

**Board Members**

Joe Neves, District 1  
Richard Valle, District 2  
Doug Verboon, District 3  
Craig Pedersen, District 4  
Richard Fagundes, District 5



**Staff**

Rebecca Campbell, County Administrative Officer  
Lee Burdick, County Counsel  
Catherine Venturella, Clerk of the Board

## Board of Supervisors Regular Meeting Agenda

**Date:** Tuesday, January 7, 2020  
**Time:** 9:00 a.m.  
**Place:** Board of Supervisors Chambers, Kings County Government Center  
1400 W. Lacey Boulevard, Hanford, California 93230

☎ (559) 852-2362 ❖ FAX (559) 585-8047 ❖ website: <https://www.countyofkings.com>

In compliance with the Americans with Disabilities Act, if you require a modification or accommodation to participate in this meeting, including agenda or other materials in an alternative format, please contact the Board of Supervisors Office at (559) 852-2362 (California Relay 711) by 3:00 p.m. on the Friday prior to this meeting. The Clerk of the Board will provide assistive listening devices upon request.

*As a courtesy to those in attendance, please silence cell phones, pagers and electronic devices.*

- I. **9:00 AM** **CALL TO ORDER**  
**ROLL CALL – Clerk of the Board**  
**INVOCATION – Sylvia Gaston – Koinonia Church**  
**PLEDGE OF ALLEGIANCE**
  
- II. **BOARD REORGANIZATION**  
**Clerk of the Board/Chairman of the Board**
  - A. The Office of Chairman of the Board of Supervisors is declared vacant and a call for nominations is made.
  - B. The Office of Vice-Chairman of the Board of Supervisors is declared vacant and a call for nominations is made.
  
- III. **UNSCHEDULED APPEARANCES**  
*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*
  
- IV. **APPROVAL OF MINUTES**  
Approval of the minutes from the December 17, 2019 regular meeting.
  
- V. **CONSENT CALENDAR**
  - A. **Behavioral Health:**  
Consider approving the Agreement with Mental Health Systems, Incorporated for the Homeless Mentally Ill Outreach and Treatment Program effective January 7, 2020 through June 30, 2020.
  - B. **Department of Public Health:**  
Consider authorizing the out-of-state travel request for Public Health Emergency Planners, Nicholas Nevers and Abraham Valencia, to attend the Healthcare Leadership for Mass Casualty Incidents Course in Anniston, Alabama on February 9-15, 2020.



**CONSENT CALENDAR CONTINUED**

**C. Job Training Office:**

Consider authorizing the advanced step hire of Jarrell Prichard as an Extra Help Department Specialist III at Salary Range 150.5, Step 5.

**VI.**

**REGULAR AGENDA ITEMS**

**A. Community Development Agency – Greg Gatzka**

Monthly report of the Planning Commission’s actions from their January 6, 2020 meeting.

**B. Administration – Rebecca Campbell/Julianne Phillips**

1. Consider approving the Statement of Work Agreement with Ernst and Young for the Kings County portion of the 12 month audit period ending in June 30, 2020 for auditing services related to the State Water Project.
2. Consider confirming the appointment of Marie Waite to the position of Director of Child Support Services effective January 6, 2020 and setting the compensation.
3. Consider authorizing the Chairman to sign a letter of support for an American Academy of Environmental Engineers and Scientists Excellence in Engineering and Science Award.

**VII.**

**BOARD MEMBERS ANNOUNCEMENTS OR REPORTS**

*On their own initiative Board Members may make a brief announcement or a brief report on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Gov. Code Section 54954.2a).*

- ◆ Board Correspondence
- ◆ Upcoming Events
- ◆ Information on Future Agenda Items

**VIII.**

**CLOSED SESSION**

- ◆ **Litigation initiated formally.** The title is: “State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership dba Verizon Wireless, et al., Sacramento Court Case No. 34-2012-00127517 [Govt. Code Section 54956.9 (d)(1), (d)(4), (e)(2)]
- ◆ **Litigation initiated formally.** The title is: “BNSF Railway Company v. Alameda County, et al. US District Court Case No. 3:19-cv-07230-JCS [Govt. Code Section 54956.9(d)(1)]
- ◆ **Significant Exposure to Litigation.** 1 case [Govt. Code Section 54956.9 (d)(2), (e)(2)]

**IX.**

**ADJOURNMENT**

The next regularly scheduled meeting will be held on Tuesday, January 14, 2020, at 9:00 a.m.

**FUTURE MEETINGS AND EVENTS**

January 14	9:00 AM	Regular Meeting
January 14	11:00 AM	California Public Finance Authority Regular Meeting
January 21	9:00 AM	Regular Meeting Cancelled due to observance of Martin Luther King Day on January 20, 2020
January 28	9:00 AM	Regular Meeting
January 28	11:00 AM	California Public Finance Authority Regular Meeting
January 28	1:30 PM	Kings County Housing Authority Board of Directors Regular Meeting
January 28	2:00 PM	Kings In-Home Supportive Services Board Regular Meeting

*Agenda backup information and any public records provided to the Board after the posting of the agenda will be available for the public to review at the Board of Supervisors office, 1400 W. Lacey Blvd, Hanford, for the meeting date listed on this agenda.*

### Board Members

Joe Neves, District 1, Chairman  
Doug Verboon, District 3, Vice Chairman  
Richard Valle, District 2  
Craig Pedersen, District 4  
Richard Fagundes, District 5



### Staff

Rebecca Campbell, County Administrative Officer  
Lee Burdick, County Counsel  
Catherine Venturella, Clerk of the Board

## Board of Supervisors Regular Meeting Action Summary

**Date:** Tuesday, December 17, 2019  
**Time:** 9:00 a.m.  
**Place:** Board of Supervisors Chambers, Kings County Government Center  
1400 W. Lacey Boulevard, Hanford, California 93230

☎ (559) 852-2362 ❖ FAX (559) 585-8047 ❖ website: <https://www.countyofkings.com>

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### I. B1

#### CALL TO ORDER

ROLL CALL – Clerk of the Board  
INVOCATION – Roger Bradley, Assistant County Administrative Officer  
PLEDGE OF ALLEGIANCE  
ALL MEMBERS PRESENT

### II. B2

#### UNSCHEDULED APPEARANCES

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.*

Roger Bradley, Assistant CAO and Karamjot Randhawa, University of California Cooperative Extension County Director thanked Teresa “Terrie” Evangelo for her assistance as an extra help employee to keep the Kings County 4-H Program functioning during the transition to a new Community Outreach Specialist.

Randall Vuchsas asked the Board and County staff to assist him in his efforts to obtain a zone variance in order to complete his business project just outside the City of Lemoore.

Edward Neal spoke to support Mr. Vuchsas and asked the Board to consider granting the zone variance being sought.

Chadwick Cole, business partner of Randall Vuchsas, spoke about their work with communities and veterans and asked for any assistance that the Board can provide.

Sheriff David Robinson spoke to explain that the previous speakers were referring to a hemp greenhouse grow that is a tenth of a mile too close to the City of Lemoore to qualify for the permit they need for their business.

Supervisor Valle stated that he had been made aware of the hemp project issues and facilitated a discussion between Ag Commissioner, Jimmy Hook, and the business partners.



**UNSCHEDULED APPEARANCES CONTINUED**

**Leslie McCormick Wilson thanked the Board for the opportunity to serve as the Human Resources Director and expressed her confidence in Henie Ring and the Human Resources staff.**

**Henie Ring, incoming Human Resources Director introduced new Personnel Analysts Rhonda Morrison and Anthony Valdez.**

**III. B4**

**APPROVAL OF MINUTES**

Approval of the minutes from the December 10, 2019 regular meeting.

**ACTION: APPROVED AS PRESENTED (DV/RF/RV/CP/JN – Aye)**

**IV.**

**CONSENT CALENDAR**

**B5**

**A. Behavioral Health:**

1. Consider retroactively approving an Agreement with Evalcorp for Fiscal Year 2019-2020 to complete the Mental Health Services Act Three Year Program and Expenditure Plan and the Annual Update for Fiscal Year 2018-2019. **[Agmt 19-113]**
2. Consider approving a service renewal Agreement with Ruby Soliz to provide Patient's Rights Advocacy Services for the Behavioral Health Department for Fiscal Year 2019-2020. **[Agmt 19-114]**

**B. Department of Finance:**

Consider adopting a Resolution authorizing the deposit and withdrawal of Kings County monies in the Local Agency Investment Fund in the State Treasury. **[Reso 19-084]**

**C. Fire Department:**

Consider approving out of state travel for Battalion Chief Joshua Cunningham, Fire Captains Roy Woodcock and Mike Ornellas, and Fire Apparatus Engineers Sean Hose, Anthony Gonzales, Christopher Mitchell and Danny Coelho to attend the Hazardous Materials Operations course in Anniston, Alabama on February 2-8, 2020.

**D. Department of Public Health:**

1. Consider authorizing the Director of Public Health to sign the Family Planning, Access, Care and Treatment Program Provider Application for Recertification for continued participation in the program.
2. Consider authorizing the Public Health Director to sign the Memorandum of Understanding between the Public Health Department, Human Services Agency and Probation Department to assure compliance with Federal and State regulations in implementation of the Child Health and Disability Prevention Program.

**E. Public Works Department:**

1. Consider accepting the dedication for In-Lieu Parcel Map 19-04 (Robert Hunter) into the County Maintained Mileage.
2. Consider approving the purchase of a hot-water pressure washer and approving the budget change. **(4/5 vote required)**
3. Consider approving the sole source purchase of a 2015 CW14 Pneumatic Roller from Quinn Cat Heavy Rents and approving the budget change. **(4/5 vote required)**
4. Consider approving the budget change to complete the California Environmental Quality Act analysis for the High Speed Rail mitigation work at the County's impacted fire stations. **(4/5 vote required)**
5. Consider approving a letter of support for the San Joaquin Valley Clean Energy Organization's proposed Central California Energy Watch Program.



**CONSENT CALENDAR CONSENT**

**F. Sheriff's Office:**

1. Consider authorizing out of state travel of Fiscal Analyst III, Cassandra Bakker, to attend the Government Finance Officers Association's 114th Annual Conference in New Orleans, Louisiana on May 17-20, 2020.
2. Consider authorizing out of state travel of Commander Rick Bradford, Sergeant Loren Bettencourt, Senior Deputy Eric Johnson, Senior Deputy Miguel Cortez, Senior Deputy Matthew Washburn, Senior Deputy Dakotah Fausnett and Deputy Seth Cardoza to attend the 6th Annual International Police K9 Conference and Vendor Show in Las Vegas, Nevada from March 3-6, 2020.

**G. Administration:**

1. Consider denying the claim for damages filed by Genaro Morfin.
2. Consider approving a health insurance premium holiday for Kings County employees as well as the retirees participants, for pay periods 1 and 2 (January 3, 2020 and January 17, 2020).

**ACTION: APPROVED CONSENT CALENDAR AS PRESENTED (RF/DV/RV/CP/JN - Aye)**

**V.**

**REGULAR AGENDA ITEMS**

**B6**

**A. Behavioral Health – Lisa Lewis/Unchong Parry**

Consider retroactively approving the Mental Health Services and Substance Use Disorder Programs Agreement with Kings View Counseling Services for Fiscal Years 2018-2019 and 2019-2020.

**[Agmt 19-115]**

**ACTION: APPROVED AS PRESENTED (DV/CP/RV/RF/JN - Aye)**

**B7**

**B. County Counsel – Lee Burdick/Juliana Gmur**

1. Consider
  - a. Adopting a Resolution to authorize the County Administrative Officer to issue checks to satisfy debts from settlement of the High-Speed Rail Authority Litigation; and
  - b. Approving the budget change to issue payment for attorney fees and costs associated to the settlement of the High-Speed Rail Authority. **[Reso 19-085] (4/5 vote required)**

**ACTION: APPROVED AS PRESENTED (DV/CP/RV/RF/JN - Aye)**

**B8**

**C. Department of Finance – James Erb/Alda Silva**

1. Consider adopting a Resolution delegating investment authority to the Kings County Director of Finance for the period of January 1, 2020 through December 31, 2020. **[Reso 19-086]**

**ACTION: APPROVED AS PRESENTED (RF/DV/RV/CP/JN - Aye)**

2. Consider approving the 2020 Director of Finance's Statement of Investment Policy.

**ACTION: APPROVED AS PRESENTED (CP/RF/RV/DV/JN - Aye)**

3. Consider:

- a. Approving the "Request to Sell Tax-Defaulted Property Subject to the Power of Sale" at a public internet auction and the "Authorization and Report of Sales," which lists the properties; and
- b. Authorizing the Assistant Finance Director to reduce the minimum bid price if no bids are received during the initial auction; and
- c. Approving the re-offer of unsold parcels at the same sale or next scheduled auction within 90 days with notification to parties of interest.

**ACTION: APPROVED AS PRESENTED (RF/RV/CP/DV/JN - Aye)**

**B9**

**D. Fire Department – Clay Smith/Rick Levy**

Consider waiving the second reading and adopting the proposed changes to Article 1, Chapter 10, Section 10-1, Subsection C of the Fire Prevention and Protection provisions within the Code of Ordinances. **[Ord 694]**

**ACTION: APPROVED AS PRESENTED (DV/CP/RV/RF/JN - Aye)**



- B3**            **E. Sheriff's Office – David Robinson**
1. Consider accepting the donation of \$10,000 from the Kings County Sheriff's Posse.  
**ACTION: APPROVED AS PRESENTED (DV/CP/RV/RF/JN - Aye)**
  2. Consider:
    - a. Authorizing the purchase of a FARO 3D Laser Scanner; and
    - b. Approving the budget change. **(4/5 vote required)****Item pulled by department**
- B10**            **F. Administration – Rebecca Campbell/Domingo Cruz**
1. Consider approving the County's juvenile protocol for children under the age of 12 to meet the requirement of Senate Bill 439 implementation.  
**ACTION: APPROVED AS PRESENTED (DV/RF/RV/CP/JN - Aye)**
  2. Consider authorizing the County Administrative Officer to sign a two- year Agreement through December 31, 2021 to retain Paragon Government Relations, Inc. to perform federal legislative advocacy services for Kings County.  
**ACTION: APPROVED AS PRESENTED (CP/DV/RV/RF/JN -Aye)**
  3. Consider appointing one member to the Kings County Children & Families First Commission.  
**ACTION: APPROVED AS PRESENTED (RF/RV/DV/CP/JN - Aye)**

**VI. B11            BOARD MEMBERS ANNOUNCEMENTS OR REPORTS**

*On their own initiative Board Members may make a brief announcement or a brief report on their own activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Gov. Code Section 54954.2a).*

**Supervisor Pedersen stated that he attended the Sheriff's Office Air Support Unit Christmas Party on December 14, 2019 and he thanked all of the County staff for their hard work throughout the year.**

**Supervisor Verboon stated that he attended the retirement party for Leslie McCormick Wilson and the Lemoore Chamber of Commerce Holiday Luncheon on December 11, 2019, met with Kings View staff on December 10, 2019 and attended a book signing with Lee Smith on December 14, 2019. Supervisor Verboon thanked County staff for their work this year.**

**Supervisor Valle thanked Chairman Neves for his hard work for the Board this year and thanked Rebecca Campbell for all her efforts this year. Supervisor Valle shared a video of the Operation Gobble event at Home Garden from November 2019.**

**Supervisor Fagundes stated that he attended retirement and Christmas parties over the last week and expressed his appreciation for staff.**

**Supervisor Neves stated that he attended the Lemoore Chamber of Commerce Holiday Luncheon and Leslie McCormick Wilson's retirement party and the Kings County Area Public Transit Agency special meeting on December 11, 2019, attended a CalVans meeting on December 12, 2019 and made a number of Santa visits over the last week. He stated that he attend the Lemoore Community Christmas Dinner on December 14, 2019, a special Homelessness Collaborative Meeting on December 16, 2019.**

- ◆ **Board Correspondence: Rebecca Campbell stated that the Board received an Email from Bureau of Land Management regarding Bakersfield Field Office Hydraulic Fracturing Supplemental EIS Record of decision, a letter from Governor Newsom regarding policy alternatives related to PG&E reorganization and bankruptcy.**



- ◆ Upcoming Events: **Rebecca Campbell stated that Assemblyman Rudy Salas, Sheriff Robinson, Kings County Sheriff's Office, and the Kings County Deputy Sheriff's Association will be hold the dedication of a portion of State Route 41 in memory of Kings County Deputy Sheriff Allen Thomas Sharra at the Fleet Reserve Association on 788 East D Street in Lemoore on December 20, 2019 at 10:30 a.m., the Kettleman City Water Treatment Plan Ribbon Cutting will be held on December 18, 2019 at 10:30 and the Human Trafficking Event will be held on January 21, 2020 at the Sierra Pacific High School Gym.**
- ◆ Information on Future Agenda Items: **Rebecca Campbell stated the following items would be on an upcoming agenda: Administration –State Water Project Auditing Contract, Administration-Multiple Board appointments, Administration- Letter of Support for the L.A. Sanitation District for a Federal engineering award, Administration – Confirmation of the appointment of the Child Support Services Director, Health – Out of State Travel, Human Services – Medi-Cal Expansion Grants, Administration – award of Jail medical competency program, Administration – Legislative Platform, and Administration – State Lobbyist Agreement.**

**VII. B12**      **CLOSED SESSION**

- ◆ **Personnel Matters: [Govt. Code Section 54957]**  
*Public Employment*  
*Title: Director of Child Support Services*
  - ◆ **Litigation initiated formally.** The title is: "BNSF Railway Company v. Alameda County, et al. US District Court Case No. 3:19-cv-07230-JCS [Govt. Code Section 54956.9(d)(1)]
  - ◆ **Significant exposure to litigation/Deciding to initiate litigation.** 1 case [Govt. Code Section 54956.9(d)(2), (d)(4), (e)(3)]
- REPORT OUT: Lee Burdick, County Counsel stated that the she did not anticipate any reportable action being taken in closed session today.**

**VIII.**      **ADJOURNMENT**

The next regularly scheduled meeting will be held on Tuesday, January 7, 2020, at 9:00 a.m. **The December 24, 2019 and December 31, 2019 meetings have been cancelled due to the holiday closure of county offices. County offices will close on Friday, December 20, 2019 at 5:00 p.m. and will reopen at 8:00 a.m. on Thursday, January 2, 2020.**

***FUTURE MEETINGS AND EVENTS***

December 23- January 1		County Offices Closed County offices closed in observance of Christmas & New Year's/ Holiday closure
December 24	9:00 AM	Regular Meeting Cancelled/County Offices Closed
December 24	1:30 PM	Kings County Housing Authority Board of Directors Regular Meeting Cancelled
December 24	2:00 PM	Kings In-Home Supportive Services Board Regular Meeting Cancelled
December 31	9:00 AM	Regular Meeting Cancelled/County Offices Closed
January 7	9:00 AM	Regular Meeting
January 14	9:00 AM	Regular Meeting
January 14	11:00 AM	California Public Finance Authority Regular Meeting
January 21	9:00 AM	Regular Meeting Cancelled due to observance of Martin Luther King Day on January 20, 2020
January 28	9:00 AM	Regular Meeting
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# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Behavioral Health– Lisa Lewis/UnChong Parry

**SUBJECT:** AGREEMENT WITH MENTAL HEALTH SYSTEMS, INC. FOR THE HOMELESS MENTALLY ILL OUTREACH AND TREATMENT PROGRAM PROJECT

**SUMMARY:**

**Overview:**

Behavioral Health is seeking approval for an agreement with Mental Health Systems, Inc. (MHS) for the Homeless Mentally Ill Outreach and Treatment (HMIOT) Program Project; one-time funding of \$100,000 to Whole Person Care Pilot Programs for Housing Services for Medi-Cal beneficiaries effective January 7, 2020 through June 30, 2020.

**Recommendation:**

**Approve the Agreement with Mental Health Systems, Inc. for the Homeless Mentally Ill Outreach and Treatment Program Project effective January 7, 2020 through June 30, 2020.**

**Fiscal Impact:**

There will be no additional cost to the General Fund. The \$100,000 in one-time funding for Whole Person Care Pilot programs do not require a County match, and must be expended by June 30, 2020. The funds were received and reflected in the Fiscal Year (FY) 2018-2019. It is also reflected in the Adopted FY 2019-2020 Budget, in Budget Unit 422200.

**BACKGROUND:**

California Senate Bill 840 (SB 840) enacted a funding opportunity to provide all California counties with one-time funding for local activities involving individuals living with a serious mental illness that are homeless or at risk of being homeless.

Senate Bill (SB) 840 made \$50 million available to the Department of Health Care Services (DHCS) for one-time allocations to California counties. DHCS derived county allocations utilizing the 2017 United States Housing and Urban Development (HUD) Point-In-Time Survey data, No Place Like Home non-competitive allocations and the Department of Finance's county population data.

(Cont'd)

**BOARD ACTION:**

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk of the Board

By \_\_\_\_\_



## **Agenda Item**

### **AGREEMENT WITH MENTAL HEALTH SYSTEMS, INC. FOR THE HOMELESS MENTALLY ILL OUTREACH AND TREATMENT PROGRAM PROJECT**

**January 7, 2020**

**Page 2 of 2**

The Governor and Legislature through Senate Bill 840 (SB 840) have allocated this funding to counties and four eligible cities for the Homeless Mentally Ill Outreach and Treatment Program; and SB 840 directed counties to leverage other available funding, and prohibits any supplantation of existing funding or services in order to maximize the impact of Homeless Mentally Ill Outreach and Treatment Program dollars locally.

In order to receive the funding, the County was required to submit an application including a Letter of Interest with a Board Resolution to the DHCS, and the application was submitted on September 18, 2018. The Letter of Interest to DHCS must indicate the County intends to use the funds for the purposes outlined in the provisions of SB 840.

Currently, Behavioral Health has a contract agreement with Mental Health Systems, Inc. (MHS) for Assertive Community Treatment (ACT) Full Service Partnership (FSP) services. They provide services to serious mental illness (SMI) and co-occurring substance use disorders (COD). The program is identified as Kings County ACT, and funded through Mental Health Services Act (MHSA).

As a part of their contract, MHS provides Housing Services for their clients. Since they began providing these services for the County, they have provided 13 housings units. This \$100,000 will be granted to MHS, and the fund must be utilized to obtain an additional property that can be available for their clients.

The agreement has been reviewed and approved as to form by County Counsel.

**AGREEMENT FOR SERVICES  
BETWEEN THE COUNTY OF KINGS AND MENTAL HEALTH SYSTEMS INC.**

THIS AGREEMENT is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2020, by and between the County of Kings, a political subdivision of the State of California (hereinafter “County”) and Mental Health Systems Inc., a California non-profit organization (hereinafter “Contractor”).

**R E C I T A L S**

WHEREAS, County requires Contractor to create a transitional and supportive housing for individuals who are homeless or at risk of becoming homeless and diagnosed with serious mental illness (SMI)

WHEREAS, Contractor is ready, willing, able, and qualified to perform such services.

NOW, THEREFORE, the parties mutually agree as follows:

**1. SCOPE OF SERVICES**

County hereby engages Contractor and Contractor shall do, perform, and carry out the services as set forth in **Exhibit A**.

**2. RESPONSIBILITIES OF CONTRACTOR**

Contractor possesses the requisite skills necessary to perform the work under this Agreement and County relies upon such skills. Contractor shall, at all times utilizing his ability, experience and talent, faithfully, industriously and professionally perform the work set forth in **Exhibit A** to County’s reasonable satisfaction. County’s acceptance of Contractor’s work does not constitute a release of Contractor from his professional responsibility.

Contractor affirms that it possesses current valid appropriate licensure, including, but not limited to, driver’s license, professional license, certificate of tax-exempt status, or permits, as required to perform the work under this Agreement.

**3. COMPENSATION**

Consultant shall not be entitled to nor receive from County any additional consideration, compensation, or other remuneration for services rendered under this Agreement except as set forth in **Exhibit B**

Payment for service provided under this Agreement is limited to the maximum amount of **\$100,000**.

Should no funds or insufficient funds be appropriated for this Agreement, County reserves the right to propose an amendment or unilaterally terminate this Agreement immediately.

Upon submission of an invoice by Contractor, and upon approval of County's representative, County shall pay Contractor monthly in arrears, up to the maximum amount provided for in this section. Each invoice must include a description of services rendered, to whom, date of service and the charges according to the agreed upon method.

#### **4. TERM**

This Agreement shall **commence on the above mentioned date**, and shall **terminate on June 30, 2021**, unless otherwise terminated in accordance with its terms. County shall have the option to extend this Agreement for one (1) additional year on the same terms and conditions.

#### **5. RECORDS AND INSPECTIONS.**

Contractor shall maintain full, complete, and accurate records with respect to all matters covered under this Agreement. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. County shall have free access during normal work hours to such records and the right to examine, inspect, copy, or audit them, at no cost to County. Records shall be maintained for seven (7) years after the termination of this Agreement or any extension of this Agreement.

#### **6. AMENDMENTS**

This Agreement may be modified only by a written amendment signed by Contractor and County Board of Supervisors or other representative authorized by County Board of Supervisors.

#### **7. TERMINATION**

The right to terminate this Agreement under this section may be exercised without prejudice to any other right or remedy to which the terminating party may be entitled at law or under this Agreement.

A. Without Cause. Either party shall have the right to terminate this Agreement without cause by giving the other party thirty (30) calendar days prior written notice of its intention to terminate pursuant to this provision, specifying the date of termination. If the termination is for non-appropriation of funds, County may terminate this Agreement effective immediately.

B. With Cause. This Agreement may be terminated by either party should the other

party materially breach this Agreement. Upon a material breach, the non-defaulting party shall provide written notice to the defaulting party of its intention to terminate this Agreement and allow a period of ten (10) days to cure the breach. If the breach is not remedied within that ten (10) day period, the non-defaulting party may terminate the Agreement on further written notice specifying the date of termination.

Alternatively, County may elect to cure the default and any expense incurred shall be payable by Contractor to County.

If the nature of the breach is such that it cannot be cured within a ten (10) day period, the defaulting party may submit a written proposal within that period which sets forth a specific means to resolve the default and a date certain for completion. If the non-defaulting party consents to that proposal in writing, the defaulting party shall immediately embark on its plan to cure. If the default is not cured within the time specified, the non-defaulting party may terminate upon written notice specifying the date of termination.

C. Effects of Termination. Termination of this Agreement shall not terminate any obligations of any liability to County for damages sustained by County because of any breach of contract by Contractor, nor to indemnify, to maintain and make available any records pertaining to this Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities.

D. Forbearance Not to be Construed as Waiver of Breach or Default. In no event shall any act of forbearance by either party constitute a waiver of any breach of this Agreement or any default which may then exist, nor shall such act impair or prejudice any remedy available to the non-breaching party with respect to the breach or default.

## **8. INSURANCE**

A. Without limiting County's right to obtain indemnification from Contractor or any third parties, prior to commencement of work, Contractor shall purchase and maintain the following types of insurance for minimum limits indicated during the term of this Agreement and provide an Endorsed Additional Insured page from Contractor's Insurance Carrier guaranteeing such coverage to County. Such page shall be mailed as set forth under the Notice Section of this Agreement prior to the execution of this Agreement. In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to other remedies it may have, suspend, or terminate this Agreement upon the occurrence of such event.

1. Commercial General Liability. Two Million Dollars (\$2,000,000) per occurrence and Five Million Dollars (\$5,000,000) annual aggregate covering bodily injury, personal injury and property damage. County and its officers, employees and agents shall be endorsed to above policies as additional insured, using ISO form CG 20 26 or an alternate form that is at least as broad as form

CG 20 26, as to any liability arising from the performance of this Agreement.

2. Automobile Liability. Comprehensive Automobile Liability Insurance with limits for bodily injury of not less than Five Hundred Thousand Dollars (\$500,000) per person, One Million Dollars (\$1,000,000) per accident and for property damages not less than One Hundred Thousand Dollars (\$100,000), or such coverage with a combined single limit of One Million Dollars (\$1,000,000). Coverage should include owned and non-owned vehicles used in connection with this Agreement.

3. Workers Compensation. Statutory coverage, if and as required according to the California Labor Code. The policy shall be endorsed to waive the insurer's subrogation rights against County.

4. Professional Liability. One Million Dollars (\$1,000,000) limit per occurrence or claim and Three Million Dollars (\$3,000,000) annual aggregate limit covering Contractor's wrongful acts, errors and omissions.

County will accept a claims made policy under the following circumstances: any retroactive date must be shown and must be dated before the commencement of this Agreement, the policy must be kept in full force and effect or Contractor may provide tail coverage or extended reporting coverage with a retroactive dates to cover any time gaps for five (5) years after the termination of this Agreement or any extension of this Agreement

B. Insurance is to be placed with admitted insurers rated by A.M. Best Co. as A:VII or higher. Lower rated, or approved but not admitted insurers, may be accepted if prior approval is given by County's Risk Manager.

C. Each of the above required policies shall be endorsed to provide County with thirty (30) days prior written notice of cancellation. County is not liable for the payment of premiums or assessments on the policy. No cancellation provisions in the insurance policy shall be construed in derogation of the continuing duty of Contractor to furnish insurance during the term of this Agreement.

## **9. INDEMNIFICATION**

A. When the law establishes a professional standard of care for Contractor's services, to the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless County and any and all of its Board members, officials, employees and agents from and against any and all losses, liabilities, damages, costs, and expenses, including legal counsel's fees and costs but only to the extent Contractor is responsible for such damages, liabilities, and costs on a comparative basis of fault between Contractor and County in the performance of professional services under this Agreement. Contractor shall not be obligated to defend or indemnify County for

County's own negligence or for the negligence of third parties.

B. Other than in the performance of professional services and to the full extent permitted by law, Contractor shall indemnify, defend, and hold harmless County, and any and all of its Board members, officials, employees, and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including legal counsel's fees and costs, court costs, interest, defense costs, and expert witness fees), where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, any act, omission, fault or negligence, whether active or passive, by Contractor or by any individual or entity for which Contractor is legally liable, including, but not limited to, officers, agents, employees, or subcontractors of Contractor.

C. This indemnification specifically includes any claims that may be against County by any taxing authority or third party asserting that an employer-employee relationship exists by reason of this Agreement.

D. These indemnification obligations shall survive the termination of this Agreement as to any act, omission, fault or negligence occurring during this Agreement or any extension of this Agreement. The County's rights to indemnification are in addition to and shall not limit any other rights or remedies that County may have under law or this Agreement.

## **10. INDEPENDENT CONTRACTOR**

Contractor is an independent contractor and not an agent, officer or employee of County. The parties mutually understand and agree that this Agreement is by and between two independent contractors and is not intended to, and shall not be construed to create, the relationship of agent, servant, employee, partnership, joint venture or association.

## **11. COMPLIANCE WITH LAW**

Contractor shall comply with all federal, state and local laws and regulations applicable to its performance including, but limited to, Government Code section 8350 *et seq.* regarding a drug free workplace and all health and safety standards set forth by the State of California and County.

Contractor shall comply with all state and federal confidentiality laws including, but limited to, the Health Insurance Portability and Accessibility Act (HIPAA) and its regulations as amended. Contractor shall execute and comply with the HIPAA Business Associate Agreement attached as **Exhibit F**.

**12. CONFIDENTIALITY**

Contractor shall not use County confidential information for any purpose other than carrying out Contractor's obligations under this Agreement. Contractor shall prevent unauthorized disclosure of any County confidential information. Contractor shall promptly transmit to County all requests for disclosure of County confidential information.

**13. CONFLICT OF INTEREST**

Contractor warrants that its employees or their immediate families or Board of Directors or officers have no financial interest, including, but not limited to, other projects or independent contracts, and shall not acquire any financial interest, direct or indirect, which conflicts with the rendering of services under this Agreement. Contractor shall employ or retain no such person while rendering services under this Agreement. Services rendered by Contractor's associates or employees shall not relieve Contractor from personal responsibility under this clause. Contractor has an affirmative duty to disclose to County in writing the name(s) of any person(s) who have an actual, potential or apparent conflict of interest.

**14. NONDISCRIMINATION**

In rendering services under this Agreement, Contractor shall comply with all applicable federal, state and local laws, rules and regulations and shall not discriminate based on age, ancestry, color, gender, marital status, medical condition, national origin, physical or mental disability, race, religion, gender identity, or sexual orientation.

Further, Contractor shall not discriminate against its employees, which includes, but is not limited to, employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

**15. SUBCONTRACTORS**

Services under this Agreement are deemed to be personal services. Contractor warrants that it has not and it shall not subcontract any work under this Agreement without the prior written consent of County subject to any required state or federal approval.

**16. ASSIGNMENT**

Contractor shall not assign this Agreement or monies due without the prior written consent of County subject to any required state or federal approval. Assignment by Contractor of any monies due shall not constitute an assignment of the Agreement.

**17. UNFORESEEN CIRCUMSTANCES**

Neither party shall be responsible for any delay caused by natural disaster, war, civil

disturbance, labor dispute or other cause beyond a party's reasonable control, provided written notice is provided to the other party of the cause of the delay within ten (10) days of the start of the delay. Thereafter, the parties shall meet and confer as to whether to amend, suspend, or terminate this Agreement.

**18. OWNERSHIP OF DOCUMENTS**

County shall be the owner of and shall be entitled to possession of any computations, plans, correspondence or other pertinent data and information gathered by or computed by Contractor prior to termination of this Agreement by County or upon completion of the work pursuant to this Agreement. County's reuse of any such materials on any project other than the project for which they were originally intended shall be at County's sole risk. No material prepared in connection with the project shall be subject to copyright in the United States or in any other county.

**19. NOTICE**

Any notice necessary to the performance of this Agreement shall be given in writing by personal delivery, overnight carrier, or by prepaid first-class mail addressed as follows:

**COUNTY:**  
COUNTY OF KINGS  
1400 W. LACEY BLVD.  
HANFORD, CA 93230

**CONTRACTOR:**  
MENTAL HEALTH SYSTEMS, INC.  
9465 FARNHAM STREET  
SAN DIEGO, CA 92123

If notice is given by: a) personal delivery, it is effective as of the date of personal delivery; b) overnight carrier, it is effective as of the date of delivery; c) mail, it is effective as of five (5) days following the date of mailing or the date of delivery reflected upon a return receipt, whichever occurs first.

**20. CHOICE OF LAW**

The parties have executed and delivered this Agreement in the County of Kings, State of California. The parties agree that the laws of the State of California shall govern the validity, enforceability or interpretation of this Agreement and Kings County shall be the venue for any action or proceeding, in law or equity that may be brought in connection with this Agreement. Contractor hereby waives any rights it may possess under Section 394 of the Code of Civil Procedure to transfer to a neutral county or other venue any action arising out of this Agreement.

**21. SEVERABILITY**

If any of the provisions of this Agreement is found to be unenforceable, the remainder shall be enforced as fully as possible and the unenforceable provision shall be deemed modified to the limited extent required to permit enforcement of the Agreement as a whole.



## **22. SURVIVAL**

The following sections shall survive the termination of this Agreement: Section 5 Records and Inspections, Section 8 Insurance, Section 9 Indemnification, and Section 12 Confidentiality.

## **23. NO THIRD PARTY BENEFICIARIES.**

County and Contractor are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide, any right or benefit, whether directly or indirectly or otherwise, to a third party.

## **24. ENTIRE AGREEMENT; CONTRIBUTIONS OF BOTH PARTIES; IMAGED AGREEMENT**

This Agreement, including its Recitals and Exhibits which are fully incorporated into and are integral parts of this Agreement, constitutes the entire agreement between the parties and there are no inducements, promises, terms, conditions or obligations made or entered into by County or Contractor other than those contained herein.

The parties agree that each party had had an opportunity to review this Agreement and consult with legal counsel and it is expressly agreed and understood that the rule stated in Civil Code section 1654, that ambiguities in a contract should be construed against the drafter, shall have no application to the construction of the Agreement.

An original executed Agreement may be imaged and electronically stored. Such imaged Agreement may be used in the same manner and for the same purposes as the original. Neither party may object to the admissibility of the imaged Agreement on the basis that it was not originated or maintained in documentary form.

## **25. CULTURALLY AND LINGUISTICALLY APPROPRIATE SERVICES STANDARDS**

To ensure equal access to quality care by diverse populations, Contractor shall adopt and implement the federal Office of Minority Health (OMH) national Culturally and Linguistically Appropriate Standards (CLAS), and will be demonstrated through policies, training and cultural competency plans its efforts address the CLAS requirements.

## **26. AUTHORITY**

Each signatory to this Agreement represents that it is authorized to enter into this Agreement and to bind the party to which its signature represents.

IN WITNESS WHEREOF the parties have executed this Agreement the day and year first written above.

County of Kings

Contractor

By: \_\_\_\_\_  
Joe Neves, Chairman

\_\_\_\_\_  
James C Callaghan Jr, CEO & President,  
Mental Health Systems Inc.

ATTEST:

\_\_\_\_\_  
Catherine Venturella, Clerk to the Board

Approved and Endorsements Received:

\_\_\_\_\_  
Sande Huddleston

APPROVED AS TO FORM:  
Lee Burdick, County Counsel

By: \_\_\_\_\_  
Juliana F. Gmur, Assistant County Counsel

Exhibits/Attachments:

**Exhibit A:** Scope of Work

**Exhibit B:** Budget

**Exhibit C:** Kings County ADA Grievances Procedures

**Exhibit D:** Assurances and Certifications

**Exhibit E:** Branding

**Exhibit F:** BAA/HIPAA



# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Department of Public Health – Edward Hill  
**SUBJECT:** OUT OF STATE TRAVEL REQUEST TO ANNISTON, ALABAMA  
**SUMMARY:**

**Overview:**

The Department of Public Health is seeking authorization for Public Health Emergency Planners, Nicholas Nevers and Abraham Valencia to attend the Healthcare Leadership for Mass Casualty Incidents Course in Anniston, Alabama on February 9-15, 2020.

**Recommendation:**

**Authorize the out-of-state travel request for Public Health Emergency Planners, Nicholas Nevers and Abraham Valencia to attend the Healthcare Leadership for Mass Casualty Incidents Course in Anniston, Alabama on February 9-15, 2020.**

**Fiscal Impact:**

There will be no cost to the County. All travel, registration, lodging, and other costs will be paid for by the Federal Center for Disaster Preparedness (CDP), who will make all of the arrangements.

**BACKGROUND:**

CDP is part of the Federal Emergency Management Agency (FEMA); its provides training at no cost to state, local, and tribal emergency response personnel, which includes the training, transportation, meals, and lodging. The purpose of the course is to provide instruction and practical experience in best practice procedures for preparing and responding to community and regional public health and medical emergencies. Students learn essential disaster-planning response and recovery functions through a lecture/discussion format. Lessons learned are then applied in a tabletop exercise and a two-day functional exercise.

**BOARD ACTION:**

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020  
CATHERINE VENTURELLA, Clerk to the Board  
By \_\_\_\_\_, Deputy.



# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 582-3211 EXT 2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Job Training Office-Lance Lippincott

**SUBJECT:** ADVANCED STEP HIRE OF AN EXTRA HELP DEPARTMENT SPECIALIST III POSITION AT SALARY RANGE 150.5, STEP 5

**SUMMARY:**

**Overview:**

The Job Training Office is requesting to extend an offer of employment to Jarrell Prichard at Salary Range 150.5, Step 5. Board approval is required to hire at this level, as stated in Personnel Rule 13051.

**Recommendation:**

**Authorize the advance step hire of Jarrell Prichard as an Extra Help Department Specialist III at Salary Range 150.5, Step 5.**

**Fiscal Impact:**

Sufficient funds are included in the Fiscal Year 2019-2020 Adopted Budget, in Budget Unit 594100, for this position.

**BACKGROUND:**

The Kings County Job Training Office (KCJTO) is requesting to hire Jarrell Prichard at Step 5 as an Extra-Help Department Specialist III. Mr. Prichard is not currently employed by the County; however, he was previously employed by KCJTO for more than fifteen years, and he spent nine years working with the City of Lemoore. Mr. Prichard's experience is consistent with at step 5, as he is responsible for creating and updating the current Client Financial Data Base (CFDB) in utilization by KCJTO. KCJTO is completely funded through state grants, which requires the utilization of approved state fiscal software to access funding. However, since KCJTO is also a county department, a translating tool is needed to import data in an efficient manner between the state fiscal software, and county fiscal software. The CFDB that Mr. Prichard designed and updated multiple times is the critical bridge between the two very different systems. The basis for the proposed system will use the same custom platform that Mr. Prichard designed for the CFDB.

(Cont'd)

BOARD ACTION :

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk to the Board

By \_\_\_\_\_, Deputy.

## **Agenda Item**

### **ADVANCED STEP HIRE OF AN EXTRA HELP DEPARTMENT SPECIALIST III POSITION AT SALARY RANGE 150.5, STEP 5**

**January 7, 2020**

**Page 2 of 2**

KCJTO is under contract with the Kings County Human Services Agency to provide Expanded Subsidized Employment (ESE) services under the Subsidized Transition to Employment Program (STEP). The STEP program is run by KCJTO under agreement with the Kings County Human Services Agency, and is designed to help those receiving benefits to gain employment and self-sufficiency. Under the STEP program, businesses are offered a subsidy to employ program participants to help offset the initial costs of training. KCJTO has run this program since approximately 2005, and there are no case management or projection tools to track outcomes and analytics. Outcomes and analytics are critical to effective updating and management of STEP. Currently, staff uses multiple excel worksheets to complete projections and data analytics; however, these worksheets are very staff time-intensive and do not represent an efficient utilization of Department funding. Based on his creation of the CFDB mentioned above, Mr. Prichard has the skills needed to create and update the proposed STEP case management system.

If approved, Mr. Prichard will be primarily responsible for creating a case management and projection tool to reduce the amount of staff time currently being utilized to conduct data analytics through multiple disparate excel worksheets. In addition to creating the case management and projection tool, Mr. Prichard will make recommendations concerning improved efficiencies in the proposed tool, and its linkage with current legacy systems. It is anticipated that Mr. Prichard will be working on the system for 900 hours in the 2019-20 fiscal year, and up to 900 additional hours in the 2020-21 fiscal year. These duties are within the scope of a Department Specialist III position, which is a miscellaneous, non-safety, classification.





# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Community Development Agency – Greg Gatzka

**SUBJECT:** MONTHLY REPORT OF THE PLANNING COMMISSION'S ACTIONS

**SUMMARY:**

**Overview:**

Monthly report of the Planning Commission's actions.

**Recommendation:**  
**Information only.**

**Fiscal Impact:**  
None.

**BACKGROUND:**

At their regular meeting held Monday, January 6, 2020, the Kings County Planning Commission reviewed the following:

**ACTIONS AS THE PLANNING COMMISSION**

**CONDITIONAL USE PERMIT NO. 17-08 (LEO SOLAR)** - The Commission considered a proposal to establish a 5-megawatt solar photovoltaic energy generating facility and battery storage system facility to be located at 46991 25<sup>th</sup> Avenue, Avenal.

**CONDITIONAL USE PERMIT NO. 17-11 (ENNS SITE)** – The Commission considered a proposal to expand an existing poultry farm to include an additional 120,000 chickens for a total of 290,000 chickens. The project includes construction of four new poultry barns to be located at 7477 Clinton Avenue, Kingsburg.

(Cont'd)

**BOARD ACTION:**

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk of the Board

By \_\_\_\_\_, Deputy.

## **Agenda Item**

### **MONTHLY REPORT OF THE PLANNING COMMISSION'S ACTIONS**

**January 7, 2020**

**Page 2 of 2**

**CONDITIONAL USE PERMIT NO. 17-12 (SMITH SITE)** – The Commission considered a proposal to expand an existing poultry farm to include an additional 850,000 chickens for a total of 1,020,000 chickens. The project includes the demolition of the existing eight poultry barns and construction of 918,000 square feet of new poultry barns, totaling 34 structures to be located at 12565 Kansas Avenue, Hanford.

**CONDITIONAL USE PERMIT NO. 19-05 (ARMONA CSD)** – The Commission considered a proposal to construct a new District Office building and associated parking area to be located at 10116 14<sup>th</sup> Avenue, Armona.





# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Administration – Rebecca Campbell/Julianne Phillips

**SUBJECT:** STATEMENT OF WORK AGREEMENT WITH ERNST AND YOUNG FOR AUDITING SERVICES FOR THE CALIFORNIA DEPARTMENT OF WATER RESOURCES STATE WATER PROJECT

**SUMMARY:**

**Overview:**

Ernst and Young has been auditing the capital and operating costs of the state water facilities appearing in the accounting records of the California Department of Water Resources on behalf of numerous water contractors for many years. In 2017, the County signed a five-year Master Services Agreement with Ernst and Young, and pursuant to that Agreement, the County receives an Annual Statement of Work for the following year's services.

**Recommendation:**

**Approve the Statement of Work for the Kings County portion of the 12 month audit period ending June 30, 2020 for auditing services related to the State Water Project.**

**Fiscal Impact:**

If all of the agencies who are presently participating in the services rendered by Ernst and Young enter into agreements with them, the maximum fees for services to Kings County will be \$2,943 for the 12 month audit period ending June 30, 2020. However, if all the agencies presently participating do not enter into agreements with Ernst and Young for services during the 12 month period ending June 30, 2020, the maximum fees to Kings County will vary between \$2,943 to \$3,679. Additionally, the Statement of Work also contains a provision for "other consulting services," allowing Ernst and Young to undertake more in depth projects not to exceed \$50,000 which must be specifically authorized. If "other consulting services" are deemed necessary, the maximum fees for "Other Consulting Services" to Kings County is not to exceed \$281.

The costs incurred are paid from Budget Unit 712000, account 92070 and are fully reimbursed from the water users through the administration of the contract by the Tulare Lake Basin Water Storage District. The initial expenditure has been budgeted, and there are adequate funds in the account.

(Cont'd)

**BOARD ACTION :**

APPROVED AS RECOMMENDED: \_\_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk to the Board

By \_\_\_\_\_, Deputy.

## **Agenda Item**

### **STATEMENT OF WORK AGREEMENT WITH ERNST AND YOUNG FOR AUDITING SERVICES FOR THE CALIFORNIA DEPARTMENT OF WATER RESOURCES STATE WATER PROJECT MASTER SERVICES AGREEMENT**

**January 7, 2020**

**Page 2 of 2**

#### **BACKGROUND:**

In 2017, the County executed a Master Services Agreement with Ernst and Young to perform an annual audit of the California Department of Water Resource's State Water Project records to confirm the charges comply with contractual commitments. For each year of the five-year term, Ernst and Young provides a Statement of Work and expected charges based on the number of contractors participating in the shared cost arrangement. The shared cost arrangement is based on all 25 State Water Contractors sharing the cost of the audit proportionally based on their percentage of the total State Water Project supply. The County accounts for 0.6% of the State Water Project supply and, thus, is only responsible for 0.6% of the audit expense if all of the Contractors participate. This is why a range of maximum fees is provided.

The scope of work includes six specific areas of focus that relate to how costs of the State Water Project and billing is allocated among the State Water Contractors:

1. Statement of Charges Testing to reduce the risk of incorrect amounts billed to Contractors for each component of the State Water Project by the Department of Water Resources.
2. Delta Water Charge to reduce the risk of incorrect amounts being charged to contractors for conservation based on actual and estimated costs.
3. Alpha Allocation Cycles to reduce the risk of the incorrect Contractor being charged and/or incorrect allocation of costs between Contractors.
4. Transportation Minimum and Capital Direct and Indirect Analysis to reduce the risk of incorrect amounts being billed to Contractors for the transportation minimum and capital component by the Department.
5. Reconciliation between the State Water Resources Development System bond account and the Utility Cost Accounting Billing System to ensure the costs and revenues are accurately billed to the contractors by eliminating inconsistencies between the two different systems for the accounts relating to the bond funds, revenue, and construction.
6. Rate Management Calculation Including Revenue and Cost Data to reduce the risk that rate management credits are improperly calculated and allocated based on revenue and expenditure data.

The Statement of Work also includes an update to the prior year's findings. Each of these areas are specifically chosen to ensure that the costs of the State Water Project are properly allocated among all of the State Water Contractors, including the County, which reduces the likelihood of the County's water users paying more than their share of costs.



Ernst & Young LLP  
Sacramento Office  
Suite 300  
2901 Douglas Boulevard  
Roseville, CA 95661

Tel: +1 916 218 1900  
Fax: +1 916 218 1999  
ey.com

June 28, 2019

Ms. Carlson  
County of Kings  
Kings County Government Center  
1400 West Lacey Boulevard  
Hanford, California 93230

Dear Ms. Carlson:

In coordination with the Independent Audit Association (IAA), we have developed the Statement of Work (SOW) for the 2019-2020 Procedures to be performed related to the 2020 Statement of Charges. This SOW is pursuant to the Master Services Agreement (MSA) by and between EY and County of Kings dated May 31, 2017, which describes the annual approval process of each SOW performed under the MSA.

Please return the signed SOW to EY via mail at 2901 Douglas Boulevard, Suite 300, Roseville, CA 95661 (Attn. Scott Enos) or email to [scott.enos@ey.com](mailto:scott.enos@ey.com). We have also enclosed your copy of the support letter from Craig Wallace, IAA Secretary, recommending the approval of the SOW by County of Kings.

If you have any questions about the enclosed SOW, please feel free to call me at (916) 218-1960.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Joe Pirnik', written in a cursive style.

Joe Pirnik  
Managing Director

Enclosures



**MEMORANDUM**

Date: June 28, 2019  
To: Members of the Independent Audit Association (IAA)  
From: Craig Wallace, IAA Secretary  
Subject: Ernst and Young 2019/20 State Water Project Professional Services Contract –

Enclosed is the 2019/20 Statement of Work (SOW) which includes the State Water Project procedures to be performed in relation to the Department of Water Resources' (DWR) Statement of Charges.

The Exhibit B budget limit is only billed by Ernst and Young if additional work is reviewed and approved by the IAA and remains at \$50,000. Exhibit C allows individual IAA Members to request Ernst and Young to undertake additional services beyond those included in Exhibit A of the SOW.

The IAA team has reviewed Ernst and Young's proposed procedures and recommends that IAA Members approve and execute the 2019/20 SOW. If you have any questions, please contact me at (916) 407-7617 or cwallace@kcwa.com.

Sincerely,

Handwritten signature of Craig Wallace in blue ink.

Craig Wallace  
Kern County Water Agency

CC: Joe Pirnik, EY



Ernst & Young LLP  
Sacramento Office  
Suite 300  
2901 Douglas Boulevard  
Roseville, CA 95661

Tel: +1 916 218 1900  
Fax: +1 916 218 1999  
ey.com

## Statement of Work

This Statement of Work with the attached Exhibits, dated June 28, 2019 (this SOW) is made by Ernst & Young LLP (“we” or “EY”) and County of Kings on behalf of itself (“you” or “Client”), pursuant to the Master Services Agreement, dated May 31, 2017 (MSA), between EY and County of Kings (the Agency).

The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other SOW pursuant to the MSA. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings defined in the MSA, including references in the Agreement to “you” or “Client” shall be deemed references to you.

### Scope of Services

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the MSA. This SOW sets forth the terms and conditions on which EY will perform certain professional services as described in Exhibit A (the Services) for Agency, a member of the State Water Contractors (the “Contractors” or “SWC”) Independent Audit Association (IAA), for the twelve months ending June 30, 2020.

Any changes to the above scope of work will be agreed upon in writing and signed by both parties and will amend this original SOW.

The Services are advisory in nature and will not constitute an audit performed in accordance with Generally Accepted Accounting Principles. EY will perform the Services in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants (AICPA). As part of your review of the terms of this Agreement, please refer to the enclosed letter from Mr. Craig Wallace of the IAA Audit Contract Negotiating Committee.

### Your specific obligations

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (Securities Laws) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the MSA, as well as your management responsibilities under paragraph 6, your obligations under paragraphs 11 and 12, and your representation, as of the date hereof, under paragraph 26 thereof.

### **Specific additional terms and conditions**

The Services are advisory in nature. EY will not render an assurance report or opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the American Institute of Certified Public Accountants. None of the Services or any Reports will constitute any legal opinion or advice. We will not conduct a review to detect fraud or illegal acts.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Where our written consent under the MSA is required for you to disclose to a third party any of our Reports (other than Tax Advice), we will also require that third party to execute a letter substantially in the form of Exhibit D to this SOW. To the extent the Agency is permitted to disclose any written Report as set forth herein, it shall disclose such Report only in the original, complete and unaltered form provided by EY, with all restrictive legends and other agreements intact.

Unless prohibited by applicable law, we may provide Client Information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and

(iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this Agreement has been authorized by all requisite corporate or other applicable entity action and the person signing this Agreement is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the MSA.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources (the "Department") should the Agency disagree with our findings.

We would also request that, if any IAA member discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all IAA members.

### **Fees and billing**

The General Terms and Conditions of the Agreement address our fees and expenses generally.

The total fees for these Services to be rendered to the Agency, as well as an allocation of the total fees for each member Agency of the IAA, appear in Exhibits A and B attached (no procedures or fees have been allocated to Exhibit B in this contract). Our total fees pursuant to Exhibit A to be charged to all members of the IAA entering into agreements with us shall not exceed \$524,000 for the twelve months ending June 30, 2020. This agreement will not be effective unless, in addition to the Agency, a sufficient number of other IAA agencies enter into agreements with us for such Services whose combined allocated fee would represent not less than 80% of \$524,000 based on the 100% participation fee allocation (see column 2 at A-4). If all agencies who are presently participating in the Services rendered by our firm enter into agreements with us for this twelve-month period, the maximum fees for our Services to your Agency will not exceed \$2,943 for Exhibit A. However, if not all of the participating agencies enter into agreements with us for services during the twelve-month period ending June 30, 2020, the maximum fees to your Agency will vary between the above-mentioned amount and \$3,679, which represents the maximum fees should sufficient agencies enter into agreements with us with a combined allocated fee of not less than 80%, as stated above.

In addition to the maximum fees under Exhibit A, maximum fees under Exhibit B shall not exceed a total of \$50,000 or \$281 for the Agency unless agreed to by the IAA. As noted above, no procedures have been allocated to Exhibit B. Prior to any expenditures under Exhibit B, said work must be specifically requested in writing in advance of any work being performed. Areas of potential focus for Exhibit B projects could



include procedures agreed to by EY and the IAA in advance related to one or more of the items identified in Exhibit A. In prior years Exhibit B special projects have included projects such as assessing implementation and billing issues relating to the new SAP-based Cost Allocation and Repayment Analysis System (CARA), and studies to evaluate a pay-as-you-go system for funding conservation related operating costs incurred by the Department.

We have also included Exhibit C as part of this contract, which provides the opportunity for individual Contractors to enter into separate agreements for additional services with EY. There are currently no fees related to Exhibit C included herein.

The results of our procedures will include a presentation of our findings, observations and recommendations to be held in Sacramento, California for any interested Contractors. Any presentations requested at individual Contractor locations will be negotiated with the individual Contractor under Exhibit C and will be paid for by that Contractor.

Invoices for time and expenses will be billed monthly and are due upon receipt.





In witness whereof, the parties have executed this SOW as of the date set forth above.


**County of Kings**

**Ernst & Young, LLP**

**Representative**

**Representative**

\_\_\_\_\_  
**Signature**

  
\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

Joe Pirnik  
\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Title**

Authorized Signatory  
\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Address**

Ernst & Young LLP  
Suite 300  
2901 Douglas Boulevard  
Roseville, CA 95661  
\_\_\_\_\_  
**Address**

\_\_\_\_\_  
**Date**

June 28, 2019  
\_\_\_\_\_  
**Date**

## EXHIBIT A

### I. SCOPE OF ENGAGEMENT

A-1 EY will work with the IAA, the SWC Audit/Finance Committee, and any subcommittees thereof, and the Department during the twelve months ending June 30, 2020 relating to matters currently being discussed between the SWC and the Department.

EY's Services to be rendered as described in this Exhibit shall be determined by the IAA at its discretion. These Services shall include:

1. Completion of the 2019/2020 procedures as outlined further below
2. Participation in all meetings of the SWC Audit/Finance Committee, which is a basic forum for communications between the State Water Project Contractors and the Department's staff on financial and accounting matters.
3. Cooperation with any subcommittees of the IAA assigned to study and resolve specific problem areas, such as the dispute resolution work group.
4. Review of reports and other documents prepared by the Department and disseminated at these meetings.
5. Provide an annual report setting forth the findings, comments, and recommendations related to our Services.

#### **Report definitions**

The assessment of risk of future occurrence, included in the findings summary tables in the report, provides the IAA with a meaningful measurement of the likelihood of similar findings in subsequent years if this issue is not addressed by the appropriate parties. This assessment of risk of future occurrence is based on knowledge obtained during discussions with the Department personnel and performance of procedures under this Exhibit A. Below are the definitions used in the report of findings and recommendations for the twelve months ending June 30, 2020 and we concur with these definitions.

Risk of Future Occurrence:

- A. High – it is highly likely (or probable) that the error or process failure will be repeated
- B. Medium – it is more likely than not that the error or process failure will be repeated
- C. Low – it is possible that the error or process failure will be repeated

During the twelve months ending June 30, 2020, the Services will include the following procedures.

## 2019/2020 Procedures

The procedures for the fiscal year ended June 30, 2020 were designed using estimated budgeted hours of 3,000. We will perform all procedures included in items 1-6 below. We will perform the procedures in items 7-8 if time permits. As a part of these procedures, we will regularly meet with the IAA to discuss the progress under this engagement. We will also submit the Report to each Agency setting forth the findings, observations, and recommendations related to our Services.

The following items represent the risks, risk factors, and procedures requested and determined by the IAA for the Contractors to be performed for the 2020 Statement of Charges (SOC) engagement:

### **Primary Procedures (Items 1-6)**

#### **1. Statement of Charges Testing**

*Risk:*

- Incorrect amounts billed to Contractors for each component by the Department.

*Risk Factors:*

- Manual adjustments made to SAP data to arrive at amounts billed. Manual processes create opportunities for errors.
- High importance of accurate Contractor bills.
- Actual costs reported in the bills can be misstated.

*Areas of Focus:*

- Determine that all SOC amounts are internally consistent and agree to the Bulletin 132-19 for the Contractors selected for testing (to be provided by the IAA).
- Agree the debt service amounts in the SOC Attachments to the appropriate debt service schedule.
- Comparison of the current year SOC Attachments to the prior year SOC Attachments.
- Assessment of manual adjustments.
- Assess the actual costs charged to various areas of the project.
- Assess the factors for distributing reach capital and minimum costs among the Contractors.

## 2. Delta Water Charge

*Risk:*

- Incorrect amounts charged to Contractors for conservation based on actual and estimated costs.

*Risk Factors:*

- Calculation of Delta Water Charge is a manual process.
- Tracking of Oroville Spillway costs and reimbursement and segregation between response and recovery costs is a manual process.
- Potential for high dollar impact (\$288 million in Delta Water Charge in 2017 per Table B-21)

*Areas of Focus:*

- Recalculate the Delta Water Charge used in the SOC.
- For prior year actual costs included in the calculation, compare costs in SAP to the Department's calculation and investigate variances.
- Obtain an understanding of future estimates included in the calculation and perform appropriate procedures to assess such estimates.
- Test the Hyatt-Thermalito credit to the Delta Water Charge.

### 3. Alpha Allocation Cycles

*Risk:*

- Incorrect Contractor charged and/or incorrect allocation of costs between Contractors.

*Risk Factors:*

- The F-series and SAA alpha allocation cycles update performed on an annual basis is a manual process. Manual processes create opportunities for errors.
- Potential for errors in determining work performed that falls under direct to reach, field division, and state-wide allocations.
- Potential for high dollar impact (\$246 million allocated by alpha allocation cycles in 2017).

*Areas of Focus:*

- Examine all cost centers from SAP to determine which cost centers represent alpha cost centers.
- Select alpha cost centers with the largest total annual costs.
- Review costs being posted to selected alpha cost centers based on activities charged to the alpha cost center through examination of invoices posted and discussions with the project managers, as necessary.
- Review the current year alpha standardization activity performed by the Department.
- Review the current year alpha update performed by the Department.
- Review the F-series and S-series updates performed by the Department.

#### 4. Transportation Minimum and Capital Direct and Indirect Analysis

*Risk:*

- Incorrect amounts billed to Contractors for the transportation minimum and capital component by the Department.

*Risk Factors:*

- Direct and indirect costs may be allocated incorrectly through corresponding reaches.
- Judgment involved in selecting internal orders and work breakdown structures for billing to the Contractors create opportunities for incorrect allocations.
- Project manager's and employee's lack of understanding of importance of accurate time charging to correct internal orders and work breakdown structures create opportunities for incorrect allocations.

*Areas of Focus:*

- Obtain a listing of internal orders associated with costs for selected reaches and group like internal orders to perform a fluctuation analysis to the prior year.
- Assess or obtain the Department's grouping of like internal orders to assess if the Department is able to group information for managerial reporting. This could include internal order hierarchies in SAP that could be used to group like internal orders.
- Assess a sample of internal orders with the largest increase in costs from group like internal orders for direct and indirect cost allocations.
- Obtain supporting documentation to assess the work was performed for the selected reaches.

## 5. Reconciliation between PR5 and UCABS

*Risk:*

- Costs and revenues are not accurately billed to the Contractors based on inconsistencies between PR5 and UCABS.

*Risk Factors:*

- Costs and revenues do not accurately match between both systems.
- Manual process of moving costs between systems create opportunities for errors.
- Lack of review and approval of reconciliation process.

*Areas of Focus:*

- Gain an understanding of the reconciliation process performed by the Department.
- Reconcile all SWRDS PR5 costs and revenues included in the Bond Fund (0502), the Construction Fund (0506), and the Revenue Fund (0507) to the UCABS System for CY2017 and CY2018.
- Identify, document, and investigate all variances between the two systems (PR5 and UCABS).
- Assess and classify all variances into two categories, (1) Valid Variance – cost/revenue data should not be included in the cost recovery system and (2) Errant Variance – cost/revenue data should be included in the cost recovery system.
- Provide final assessment on the Department's recovery of all SWRDS costs. Is the Department either (1) including the SWRDS cost in a customer invoice or (2) receiving an appropriation to pay for the cost or (3) including in the 51(e) Revenue/Rate Management Credit Calculation which would disclose that the cost is using 51(e) Revenues as a funding source.

## 6. Rate Management Calculation Including Revenue and Cost Data

### *Risk:*

- Rate Management Credits are improperly allocated among the Contractors.
- Rate Management Credits are improperly calculated based on the revenue and expenditure data in the funds available for rate management credits statement prepared by the Department.

### *Risk Factors:*

- Calculation of Rate Management Credits is a manual process.
- Lack of review and approval process for the Rate Management Credit calculation.
- Outdated information used to calculate credits due to the Contractors.

### *Areas of Focus:*

- Obtain the rate management allocation schedule used for the 2020 SOC and review the allocation methodology for sample selected.
- Obtain the most recent funds available data schedule for the rate management credits and assess a sample of the largest balances.
- Compare the figures selected to the future forecasts, and investigate any significant differences.
- Perform a review of revenues including systems revenue and 51e (amount in excess of Rate Management Credits).
- Perform a review of revenues and related cash funds.
- Assess the impact of audit findings on the revenues available for Rate Management Credits.



**Other Procedures (Items 7-8)**

These procedures will only be performed as time permits after completion of items 1-6 above and consideration of the estimated 3,000 hour time budget.

**7. System Power Costs – Variable Transportation***Risk:*

- Incorrect Contractor charged and/or incorrect allocation of costs between Contractors.

*Risk Factors:*

- Calculation of the power allocation factors is a manual process. Manual processes create opportunities for errors.
- Estimated Table 2 projected costs (invoicing rate) may not reflect actual costs incurred.
- Potential for high dollar impact (\$345 million net system power costs in 2017 per Table B-3).

*Areas of Focus:*

- Vouch power costs and power revenues from SAP and assess the classification of costs.
- Reconcile the 2018 Preliminary Allocation of Power Costs (PALPOC) to UCABS (SAP). Recalculate appropriate inputs to the 2018 PALPOC (e.g., Value of Recovery Generation credits, direct-to-plant transmission, etc.).
- Recalculate the 2018 calendar year power allocation factors used in UCABS (SAP) to allocate net power costs.
- Recalculate the billed amounts for the transportation variable cost component for 2018 for the Contractors selected (to be provided by the IAA).

## 8. Debt Service Procedures

*Risk:*

- Incorrect bond debt service charged to the Contractors.

*Risk Factors:*

- Water System Revenue Bond Surcharge (WSRB) calculation is a manual process. Manual processes create opportunities for errors.
- Cost/debt reconciliation project ongoing adjustments to the calculation creates opportunities for errors.
- WSRB Surcharge currently does not reflect the results of the cost/debt reconciliation project.

*Areas of Focus:*

- Reconcile any new bond offerings to the debt service schedules.
- Assess changes made to the cost/debt reconciliation project from previous versions.

**II. FEES FOR EY SERVICES**

- A-2. Total fees for Exhibit A services performed by EY will not exceed \$524,000, including reasonable and necessary out-of-pocket expenses, which represent an estimated 3,000 hours to be incurred.

**III. ALLOCATION OF FEES**

- A-3. The maximum aggregate fee set forth in paragraph A-2 shall be apportioned among the agencies named in paragraph A-4 based on a basis consistent with prior years.

**IV. MAXIMUM AGGREGATE FEE FOR EACH AGENCY**

A-4. The portion of the maximum aggregate fee set forth in paragraph A-2 applicable to each Agency in conformity with the methodology set forth in paragraph A-3 is shown below:

<u>Agency</u>	<u>Maximum fee for each Agency, provided all agencies listed below enter into agreements with EY</u>	<u>Maximum fee for each Agency, provided 80% of agencies listed below enter into agreements with EY</u>	<u>Percent of total</u>
Alameda County Flood Control and Water Conservation District, Zone No. 7	\$ 25,497	\$ 31,870	4.9%
Alameda County Water District	13,284	16,604	2.5
Antelope Valley-East Kern Water Agency	45,809	57,260	8.7
Casitas Municipal Water District	6,326	7,907	1.2
Central Coast Water Authority	14,385	17,981	2.7
City of Yuba City	3,036	3,795	0.6
Coachella Valley Water District	43,754	54,693	8.4
County of Kings	2,943	3,679	0.6
Crestline-Lake Arrowhead Water Agency	1,834	2,293	0.4
Desert Water Agency	17,631	22,039	3.4
Dudley Ridge Water District	14,342	17,928	2.7
Empire West Side Irrigation District	949	1,186	0.2
Kern County Water Agency	131,000	163,750	25.0
Littlerock Creek Irrigation District	727	909	0.1
Mojave Water Agency	27,135	33,919	5.2
Napa County Flood Control and Water Conservation District	9,179	11,474	1.8
Palmdale Water District	6,736	8,420	1.3
San Bernardino Valley Municipal Water District	32,448	40,560	6.2
San Gabriel Valley Municipal Water District	9,108	11,385	1.7
San Geronio Pass Water Agency	5,471	6,839	1.0
San Luis Obispo County Flood Control and Water Conservation District	7,906	9,883	1.5
Santa Clara Valley Water District	31,626	39,533	6.0
Santa Clarita Valley Water Agency	30,108	37,635	5.7
Solano County Water Agency	15,103	18,879	2.9
Tulare Lake Basin Water Storage District	27,663	34,579	5.3
<b>Total</b>	<b><u>\$ 524,000</u></b>		<b><u>100.0%</u></b>

**V. PAYMENT SCHEDULE**

This is the payment schedule for the Agency.

<u>August 9, 2019 Billing</u>	<u>September 10, 2019 Billing</u>	<u>October 10, 2019 Billing</u>	<u>November 11, 2019 Billing</u>	<u>December 10, 2019 Billing</u>	<u>Total Billing</u>
\$882	\$589	\$589	\$589	\$294	\$2,943

**EXHIBIT B****I. OTHER CONSULTING SERVICES**

EY shall, during the twelve months ending June 30, 2020, perform other services if requested by the IAA. No such work shall be performed unless specifically authorized by the IAA in writing. Areas of potential focus for Exhibit B projects could include in depth procedures agreed to by EY and the IAA in advance related to one or more of the items identified in Exhibit A.

Total fees for such other consulting services shall 1) be agreed to prior to commencement of work, 2) be allocated among the agencies based on the same procedures included in the Exhibit A allocation, and 3) shall not exceed \$50,000, which represents an estimated 285 hours to be incurred, unless agreed to by the IAA, for the year ended June 30, 2020. Any part of the \$50,000 which is unused shall not be billed.

<u>Agency</u>	<u>Maximum fee for each Agency, provided all Agencies listed below enter into agreements with EY</u>	<u>Percent of total</u>
Alameda County Flood Control and Water Conservation District, Zone No.7	\$ 2,433	4.9%
Alameda County Water District	1,267	2.5
Antelope Valley-East Kern Water Agency	4,371	8.7
Casitas Municipal Water District	604	1.2
Central Coast Water Authority	1,373	2.7
City of Yuba City	290	0.6
Coachella Valley Water District	4,175	8.4
County of Kings	281	0.6
Crestline-Lake Arrowhead Water Agency	175	0.4
Desert Water Agency	1,681	3.4
Dudley Ridge Water District	1,369	2.7
Empire West Side Irrigation District	91	0.2
Kern County Water Agency	12,500	25.0
Littlerock Creek Irrigation District	69	0.1
Mojave Water Agency	2,589	5.2
Napa County Flood Control and Water Conservation District	876	1.8
Palmdale Water District	643	1.3
San Bernardino Valley Municipal Water District	3,096	6.2
San Gabriel Valley Municipal Water District	869	1.7
San Geronio Pass Water Agency	522	1.0
San Luis Obispo County Flood Control and Water Conservation District	754	1.5
Santa Clara Valley Water District	3,018	6.0
Santa Clarita Valley Water Agency	2,873	5.7
Solano County Water Agency	1,441	2.9
Tulare Lake Basin Water Storage District	<u>2,640</u>	<u>5.3</u>
Total	<u>\$ 50,000</u>	<u>100%</u>

**EXHIBIT C****I. INDIVIDUAL CONTRACTOR AGREEMENTS**

EY may, during the twelve months ending June 30, 2020, perform other consulting services as requested by individual Contractors. These services will be performed and billed separately from the services outlined in Exhibits A and B.

The terms and conditions of any procedures performed under Exhibit C, including payment terms, will be outlined in a separate Statement of Work (SOW). These services, which will be agreed to by EY and the requesting Contractor in advance, will be documented in the example SOW attached to herein as Exhibit C-1. An Exhibit C-1 statement of work will be made available to any Contractor upon request. All other provisions of the Contractor's signed contract with EY for the twelve months ending June 30, 2020 will continue to be in effect.

Total fees for such other consulting services shall be agreed to with the individual Contractor prior to commencement of work. The fees for services provided under Exhibit C will be outside of those referenced in Exhibits A and B, and will be paid for directly by the requesting Contractor.

## EXHIBIT C-1

### Statement of Work

This Statement of Work with the attached Exhibit, dated June 28, 2019 (this SOW) is made by Ernst & Young LLP (“we” or “EY”) and County of Kings on behalf of itself (“you” or “Client”), pursuant to the Agreement, dated June 28, 2019 (the Agreement), between EY and County of Kings (the Agency).

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. The additional terms and conditions of this SOW shall apply only to the Services covered by this SOW and not to Services covered by any other Statement of Work pursuant to the Master Services Agreement (MSA) by and between EY and the Agency dated May 31, 2017. Capitalized terms used, but not otherwise defined, in this SOW shall have the meanings defined in the MSA, including references in the Agreement to “you” or “Client” shall be deemed references to you.

#### Scope of services

Except as otherwise set forth in this SOW, this SOW incorporates by reference, and is deemed to be a part of, the Agreement. This SOW sets forth the terms and conditions on which EY will perform certain professional services as described [INSERT DEFINITION OF SERVICES] (the Services) for Agency, a member of the State Water Contractors Independent Audit Association (IAA), for the twelve months ending June 30, 2020.

Any changes to the above scope of work will be agreed upon in writing and signed by both parties and will amend this original SOW.

The Services are advisory in nature and will not constitute an audit performed in accordance with Generally Accepted Accounting Principles. EY will perform the Services in accordance with the Statement of Standards for Consulting Services (CS100) of the American Institute for Certified Public Accountants (AICPA).



**Your specific obligations**

You will not, and you will not permit others to, quote or refer to the Reports, any portion, summary or abstract thereof, or to EY or any other EY Firm, in any document filed or distributed in connection with (i) a purchase or sale of securities to which the United States or state securities laws (Securities Laws) are applicable, or (ii) periodic reporting obligations under Securities Laws. You will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

We also draw your attention to the reservations set out in paragraph 5 of the General Terms and Conditions of the MSA, as well as your management responsibilities under paragraph 6, your obligations under paragraphs 11 and 12, and your representation, as of the date hereof, under paragraph 26 thereof.

**Specific additional terms and conditions**

The Services are advisory in nature. EY will not render an assurance report or opinion under the Agreement, nor will the Services constitute an audit, review, examination, or other form of attestation as those terms are defined by the American Institute of Certified Public Accountants. None of the Services or any Reports will constitute any legal opinion or advice. We will not conduct a review to detect fraud or illegal acts.

Notwithstanding anything to the contrary in the Agreement or this SOW, we do not assume any responsibility for any third-party products, programs or services, their performance or compliance with your specifications or otherwise.

We will base any comments or recommendations as to the functional or technical capabilities of any products in use or being considered by you solely on information provided by your vendors, directly or through you. We are not responsible for the completeness or accuracy of any such information or for confirming any of it.

Where our written consent under the MSA is required for you to disclose to a third party any of our Reports (other than Tax Advice), we will also require that third party to execute a letter substantially in the form of Exhibit D to the Agreement. To the extent the Agency is permitted to disclose any written Report as set forth herein, it shall disclose such Report only in the original, complete and unaltered form provided by EY, with all restrictive legends and other agreements intact.

Unless prohibited by applicable law, we may provide Client Information to other EY firms, EY Persons and external third parties, who may collect, use, transfer, store or otherwise process such information in various jurisdictions in which they operate in order to provide support services to any EY Firm and/or assist in the performance of the Services.

After the Services under this SOW have been completed, we may disclose or present to prospective clients, or otherwise in our marketing materials, that we have performed the Services for you, and we may use your name solely for that purpose, in accordance with applicable professional obligations. In addition, we may use your name, trademark, service mark and logo as reasonably necessary to perform the Services and in correspondence, including proposals, from us to you.

You shall not, while we are performing the Services hereunder and for a period of 12 months after they are completed, solicit for employment, or hire, any EY personnel involved in the performance of the Services, provided, that you may generally advertise available positions and hire EY personnel who either respond to such advertisements or who come to you on their own initiative without direct or indirect encouragement from you.

The Agency shall, among other responsibilities with respect to the Services, (i) make all management decisions and perform all management functions, including applying independent business judgment to EY work products, making implementation decisions and determining further courses of action in connection with any Services; (ii) assign a competent employee within senior management to make all management decisions with respect to the Services, oversee the Services and evaluate their adequacy and results; and (iii) accept responsibility for the implementation of the results or recommendations contained in the Reports or otherwise in connection with the Services. The Agency hereby confirms that management of the Agency accepts responsibility for the sufficiency of the Services. In performing the Services neither EY nor EY's partners or employees will act as an employee of the Agency.

The Agency represents and warrants to EY that the Agency's execution and delivery of this Agreement has been authorized by all requisite corporate or other applicable entity action and the person signing this Agreement is expressly authorized to execute it on behalf of, and to bind, the Agency.

The performance of the Services and the parties' obligations in connection therewith are subject to the additional terms and conditions set forth in the MSA.

It is understood that the Agency is not bound by our findings in any controversy or disagreement between the Agency and the Department of Water Resources should the Agency disagree with our findings.

We would also request that, if any IAA member discovers discrepancies in billings or other financial statements relative to their State Water Project costs, in addition to your working with the Department to correct the error, please notify EY for potential future inclusion as part of their procedures related to all IAA members.

**Project deliverables**

The matrix below lists the specific deliverables and related timelines that EY will provide to **(insert Contractor)**.

Deliverable	Timeline	Comments

**Additional responsibilities**

EY will provide **(insert Contractor)** with a timeline/schedule related to all project deliverables prior to the start of work on the project.

EY will notify **(insert Contractor)** in writing of any incremental changes to the original project estimate.

Production of all elements described in the “Project deliverables” section of this SOW is to be included in the cost breakdown under the “Pricing and payment terms” section below, agreed upon by **(insert Contractor)** and EY for this project.

**Fees and billing**

Below is a summary of the current cost estimates for this SOW. Due to the complexities and variable nature of this project, actual costs could vary from these estimates. In the event costs are expected to exceed the estimate, EY will contact **(insert Contractor)** before performing any additional work.

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Out-of-pocket expenses incurred during this contract are not included in the above SOW estimated cost. Expenses include such items as travel, meals, accommodations, and other administrative expenses based on actual amounts incurred.

Invoices for time and expenses will be billed monthly and are due upon receipt.

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

**County of Kings**

**Ernst & Young, LLP**

**Representative**

**Representative**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Printed Name**

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**Title**

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**Title**

\_\_\_\_\_  
**Address**

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**Address**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

**EXHIBIT D****FORM OF ACCESS LETTER**

[Letterhead of EY]

[Addressee (e.g., third party seeking access to EY Report)]  
 [Street Address]  
 [City, State Zip]

[Month XX, 20XX]

Dear [ ] :

[Client] (the “Client”) has informed Ernst & Young LLP (“EY”) that it wishes to disclose to [party seeking access] (the “Recipient”) EY’s [describe report(s)] , dated [ ] , relating to [describe subject] (the “Report(s)”). EY has not placed any limitations on the Client’s ability to disclose any contents of the Report relating to the tax aspects or structure of any transaction proposed by the Client.

EY performed Services only for the Client. EY did not undertake the Services on behalf of, or to serve the needs of, the Recipient or any other third party. As part of such services, EY did not audit the Client’s financial statements, subsequent to the date(s) of the Report(s).

EY prepared the Report(s) solely for the Client. The Report(s) address[ es] only the issues identified by the Client, and [ is/are] based solely on information obtained by EY using the procedures specified by the Client or otherwise provided by or on behalf of the Client. The Report(s) [ is/are] subject to many limitations and [ do/does] not provide any form of assurance with respect to any of the information referred to therein. The Recipient understands and accepts the scope and limitations of the Report(s).

Except (1) where compelled by legal process (of which the Recipient will immediately notify EY and tender to EY, if it so elects, the defense thereof), (2) with respect to any contents of the Report relating to the tax treatment and tax structure of the proposed transaction (including any facts that may be relevant to understanding the proposed tax treatment of the proposed transaction), or (3) with EY’s prior written consent, the Recipient will not, circulate, quote, disclose or distribute any of the Report(s) or any information contained therein, or any summary or abstract thereof, or make any reference thereto or to EY, to anyone other than the Recipient’s directors, officers or employees or legal advisors who, in each case, need to know its contents in order to \_\_\_\_\_ , and who have agreed to be bound by the terms and conditions of this agreement to the same extent as the Recipient.

The Recipient further agrees that it will not, and will not permit others to, quote or refer to the Report, any portion, summary or abstract thereof, or to EY, in any document filed or distributed in connection with (a) a purchase or sale of securities to which the United States or state securities laws (“Securities Laws”) are applicable or (b) periodic reporting obligations under Securities Laws. The Recipient will not contend that any provisions of Securities Laws could invalidate any provision of this agreement.

In further consideration of EY allowing the Recipient access to the Report(s) and the information contained therein, the Recipient agrees that:

1. It does not acquire any rights against EY, and EY does not assume any duties or obligations to the Recipient or otherwise, as a result of such access.
2. It will not rely on the Report(s) or any portion thereof and will make no claim that it has done so.
3. It will make no claim against EY, its partners, employees or affiliates, or other members of the global Ernst & Young network (collectively, the “EY Parties” that relates in any way to the Report(s), any information contained therein, or the Recipient’s access to the Report(s).
4. To the fullest extent permitted by applicable law, it will indemnify, defend and hold harmless the EY Parties from and against any claim or expense, including reasonable attorneys’ fees, suffered or incurred by any EY Party relating to any breach by the Recipient of any of its representations or agreements contained herein or the use or disclosure of the Report(s) or any portion thereof by anyone who received it directly or indirectly from or at the request of the Recipient.

Very truly yours,

Ernst & Young LLP

Accepted by:

[Addressee]

By: \_\_\_\_\_



# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Administration – Rebecca Campbell

**SUBJECT:** APPOINTMENT OF DIRECTOR OF CHILD SUPPORT SERVICES

**SUMMARY:**

**Overview:**

It is recommended that the Board make an appointment to this position of Director of Child Support Services.

**Recommendation:**

**Confirm an appointment of Marie Waite to the position of Director of Child Support Services effective January 6, 2020, and set the compensation.**

**Fiscal Impact:**

The position is recommended to start at \$9,000 per month including management benefits. The salary and benefit costs are included in the FY 2019/20 Adopted Budget.

**BACKGROUND:**

Pursuant to Chapter 2 Article II Section 2-31 of the Kings County Code of Ordinances, the County Administrative Officer has recommended to the Board of Supervisors a qualified applicant for the position of Director of Child Support Services. It is recommended that your Board appoint Ms. Waite, effective January 6, 2020, to the position.

The recruitment process is concluded and candidates have been interviewed by the Board for this position. It is requested that the Board take action to appoint a new Director of Child Support Services.

**BOARD ACTION :**

APPROVED AS RECOMMENDED: \_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk of the Board

By \_\_\_\_\_, Deputy.



# COUNTY OF KINGS BOARD OF SUPERVISORS

GOVERNMENT CENTER HANFORD, CALIFORNIA 93230 (559) 852-2362  
Catherine Venturella, Clerk of the Board of Supervisors

## AGENDA ITEM January 7, 2020

**SUBMITTED BY:** Administration – Rebecca Campbell

**SUBJECT:** LETTER OF SUPPORT

**SUMMARY:**

**Overview:**

It is recommended that the Board Chairman sign a letter of support for an American Academy of Environmental Engineers and Scientists Excellence in Engineering and Science (AAEES) Award for the Sanitation Districts of Los Angeles County's Tulare Lake Compost (TLC) program.

**Recommendation:**

**Authorize the Chairman of the Board to sign a letter of support for an American Academy of Environmental Engineers and Scientists Excellence in Engineering and Science Award.**

**Fiscal Impact:**

None.

**BACKGROUND:**

Tulare Lake Compost (TLC) is a state-of-the-art, 175-acre composting facility located near Kettleman City in Kings County, California. At the facility, an eco-friendly process is used to combine agricultural and green waste from the Central Valley with biosolids from Los Angeles County to create an optimal mixture for composting. TLC employs the covered aerated static pile (ASP) composting process in which air is forced through piles of compost mixture to provide oxygen for microbial decomposition. Engineered fabric covers are placed over the composting piles to capture and reduce odors and organic emissions from the piles.

Composting produces a stabilized, humus-like soil conditioner that, when incorporated into farm land in the San Joaquin Valley, improves water retention, nutrient conditions, and agricultural productivity. Greater water retention translates into reduced irrigation demand, conserving California's precious water supply. The finished product complies with EPA Part 503 standards for Class A Exceptional Quality compost and can be used for vegetable gardening and landscaping, as well as commercial agriculture.

(Cont'd)

**BOARD ACTION:**

APPROVED AS RECOMMENDED: \_\_\_\_ OTHER: \_\_\_\_\_

I hereby certify that the above order was passed and adopted  
on \_\_\_\_\_, 2020.

CATHERINE VENTURELLA, Clerk of the Board

By \_\_\_\_\_, Deputy.



## **Agenda Item**

### **LETTER OF SUPPORT**

**January 7, 2020**

**Page 2 of 2**

The facility currently has the capacity to convert up to 100,000 wet tons per year (wtpy) of anaerobically digested and dewatered biosolids into valuable, nutrient rich, Class A Exceptional Quality compost. TLC is owned and operated by the Sanitation Districts of Los Angeles County as part of their diversified biosolids management program.

#### Excellence in Environmental Engineering and Science™ Awards Competition

The Excellence in Environmental Engineering and Science™ Awards Competition exists to identify and reward the best of today's environmental engineering and science. Its criteria define what it takes to be the best in environmental engineering and science practices: a holistic environmental perspective, innovation, proven performance and customer satisfaction, and contribution to an improved quality of life and economic efficiency.

The E3S Awards Competition, begun in 1989, is organized around the normal phases of development and implementation of environmental management projects and programs: research, planning, design, and operations and management. Each year, the entrants to the competition display a wide range of projects from innovative designs in waste treatment plants to new water treatment technologies to a one-of-a-kind Superfund site cleanup. At the same time, we see that today's engineers are becoming significantly more integrated in a team/project approach, allowing for greater flexibility and efficiency in project management. The application of new technologies combined with experienced environmental engineering and science practices make these projects the award winners they are.

Those chosen for prizes by an independent panel of distinguished experts, addresses the broad range of modern challenges inherent in providing life-nurturing services for humans and protection of the environment. They are but a small percentage of the many projects involving environmental engineers and scientists around the world. Nevertheless, their innovations and performance illustrate the essential role of environmental engineers and scientists in providing a healthy planet. These award winners testify to the genius of humankind and best exemplify the Excellence in Environmental Engineering and Science™ criteria.

American Academy of Environmental Engineers and Scientists Judging Panel  
c/o Robert C. Ferrante, Chief Engineer and General Manager  
Sanitation Districts of Los Angeles County  
1955 Workman Mill Road  
Whittier, CA 90601

Dear Members of the Judging Panel:

At the request of the Sanitation Districts of Los Angeles County (Sanitation Districts), we are pleased to provide this letter of support for an AAEEES Excellence in Engineering and Science Award in the category of Environmental Sustainability for *Tulare Lake Compost: Attaining Sustainability in a Nonattainment Area*. This entrant demonstrates how solid waste, wastewater and agricultural management can work together to address issues of major concern as California and the nation seek to improve air quality, while simultaneously beneficially reusing organic materials from the wastewater treatment process and agricultural green waste from nearby farms.

The Tulare Lake Compost (TLC) program, which has been implemented in collaboration with regional growers, demonstrates the feasibility of using a modified composting process to convert biosolids and agricultural materials into valuable compost. TLC's compost meets the Environmental Protection Agency's Class A Exceptional Quality Compost requirements and has no agricultural use restrictions.

Challenging local conditions initially led to higher than anticipated air emissions. The program demonstrates the feasibility of an innovative composting method that has resulted in lower emissions. Lessons learned and experience gained from this program will contribute to broader environmental sustainability.

Advantages of the program include consistency with regional air quality goals, enhanced regional agricultural soil quality and production, increased biosolids management self-sufficiency for the Sanitation Districts, and promotes regional water conservation. In Central Valley, California, an agricultural region, the demand for water is high due to population growth, reduction of water deliveries, and periods of drought. Use of TLC compost in this area will help conserve water by improving the water holding capacity of farmland, thereby reducing irrigation demand.

The Tulare Lake Compost Program has tremendous value in demonstrating how collaboration between agencies and growers can help achieve these objectives. Co-composting of biosolids in the agricultural materials is necessary for success. I commend the Sanitation Districts for their leadership in developing sustainable composting methods that set an example for others to follow and recommend them for this recognition.

Sincerely,

Chairman