405,179.97
Net Income	-46,848.43
Total Equity	<u>358,331.54</u>
TOTAL LIABILITIES & EQUITY	<u>358,331.54</u>

Budget Reports Year to Date Actual to Budget April 2021

- Sewer YTD Actual to Budget - 2 Month Review
- Juniper YTD Actual to Budget – 2 Month Review

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: FINANCE OVERSIGHT COMMITTEE
FROM: LORINDA BEATTY
SUBJECT: APRIL 20, 2021 BUDGET ADJUSTMENTS
DATE: MAY 11, 2021

SEWER FUND

Revenue Budget items for the end of the third quarter should be at 83% or higher.

Revenue Notes:

- Property Tax collected is currently at 120% of budgeted anticipation. \$44,548.33 was received in April 2021.
- Delinquent Tax Roll Collections Sewer Fund \$2,457.61 (transfer in May)
- Sewer Use Fees collected are at 94% or 19% higher than anticipated. This in part may be due to the credit card payment system and delinquent fees collected from the Mono County tax roll.
- Sewer Connection Fees are at \$14,586.00 collected in April and are now at 100% of budgeted anticipation. These fees were transferred to the Capital Reserve Account.
- Sewer Availability Fees are higher than usual due to sales of vacant lots. These fees were transferred to the Capital Reserve Account.
- Inspection Fees are at 100% of budgeted anticipation. These fees were transferred to the Capital Reserve Account.
- Slight interest gain for LAIF.

Current revenue accounts are stabilizing and providing a good foundation for next year's budget. Capital Expenditure & Emergency funds will need to be increased over time.

Expense Budget items for the end of the third quarter should be at 86% lower.

Note: Items that were not provided a budget at the beginning of the fiscal year will show as OVER and at 100% of budget.

No adjustments were made in the month of April.

JUNIPER DRIVE FUND

Revenue Budget items for the end of the third quarter should be at 83% or higher.

Revenue Notes:

- Combined Maintenance Fees Collected are at 98% or 15% higher than anticipated.
- Delinquent Tax Roll Collections Juniper Drive \$1,351.04 (Transfer in May)

Expense Budget items for the end of the third quarter should be at 83% lower.

Note: Items that were not budgeted at the beginning of the fiscal year will show as OVER and at 100% of budget. Many of the items in the Juniper Drive Fund were not included with the original budget.

No adjustments were made in the month of April.

REQUESTED ACTION: Review the current budget with adjustments and discuss concerns, recommendations and comments.

HILTON CREEK COMMUNITY SERVICES DISTRICT

Profit & Loss

April 2021

05/05/21

Accrual Basis

	Apr 21
Ordinary Income/Expense	
Income	
Fees	
Availability Fees	80.00
Connection Fee	14,636.00
Inspection Fee	50.00
Use Fees	5,105.52
Total Fees	19,871.52
Mono County Tax Revenue	44,548.33
Total Income	64,419.85
Gross Profit	64,419.85
Expense	
Depreciation Expense	7,500.00
Education	405.00
Employee Benefits	
Employee 457 Contributions	600.00
Employer 457 Contributions	349.41
Health Insurance	771.41
Medical Reimb - Board	698.08
Retirement	
Retirement - EE Contributions	623.07
Retirement - Other	644.88
Total Retirement	1,267.95
Total Employee Benefits	3,686.85
Office Expenses	
Bank Service Charges	15.00
Office Communication- Not Phone	36.00
Office General / Misc	502.96
Postage / Shipping General	110.00
Statement Production - AR	312.19
Website / Advert./ Pub Notice	90.00
Total Office Expenses	1,066.15
Operations Administration	
Telephone	
Telephone - Cell	112.87
Telephone - Fire Alarm	42.19
Total Telephone	155.06
Total Operations Administration	155.06
Payroll Expenses	
Gross Payroll-Board of Director	1,275.00
Gross Payroll-District Manager	8,307.69
Gross Payroll-Secretary	3,078.00
Payroll Taxes	536.99
Payroll Expenses - Other	19.25
Total Payroll Expenses	13,216.93
Repairs & Maintenance	
Automobile Expense	
Fuel	71.08
Total Automobile Expense	71.08
Contract Services	1,125.00
Lab Testing	302.53
Plant - General / Misc	296.26
Sewer Lines- General Maint	195.00

HILTON CREEK COMMUNITY SERVICES DISTRICT

Profit & Loss

April 2021

	<u>Apr 21</u>
Utilities	
SCE - Plant	1,462.87
SCE - Pump Station	<u>530.02</u>
Total Utilities	<u>1,992.89</u>
Total Repairs & Maintenance	<u>3,982.76</u>
Total Expense	<u>30,012.75</u>
Net Ordinary Income	34,407.10
Other Income/Expense	
Other Income	
Interest Income	5.71
Total Other Income	<u>5.71</u>
Net Other Income	<u>5.71</u>
Net Income	<u><u>34,412.81</u></u>

**HILTON CREEK COMMUNITY SERVICES DISTRICT
SEWER FUND
4/30/2021**

REVENUE	BUDGET	Rolling 2 Month View				4/30/2021 Year to Date	Budget Adj 3/31/2021	Over (Under) {+ or -}	% Used	Goal March 2021
		July Month 1	March Month 9	April Month 10						
General Operating Revenue:									83%	
Property Taxes	122,000.00			44,548.33	142,371.37		(20,371.37)	117%	34% OVER	
Sewer Operation & Maintenance Revenue:										
Sewer Use Fees Collected	302,000.00	43,707.14	46,611.74	12,748.95	282,476.68		19,523.32	94%	11% OVER	
Sewer Capital Improvement Revenue:										
Sewer Connection Fees	14,586.00			14,586.00	14,586.00		-	100%	17% OVER	
Availability Fees			390.00	90.00	480.00		(480.00)			
Sewer Connection Inspection Fees	100.00			100.00	100.00		-	100%	17% OVER	
Investment Revenue										
Interest on Investments	4,000.00	18.11	1,102.36	5.42	2,582.13		1,417.87	65%	-18%	
Transfer From Reserves		20,000.00			36,054.19		(36,054.19)		100% OVER	
Transfer From Other Funds		30,000.00			145,000.00		(145,000.00)		100% OVER	
TOTAL REVENUES	442,686.00	93,725.25	48,104.10	72,078.70	623,650.37	-	(180,964.37)	141%	58% OVER	
EXPENSES										
ADMINISTRATION EXPENSES										
Administration Fee	2,000.00				461.45		1,538.55	23%	-60%	
***Mono Invest. Pool Wash - Delinquent Accts.					3,080.20		(3,080.20)			
***Depreciation Expense (Book Entry Only)	90,000.00	7,500.00	7,500.00	7,500.00	75,000.00		15,000.00	83%	0% OVER	
SUBTOTAL	92,000.00	7,500.00	7,500.00	7,500.00	78,541.65	-	149,583.30	85%	2% OVER	
EMPLOYEE BENEFITS										
Medical Reimbursement - Director	20,000.00	3,638.00		698.08	5,903.85	(11,000.00)	3,096.15	66%	-17%	
Medical Reimbursement - Employee	3,600.00		289.36		775.36		2,824.64	22%	-61%	
Health Insurance	8,203.00		511.23	511.23	10,284.54	3,500.00	1,418.46	88%	5% OVER	
Health Insurance - Retired			260.18	260.18	1,936.90	2,600.00	663.10	74%	-9%	
Long Term Care Insurance	422.00	140.58			492.03	70.03	-	100%	17% OVER	
Retirement Benefits - Employer Contributions	6,762.00	1,047.50	429.92	644.88	7,051.32	3,400.00	3,110.68	69%	-14%	
*** Retirement Benefits - Employee Contributions		207.69	415.38	623.07	4,444.57				-83%	
***457 - Employee Contributions			400.00	600.00					-83%	
457 Employer Contributions			232.94	349.41	1,514.11	2,200.00	685.89	69%	-14%	
SUBTOTAL:	38,987.00	5,033.77	2,539.01	3,686.85	32,402.68	770.03	11,798.92	82%	-1%	
PAYROLL										
Salaries & Employee Benefits:										
Director's Gross Salary	6,000.00	1,260.00	1,185.00	1,275.00	13,511.60	11,000.00	3,488.40	79%	-4%	
Manager Gross Salary	72,000.00	5,538.46	5,538.46	8,307.69	61,538.44		10,461.56	85%	2% OVER	
Manager Gross Salary (Now Retired)		18,987.84			18,987.84	18,987.84	-	100%	17% OVER	
Secretarial Gross Salary	29,487.00	675.00	2,052.00	3,078.00	23,470.27		6,016.73	80%	-3%	
Secretarial Gross Salary (Now Retired)		2,656.63			10,626.52	10,626.52	-	100%	17% OVER	
Payroll Taxes	3,000.00	617.15	439.32	536.99	5,127.02	3,500.00	1,372.98	79%	-4%	
Payroll Processing Fee Expense		5.25	14.00	19.25	472.35	112.00	(360.35)	100%	100% OVER	
SUBTOTAL	110,487.00	29,740.33	9,228.78	13,216.93	133,734.04	44,226.36	20,979.32	86%	200% OVER	
OPERATIONS										
Liability Insurance	9,350.00	9,286.20			9,286.20	(63.80)	(0.00)	100%	17% OVER	
Worker's Comp Insurance					5,461.60	5,461.60	-	100%	17% OVER	
Accounting	6,500.00				7,380.00		(880.00)	114%	31% OVER	
Legal	10,000.00				14,921.16	16,000.00	11,078.84	57%	-26%	
Dues & Subscriptions	1,700.00				2,977.50	3,000.00	1,722.50	63%	-20%	
Travel -Non Litigation	200.00				-		200.00	0%	-83%	
License and Fees	22,500.00				23,450.43	710.00	(240.43)	101%	18% OVER	
Loan Interest (County Loan)	2,187.00	1,173.21			2,838.87	651.87	-	100%	17% OVER	
Office Expenses	6,000.00	267.00	1,077.25	1,066.15	8,988.88	6,000.00	3,011.12	75%	-8%	
Educational Expenses	800.00			405.00	1,367.28		(567.28)	171%	88% OVER	
Telephone	1,500.00	41.40	155.15	155.06	1,472.75	250.00	277.25	84%	1% OVER	
Contingency	5,000.00				-		5,000.00	0%	-83%	
Miscellaneous	395.00				-		395.00	0%	-83%	
SUBTOTAL	66,132.00	10,767.81	1,232.40	1,626.21	78,144.67	32,009.67	19,997.00	80%	-3%	
REPAIRS & MAINTENANCE										
Auto Expenses	3,000.00		51.23	71.08	1,311.22		1,688.78	44%	-39%	
Contract Services	26,000.00	750.00	750.00	1,125.00	8,650.00	(15,000.00)	2,350.00	79%	-4%	
Lab Testing			403.00	302.53	4,137.47	5,167.20	1,029.73	80%	-3%	
Monitoring Well - Equipment & Consultation					2,250.61	3,000.00	749.39	75%	-8%	
Plant - General Repairs & Maintenance			350.09	296.26	8,439.07	7,400.00	(1,039.07)	114%	31% OVER	
Plant - Sewer Equipment					2,731.01	7,000.00	4,268.99	39%	-44%	
Plant - Sludge Removal					3,675.75	4,300.00	624.25	85%	2% OVER	
Sewer Lines - General Maintenance			3,466.23	195.00	40,895.48	55,000.00	14,104.52	74%	-9%	
Spills			3,568.21		7,717.70		(7,717.70)	100%	17% OVER	
Snow Removal	7,500.00				-		7,500.00	0%	-83%	
Supplies	2,000.00				180.77		1,819.23	9%	-74%	
Water					195.00	390.00	195.00	50%	-33%	
SCE - Plant	16,000.00		1,481.29	1,462.87	13,401.25		2,598.75	84%	1% OVER	
SCE - Pump Station	7,000.00		531.24	530.02	5,328.56		1,671.44	76%	-7%	
Repairs & Maintenance - Other					82.62	100.00	17.38	83%	0%	
SUBTOTAL:	61,500.00	750.00	10,601.29	3,982.76	98,996.51	67,357.20	29,860.69	77%	-6%	
SUBTOTAL ALL OPERATING EXPENSES	369,106.00	53,791.91	31,101.48	30,012.75	424,819.55	144,363.26	232,219.23	4.10	327% OVER	
Sewer Capital Improvement Expenses:										
Capital Purchases/Improvements	67,000.00				-		67,000.00	0%	-83%	
Engineering and Consulting Fees	10,000.00				-		10,000.00	0%	-83%	
Lateral Extensions	5,000.00				-		5,000.00	0%	-83%	
Debt Service:										
Loan Principal	19,658.00	9,748.83			71,685.32	52,027.32	-	100%	17% OVER	
PERS Unfunded Liability	20,000.00	15,246.90			15,246.90		4,753.10	76%	-7%	
SUBTOTAL:	121,658.00	24,995.73	-	-	86,932.22	52,027.32	86,753.10	50%	-33%	
TOTAL EXPENSES	490,764.00	78,787.64	31,101.48	30,012.75	508,751.77	196,390.58	318,972.33	74%	-9%	
***Less Non Budget Items		7,707.69	8,315.38	8,723.07	79,364.37	-	18,080.20			
Adjusted Total Expenses		71,079.95	22,786.10	21,289.68	432,387.40	196,390.58	300,892.13			
					Projected Expenses 7/1/20	490,764.00				
					Adjusted Expenses 01/31/21	196,390.58	Act Exp			
					New Adjusted Budget Exp.	687,154.58	432,387.40	63%	-20%	

JUNIPER DRIVE SPECIAL ZONE OF BENEFIT

05/05/21

Profit & Loss

Accrual Basis

April 2021

	<u>Apr 21</u>
Ordinary Income/Expense	
Expense	
500- OPERATING EXPENSES	
502 - Education	45.00
504 - Employee Benefits	
504-A - Retirement	71.64
504-AA-457 Employer Contributio	38.82
504-B - Health Insurance	85.71
504 D 10% Dir Med Reimb.	<u>77.57</u>
Total 504 - Employee Benefits	273.74
64900 · 507 - Office Expense	104.57
66000 · 508 - Payroll Expenses	
508-A - Gross Payroll Gen. Mgr.	923.07
508-B - Gross Payroll - Sec.	342.00
508 D - 10% Director Gross	<u>141.65</u>
Total 66000 · 508 - Payroll Expenses	1,406.72
67200 · 511 - Repairs and Maintenance	
60200 · 514- Automobile Expense	<u>7.90</u>
Total 67200 · 511 - Repairs and Maintenance	7.90
68100 · 515 - Telephone Expense	<u>12.54</u>
Total 500- OPERATING EXPENSES	<u>1,850.47</u>
Total Expense	<u>1,850.47</u>
Net Ordinary Income	<u>-1,850.47</u>
Net Income	<u><u>-1,850.47</u></u>

**JUNIPER DRIVE
ACTUAL TO BUDGET 2020/2021
COMBINED SEWER FUNDS
4/30/2021**

Rolling 2 Month View

REVENUE	BUDGET	Rolling 2 Month View		3/31/2021 Year to Date	Budget Adj 4/30/2021	Over (Under) {+ or -}	% Used	Goal % April 2021	
		March Month 9	April Month 10						
Road Maintenance Revenue:									
Maintenance Fees Collected	-	6,762.34	1,181.04	51,550.03				83%	
Maintenance Fees Collected Through Sewer Fund		5,320.49	648.98	30,913.32					
Combined Maintenance Fees Collected	83,806.00	12,082.83	1,830.02	82,463.35		1,342.65	98%	15% OVER	
Interest - LAIF			5.06	38.95		(38.95)			
Interest - County Investment Pool	6,500.00	1,124.50		2,327.93		4,172.07	36%	-47%	
Transfer From Reserves	90,000.00			-		90,000.00			
Transfer From Other Funds				-		-			
TOTAL REVENUES	180,306.00	25,290.16	3,665.10	167,293.58	-	95,475.77	93%	10% OVER	
EXPENSES									
ADMINISTRATION EXPENSES									
Administration Fee	1,500.00			45.72		1,454.28	3%	-80%	
SUBTOTAL	1,500.00	-	-	45.72	-	1,454.28	3%	-80%	
EMPLOYEE BENEFITS									
Medical Reimbursement - Director			77.57	422.48	900.00	477.52	47%	-36%	
Medical Reimbursement - Employee				54.00	360.00	306.00	15%	-68%	
Health Insurance		85.71	85.71	1,357.91	1,530.00	172.09	89%	6% OVER	
Retirement Benefits - Employer Contributions	619.00	47.76	71.64	2,648.34	2,750.00	720.66	79%	-4%	
457 Employer Contributions		25.88	38.82	168.22	220.00	51.78	76%	-7%	
SUBTOTAL:	619.00	159.35	273.74	4,650.95	5,760.00	1,728.05	73%	-10%	
PAYROLL									
Salaries & Employee Benefits:									
Director's Gross Salary		131.65	141.65	1,486.55	1,840.00	353.45	81%	-2%	
Manager Gross Salary	8,000.00	615.38	923.07	8,595.14	7,950.00	7,354.86	54%	-29%	
Secretarial Gross Salary	3,388.00	228.00	342.00	3,608.26	5,020.00	4,799.74	43%	-40%	
Payroll Taxes	350.00			-		350.00	0%	-100%	
Payroll Processing Fee Expense				-		-			
SUBTOTAL	11,738.00	975.03	1,406.72	13,689.95	14,810.00	12,858.05	52%	-31%	
OPERATIONS									
Liability Insurance	1,050.00			1,638.64	588.64	-	100%	17% OVER	
Worker's Comp Insurance				-		-			
Accounting	750.00			820.00	70.00	-	100%	17% OVER	
Legal	750.00			1,566.24	816.24	-	100%	17% OVER	
Dues & Subscriptions				22.50		(22.50)	100%	17% OVER	
Travel -Non Litigation				-		-	100%	17% OVER	
License and Fees				-		-	100%	17% OVER	
Loan Interest (County Loan)				-		-	100%	17% OVER	
Office Expenses	1,000.00	150.64	104.57	1,291.95	1,650.00	1,358.05	49%	-34%	
Educational Expenses			45.00	45.00		(45.00)	100%	17% OVER	
Telephone		12.54	12.54	148.10	175.00	26.90	85%	2% OVER	
Contingency				-		-	100%	17% OVER	
Miscellaneous				-		-	100%	17% OVER	
SUBTOTAL	3,550.00	163.18	162.11	5,532.43	3,299.88	1,317.45	81%	-2%	
REPAIRS & MAINTENANCE									
Auto Expenses		5.69	7.90	177.62	70.00	(107.62)	100%	17% OVER	
Contract Services				-		-	100%	17% OVER	
Snow Removal	20,000.00			25,000.00	15,000.00	10,000.00	71%	-12%	
Supplies				-		-	100%	17% OVER	
Repairs & Maintenance	90,000.00			70,703.87	(70.00)	19,226.13	79%	-4%	
SUBTOTAL:	110,000.00	5.69	7.90	95,881.49	15,000.00	29,118.51	77%	-6%	
TOTAL EXPENSES	127,407.00	1,303.25	1,850.47	119,800.54	38,869.88	46,476.34	72%	-11%	
					Projected Expenses 7/1/20	127,407.00			
					Adjusted Expenses 01/31/21	38,869.88			
					Actual Budget Exp.	166,276.88	119,800.54	72%	-11%

Financial Reports
Outstanding Customer
Payments
March / April 2021

HILTON CREEK COMMUNITY SERVICES DISTRICT
Customer Balance Summary
As of May 5, 2021

	<u>May 5, 21</u>
6012014	110.62
6012019	884.96
6016007	221.24
6017010	221.24
6017021	173.81
6017022	110.62
6019006	110.62
6021041	221.24
6023018	110.62
6023019	37.27
6023025	110.62
6023028	442.48
6023031	364.43
6024018	37.28
6024023	91.08
6029017	110.62
60290191	1,769.92
60290192	1,216.82
6030018	110.62
6032016	110.62
6033004	110.62
6033018	221.24
6036020	110.62
TOTAL	<u><u>7,009.21</u></u>

JUNIPER DRIVE SPECIAL ZONE OF BENEFIT
Customer Balance Summary
All Transactions

Juniper Drive Outstanding Balance

As Of May 5, 21

J6012014	196.84
J6015014	170.20
J6016007	393.68
J6017010	393.68
J6017012	2.00
J6017021	122.67
J6017022	196.84
J6019006	1,014.53
Total	<u><u>2,490.44</u></u>

**HILTON CREEK COMMUNITY SERVICES DISTRICT
REGULAR BOARD MEETING**

April 13, 2021

5:00 P.M.

Minutes

1. Steve Shipley called the meeting to order at 5:04 p.m.

A. ROLL CALL

Members Present: Cindy Adamson, Isabel Connolly, Garrett Higerd and Steve Shipley

Members Absent: Windsor Czeschin

Staff Present: Kyle Burnett, Lorinda Beatty

2. ADDITIONS TO AGENDA

None

3. PUBLIC COMMENT

There were no public comments.

4. CONSENT AGENDA

A. Financial Reports

1. Consideration & Approval of Disbursements List 8157-8165
2. One-signor Checks 8166-8170

B. Review Acceptance of Monthly Financial Reports

1. Account Balances – All Funds
2. Revised Budget Report: YTD Actual to Budget Report
3. Southern California Edison Report

C. Approval of Minutes

1. Minutes of the Regular Board Meeting of April 13, 2021

Motion: To accept the Consent Agenda Items as presented.

Moved by Ms. Connolly, Second by Ms. Adamson

Ms. Adamson	Ms. Connolly	Ms. Czeschin	Mr. Higerd	Mr. Shipley
Aye	Aye	Absent	Aye	Aye

5. SEWER FACILITIES UPDATE - GENERAL MANAGER UPDATE

A. General Manager Report on Status of Facilities and Operational Stability.

Mr. Burnett reported that he purchased a new aeration blower. The cost was over \$5,000 and he communicated with the Finance Oversight Committee

prior to the purchase. Mr. Shipley asked if the blowers are rebuildable? Mr. Burnett advised that the cost would be about the same.

1. Regulatory Report – First Quarter

Mr. Burnett presented the regulatory report from the first quarter of this year. There was a high BOD report in March but the results lowered as more testing was performed.

2. Vactoring / TV Update

There hasn't been any progress on this project because the drying beds are not ready. There may be some options by coordinating with MCWD and using their facility for a cost.

6. NEW BUSINESS

A. Resolution 2021-01 Hilton Creek Community Services District Statement of Investment Policy.

Motion: To accept Resolution 2021-01 Hilton Creek Community Services District Statement of Investment Policy as presented.

Moved by Ms. Adamson, Second by Ms. Connolly

Ms. Adamson	Ms. Connolly	Ms. Czeschin	Mr. Higerd	Mr. Shipley
Aye	Aye	Absent	Aye	Aye

B. Letter to Sierra Springs Residents – Easement Access

Mr. Burnett presented a draft letter that will go to the Sierra Springs Residents regarding easement access. It was the consensus of the Board to have the letter reviewed by legal counsel for review prior to sending to the residents.

C. SoCalRen – Site Visit

Energy monitors were installed and will be logging energy usage data for approximately one month. The drying beds are a bottle neck for the efficiency of the plant and they are looking at more efficient drying beds and processes.

D. Accessory Dwelling Unit – Capacity Fee

It was the consensus of the Board to move forward with a rate study before any decisions are made regarding a capacity fee.

A public comment was provided via email that suggested a rate study before moving forward.

7. OLD BUSINESS

A. SDRMA – Insurance

Aeration tanks are not insured and the lift station is under insured. The District does not have earthquake insurance. Mr. Burnett continues to work on improving the District's insurance coverage and researching earthquake insurance.

8. NEW ITEMS/ADDITIONS FOR FUTURE AGENDAS

None

9. BOARD MEMBER COMMENTS/REPORTS

No Comments

10. ANNOUNCEMENTS

A. Regular Board Meeting April 13, 2021 at 5:00 p.m.

11. CLOSED SESSION

A. Personnel Matter – [Secretary of the Board/Finance Officer]

Motion: To adjourn into Closed Session at 6:02 p.m.

Moved by Ms. Adamson, Second by Ms. Conolly

Ms. Adamson	Ms. Connolly	Ms. Czeschin	Mr. Higerd	Mr. Shipley
Aye	Aye	Absent	Aye	Aye

Motion: To adjourn into Open Session at 6:05 p.m.

Moved by Ms. Connolly, Second by Ms. Adamson

Ms. Adamson	Ms. Connolly	Ms. Czeschin	Mr. Higerd	Mr. Shipley
Aye	Aye	Absent	Aye	Aye

Announcement of Closed Session: Ms. Beatty's future service as a Board Secretary to Community Services Area 1 and Mosquito District will not cause a conflict of interest to the District and is approved by the Board.

12. ADJOURNMENT

Motion: To Adjourn the April 13, 2021 Regular Board Meeting at 6:05 p.m.

Moved by Ms. Connolly, Second by Ms. Adamson

Ms. Adamson	Ms. Connolly	Ms. Czeschin	Mr. Higerd	Mr. Shipley
Aye	Aye	Absent	Aye	Aye

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: THE BOARD OF DIRECTORS

FROM: KYLE BURNETT

SUBJECT: GENERAL MANAGER UPDATE

DATE: MAY 11, 2021

Aeration blower #2 was replaced on May 3rd. Jason Hatter helped with the replacement and his invoice is included with the monthly bills and invoices.

A power pole providing electricity to the wastewater treatment plant located near the electrical/blower building is scheduled for replacement and I have been in contact with Southern California Edison to make sure there are minimal impacts to our treatment process. There have also been several other underground service alerts in the Hilton Creek area that are scheduled for replacement.

REQUESTED ACTION:

Informational and open for discussion

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: THE BOARD OF DIRECTORS

FROM: KYLE BURNETT

SUBJECT: VACTOR/TV UPDATE

DATE: MAY 11, 2021

MCWD has determined Hilton Creek Community Services District will not be allowed to dispose of Vactor debris at their facility.

Collection system cleaning will take place as drying bed space permits.

REQUESTED ACTION:

Informational

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: THE BOARD OF DIRECTORS

FROM: KYLE BURNETT

SUBJECT: REQUEST FOR PROPOSAL – SEWER RATE STUDY

DATE: MAY 11, 2021

A draft “Request For Proposal – Sewer Rate Study” has been prepared for your review and input. It is in the best interest of the agency to have an outside contractor prepare this study to ensure all laws and legal requirements are met.

REQUESTED ACTION:

Review the RFP and recommend any additions or changes to the document. Approve the use of legal counsel to review the document before it is released.

Hilton Creek Community Services District
Request for Proposals (“RFP”)
Crowley Lake, California
Sewer Rate Study for FY 2021-2022

RFP submittal Deadline: _____

Submit to:

Hilton Creek Community Services District
ATTN: Kyle Burnett– RFP Sewer Rate
Study
3222 Crowley Lake Drive
Crowley Lake, CA 93546

Crowley Lake
Mono County California

- I. Introduction
- II. Scope of Work
- III. Proposal Requirements
- IV. Proposer Selection Procedure
- V. Estimated Schedule for Selection
- VI. Contact Person
- VII. Late RFPs Not Considered
- VIII. Agreement for Consultant Services –
Attachment 1

Request for Proposal (“RFP”)

Hilton Creek Community Services District

Sewer Rate Study for FY 2021/2022 to 2026/2027

I. INTRODUCTION

The Hilton Creek Community Services District (District) desires to have a sewer rate study completed for its sewer services. Any rate increase(s) shall be governed by the need to meet operating and capital costs, maintain adequate debt coverage, and build reserve funds. It is critical for the District to maintain reasonable reserves in order to handle emergencies, fund working capital, maintain a good credit rating, and generally follow sound financial management practices.

Interested proposers responding to this Request For Proposal (RFP) shall submit **two (2) sets** of their RFP Proposal.

All questions regarding this RFP shall be in writing and directed to “Kyle Burnett, at districtmanager@hiltoncreekcsd.com a subject line “RFP – Sewer Rate Study”. The deadline for the question shall be _____ at _____

PROPOSALS shall be submitted by Proposers that have the knowledge and experience with sewer rate study. Moreover, all interested Proposers shall have sufficient, readily available resources in the form of trained personnel, support services, specialized consultants, and the financial resources to carry out the work without delay or shortcomings.

The PROPOSALS shall be clearly marked “Hilton Creek Community Services District Sewer Rate Study FY 2021/2022” and shall be submitted to Hilton Creek Community Services District, 3222 Crowley Lake Drive, Crowley Lake, CA 93546 no later than:

TIME, DAY, DATE

Each Proposer shall submit two (2) sets of PROPOSALS in accordance with Section IV “PROPOSAL REQUIREMENTS.”

II. SCOPE OF WORK

The District’s current rate structure for residential users is based on CPI increases. The District desires to have a rate study completed for its sewer services, and to evaluate alternative rate structures that could have the ability to provide more stable revenue

from year to year. The District's sewer rates are typically reviewed and forecast in five-year blocks, and rates are set by the Board of Directors (Board) each year.

Any proposed rate increase(s) shall be governed by the need to meet operating and capital costs, maintain adequate debt coverage, and build reserve funds. It is critical for the District to maintain reasonable reserves in order to handle emergencies, fund working capital, and maintain a good credit rating, and generally follow sound financial management practices.

The Proposer should provide additional detail of his/her approach for each task, and shall expand on this scope, as deemed necessary to provide a complete review and recommendations.

In making its rate recommendations, the final reports shall explicitly include the following elements and analysis:

- A. Current and Recommended Rate Structures: Assess the current rate structure's suitability for sustaining cost recovery based on customer demands as well as conformance with existing statutory regulations making recommendations for any changes that are necessary to achieve compliance. The study shall recommend rates for each of the following five years, starting with Fiscal Year 2021/2022, that consider and make provisions for the following factors:
 1. Current and future cost of providing sewer service in accordance with established and anticipated standards and regulations.
 2. Age and condition of sewer collection and treatment systems and the need to fund long-term capital improvement/replacements.
 3. Upcoming revisions to California's Sewer Codes.
 4. Impact of current and future environmental regulations.
 5. Provide Accessory Dwelling Unit (ADU) capacity fees and the rate structure to calculate the proportionate charge.
 6. Suggest a Capital Reserve fund policies and set yearly targets to develop suggested reserve.
 7. Conform to all California State laws including Proposition 218
 8. Conform to California & Federal prevailing wage laws and requirements
 9. Guide the District in the rate study process, including attendance (Zoom or in person) at the public hearing(s) to answer any questions the public or the Board have regarding the rate study.
 10. Other impacts as identified.
- B. Equity: Assess the equity of recommended sewer rates for all types of property ownership. Justifications for any special classes of customers under the recommended rate structure shall be demonstrated. The recommended rates shall be based on cost of service and shall be sufficient to meet the short and long-term revenue requirements of the District's wastewater utility operations. The benefits of any proposed modifications shall be weighted against the financial impacts on ratepayers.

- C. Sensitivity Analysis: Assess the ability of the revenue stream generated by the recommended rate structure to continue to fund sewer system costs where the long-term revenue generated under each alternative shall be illustrated when confronted with the expected impacts and changes to housing development, tourism, and other community factors.
- D. Industry Standards: The recommended rates shall be consistent with industry practices for utility rate making in California and Proposition 218. The study shall recommend rates based upon standard rate practices that meet the criteria.
- E. Environmental Regulations: The study shall include an assessment of the revenue stream generated by the recommended rates and their ability to continue to fully fund sewer system costs under the impacts of future water quality and environmental regulations and standards.
- F. Connection Fees: Evaluate the existing connection fees and make recommendations for any charges for new capacity and development impact fees to offset demands for future/new service locations.
- G. Other Service Charges: Assess existing customer service fee structure and identify other potential areas for service and system charges and recommend changes, if appropriate. Assessment is to note any resulting increase in liability the District may incur as a result of accessing the fees.
- H. Reserve Balance Targets: Recommend appropriate reserve levels for operating and capital replacement as well as cash flow and unforeseen events. The recommended rates shall consider the type and amount of reserves appropriate to the District Sewer operations, taking into consideration reserves for cash flow, catastrophes, infrastructure replacement, funding past and future depreciation, and other appropriate purposes.
- I. Electronic Rate Model: Provide an easy-to-use electronic rate model for the District to use in future rate setting.
- J. Proposition 218 Considerations: Provide discussion for any Proposition 218 requirements the District will need to consider in making changes to its rates and its rate-setting methodology, including but not limited to any recent court cases or legal findings that may apply.
- K. Create Accessory Dwelling Unit (ADU) Capacity Charge Methodologies.

Expectations of the Consultant:

Consultant is expected to perform and provide the following deliverables:

- A. Provide a schedule for conducting the review and analysis so that recommended rates may be adopted for the implemented FY 2021/2022
- B. Conduct a detailed review of the existing sewer rates and status of the sewer funds, and develop a general familiarity with the District's billing system.
- C. Meet and confer with Board and Staff as needed throughout the process.
- D. Attend one of two meetings to present the interim status of the study and obtain input, and one Public Hearing where the sewer rates are considered for adoption.
- E. Conduct analyses as required to address the scope of work, reviewing all fixed and variable costs.

- F. Prepare preliminary report providing the study and tentative rates.
- G. Prepare final report incorporating changes/modifications from comments at the District's Board meetings.
 - a. Provide five (5) copies of the final report plus an electronic copy in Microsoft Word and Excel format, and a bookmarked PDF.
 - b. Present final report and recommendations to the District Board at a designated Board Meeting.
 - c. Report shall include a summary and Public FAQs on the rate changes that can be posted to the District's website.
 - d. Provide an easy-to-use electronic rate model in Microsoft Excel for the District use in future rate settings
 - e. Provide assistance with the Proposition 218 Noticing Requirements, as requested by the District.

III. PROPOSAL REQUIREMENTS

The Proposer shall submit two (2) bound sets of its Proposal containing 8-1/2 x 11 sheet sizes for the text and a maximum of four (4) 11x17 inch sheet sizes for any fold-out drawings. Proposal should be limited to twenty (20) pages maximum, not including Appendices. It shall include:

- A. A summary of the Proposer's understanding of the contract requirements as a whole and the Proposer's unique capabilities to perform the services required.
- B. A description of the approach that the Proposer would follow for each of the Phases outlined in the Scope of Work. The approach description should include, the steps that will be followed in each phase, the estimated level of effort (i.e., number of Proposer's staff, District staff, etc.), and an estimated duration.
- C. The Proposer's experience and history in performing work on sewer rate studies.
- D. The Proposer shall include references from a minimum of three (3) persons at agencies that the District may contact to verify the experience of the Proposer. Phone numbers and email address must be provided. Include specific references for the project manager/key contact.
- E. A table of organization setting forth the project manager, supporting staff, and sub-contractors.
- F. A statement of qualifications, experience, and availability for each individual expected to perform work. Include the name of Principle Engineer, any license number, and number of years they have been licensed and practicing in California. Proposers must be able to staff projects with qualified individuals who shall be committed to the work from inception through completion.
- G. A list of all instances in the last five (5) years in which the firm has been a debtor in a bankruptcy case, along with an explanation of each instance.
- H. A list of all instances in the last five (5) years in which the California department of Consumer Affairs (or similar agency in any other state) has taken any disciplinary action against the Proposer or Principal Engineer, along with an explanation of each instance.

- I. A list of all instances in the last five(5) years in which the firm was disqualified from a project, along with an explanation of each instance.
- J. A list of all litigation and/or arbitration events for the last five (5) years, along with an explanation of each event.
- K. A statement that the successful Proposer will obtain or possesses and will maintain a business license in the State of California.
- L. A statement that the proposals shall remain effective for ninety (90) days beyond the submittal date.

The following items shall be included as Appendices to the Proposal:

- A. A Proposer shall submit two-page resumes.
- B. The Proposer shall provide the Hourly Rate Schedule for personnel and equipment. These hourly rates shall include labor, reporting, travel, technical supervision, equipment, taxes, insurance and all other incidental charges. **NOTE CHECK PREVALIING WAGE RULES**
- C. Specific identification of any modifications to the attached Agreement for Consultant Services (Attachment 1) the Proposer would require prior to entering into an agreement with the District.
- D. The firm's most recently audited financial statement.

IV. PROPOSER SELECTION PROCEDURE

The following are the selection procedure:

A. Evaluation Criteria

Proposals received by the District will be reviewed by the Selection Committee, which will make the final selection based on the following factors:

- Quality: The Proposal is concise, well written, and organized. The proposal should address the items specified in "Section III, Proposal Requirements".
- Firm Qualifications: Experience and knowledge with sewer rate study.
- Staff and Project Organization: Qualifications of project staff, key personnel's level of involvement in performing related work, logic of work organization, adequacy of labor commitment; concurrence in the restriction on changes in key personnel.
- List of References: Only projects performed by personnel that may be available should be referenced as qualifying experience.
- Cost

B. Evaluation Procedure

An oral interview with one or more of the Proposers submitting the Proposals may be required after written proposals have been received by the District. The District will schedule the time and place for the interview if determined to be

necessary. Each Proposer should be prepared to clarify and elaborate on the details set forth in their Proposal.

The Selection Committee will review the Proposals submitted, establish a list of finalists based on pre-established review criteria, interview the finalist Proposer, if necessary, and determine the successful Proposers. The individual or Composite rating and evaluation forms prepared by the Selection Committee will not be revealed.

If an oral interview is scheduled, sixty minutes will be allowed for the oral interview, including the question-and-answer period. The Project Manager must lead the presentation before the Selection Committee.

C. Award

The successful Proposers will be notified. A copy of the Hilton Creek Community Services District Standard Agreement for Consultant Services can be found in Attachment 1.

The District reserves the right to modify the scope of work and reject any or all Proposals.

D. Public Nature of Proposal Material

Responses to this RFP become exclusive property of the Hilton Creek Community Services District. At such time as the District Manager recommends the firm to the Hilton Creek Community Services District Board, as applicable all proposals received in response to this RFP becomes a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as "Confidential." "Trade Secret," or "Propriety" shall be regarded as non-responsive.

V. ESTIMATED SCHEDULE FOR SELECTION

The RFP Timeline is as follows:

Begin RFP Process	May ____ 2021
Deadline to Submit Questions related to the RFP	June ____ 2021
Deadline for Submittal of Proposal	June ____ 2021
Preliminary Evaluation	June __ to July ____ 2021
Notification to Firms	July ____ 2021

VI. CONTACT PERSON

Prospective Proposers may contact Kyle Burnett, the District's Manager for information regarding questions for this RFP. Deadline for question is at **TIME, DATE**. Inquiries will be responded to no later than . All requests for interpretation or questions must be sent by email or in writing and must clearly include the subject line "RFP – Sewer Rate Study".

Inquiries and written correspondence may be directed to:

Hilton Creek Community Services District
Attn: Kyle Burnett - RFP – Sewer Rate Study
3222 Crowley Lake Drive
Crowley Lake, CA 93546
Email: districtmanager@hiltoncreekcsd.com

VII. LATE PROPOSALS NOT CONSIDERED

Proposal must be received by **TIME DATE**. Any Proposal received after the deadline will not be considered. Post marks not accepted.

Attachment 1

Agreement for Consultant Services

AGREEMENT FOR CONSULTANT SERVICES

This Agreement for Consultant Services (the "Agreement") is made and entered into this _____ day of _____, 2021, by and between the HILTON CREEK COMMUNITY SERVICES DISTRICT, a special district (*hereinafter referred to as "DISTRICT"*) and _____ [a sole proprietorship, partnership, limited liability partnership, corporation, limited liability corporation] (*hereinafter referred to as "CONSULTANT"*).

RECITALS

WHEREAS, DISTRICT requires _____ services in connection with the _____;

WHEREAS, CONSULTANT is qualified to perform such services; and

WHEREAS, CONSULTANT has agreed to provide DISTRICT with such services on the terms and conditions set forth herein.

NOW, THEREFORE, for the considerations hereinafter set forth, CONSULTANT and DISTRICT agree as follows:

ARTICLE 1 - SCOPE OF SERVICES

- 1.1 **Scope of Work.** CONSULTANT agrees to furnish the services set forth in Exhibit A, scope of work, which is attached hereto and incorporated herein (the "Services")
- 1.2 **Compliance with Law.** The Services shall be performed in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and orders.
- 1.3 **Time is of the Essence.** CONSULTANT agrees to diligently prosecute the Services. In the performance of this Agreement, time is of the essence.
- 1.4 **Professional Competence.** CONSULTANT represents that it has the professional skills necessary to perform the Services and that it will perform the Services in a skillful and professional manner. CONSULTANT represents that it has all the necessary licenses to perform the Services and shall maintain them throughout the term of this Agreement. CONSULTANT agrees that the Services shall be performed in a manner consistent with practices usual and customary to the _____ profession. DISTRICT and CONSULTANT agree that CONSULTANT is in responsible charge of the Services. Acceptance by

- DISTRICT of the Services does not operate as a release of CONSULTANT from professional responsibility for the Services performed.
- 1.5 **Independent Contractor.** CONSULTANT is an independent contractor and not an employee of DISTRICT. CONSULTANT expressly warrants that it will not represent that it is an employee of DISTRICT.
- 1.6 **Confidentiality.** CONSULTANT agrees to maintain in confidence and not disclose to any person, firm, government entity, or corporation, without DISTRICT's prior written consent any trade secret or confidential information, knowledge or data relating to the products, process, or operation of DISTRICT. CONSULTANT further agrees to maintain in confidence and not to disclose to any person firm, governmental entity, or corporation any data, information, technology, or material developed or obtained by CONSULTANT during the performance of the Services. The covenants contained in this Section 1.6 shall survive the termination of this Agreement for whatever cause.
- 1.7 **Ownership of Material.** Any reports and other material prepared by or on behalf of CONSULTANT under this Agreement (collectively, the "Documents") shall be and remain the property of DISTRICT. All Documents not already provided to DISTRICT shall be delivered to DISTRICT on the date of termination of this Agreement for any reason. The Documents may be used by DISTRICT and its agents, employees, representatives, and assigns, in whole or in part, or in modified form, for all purposes DISTRICT may deem appropriate without further employment of or payment of any compensation to CONSULTANT.
- 1.8 **Documentation.** CONSULTANT shall keep and maintain full and complete documentation and accounting records, employee time sheets, and correspondence pertaining to the performance of Services, and CONSULTANT shall make such documents available for review and/or audit by DISTRICT and DISTRICT's representatives at all reasonable times for at least four years after the termination of this Agreement or completion of the Services.
- 1.9 **Testimony.** CONSULTANT agrees to testify at DISTRICT's request if litigation is brought against DISTRICT in connection with the Services. Unless the action is brought by CONSULTANT or is based upon CONSULTANT's negligence, DISTRICT will compensate CONSULTANT for the preparation and the testimony at CONSULTANT's standard hourly rates.

ARTICLE 2 – COMPENSATION

- 2.1 **Compensation.** Compensation for the Services shall be in accordance with Exhibit B, Compensation, attached hereto and incorporated herein. It is agreed that the compensation for the Services shall not exceed \$ _____ "Cost Ceiling").

- 2.2 **Invoices.** CONSULTANT shall submit monthly invoices in a form satisfactory to DISTRICT on or before the fifth day of each month for Services provided during the preceding month. CONSULTANT shall submit time and cost records as necessary to substantiate performance of the Services. Within 35 days after receipt of each such invoice, DISTRICT shall verify the accuracy of the invoice, correct the charges where appropriate and as discussed and mutually agreed with CONSULTANT, and make payment to CONSULTANT in an amount equal to the amount of such invoice, as verified or corrected by DISTRICT. No payment hereunder shall be construed as evidence of acceptance of any CONSULTANT's work. DISTRICT reserves the right to withhold payment from CONSULTANT on account of Services not performed satisfactorily, delays in CONSULTANT's performance of Services, or other defaults hereunder. CONSULTANT shall not stop or delay performance of the Services under this Agreement on account of payment disputes with DISTRICT.
- 2.3 **Status Reports.** Together with each monthly invoice, CONSULTANT shall submit a status report detailing the amount expended on the Services to that date and the remaining amount to be expended before Cost Ceiling is reached. CONSULTANT shall notify DISTRICT in writing when payments have reached 90 (ninety) percent of the Cost Ceiling.
- 2.4 **Withholding.** In lieu of holding retention, DISTRICT shall withhold CONSULTANT's final payment until the Services are complete and DISTRICT has received all Documents. CONSULTANT shall diligently continue and complete performance of the Services if the Services are not complete at the time CONSULTANT has performed services up to the Cost Ceiling.

ARTICLE 3 – TIME OF PERFORMANCE

- 3.1 **Effective Date.** The Agreement shall become effective upon execution of the second signature and shall remain in full force and effect until the Services are completed (the "Term"). CONSULTANT agrees to complete all services by _____.
- 3.2 **Termination.** This agreement may be terminated at any time by DISTRICT upon written notice to CONSULTANT.
- 3.3 **Final Payment.** CONSULTANT shall be entitled to compensation for Services performed up to the time of such termination, it being understood that any payments are full compensation for the Services rendered under this Agreement.
- 3.4 **Other Remedies.** Nothing in this Article 3 shall be deemed to limit with respective rights of the parties to terminate this agreement for cause or otherwise to exercise any rights or pursue any remedies which may accrue to them.

ARTICLE 4 – DESIGNATED CONTACTS

- 4.1 **DISTRICT Contact.** DISTRICT designates _____, its _____, as its contact who shall be responsible for administering and interpreting the terms and conditions of this Agreement, for matters relating to CONSULTANT's performance under this Agreement, and for liaison and coordination between DISTRICT and CONSULTANT. In the event DISTRICT wishes to make a change in the DISTRICT's representative, DISTRICT will notify CONSULTANT of the change in writing.
- 4.2 **CONSULTANT Contact.** CONSULTANT designates _____ as its contact, who shall have immediate responsibility for the performance of the Services and for all matters relating to performance under this Agreement. Any change in CONSULTANT's designated contact shall be subject to written approval by DISTRICT.

ARTICLE 5 – INDEMNIFICATION AND INSURANCE

- 5.1 **Indemnification.** CONSULTANT shall, to the fullest extent allowed by law, with respect to claims, liability, loss, damage, costs, or expenses, including reasonable attorney's and expert witness fees, awards, fines, penalties, or judgments, arising out of or relating to the Services (collectively "Claims"), defend, indemnify, and hold harmless DISTRICT, its officials, officers, employees and agents (the "DISTRICT Parties"), except to the extent the Claims are attributable to DISTRICT parties' gross negligence or willful misconduct. CONSULTANT shall defend the DISTRICT parties as required by California Civil Code Section 2778, and with counsel reasonably acceptable to those parties. CONSULTANT shall have no right to seek reimbursement from the DISTRICT parties for the costs of defense. The obligation contained in this Section 5.1 shall survive the termination of this Agreement for whatever cause for the full period of time allowed by law and shall not in any way be limited by the insurance requirements of this Agreement.
- 5.2 **Health and Safety.** CONSULTANT may perform part of the Services at sites which contain unknown working conditions and contaminated materials. CONSULTANT shall be solely responsible for the health and safety of CONSULTANT's employees during the performance of the services.
- 5.3 **Insurance.** CONSULTANT and all of CONSULTANT's employees, subcontractors, consultants and other agency shall procure, provide and maintain at all times during the performance of this Agreement, and for such additional periods as described herein, the insurance listed below with insurers license to do business in the State of California and with a Best's rating of no less than A:VII.

- A. **Comprehensive Automobile Liability Insurance.** Comprehensive Automobile Liability Insurance providing bodily injury liability and property damage, to protect against all liability arising out of the use of any owned, leased, passenger or commercial automobile at a minimum amount of \$1,000,000 combined single limit and \$2,000,000 aggregate. Coverage shall apply to hired and non-owned autos.
- B. **Commercial General Liability Insurance.** Commercial General Liability Insurance, with limits providing a minimum amount of \$1,000,000 combined single limit coverage for each occurrence, \$2,000,000 general aggregate and \$2,000,000 products/completed operations aggregate. The insurance shall cover all operations including but not limited to the following: (1) premises, operations and mobile equipment liability, (2) completed operations and products liability, (3) contractual liability insuring the obligations assumed by CONSULTANT in this Agreement; (4) broad form property damage liability; (5) personal injury liability endorsement, including death; and (6) automobile bodily injury and property damage insurance, including all owned, hired and non-owned equipment.
- C. **Professional Liability Insurance.** Professional Liability Insurance protecting against liabilities arising out of or in connection with negligent acts, errors, or omissions of CONSULTANT and all CONSULTANT's employees, subcontractors, consultants and other agency in connection with this Agreement, at a minimum amount of \$1,000,000 combined single limit coverage and \$1,000,000 aggregate, on a "claims made basis" with a continuation of coverage extension for liabilities for two years from the date the Services are substantially complete. Such professional liability policies shall include coverage for liability assumed by the CONSULTANT under this Agreement.
- D. **Workers' Compensation Insurance.** Workers' Compensation insurance, occupational disease insurance and employer's liability insurance shall be required with minimum limits as required by law, covering all workplaces involved in this Agreement.
- E. **Policy Terms.** Concurrently with execution of this Agreement, CONSULTANT, shall provide DISTRICT with Certificates of Insurance evidencing that CONSULTANT has obtained or maintains the insurance required by this Section 5.3. The Certificates shall be on forms acceptable to DISTRICT. CONSULTANT shall also furnish DISTRICT with original endorsements with the following documentation:
- Precluding cancellation or reduction in coverage before the expiration of thirty (30) days after DISTRICT shall have received written notification thereof from CONSULTANT by United States mail;

- Providing the CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, and include a "separation of insureds" or "severability" clause which treats each separately, except with respect to the limits of the insurer's liability (cross-liability endorsement);
- Naming DISTRICT, its DISTRICT Directors, commissions, committees, officers, employees and agents as additional insureds (Additional Insureds"); and
- Providing that for any claims relating to CONSULTANT's services hereunder, CONSULTANT's insurance coverage shall be primary insurance with respect to DISTRICT, its Directors, commissions, committees, officers, employees and agents, and that any insurance or self-insurance maintained by DISTRICT for itself, its Directors, commissions, committees, officers, employees and agents shall be in excess of CONSULTANT's insurance and shall not be contributory with it.
- It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverages requirements and/or limits shall be available to the Additional Insured, including but not limited to any umbrella or excess insurance. Furthermore, the requirements for coverage and limits shall be the greater of (a) the minimum coverage and limits specified in the Agreement; or (b) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured.

F. **Material Breach.** If CONSULTANT fails to maintain insurance coverage or provided insurance documentation which is required pursuant to this Agreement, it shall be deemed a material breach of this Agreement. DISTRICT, at its sole option may terminate this Agreement and obtain damages from CONSULTANT resulting from said breach. Alternatively, DISTRICT may purchase the required insurance coverage, and without further notice to CONSULTANT, may deduct from the sums due to CONSULTANT any premium costs advanced by DISTRICT for such insurance. These remedies shall be in addition to any other remedies available to DISTRICT.

ARTICLE 6 – NOTICES

All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered or sent by facsimile or reputable overnight courier and shall be deemed received upon the earlier of: (1) if personally delivered, the date of delivery to the address of the person to receive such notice; (2) if delivered by Federal Express or other overnight courier for next business day delivery, (3) if sent by facsimile, with the original sent on the same day by overnight courier, the date on which

the facsimile is received, provided it is before 5:00 P.M. Pacific Time or (4) if sent electronically, the date of delivery on the confirmed read receipt. Notice of change of address shall be given by written notice in the manner described in this Article 6. Rejection or other refusal to accept or the inability to deliver because of a change in address of which no notice was given shall be deemed to constitute receipt of the notice or communication sent. Unless changed in accordance herewith, the addresses for notice given pursuant to this Agreement shall be as follows:

If to DISTRICT: Kyle Burnett
 District Manager, Hilton Creek Community Services District
 3222 Crowley Lake Drive
 Crowley Lake, CA 93546
 Phone: (760) 935-4500
 Facsimile: (760) 418-0183
 Email: districtmanager@hiltoncreekcsd.com
 CC l.beatty@hiltoncreekcsd.com

If to CONSULTANT: _____

 Phone: _____
 Facsimile: _____
 Email: _____

ARTICLE 7 – MISCELLANEOUS

7.1 **Entire Agreement.** This Agreement represents the entire understanding of DISTRICT and CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may only be modified by an amendment in writing signed by each party.

7.2 **No Assignment.** The Services are deemed unique and CONSULTANT shall not assign, transfer, subcontract or otherwise substitute its interest in this Agreement or any of its obligations hereunder without the prior written consent of DISTRICT. As limited by this Section 7.2, this Agreement is to be binding on the successors and assigns of the parties hereto.

7.3 **Severability.** If any part of this Agreement is determined to be unconstitutional, invalid or beyond the authority of either party, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement can be interpreted to give effect to the intentions of the parties.

- 7.4 **Counterparts.** This Agreement may be signed in counterparts and, when fully signed, such counterparts shall have the same effect as if signed in one document.
- 7.5 **Choice of Law.** This Agreement and all matters relating to it shall be governed by the laws of the State of California without reference to its choice of laws principles and venue shall be in the appropriate court in Mono County, California.
- 7.6 **Waiver.** No failure on the part of either party to exercise any right or remedy hereunder shall operate a waiver of any other right or remedy that party may have hereunder. A waiver by either DISTRICT or CONSULTANT of any breach of this Agreement shall not be binding upon the waiving Party unless such waiver is in writing. In the event of a written waiver, such a waiver shall not affect the waiving party's rights with respect to any other further breach.
- 7.7 **Mediation.** In the event the parties are unable to resolve a dispute arising under this Agreement through good faith negotiations, the parties agree to submit the matter to mediation with a mutually agreeable mediator. Prior to mediation, the parties shall exchange any documents reasonably necessary to resolve the matter to be mediated.
- 7.8 **Attorney's Fees.** If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.
- 7.9 **Interpretation.** In the event this Agreement is ever construed in any dispute between the parties, it and each of its provisions shall be construed without regard to the party or parties reasonable for its preparation and shall be deemed to have been prepared jointly by the parties. The rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement.
- 7.10 **Authority.** Each individual executing this Agreement on behalf of one of the parties represents that he or she is duly authorized to sign and deliver the Agreement on behalf of such party and that this Agreement is binding on such party in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

HILTON CREEK COMMUNITY SERVICES DISTRICT

By: _____
Seven Shipley, President

Date: _____

Attest

By: _____
Lorinda Beatty, Secretary of the Board

Date: _____

Approved As To Form

By: _____
Joshua Horowitz, District Attorney

Date: _____

CONSULTANT

By: _____

Date: _____

By: _____

Date: _____

EXHIBIT A

Scope of Work

The District's current rate structure for residential users is based on CPI increases. The District desires to have a rate study completed for its sewer services, and to evaluate alternative rate structures that could have the ability to provide more stable revenue from year to year. The District's sewer rates are typically reviewed and forecast in five-year blocks, and rates are set by the Board of Directors (Board) each year.

Any proposed rate increase(s) shall be governed by the need to meet operating and capital costs, maintain adequate debt coverage, and build reserve funds. It is critical for the District to maintain reasonable reserves in order to handle emergencies, fund working capital, and maintain a good credit rating, and generally follow sound financial management practices.

The Proposer should provide additional detail of his/her approach for each task, and shall expand on this scope, as deemed necessary to provide a complete review and recommendations.

In making its rate recommendations, the final reports shall explicitly include the following elements and analysis:

- A. Current and Recommended Rate Structures: Assess the current rate structure's suitability for sustaining cost recovery based on customer demands as well as conformance with existing statutory regulations making recommendations for any changes that are necessary to achieve compliance. The study shall recommend rates for each of the following five years, starting with Fiscal Year 2021/2022, that consider and make provisions for the following factors:
 1. Current and future cost of providing sewer service in accordance with established and anticipated standards and regulations.
 2. Age and condition of sewer collection and treatment systems and the need to fund long-term capital improvement/replacements.
 3. Upcoming revisions to California's Sewer Codes.
 4. Impact of current and future environmental regulations.
 5. Provide Accessory Dwelling Unit (ADU) capacity fees and the rate structure to calculate the proportionate charge.
 6. Suggest a Capital Reserve fund policies and set yearly targets to develop suggested reserve.
 7. Conform to all California State laws including Proposition 218
 8. Conform to California & Federal prevailing wage laws and requirements
 9. Guide the District in the rate study process, including attendance (Zoom or in person) at the public hearing(s) to answer any questions the public or the Board have regarding the rate study.

10. Other impacts as identified.

- B. Equity: Assess the equity of recommended sewer rates for all types of property ownership. Justifications for any special classes of customers under the recommended rate structure shall be demonstrated. The recommended rates shall be based on cost of service and shall be sufficient to meet the short and long-term revenue requirements of the District's wastewater utility operations. The benefits of any proposed modifications shall be weighted against the financial impacts on ratepayers.
- C. Sensitivity Analysis: Assess the ability of the revenue stream generated by the recommended rate structure to continue to fund sewer system costs where the long-term revenue generated under each alternative shall be illustrated when confronted with the expected impacts and changes to housing development, tourism, and other community factors.
- D. Industry Standards: The recommended rates shall be consistent with industry practices for utility rate making in California and Proposition 218. The study shall recommend rates based upon standard rate practices that meet the criteria.
- E. Environmental Regulations: The study shall include an assessment of the revenue stream generated by the recommended rates and their ability to continue to fully fund sewer system costs under the impacts of future water quality and environmental regulations and standards.
- F. Connection Fees: Evaluate the existing connection fees and make recommendations for any charges for new capacity and development impact fees to offset demands for future/new service locations.
- G. Other Service Charges: Assess existing customer service fee structure and identify other potential areas for service and system charges and recommend changes, if appropriate. Assessment is to note any resulting increase in liability the District may incur as a result of accessing the fees.
- H. Reserve Balance Targets: Recommend appropriate reserve levels for operating and capital replacement as well as cash flow and unforeseen events. The recommended rates shall consider the type and amount of reserves appropriate to the District Sewer operations, taking into consideration reserves for cash flow, catastrophes, infrastructure replacement, funding past and future depreciation, and other appropriate purposes.
- I. Electronic Rate Model: Provide an easy-to-use electronic rate model for the District to use in future rate setting.
- J. Proposition 218 Considerations: Provide discussion for any Proposition 218 requirements the District will need to consider in making changes to its rates and its rate-setting methodology, including but not limited to any recent court cases or legal findings that may apply.
- K. Create Accessory Dwelling Unit (ADU) Capacity Charge Methodologies.

Expectations of the Consultant:

Consultant is expected to perform and provide the following deliverables:

- A. Provide a schedule for conducting the review and analysis so that recommended rates may be adopted for the implemented FY 2021/2022
- B. Conduct a detailed review of the existing sewer rates and status of the sewer funds, and develop a general familiarity with the District's billing system.
- C. Meet and confer with Board and Staff as needed throughout the process.
- D. Attend one of two meetings to present the interim status of the study and obtain input, and one Public Hearing where the sewer rates are considered for adoption.
- E. Conduct analyses as required to address the scope of work, reviewing all fixed and variable costs.
- F. Prepare preliminary report providing the study and tentative rates.
- G. Prepare final report incorporating changes/modifications from comments at the District's Board meetings.
 - a. Provide five (5) copies of the final report plus an electronic copy in Microsoft Word and Excel format, and a bookmarked PDF.
 - b. Present final report and recommendations to the District Board at a designated Board Meeting.
 - c. Report shall include a summary and Public FAQs on the rate changes that can be posted to the District's website.
 - d. Provide an easy-to-use electronic rate model in Microsoft Excel for the District use in future rate settings
 - e. Provide assistance with the Proposition 218 Noticing Requirements, as requested by the District.

EXHIBIT B

Compensation

DISTRICT shall pay CONSULTANT for the Services on a cost reimbursement basis, up to the Cost Ceiling (as defined in Section 2.1 of the Agreement).

CONSULTANT agrees to use appropriate methods to contain its fees and costs under this Agreement. Compensation shall include the following costs, which shall all count toward the Cost Ceiling.

1. Direct Labor

Direct labor costs shall be the total number of hours worked on the job by each employee times the agreed hourly rate for such employee's labor as set forth on _____. District will pay all personnel at their regular straight-time rate including any work performed on overtime or on holidays or weekends. Prior to CONSULTANT authorizing employees any work performed on overtime, holidays or weekends CONSULTANT must receive authorization from DISTRICT.

2. Subconsultant Costs

Subconsultant services shall be billed at cost plus a 10 percent markup. CONSULTANT shall provide a copy of each subconsultant's invoice for which it seeks payment from DISTRICT with any invoice in which such payment is requested.

3. Other Direct Costs

The following categories of costs are eligible for reimbursement, which shall be made at the actual cost to CONSULTANT without any additional mark-up.

- a. Reasonable living and traveling expenses of employees when away from home, office on business in its prosecution of the Services. CONSULTANT must have prior approval of DISTRICT to be reimbursed for these expenses.
- b. Automobile expenses for personal vehicle use, if necessary, at the IRS approved mileage rate.
- c. Reproduction of drawings and specifications by CONSULTANT as required under this Agreement, at rates prevailing in the community for bulk reproduction or at other reasonable rates approved by DISTRICT.
- d. Special overnight delivery or messenger services with prior approval from DISTRICT.

Payments to CONSULTANT for reimbursable costs/expenses will be made only after the specific costs/expenses have been incurred and CONSULTANT has submitted substantiating documentation such as copies of paid invoices or other documentation confirming that such costs/expenses have been incurred.

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: THE BOARD OF DIRECTORS

FROM: KYLE BURNETT

SUBJECT: LEGAL COUNSEL REVIEW OF CONTRACT SERVICES

DATE: MAY 11, 2021

Due to updates in employment law and contract services, it is in the best interest of Hilton Creek Community Services District to have all existing and future contract services reviewed by legal counsel.

REQUESTED ACTION:

Permission for legal counsel to review existing and future contract services.

**HILTON CREEK COMMUNITY SERVICES DISTRICT
MEMORANDUM**

TO: THE BOARD OF DIRECTORS

FROM: KYLE BURNETT

SUBJECT: LETTER TO SIERRA SPRINGS RESIDENTS – EASEMENT ACCESS

DATE: MAY 11, 2021

Legal counsel has reviewed the “Letter To Sierra Springs Residents – Easement Access” and has approved it as written.

REQUESTED ACTION:

Final approval from The Board of Directors to mail the letter and easement maps to affected Sierra Springs Residents.