MIDWAY CITY SANITARY DISTRICT REGULAR MEETING BOARD OF DIRECTORS DISTRICT OFFICE 14451 CEDARWOOD STREET WESTMINSTER, CA

Tuesday, December 19, 2023 5:30 P.M.

AGENDA

OUR MISSION STATEMENT

THE BOARD OF DIRECTORS AND EMPLOYEES OF THE MIDWAY CITY SANITARY DISTRICT WORK DILIGENTLY TO PROVIDE SEWER AND SOLID WASTE SERVICES TO THE RESIDENTS OF THE DISTRICT. OUR TOP PRIORITY IS TO ACCOMPLISH THIS IN AN ETHICAL, EFFICIENT, AND COST-EFFECTIVE MANNER THAT WILL PROTECT THE HEALTH AND SAFETY OF THOSE WE SERVE.

In accordance with the requirements of California Government Code Section 54954.2, this Agenda is posted not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Board Secretary.

In the event any matter not listed on this agenda is proposed to be submitted to the Board for discussion and/or action, it will be done in compliance with Section 54954.2, or as set forth on a Supplemental Agenda posted not less than 72 hours prior to the meeting.

<u>Please Note</u>: The District complies with the provisions of the Americans with Disabilities Act (ADA). Anyone needing special assistance please contact the District's Secretary at (714) 893-3553, at least one business day prior to the meeting so that we may accommodate you.

- 1. CALL TO ORDER, PLEDGE OF ALLEGIANCE AND INVOCATION
- 2. ROLL CALL AND DECLARATION OF QUORUM
- 3. PUBLIC COMMENTS

All persons wishing to address the Board on specific Agenda items or matters of general interest should do so at this time. As determined by the President, speakers may be deferred until the specific item is taken for discussion and remarks may be limited to three (3) minutes.

4. APPROVAL OF THE MINUTES

A. Approval of the Minutes of the Regular Meeting on December 5, 2023

5. APPROVAL OF EXPENDITURES

A. Approval of Demands in the Amount of \$779,311.09

6. REPORTS

The President, General Manager, Legal Counsel, and other staff present verbal reports on miscellaneous matters of general interest to the Directors. These reports are for information only and require no action by the Directors.

- A. Report of President
- B. Report of General Manager
- C. Report of Director of Services & Program Development
- D. Report of Outreach Committee Meeting on December 6, 2023
- E. Report of Assemblyman Tri Ta Open House December 7, 2023
- F. Report of Outreach Me Vietnam Radio on December 13, 2023
- G. Report of Outreach VietLink Radio on December 14, 2023
- H. Report of OC San Board of Directors Meeting on December 14, 2023
- I. Report of District Annual Holiday Dinner on December 17, 2023
- J. Report of Building Project Ad Hoc Committee Meeting on December 19, 2023

7. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine and will be acted upon at the same time unless separate discussion and/or action is requested by a Board Member, the public, or staff.

- A. Approve and File the Treasurer's Investment Report for November 2023
- B. Receive and File the June 30, 2023 Actuarial Valuation and GASB 75 Report on Other Post-Employment Benefits (OPEB) Liabilities of the Midway City Sanitary District for Fiscal Year Ending June 30, 2024
- C. Approve the Engineer Report for December 2023
- D. Approve the December 6, 2023 Outreach Committee Recommendations
- E. Approve General Manager, Robert Housley's, Request for Leave Starting December 11, 2023 through December 22, 2023, and Approve Acting Pay for Director of Operations/Safety, Nicolas Castro

8. OLD BUSINESS

None

9. NEW BUSINESS

A. RESOLUTION NO. 2023-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ESTABLISHING UPDATED PROCEDURES FOR THE PAYMENT OF CLAIMS AND DEMANDS

- B. Consider Proposals for the 2024 Sewer Mains CCTV Video Inspection and Cleaning Project; Staff's Recommendation that the Board of Directors Authorize the General Manager to Enter into a Professional Services Agreement with Empire Pipe Cleaning and Equipment, Inc. for the Project in an Estimated Amount of \$1,867,691.44; and Approval of a Corresponding Budget Adjustment
- C. Consider Approval of Sponsorship Solicitation and Sponsorship Levels and Benefits for February 3, 2024 Open House Event

10. INFORMATIONAL ITEMS

None

- 11. BOARD CONCERNS/COMMENTS
- 12. GM/STAFF CONCERNS/COMMENTS
- 13. LEGAL COUNSEL CONCERNS/COMMENTS

14. CLOSED SESSION

<u>CLOSED SESSION:</u> During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

A. CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6) Agency Designated Representatives: General Manager Robert Housley, Director of Finance & Human Resources Siamlu Cox, and Labor Counsel Joseph Larsen, Employee Organization: American Federation of State, County, and Municipal Employees, LOCAL 1734-01

15 .	ADJOURNMENT	TO TUESDAY	, JANUARY 2	, 2024

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY 14451 CEDARWOOD STREET WESTMINSTER, CA 92683

December 5, 2023

CALL TO ORDER

President T. Diep called the regular meeting of the Governing Board of the Midway City Sanitary District to order at 14451 Cedarwood Street, Westminster, California on Tuesday, December 5, 2023 at 5:31 PM.

BOARD MEMBERS PRESENT: STAFF MEMBERS PRESENT:

Tyler Diep Robert Housley, General Manager Chi Charlie Nguyen Milo Ebrahimi, District Engineer, P.E

Andrew Nguyen Ashley Davies, Director of Servs. & Program Development Sergio Contreras Siamlu Cox, Director of Finance & Human Resources

Mark Nguyen Cynthia Olsder, Executive/Board Secretary

OTHER MEMBERS PRESENT:

James H. Eggart, General Counsel, Woodruff & Smart Mike Carey, CR&R Gabriel Angulo, CR&R

PLEDGE AND INVOCATION

Director C. Nguyen led the Pledge of Allegiance. President T. Diep gave the Invocation.

PUBLIC COMMENTS

None

APPROVAL OF THE MINUTES OF THE REGULAR MEETING ON NOVEMBER 21, 2023

A motion was made by Director A. Nguyen, seconded by Director S. Contreras, to approve the minutes of the Regular Meeting on November 21, 2023. The motion was approved by the following 5-0 vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

1804575.1 Page 1 | 11

APPROVAL OF EXPENDITURES

A. Demands in the amount of \$118,842.19

	CK#	DATE	1	AMOUNT	VENDOR CHECKS:	MEMO:
1	15138			480.04	AT&T Mobility (First Net)	October 2023
2	15139	11/17		770.00	Ayala's Car Wash	Fleet Wash
						NG-10 walking beam Qwik-Fit Composite Fitting
3	15140			2,069.42	Betts Truck Parts & Service	(35)
4	15141	11/17		30.00	City of Westminster FARP	Acct # 1755 Alarm permit registration
						Maintenance & Support Nov-2023 ASUS 27" QHD
5	15142				CRC Cloud	Video Conference Monitor
6	15143				Grainger	Padlock Handle (2)
7	15144				Hillco Fastener Warehouse Inc.	Washers (15) Bolts (10) Locknuts (10)
8	15145				Konecranes, Inc.	Crane inspection Nov-2023 Shop
9	15146				MemorialCare Medical Foundation	Visit for R. Martinez 09/12/2022
	15147				Orange County Sanitation District	Lead Worker Training
	15148				Pitney Bowes/Purchase Power	Postage October-2023
12	15149	11/17		41.53	SoCalGas	Maint. Shop & Wash Rack - Nov 2023
					Spectrum Enterprise (Time Warner	
	15150			1,349.00		Nov-2023
	15151				Tesco Controls, Inc.	SCADA Hydro Ranger Service 10/31/2023
	15152				UniFirst Corporation	November - 2023
	15153				Woodruff & Smart	Legal Services Oct-2023
17	15154	11/17			Woodruff & Smart	Void
18			\$	20,669.62	ACH TRANSFERS SUBTOTAL	
19						
20					PAYROLL:	<u>MEMO</u>
21		11/15	\$	92,020.60		Employee Payroll - Checks, Taxes, & Direct Deposits
22		11/15			Nationwide	457 Deferred Compensation (Employees)
23			\$	97,699.34	PAYROLL SUBTOTAL	
24						
25					ACH PAYMENTS:	<u>MEMO</u>
26		11/20			Paychex	Time & Attendance
27		11/24			WEX Health Inc	Monthly HRA Admin Fee
28			\$	473.23	ACH TRANSFERS SUBTOTAL	
29						
30			\$:	118,842.19	TOTAL EXPENDITURES (ACCOUNT	rs Payable Checks, Payroll, ach Transfers)
31						
32					BANK TRANSFERS:	
33						
34			\$	-	BANK TRANSFERS	

A motion was made by Director C. Nguyen, seconded by Director S. Contreras, to approve the expenditures in the amount of \$118,842.19. The motion was approved by the following 5-0 vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

1804575.1 Page 2 | 11

REPORTS

Report of President:

None

Report of General Manager

General Manager R. Housley reported that the building and solar project are moving forward according to schedule. He also reported that the first phase manhole spraying project is completed, and phase two will start early next year.

General Manager R. Housley reported that the request for proposals (RFP) for the sewer system CCTV video inspection and cleaning project will close on Thursday, December 7, 2023. He concluded by reporting that the accounting position has been filled.

Report of Director of Services & Program Development

Director of Services & Program Development, Ashley Davies reported that the calendars have been printed and will be mailed out as soon as they are available. Additionally, she presented the Directors with a 12-month outreach schedule.

Report of CR&R Quarterly Reports

G. Angulo from CR&R reported the average residential diversion in the third quarter of 2023 was 54.77%, the average commercial diversion was 35.27%, and the average multifamily diversion was 38.05% for Midway City Sanitary District. In addition, he provided a compliance report for both Midway City and Westminster.

Report of District Employee Luncheon on November 29, 2023

President T. Diep reported that he attended the event with Director M. Nguyen, Director A. Nguyen and Director S. Contreras to recognize a few exceptional employees.

CONSENT CALENDAR

None

OLD BUSINESS

None

NEW BUSINESS

A. A RESOLUTION NO. 2023-20 OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ESTABLISHING A SPONSORSHIP POLICY

A staff report and recommendation were provided and considered by the Board. A motion was made by Director C. Nguyen, seconded by Director A. Nguyen, to adopt Resolution No. 2023-20, establishing a sponsorship policy. The motion was approved by the following 5-0 roll call vote:

1804575.1 Page 3 | 11

AYES: A. Nguyen, M. Nguyen, T. Diep, S. Contreras, C. Nguyen

NAYS: ABSTAIN: ABSENT:

B. Consider Approval of an Award of a Three-year Agreement to DTN Tech to Design, Print, and Mail the 2025, 2026, and 2027 Midway City Sanitary District Annual Calendar in an Amount of Up to \$135,753.67, Plus Any Increases to Postal Service Fees That May Occur After Board Approval

A staff report and recommendation were provided and considered by the Board. A motion was made by Director C. Nguyen, seconded by Director A. Nguyen, to approve award of a three-year agreement to DTN Tech to design, print and mail the 2025, 2026, and 2027 Midway City Sanitary District annual calendars and authorize the General Manager to negotiate and enter into and execute an Agreement with DNT Tech on behalf of the District, in a form approved by General Counsel, in an amount up to \$135,753.67, plus any increases to postal service fees that may occur after Board approval. The motion was approved by the following 5-0 vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep NAYS:
ABSTAIN:

ABSENT:

C. Consider the Annual Board Reorganization, Including Election of Officers, Board Committee Appointments, and Appointments to Outside Boards and Committees

President T. Diep stated that General Counsel J. Eggart would handle the conduct of the meeting for a few minutes while the Board elected a new President.

General Counsel J. Eggart opened the floor for nominations for the office of President.

Director T. Diep nominated Director M. Nguyen for the office of President.

General Counsel J. Eggart asked if there were any other nominations for the position of President of the Board.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The election of Director M. Nguyen to the office of President was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

1804575.1 Page 4 | 11

Newly elected President M. Nguyen asked General Counsel to handle the conduct of the meeting for the purpose of electing and appointing the rest of the Board positions.

General Counsel J. Eggart opened the floor for nominations for the office of President Pro-Tem.

Director A. Nguyen nominated Director C. Nguyen for the office of President Pro-Tem.

General Counsel J. Eggart asked if there were any other nominations for the position of President Pro-Tem.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The election of Director C. Nguyen to the office of President Pro-Tem was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

General Counsel J. Eggart opened the floor for nominations for the office of Secretary.

President M. Nguyen nominated S. Contreras for the office of Secretary. S. Contreras declined the nomination.

Director T. Diep nominated A. Nguyen for the office of Secretary.

General Counsel J. Eggart asked if there were any other nominations for the position of Secretary.

Director S. Contreras nominated Director T. Diep for the office of Secretary.

General Counsel J. Eggart asked if there were any other nominations for the position of Secretary.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote on the first nomination of Director A. Nguyen. The election of Director A. Nguyen to the office of Secretary was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

General Counsel J. Eggart stated that since A. Nguyen had been elected by unanimous vote, there was no need to vote on the second nomination for the position of Secretary.

1804575.1 Page 5 | 11

General Counsel J. Eggart opened the floor for nominations for the office of Treasurer.

Director S. Contreras nominated himself for the office of Treasurer.

General Counsel J. Eggart asked if there were any other nominations for the position of Treasurer.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The election of Director S. Contreras to the office of Treasurer was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep NAYS:
ABSTAIN:
ABSENT:

General Counsel J. Eggart noted that Director T. Diep was the only Director who had not yet been elected to an office and asked the Board if there were any objections to the appointment of Director T. Diep to the office of Secretary / Treasurer Pro-Tem by acclimation.

Hearing no objections, General Counsel J. Eggart stated that Director T. Diep had been elected to the office of Secretary / Treasurer Pro-Tem by acclimation.

General Counsel J. Eggart stated that the Orange County Sanitation District Representative and Alternate Representative are appointed by the President and asked President M. Nguyen to make the appointments.

President M. Nguyen appointed Director A. Nguyen to serve as the District's Representative to Orange County Sanitation District.

President M. Nguyen appointed Director T. Diep as the Alternate Representative to Orange County Sanitation District.

General Counsel J. Eggart stated that the full Board would continue as the representatives to Independent Special Districts of Orange County (ISDOC), the Westminster Chamber of Commerce, and the Budget and Audit Committees, so no action was necessary.

General Counsel J. Eggart opened the floor for nominations for the Calendar Committee of the Board.

Director A. Nguyen nominated Director T. Diep and Director S. Contreras to serve on the Calendar Committee.

General Counsel J. Eggart asked if there were any other nominations to the Calendar Committee.

1804575.1 Page 6 | 11

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The appointment of Director T. Diep and Director S. Contreras to the Calendar Committee was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

General Counsel J. Eggart opened the floor for nominations For Alternate to the Calendar Committee.

President M. Nguyen nominated himself as an Alternate to the Calendar Committee.

General Counsel J. Eggart asked if there were any other nominations for the position of Alternate to the Calendar Committee.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The appointment of President M. Nguyen as an Alternate to the Calendar Committee was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

General Counsel J. Eggart stated that the full Board would continue to act for the Negotiating Committee of the Board.

General Counsel J. Eggart opened the floor for nominations for the Franchise Agreement Committee of the Board.

Director S. Contreras nominated Director C. Nguyen and Director T. Diep to the Franchise Agreement Committee.

General Counsel J. Eggart asked if there were any other nominations for the Franchise Agreement Committee.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The appointment of Director C. Nguyen and Director T. Diep to the Franchise Agreement Committee was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep

NAYS: ABSTAIN: ABSENT:

1804575.1 Page 7 | 11

General Counsel J. Eggart opened the floor for nominations for Alternate to the Franchise Agreement Committee.

Director S. Contreras nominated himself as an Alternate to the Franchise Agreement Committee.

General Counsel J. Eggart asked if there were any other nominations for the position of Alternate to the Franchise Agreement Committee.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The appointment of Director S. Contreras as an Alternate for the Franchise Agreement Committee was approved by the following 5-0 roll call vote:

AYES: A. Nguyen, M. Nguyen, S. Contreras, C. Nguyen, T. Diep NAYS: ABSTAIN: ABSENT:

General Counsel J. Eggart opened the floor for nominations for the Outreach Committee of the Board.

Director C. Nguyen nominated himself and Director T. Diep to the Outreach Committee.

Director S. Contreras nominated himself.

General Counsel J. Eggart asked if there were any other nominations for the Outreach Committee.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote on the first nomination of Director T. Diep. The appointment of Director T. Diep to the Outreach Committee was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen NAYS:

ABSTAIN:

ABSENT:

General Counsel J. Eggart asked the recording secretary to take a roll call vote on the second nomination of Director C. Nguyen. The appointment of Director C. Nguyen to the Outreach Committee was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS: ABSTAIN: ABSENT:

It was noted that no vote was needed for the third nomination.

1804575.1 Page 8 | 11

General Counsel J. Eggart opened the floor for nominations to the position of Alternate to the Outreach Committee.

Director A. Nguyen nominated Director S. Contreras as Alternate to the Outreach Committee.

General Counsel J. Eggart asked if there were any other nominations for the position of Alternate to the Outreach Committee.

Hearing none, General Counsel J. Eggart closed the nominations and asked the recording secretary to take a roll call vote. The appointment of Director S. Contreras was approved by the following 5-0 roll call vote:

AYES: S. Contreras, T. Diep, A. Nguyen, C. Nguyen, M. Nguyen

NAYS: ABSTAIN: ABSENT:

General Counsel J. Eggart opened the floor for discussion as to future Board meeting dates and time. He stated that regular meetings of the Board are currently set at the first and third Tuesday of each month at 5:30 PM. No Board Members expressed interest in changing the date or time of the Board's regular meetings.

General Counsel J. Eggart stated that the full Board would like to keep the same meeting dates and time, so no action was necessary.

President M. Nguyen assumed chairmanship of the meeting.

INFORMATIONAL ITEMS

None

BOARD CONCERNS/COMMENTS

President M. Nguyen thanked the Directors for their support.

Director T. Diep was thanked by the Directors for serving as president.

The Directors expressed their gratitude to General Manager R. Housley for his dedication to the District

GM/STAFF CONCERNS/COMMENT

General Manager R. Housley reminded the Board that the Outreach Committee is December 6, 2023, and the District annual holiday event is on December 17, 2023. He also congratulated President M. Nguyen on being appointed to the office of President.

LEGAL COUNSEL CONCERNS/COMMENTS

General Counsel J. Eggart congratulated the Directors on their re-election and offered to give a presentation on new laws that would affect the District in January or February.

1804575.1 Page 9 | 11

Page 10 | 11

CLOSED SESSION

None

<u>CLOSED SESSION:</u> During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted.

Reports relating to (a) purchase and sale of property; (b) matters of pending or potential litigation; (c) employment actions or negotiations with employee representatives; or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time as the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

ADJOURNMENT

President M. Nguyen adjourned the meeting at 6:17 PM to the next Board Meeting to be held at the District on Tuesday, December 19, 2023, at 5:30 PM.

Andrew Nguyen, Secretary

1804575.1 Page 11 |

AGENDA ITEM #5A

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Siamlu Cox, Director of Finance and Human Resources

Subject: Approval of Demands in the Amount of \$779,311.09

BACKGROUND

The laws of the State of California governing Special Districts provide that the Midway City Sanitary District Board of Directors shall review for approval all payments made by the District

A Register of Demands is provided at each regular Midway City Sanitary District Board Meeting describing each payment made or to be made by the district during the specified period. The report is designed to communicate fiscal activity based on adopted and approved budget appropriations.

The Treasurer has duly reviewed the demands on the attached register.

FISCAL IMPACT

The total value of demand for this period is \$779,311.09. This includes expenses, payroll, and payroll-related disbursements.

Sufficient funds are available to process all payments.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors review and approve the attached Register of Demands.

ATTACHMENTS:

Disbursement Details for November 19, 2023

DISBURSEMENTS FOR 12_19_2023

					12_19_2023	
	CK #	DATE	F	AMOUNT	VENDOR CHECKS:	MEMO:
1	15155	11/30		16,315.00	AKM Consulting Engineers, Inc.	Sewer System Master Plan 10/02/23 - 10/27/23
2	15156	11/30		4,602.64	Alignment Express of CA, Inc.	Repairs to NG-13
3	15157	11/30		534.76	AT&T (Brookhurst Lift Station)	Brookhurst Nov-2023
4	15158	11/30		970.00	Ayala's Car Wash	Fleet Wash
5	15159	11/30		1,656.49	Betts Truck Parts & Service	NG-1 walking beam Qwik-Fit Composite Fitting (20)
						Air Cylinder (5), Rr Pivot Hose Kit (2), Spring (10),
6	15160	11/30		3,208.42	Bodyworks Equip. Inc.	In/Out Cyl. Cushion Kit (3), 2" Cam Follow
7	15161	11/30		233.00	Cameron Welding Supply	CO2, Compressed (1), Propane (2), Grinding Whl (10)
8	15162	11/30		84.94	City of Westminster Hydrant	Hydrant Water Service Nov-2023
9	15163	11/30		300.00	Country City Towing	Tow service for NG-5
						Maintenance & Support Dec-2023 Replacement
10	15164	11/30		4,436.99	CRC Cloud	Laptop for GM
						Seal, O Ring (50), Spark Plug Kit (12), Ignition Coil
11	15165	11/30		3,210.45	Cummins Pacific LLC	Extension (12), Breather Housing (2), Seal
12	15166	11/30		500.00	Cynthia Loan Olsder	Reimbursement for construction damage
13	15167	11/30		7,814.49	Daniels Tire Service	Recap and Front Tires
14	15168	11/30		43,571.43	Dtntech	2024 District Calendar Printing & Mailing
15	15169	11/30		625.90	Frontier Communications	September 2023
16	15170	11/30		835.77	Motion and Flow Control Products, Inc.	Crimp, 1/2" Female
17	15171	11/30			NVB Equipment, Inc.	A/C Repair NG-10
18	15172	11/30		549.58	Plumbers Depot Inc.	Tiger Tail (3), Grit/Debris Catcher and Scoop (1)
19	15173	11/30			Pre-Paid Legal Services, Inc.	Prepaid legal Nov-2023
20	15174	11/30			Rengel + Company Architects, Inc	Bldg Proj Mgt November-2023
21	15175	11/30		980.00		Calibration of Gas Detection System
22	15176	11/30		270.34	Safety-Kleen Systems, Inc.	Wash Part Cleaner
23	15177	11/30			Snap-On Tools	Tools for Shop
24	15178	11/30			Southern California Edison	November 2023
25	15179	11/30			Southwest Sign Company	Building Dedication Plaque
26	15180	11/30			Spectrum Enterprise (Time Warner Cable)	
27	15181	11/30			Standard Insurance Company Life	Dec-2023
				į		Restock relays, rotors, drain valves, brake pads &
28	15182	11/30		5,653.86	TEC Of California, Inc.	ignition switches T Beam Assembly - NG1
29	15183	11/30		1,465.29	Tell Steel	Metal plates (10) Solid Waste trucks
30	15184	11/30		325.83	UniFirst Corporation	November - 2023
31	15185	11/30		1,870.00		Radio talk show 17 min (4) 11/21/23 - 12/14/23
32	15186	11/30		402,094.86	Woodcliff Corporation - Contractor	Building Project Pay App #13 Oct 2023
33	15187	11/30		21,162.89	Woodcliff Corporation - Escrow Account	Building Project #13 Oct 2023 - Retention Payment
34	15188	12/1		254.48	Pitney Bowes Global Financial Services	Postage Machine 10/10/23 - 01/03/24
35			\$	534,362.63	ACH TRANSFERS SUBTOTAL	
36						
37					PAYROLL:	MEMO
36		11/29	\$	98,713.67	Paychex	Employee Payroll - Checks, Taxes, & Direct Deposits
39		11/29			Nationwide	457 Deferred Compensation (Employees)
38		12/1	\$	7,657.46		Board Payroll - Checks, Taxes, & Direct Deposits
41		12/1	\$		Nationwide	457 Deferred Compensation (Board)
42			\$		PAYROLL SUBTOTAL	
43						
44					ACH PAYMENTS:	MEMO
45		11/29	\$	15,827.34	US Bank Corporate Payment System	District CAL-Card Payments November 2023
46		11/29			CalPERS-Retirement	Earned Period 10/30/23-11/12/23
47		12/1	\$		CalPERS-Retirement	Earned Period 10/30/23-11/12/23
48		12/4	\$		CalPERS - Health Benefits	December 2023
49		12/4	\$		CalPERS - Health Benefits	December 2023
50		, -, -			ACH TRANSFERS SUBTOTAL	
51			7			
52			\$	779.311.09	TOTAL EXPENDITURES (ACCOUNTS PAY	ABLE CHECKS, PAYROLL, ACH TRANSFERS)
53			Ψ	,011107	The state of the s	
54					BANK TRANSFERS:	
55			\$		BANK TRANSFERS	
JJ			Ψ	•	DINIA TRANSFERS	

AGENDA ITEM #7A

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Siamlu Cox, Director of Finance and Human Resources

Subject: Approve and File the Treasurer's Investment Report for November 2023

BACKGROUND

Midway City Sanitary District's investment policy requires a monthly investment report, which includes all financial investments of the District and provides information on the investment type, value, and yield available for all investments. The report also provides the Board of Directors with an update on the balances of the District's various funds.

Per the State Government Code 53600 et seq., and the Midway City Sanitary District's (District) Investment Policy, the District may invest up to a maximum percentage of the entire portfolio funds in authorized financial investments.

The following table shows a summary of the District's authorized financial investments, the yield available as of the preparation of this report, the book and market value of the District's funds, the percentage of the District's pooled funds that are invested in each financial investment, and the maximum percentage (or dollar limit), allowable per the State Government Code and the District's investment policy.

The Book Value of MCSD's total invested cash as of November 30, 2023, is \$52,888,097.69

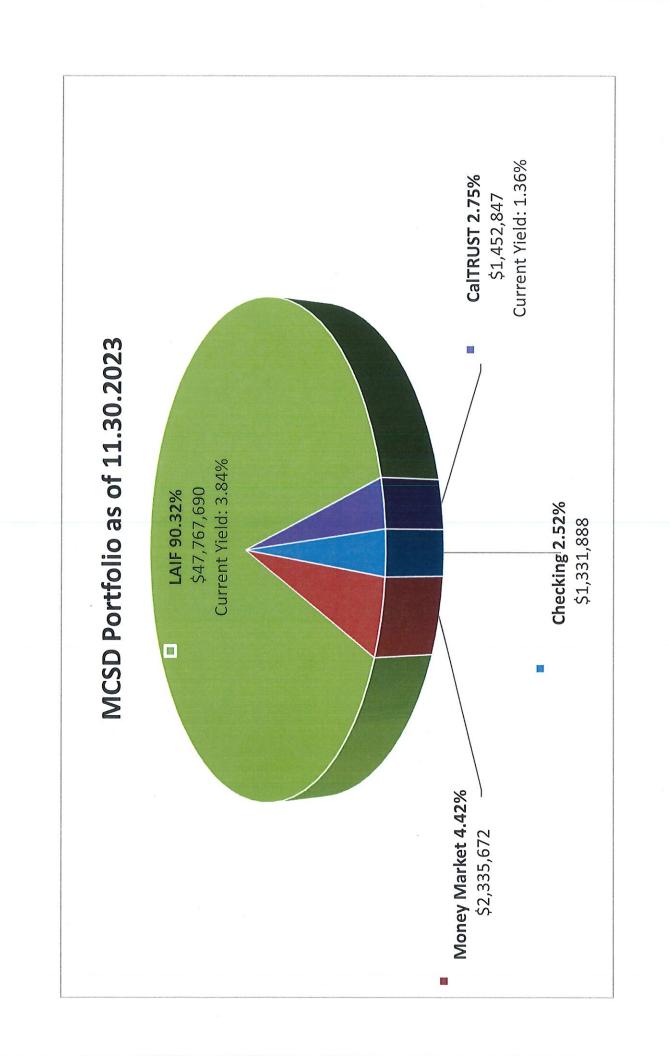
				BOOK VALUE	MARKET VALUE		MAXIMUM
	TYPE OF	MATURITY		AS OF	AS OF	% OF	PERCENTAGE
INVESTMENT	INVESTMENT	DATE	YIELD	11/30/2023	11/30/2023	PORTFOLIO	OF PORTFOLIO
FDIC Insured Accounts							
US Bank Interest Checking	Checking	Liquid		\$ 1,331,888.14	\$ 1,331,888.14	2.52%	None
US Bank Money Market	Money Market	Liquid		\$ 2,335,671.83	\$ 2,335,671.83	4.42%	20%
Certificate of Deposits	CD	=		\$ -	\$ -	0.00%	30%
Total FDIC Insured Accounts				\$ 3,667,559.97	\$ 3,667,559.97	6.94%	
LAIF	Pool	Liquid	3.843%	\$ 47,767,690.46	\$ 47,767,690.46	90.32%	\$75 million
CalTRUST (Medium Term Fund)	Pool/Bond Fund	Liquid	1.360%	\$ 1,452,847.26	\$ 1,452,847.26	2.75%	30%
Certificate of Deposits	CD	-	-	\$ -	\$ -	0.00%	30%
U.S. Treasury Securities	US Securities	-	-	\$ -	\$ -	0.00%	None
TOTAL Investments	•			\$ 52,888,097.69	\$ 52,888,097.69	100.00%	

FISCAL IMPACT

Informational report only.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve and file the Treasurer's Investment Report.



MIDWAY CITY SANITARY DISTRICT District Investment Activities 11/30/2023

Emorgonos	Fund	CaITRUST	Medium-Term	#114.00	\$ 1,437,915.63	\$ 4,603.47	5 14,931.63				\$ (4,603.47)	\$ 1,452,847.26
770-6 10-70		Total LAIF	Account No.	7030-005	\$ 49,210,690.46	;	; •	\$ (1,443,000.00)	1	,	· •	\$ 47,767,690.46
		Vehicle	Replacement	1040.60	\$ 3,606,436.11							\$ 3,606,436.11
		CNG Station &	Fueling Facilities	1040.50	\$ 1,981,421.61							\$ 1,981,421.61
5703		Lift Stations &	Sewer Lines	1040.40	\$ 30,315,430.08							\$ 30,315,430.08
11/30/2023	Buildings	Equipment &	Facilities	1040.30	\$ 5,080,094.33					\$ 431,029.14		\$ 5,511,123.47
			Midway City	1040.20	\$ 1,564,762.81							\$ 1,564,762.81
		Operating	Fund	1040.10	\$ 6,662,545.52			\$ (1,443,000.00)		\$ (431,029.14)		\$ 4,788,516.38
					Beginning Balance, 9.01.2023	Investment Income, LAIF & CaITRUST	Market Value Capital Gain/(Loss)	Transfer from LAIF to US Bank	Transfer from US Bank to LAIF	Transfers LAIF to LAIF	Transfer from CalTRUST to US Bank	Ending Balance, 9.30.2023

\$ 49,220,537.72		\$ 1,331,888.14	\$ 2,335,671.83	\$ 52,888,097.69
TOTAL LAIF, U.S. SECURITIES, CAITRUST & INTEREST RECEIVABLE	ADD: US BANK	a. Checking (158301509028)	b. Money Market (158200156913)	TOTAL DISTRICT CASH ON HAND

C E R T I F I C A T I O N I certify that (1) all investment actions executed since the last report have been made in full compliance with the District's Investment Policy and, (2) the District will meet its expenditure obligations for the next six months as required by California Government Code Sections 53646(b)(2) and (3), respectively.

Prepared & Submitted by Siamlu Cox, Director of Finance and Human Resources

Robert Housley, General Manager

Dated

14.05.2023

California State Treasurer Fiona Ma, CPA

6

Local Agency Investment Fund P.O. Box 942809 Sacramento, CA 94209-0001 (916) 653-3001

December 04, 2023

LAIF Home
PMIA Average Monthly Yields

MIDWAY CITY SANITARY DISTRICT

GENERAL MANAGER 14451 CEDARWOOD STREET WESTMINSTER, CA 92683

Tran Type Definitions

Account Number: 70-30-005

November 2023 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
11/1/2023	10/31/2023	RW	1742480	1702887	ROBERT HOUSLEY	-1,443,000.00

Account Summary

Total Deposit:

0.00

Beginning Balance:

49,210,690.46

Total Withdrawal:

-1,443,000.00

Ending Balance:

47,767,690.46

Search





Contacts

Time Deposits

LAIF

Q

Home ->> PMIA ->> PMIA Average Monthly Effective Yields



POOLED MONEY INVESTMENT ACCOUNT

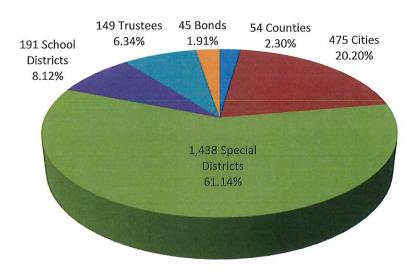
PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5,660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10,223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7,586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8,645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5,557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014		0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015		0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	-	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	-	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	-	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	_	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020		1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540
2021		0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022		0.278	0.365	0.523	0.684	0.861	1.090	1.276	1.513	1.772	2.007	2.173
2023	-	2.624	2.831	2.870	2.993	3.167	3.305*	3.434	3.534	3.670	3.843	
2023	2.420	2.024	2.001	2.070	2.000	0.107	0.505	0.101	0.007	1	1	

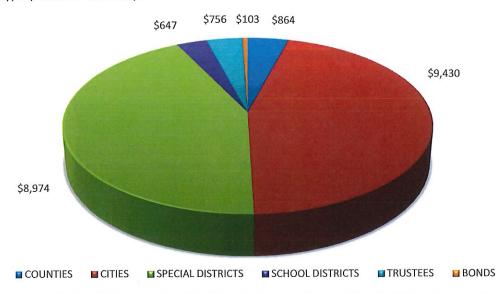
LAIF STATISTICS AS OF 11/30/23

	Balance By Type	Participation	% of Fund
54 COUNTIES	864,482,290.25	2.30%	4.16%
475 CITIES	9,429,542,029.46	20.20%	45.39%
1,438 SPECIAL DISTRICTS	8,973,937,443.72	61.14%	43.20%
191 SCHOOL DISTRICTS	646,537,676.01	8.12%	3.11%
149 TRUSTEES	756,392,661.67	6.34%	3.64%
45 BONDS	103,120,762.21	1.91%	0.50%
2,352 Fund Balance:	\$20,774,012,863.32	100.00%	100.00%

Participation:



Balance by Type (dollars in millions):



Percentages may not total 100% due to rounding.



CalTRUST PO Box 2709 Granite Bay, CA 95746

Investment Account Summary

11/01/2023 through 11/30/2023

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Nov 30 (\$)	Value on Nov 30 (\$)	Average Cost Amount (\$)	Cumulative Change in Value (\$)
MIDWAY CITY SANITARY DISTRICT	20100007910			4 450 0 47 00	1,532,350.47	(70 502 04)
CalTRUST Medium Term Fund	20100007910	149,316.265	9.73	1,452,847.26	1,552,550.47	(79,503.21)
	Portfolios Tota	al value as of 11/3	80/2023	1,452,847.26		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$) Gair	Realized /(Loss) (\$)
CalTRUST Medium Term Fund Beginning Balance Accrual Income Div Cash Change in Value	11/01/2023 11/30/2023	MIDV 4,603.47	VAY CITY SANITAR 0.000	149,316.265 149,316.265	9.63 9.73	Ac 1,437,915.63 1,452,847.26 14,931.63	count Number: 2010 0.00	0.00
Closing Balance as of	Nov 30			149,316.265	9.73	1,452,847.26		



2023 CalTRUST Closures

Please note that the CalTRUST Funds will be closed for trading on the following days:

Date	Holiday
January 2, 2023	New Year's Day
January 16, 2023	Martin Luther King, Jr. Day
February 20, 2023	Washington's Birthday
April 7, 2023	Good Friday
May 29, 2023	Memorial Day
June 19, 2023 (observed)	Juneteenth National Independence Day
July 4, 2023	Independence Day
September 4, 2023	Labor Day
October 9, 2023	Indigenous Peoples Day
November 10, 2023	Veterans Day
November 23, 2023	Thanksgiving Day
December 25, 2023 (observed)	Christmas Day

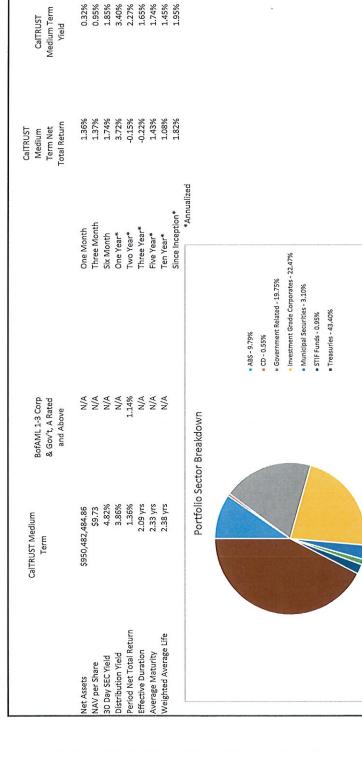
EARLY CLOSES:

April 6, May 26, July 3, November 24, December 22, and December 29

1.14% 1.43% 1.87% 3.69% -0.32%

BofAML 1-3 Corp & Gov't, A Rated and Above 1.45% 1.16% 2.10%

Rated AA-f by S&P Global Ratings





Midway City Sanitary District CalTRUST Summary

CalTRUST - Medium-Term Fund

October-2020 621.72 (733.66) \$ 755,556.55 November-2020 476.58 - \$ 756,033.13 December-2020 439.21 \$ 756,033.13 January-2021 387.68 \$ 756,860.03 February-2021 342.73 (1,471.06) \$ 755,350.08 April-2021 251.06 \$ 755,350.08 \$ 755,350.08 April-2021 251.06 \$ 755,661.98 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.03 June-2021 473.98 (1,467.04) \$ 1,507,6561.99 July-2021 415.67 1,467.51 \$ 1,507,654.77 August-2021 390.03 0.01 \$ 1,507,935.21 September-2021 370.72 (1,468.29) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,407,999.42 January-2022 598.08 (10,289.99) \$ 1,481,494.60	CalTRUST - Medium-Term Fund	1	51		
Investment May-2020 \$ 750,000.00 432.90 1,450.57 \$ 751,893.47 June-2020 857.56 730.70 \$ 753,481.73 July-2020 765.26 731.54 \$ 754,978.53 August-2020 765.26 731.54 \$ 754,978.53 August-2020 745.40 - \$ 755,723.93 September-2020 677.57 (733.01) 755,688.48 October-2020 621.72 (733.66 \$ 755,565.55 November-2020 476.58 - \$ 756,033.13 December-2020 439.21 \$ 756,472.43 January-2021 387.68 \$ 756,680.02 February-2021 342.73 (1,471.06) 755,731.69 March-2021 342.73 (1,471.06) 755,731.69 March-2021 354.98 (735.87) 755,350.86 April-2021 354.98 (735.87) 755,350.86 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.05 June-2021 473.98 (1,467.04) \$ 1,505,661.95 July-2021 415.67 1,467.51 \$ 1,507,635.73 August-2021 390.03 0.01 \$ 1,507,935.73 August-2021 390.03 0.01 \$ 1,507,935.73 September-2021 396.41 (5,874.61) \$ 1,507,353.74 October-2021 396.41 (5,874.61) \$ 1,500,351.76 December-2021 396.41 (5,874.61) \$ 1,500,351.76 December-2021 396.41 (5,874.61) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,929.42 January-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022 598.08 (10,289.99) \$ 1,488,237.51 July-2022 1,028.38 (8,832.23) \$ 1,451,133.53 July-2022 1,288.66 5,903.03 \$ 1,461,043.85 April-2022 1,288.66 5,903.03 \$ 1,461,043.85 July-2022 1,288.66 (11,818.35) \$ 1,451,213.55 July-2022 2,269.97 2,0710.46 \$ 1,453,613.65 October-2022 2,289.90 1,486.88 1,430,661.50 November-2022 2,289.90 1,486.88 1,430,661.50 October-2023 3,447.06 3,447.06 3,447.07 4,474.77 4,474.77 4,474.77 4,465.83 7,446,838 1,447,275.48 July-2023 3,447.06 3,447.06 3,448.68 1,493.16 5 1,446,846 July-2023 4,486.89 4,486.39 7,465.81 5 1,446,846 July-2023 4,486.89 4,486.89 7,465.82 5 1,446,874.6					
June-2020		·····			
July-2020		\$ /50,000.00			
August-2020					
September-2020 677.57 (733.01) \$ 755,668.49 October-2020 621.72 (733.66) \$ 755,556.55 November-2020 476.58 \$ 756,033.13 December-2020 439.21 \$ 756,637.23 January-2021 387.68 \$ 756,860.02 February-2021 342.73 (1,471.06) \$ 755,731.69 March-2021 354.98 (735.87) \$ 755,501.86 April-2021 251.06 \$ 755,601.86 \$ 755,601.86 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.05 June-2021 473.98 (1,467.04) \$ 1,507,631.74 August-2021 390.03 0.01 \$ 1,507,631.74 August-2021 390.03 0.01 \$ 1,507,935.21 September-2021 370.72 (1,468.29) \$ 1,506,837.64 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497.92 January-2022 598.08 (10,289.99) \$ 1,488,249 <				731.54	
October-2020 621.72 (733.66) \$ 755,556.55 November-2020 476.58 - \$ 756,033.13 December-2020 439.21 \$ 756,672.34 January-2021 387.68 \$ 756,860.02 February-2021 342.73 (1,471.06) \$ 755,330.82 April-2021 251.06 \$ 755,350.82 April-2021 251.06 \$ 755,651.89 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.03 June-2021 473.98 (1,467.04) \$ 1,505,661.99 July-2021 415.67 1,467.51 \$ 1,507,935.21 September-2021 390.03 0.01 \$ 1,507,935.21 September-2021 370.72 (1,468.29) \$ 1,506,837.64 October-2021 396.41 (5,874.61) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,501,359.44 December-2021 516.64 (2,938.98) \$ 1,497,929.4 January-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022				, _	
November-2020			······································		***************************************
December-2020				(733.66)	
January-2021 387.68 \$ 756,860.02 February-2021 342.73 (1,471.06) \$ 755,731.68 March-2021 354.98 (735.87) \$ 755,350.80 April-2021 251.06 \$ 755,601.86 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.05 June-2021 473.98 (1,467.04) \$ 1,505,661.99 July-2021 415.67 1,467.51 \$ 1,505,661.99 July-2021 415.67 1,467.51 \$ 1,507,545.17 August-2021 390.03 0.01 \$ 1,507,935.21 September-2021 370.72 (1,468.29) \$ 1,506,837.64 October-2021 396.41 (5,874.61) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 461.36 (1,469.04) \$ 1,500,351.76 January-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.22 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,298.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,799.46 8,904.53 \$ 1,442,275.45 December-2022 2,789.99 3,486.88 \$ 1,446,653.27 January-2023 (3,447.06) 3,447.06 (13,343.46) \$ 1,445,881.95 February-2023 (3,447.06) 3,447.06 (13,433.46) \$ 1,445,881.95 February-2023 (3,447.06) 3,447.06 (13,433.46) \$ 1,445,881.95 February-2023 (4,482.39) 4,482.39 7,465.81) \$ 1,455,381.45 March-2023 (4,482.39) 4,482.39 7,465.81) \$ 1,454,381.45 March-2023 (4,482.39) 4,482.39 7,465.81) \$ 1,454,381.45 July-2023 (4,482.39) 4,482.39 7,465.81) \$ 1,445,381.45 July-2023 (4,482.39) 4,482.39 7,465.81) \$ 1,445,381.45 July-2023 (4,482.39) 4,482.39 7,465.81) \$ 1,445,381.45 July-2023 (4,486.38) 4,486.72 7,465.81) \$ 1,445,381.45 July-2023 (4,486.38) 4,486.72 7,465.81) \$ 1,446,874.61 September-2023				-	
February-2021 342.73 (1,471.06) \$ 755,731.69 March-2021 354.98 (735.87) \$ 755,350.82 April-2021 251.06 \$ 755,601.86 \$ 755,601.86 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.05 June-2021 473.98 (1,467.04) \$ 1,505,661.99 July-2021 415.67 1,467.51 \$ 1,507,545.17 August-2021 390.03 0.01 \$ 1,507,545.17 August-2021 396.41 (5,874.61) \$ 1,501,359.44 October-2021 396.41 (5,874.61) \$ 1,503,359.44 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,929.42 January-2022 598.08 (10,289.99) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 July-2022 1,518.86					
March-2021 354.98 (735.87) \$ 755,350.80 April-2021 251.06 \$ 755,601.86 \$ 755,601.86 May-2021 750,000.00 316.74 736.45 \$ 1,506,655.05 June-2021 473.98 (1,467.04) \$ 1,505,661.99 July-2021 415.67 1,467.51 \$ 1,507,545.17 August-2021 390.03 0.01 \$ 1,507,935.21 September-2021 370.72 (1,468.29) \$ 1,506,837.64 October-2021 396.41 (5,874.61) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,929.42 January-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 July-2022 1,586.66 5,993.03 \$ 1,461,113.53 August-2022					
April-2021 750,000.00 316.74 736.45 \$ 1,506,655.05	·····				
May-2021 750,000.00 316.74 736.45 \$ 1,505,661.93 June-2021 473.98 (1,467.04) \$ 1,505,661.93 July-2021 415.67 1,467.51 \$ 1,507,545.17 August-2021 390.03 0.01 \$ 1,507,935.21 September-2021 396.41 (5,674.61) \$ 1,500,351.76 October-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,999.42 January-2022 598.08 (10,289.99) \$ 1,488.237.51 February-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,713.25 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.33 \$ 1,461,713.25 July-2022 1,518.66 (5,071.04) \$ 1,432,668.07 September-2021 2,166.97 (20,710.46) \$ 1,432,668.07 September-20				(735.87)	
June-2021					
July-2021		750,000.00	***************************************		\$ 1,506,655.05
August-2021 390.03 0.01 \$ 1,507,935.21 September-2021 370.72 (1,468.29) \$ 1,506,837.64 October-2021 396.41 (5,874.61) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,929.42 January-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,799.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,445,681.91 January-2023	June-2021			(1,467.04)	\$ 1,505,661.99
September-2021 370.72 (1,468.29) \$ 1,506,837.64 October-2021 396.41 (5,874.61) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,929.42 January-2022 598.08 (10,289.99) \$ 1,481,494.60 March-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 November-2022 2,438.11 (4,444.68) \$ 1,432,668.07 November-2022 2,890.90 1,486.88 \$ 1,446,653.7 January-2023			415.67		\$ 1,507,545.17
October-2021 396.41 (5,874.61) \$ 1,501,359.44 November-2021 461.36 (1,469.04) \$ 1,500,351.76 December-2021 516.64 (2,938.98) \$ 1,497,929.42 January-2022 598.08 (10,289.99) \$ 1,488,237.51 February-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,131.53 Jule-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,131.53 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,445,653.27 January-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45	August-2021			0.01	\$ 1,507,935.21
November-2021	September-2021		370.72	(1,468.29)	\$ 1,506,837.64
December-2021			396.41	(5,874.61)	\$ 1,501,359.44
January-2022 598.08 (10,289.99) \$ 1,488,237.51	November-2021		461.36	(1,469.04)	\$ 1,500,351.76
February-2022 610.05 (7,352.96) \$ 1,481,494.60 March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,455,881.95 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39	December-2021		516.64	(2,938.98)	\$ 1,497,929.42
March-2022 836.34 (20,596.74) \$ 1,461,734.20 April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,455,811.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,445,381.45 July-2023 (4,090.56)			598.08	(10,289.99)	\$ 1,488,237.51
April-2022 1,028.38 (8,832.23) \$ 1,453,930.35 May-2022 1,290.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,432,668.07 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,453,811.45 March-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,453,811.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,454,340.42 June-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 July-2023 (4,261.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 </td <td>February-2022</td> <td></td> <td>610.05</td> <td></td> <td>\$ 1,481,494.60</td>	February-2022		610.05		\$ 1,481,494.60
May-2022 1,290.86 5,892.32 \$ 1,461,113.53 June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,458,819.91 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 <	March-2022		836.34	(20,596.74)	\$ 1,461,734.20
June-2021 1,354.72 (8,846.29) \$ 1,453,621.96 July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 July-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,446,874.61 August-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) <td< td=""><td>April-2022</td><td></td><td>1,028.38</td><td>(8,832.23)</td><td>\$ 1,453,930.35</td></td<>	April-2022		1,028.38	(8,832.23)	\$ 1,453,930.35
July-2022 1,518.86 5,903.03 \$ 1,461,043.85 August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,454,340.42 June-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 July-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,255.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.	May-2022		1,290.86	5,892.32	\$ 1,461,113.53
August-2022 1,986.06 (11,818.35) \$ 1,451,211.56 September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 September-2023 (4,286.72) (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72)	June-2021		1,354.72	(8,846.29)	\$ 1,453,621.96
September-2022 2,166.97 (20,710.46) \$ 1,432,668.07 October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 (4,795.72) (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	July-2022		1,518.86	5,903.03	\$ 1,461,043.85
October-2022 2,438.11 (4,444.68) \$ 1,430,661.50 November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	August-2022		1,986.06	(11,818.35)	\$ 1,451,211.56
November-2022 2,709.46 8,904.53 \$ 1,442,275.49 December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	September-2022		2,166.97	(20,710.46)	\$ 1,432,668.07
December-2022 2,890.90 1,486.88 \$ 1,446,653.27 January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	October-2022		2,438.11	(4,444.68)	\$ 1,430,661.50
January-2023 3,227.48 8,939.16 \$ 1,458,819.91 February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	November-2022		2,709.46	8,904.53	\$ 1,442,275.49
February-2023 (3,447.06) 3,447.06 (13,438.46) \$ 1,445,381.45 March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	December-2022		2,890.90	1,486.88	\$ 1,446,653.27
March-2023 (4,147.17) 4,147.17 14,931.62 \$ 1,460,313.07 April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	January-2023		3,227.48	8,939.16	\$ 1,458,819.91
April-2023 (3,791.32) 3,791.32 1,493.16 \$ 1,461,806.23 May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	February-2023	(3,447.06)	3,447.06	(13,438.46)	\$ 1,445,381.45
May-2023 (4,482.39) 4,482.39 (7,465.81) \$ 1,454,340.42 June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	March-2023	(4,147.17)	4,147.17	14,931.62	\$ 1,460,313.07
June-2023 (4,090.56) 4,090.56 (8,958.97) \$ 1,445,381.45 July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	April-2023	(3,791.32)	3,791.32	1,493.16	\$ 1,461,806.23
July-2023 (4,246.18) 4,246.18 1,493.16 \$ 1,446,874.61 August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	May-2023	(4,482.39)	4,482.39	(7,465.81)	\$ 1,454,340.42
August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	June-2023	(4,090.56)	4,090.56	(8,958.97)	\$ 1,445,381.45
August-2023 (4,455.68) 4,455.68 - \$ 1,446,874.61 September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	July-2023	(4,246.18)	4,246.18	1,493.16	\$ 1,446,874.61
September-2023 4,286.72 (4,286.72) (7,465.82) \$ 1,439,408.79 October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	August-2023	(4,455.68)	4,455.68	•	\$ 1,446,874.61
October-2023 (4,795.72) 4,795.72 (1,493.16) \$ 1,437,915.63	September-2023	4,286.72	(4,286.72)	(7,465.82)	\$ 1,439,408.79
	October-2023				\$ 1,437,915.63
(1)000147 1)000147 14)0047,20	November-2023	(4,603.47)	4,603.47	14,931.63	\$ 1,452,847.26

AGENDA ITEM #7B

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Siamlu Cox, Director of Finance and Human Resources

Subject: Receive and File the June 30, 2023 Actuarial Valuation and GASB 75 Report

on Other Post-Employment Benefits (OPEB) Liabilities of the Midway City

Sanitary District for Fiscal Year Ending June 30, 2024

BACKGROUND

The Midway City Sanitary District provides health insurance coverage for both its active and retired employees and contracts with CalPERS to administer those benefits.

There is a financial liability associated with providing these benefits for current and future retirees. The Governmental Accounting Standards Board (GASB) Statement No. 75 addresses this financial liability and provides guidance and reporting of Other Post-Employment Benefits (OPEB). The Statement details the accounting standards for future liabilities of additional retiree benefits other than pensions, including retiree health benefits.

The annual actuarial report provides information on the District's OPEB trust fund. This year's report is attached thereof.

ADDITIONAL INFORMATION ON FUNDING AND PRE-FUNDING

The Midway City Sanitary District Board of Directors has been aggressive in funding its Other Post-Employment Benefits through the CalPERS California Employers' Retiree Benefit Trust Fund (CERBT), a trust fund which permits agencies to pre-fund the future cost of their retiree OPEB benefits. The District's Trust Fund has done well earning interest to help offset the future cost of these benefits.

By fully-funding the District's OPEB liability, it has allowed the District to decrease the use of taxpayer dollars by using investment earnings to pay for not only the liability the District has already accrued, but also a significant portion of future costs. If the District had not funded the resulting liability, the increase will have to be shown in the District's financial statements. This may have a negative impact on the District's credit rating and credit decisions, which could trickle down affecting future District operations and capital projects.

OPEB Trusts are a funding vehicle used by agencies to prefund the future costs of their retiree OPEB benefits as the employee services are rendered. Once funds are deposited into an irrevocable trust, they may not be withdrawn for any purpose other than funding the costs of employer's retiree OPEB benefits. This is the same way that pension trusts operate, such as the District's retirement plan with CalPERS for its employees. These OPEB Trusts

provide agencies with a fiscally sound option for ensuring they are able to meet their OPEB liability in the most cost-effective manner.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors receive and file the June 30, 2023 actuarial valuation and GASB 75 report providing information on the District's Other Post-Employment Benefits.

FINANCIAL IMPACT

As of June 30, 2023, the District's OPEB liability is \$5,967,867 and the District has \$6,517,501 in its OPEB trust, which covers its current obligation with a net asset of \$549,634.

Total OPEB Liability	\$5,967,867
Fiduciary Net Position (in the District's trust fund)	<u>\$6,517,501</u>
Net Asset as of 06/30/2026	\$ 549,634

As a result of positive investment (interest) earnings, the District has enough funds available in its trust fund to fully cover the cost of future OPEB liabilities, as of 06/30/2024.

This valuation is a snap shot of the District's OPEB position as of 06/30/2023. According to the report, the District has fully funded its future retiree health liability. However, the market can change, investment earnings may drop, and the cost of future health benefits increases each year, which are some of the factors that may affect the District's future financial position.

The District will be seeking reimbursement from the Trust for premium payments the District has paid on behalf of retirees.

ATTACHMENTS:

June 30, 2023 Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2024

MacLeod Watts

December 13, 2023

Siamlu Cox Director of Finance and Human Resources Midway City Sanitary District 14451 Cedarwood Avenue Westminster, CA 92683

Re:

Midway City Sanitary District Other Post-Employment Benefits Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2024

Dear Ms. Cox:

We are pleased to enclose our actuarial report providing financial information about the other postemployment benefit (OPEB) liabilities of the Midway City Sanitary District. The primary purposes of this report are to:

- 1) Remeasure plan liabilities as of June 30, 2023, in accordance with GASB 75's biennial valuation requirement,
- 2) Develop Actuarially Determined Contributions levels for prefunding plan benefits, and
- 3) Provide information to be submitted to the California Employers' Retiree Benefit Trust (CERBT) to satisfy filing requirements for the trust, and
- 4) Provide information required by GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in the District's financial statements for the fiscal year ending June 30, 2024.

We based the valuation on the employee data, details on plan benefits and retiree benefit payments reported to us by the District. We assumed that OPEB trust assets remain in CERBT Asset Allocation Strategy 1. Please review our summary of this information to be comfortable that it matches your records.

After the close of FY 2024, we will update this report to reflect the audited trust value on the measurement date and actual OPEB contributions and payroll for fiscal year 23/24.

We appreciate the opportunity to work on this analysis and acknowledge the efforts of District staff who provided valuable time and information to enable us to prepare this report. Please let us know if we can be of further assistance.

Sincerely,

Casheine L. MacLeoza Catherine L. MacLeod, FSA, FCA, EA, MAAA

Principal & Consulting Actuary

Enclosure



Midway City Sanitary District

Actuarial Valuation of Other Post-Employment Benefit Programs As of June 30, 2023

Development of OPEB Prefunding Levels & GASB 75 Report for the FYE June 30, 2024

Submitted December 2023

MacLeod Watts

Table of Contents

A.	Executive Summary OPEB Obligations of the District	
	OPEB Funding Policy	2
	Actuarial Assumptions	2
	Important Dates for GASB 75 in this Report	2
	Updates Since the Prior Report	3
	Impact on Statement of Net Position and OPEB Expense for Fiscal Year Ending 2024	3
	Important Notices	3
В.	Valuation Process	4
C.	Valuation Results as of June 30, 2023	
D.	Accounting Information (GASB 75)	
	Components of Net Position and Expense	
	Change in Net Position During the Fiscal Year	10
	Change in Fiduciary Net Position During the Measurement Period	11
	Expected Long-term Return on Trust Assets	11
	Recognition Period for Deferred Resources	12
	Deferred Resources as of Fiscal Year End and Expected Future Recognition	12
	Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Ra	ite 13
	Schedule of Changes in the District's Net OPEB Liability and Related Ratios	14
	Schedule of Contributions	16
	Detail of Changes to Net Position	17
	Schedule of Deferred Outflows and Inflows of Resources	18
	Detail of District Contributions to the Plan	19
	Projected Benefit Payments (15-year projection)	20
	Sample Journal Entries	21
Ε.	Funding Information	22
F.	Certification	
G.	Supporting Information	
	Section 1 - Summary of Employee Data	
	Section 2 - Summary of Retiree Benefit Provisions	
	Section 3 - Actuarial Methods and Assumptions	
	pendix 1: Important Background Information	
	pendix 2: MacLeod Watts Age Rating Methodology	
	pendix 3: MacLeod Watts Mortality Projection Methodology	
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A. Executive Summary

This report presents the results of the June 30, 2023, actuarial valuation and accounting information regarding the other post-employment benefit (OPEB) program of the Midway City Sanitary District (the District). The purposes of this report are to: 1) summarize the results of the valuation; 2) develop Actuarially Determined Contribution (ADC) levels for prefunding plan benefits; 3) provide information required by the California Employers' Retiree Benefit Trust (CERBT); and 4) provide disclosure information as required by Statement No. 75 of the Governmental Accounting Standards Board (GASB 75) for the fiscal year ending June 30, 2024.

Important background information regarding the valuation process can be found in Appendix 1. We recommend users of the report read this information to familiarize themselves with the process and context of actuarial valuations, including the requirements of GASB 75. The pages following this executive summary present exhibits and other information relevant for disclosures under GASB 75.

Results of the June 30, 2023, valuation may be applied to prepare the District's GASB 75 report for the fiscal year ending June 30, 2024. If there are any significant changes in plan members, plan benefits or eligibility and/or OPEB funding policy, an earlier valuation might be required or appropriate.

OPEB Obligations of the District

The District offers continuation of medical coverage to retiring employees. This benefit creates one or more of the following types of OPEB liabilities:

- **Explicit subsidy liabilities:** An "explicit subsidy" exists when the employer contributes directly toward the cost of retiree healthcare. In this program, the District contributes a portion of medical premiums for qualifying retirees. These benefits are described in Section 2.
- Implicit subsidy liabilities: An "implicit subsidy" exists when premiums are developed using blended active and retiree claims experience. In this situation, premiums charged for retirees may not be sufficient to cover expected medical claims¹ and the premiums charged for active employees are said to "implicitly subsidize" retirees. This OPEB program includes implicit subsidy liabilities for retiree coverage prior to coverage under Medicare.
- Other subsidy liabilities: Pooled plans that do not blend active and retiree premiums likely generate
 subsidies between employers and retirees within the pool. In the CalPERS medical program, the
 premium rates for Medicare-covered retirees are based only on retiree claims experience of the
 pool. An actuarial practice note indicates these subsidies should be included in plan liabilities to the
 extent they are paid by the employer.² We generally expect these subsidies to be small and
 included any such liability with the implicit subsidy liability in this report.

We determine explicit subsidy liabilities using the expected direct payments promised by the plan toward retiree coverage. We determine the implicit and other subsidy liabilities as the projected difference between (a) estimated retiree medical claim costs by age and (b) premiums charged for retiree coverage. For more information on this process, see Appendices for a description of MacLeod Watts' age rating methodology.

² Exceptions exist for: 1) Medicare Advantage Plans: these plans are treated as if their premiums are age-based due to the nature of the Federal subsidies paid to these plans. 2) Plans with low explicit subsidies to Medicare-covered retirees: in these plans no part of any potential pool subsidy is expected to be paid by the employer.



¹ In rare situations, premiums for retiree coverage may be high enough that they subsidize active employees' claims.

Executive Summary (Continued)

OPEB Funding Policy

The District's OPEB funding policy affects the calculation of liabilities by impacting the discount rate that is used to develop the plan liability and expense. "Prefunding" is the term used when an agency consistently contributes an amount based on an actuarially determined contribution (ADC) each year. GASB 75 allows prefunded plans to use a discount rate that reflects the expected earnings on trust assets. Pay-as-you-go, or "PAYGO", is the term used when an agency only contributes the required retiree benefits when due. When an agency finances retiree benefits on a pay-as-you-go basis, GASB 75 requires the use of a discount rate equal to a 20-year high grade municipal bond rate.

The District continues to prefund its OPEB liability, consistently contributing 100% or more of the Actuarially Determined Contributions each year. With the District's approval, the discount rate used for accounting purposes and to develop Actuarially Determined Contributions for plan funding is 6.0%. This rate reflects the current expectation of the long-term return on trust assets, based on information provided by CalPERS in March 2022. This rate is lower than the 6.15% return determined from prior CalPERS return projections. For more information, see Expected Return on Trust Assets on page 12.

Actuarial Assumptions

The actuarial "demographic" assumptions (i.e., rates of retirement, death, disability or other termination of employment) used in this report were chosen, for the most part, to be the same as the actuarial demographic assumptions used for the most recent valuation of the retirement plan(s) covering District employees. Other assumptions, such as age-related healthcare claims, healthcare trend, retiree participation rates and spouse coverage, were selected based on demonstrated plan experience and/or our best estimate of expected future experience. All these assumptions, and more, impact expected future benefits.

Please note that this valuation has been prepared on a closed group basis. This means that only employees and retirees present as of the valuation date are considered. We do not consider replacement employees for those we project to leave the current population of plan participants until the valuation date following their employment. We emphasize that this actuarial valuation provides a projection of future results based on many assumptions. Actual results are likely to vary to some extent and we will continue to monitor these assumptions in future valuations. See Section 3 for a description of assumptions used in this valuation.

Important Dates for GASB 75 in this Report

GASB 75 allows reporting liabilities as of any fiscal year end based on: (1) a valuation date no more than 30 months plus 1 day prior to the close of the fiscal year end; and (2) a measurement date up to one year prior to the close of the fiscal year. The following dates were used for this report:

Fiscal Year End June 30, 2024

Measurement Date June 30, 2023

Measurement Period June 30, 2022, to June 30, 2023

Valuation Date June 30, 2023



Executive Summary (Concluded)

Updates Since the Prior Report

No benefit changes were reported to MacLeod Watts since the June 2021 valuation was prepared. After collecting updated employee census and premium data, we determined differences between actual and expected results since the prior valuation (referred to as "plan experience"). We also reviewed and updated certain assumptions used to project the OPEB liability. Investment experience (the difference between actual and expected trust earnings) was determined as well.

The Net OPEB Liability (Asset) on the current measurement date is slightly lower than that reported one year ago. Section C presents the new valuation results and provides additional information on the impact of the new assumptions and plan experience. See *Recognition Period for Deferred Resources* on page 12 for details on how these changes are recognized.

Impact on Statement of Net Position and OPEB Expense for Fiscal Year Ending 2024

The plan's impact to Net Position will be the sum of difference between assets and liabilities as of the measurement date plus the unrecognized net outflows and inflows of resources, as summarized below. Different recognition periods apply to deferred resources depending on their origin.

Items	Fisca	Reporting At al Year Ending ne 30, 2024
Total OPEB Liability	\$	5,967,867
Fiduciary Net Position		(6,517,501)
Net OPEB Liability	\$	(549,634)
Adjustment for Deferred Resources:		
Deferred (Outflows)		(1,580,611)
Deferred Inflows		1,037,282
Impact on Statement of Net Position		(1,092,963)
OPEB Expense, FYE 6/30/2024	\$	132,981

Important Notices

This report is intended to be used only to present the actuarial information relating to other postemployment benefits for the District's financial statements. The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable. We note that various issues in this report may involve legal analysis of applicable law or regulations. The District should consult counsel on these matters; MacLeod Watts does not practice law and does not intend anything in this report to constitute legal advice. In addition, we recommend the District consult with their internal accounting staff or external auditor or accounting firm about the accounting treatment of OPEB liabilities.

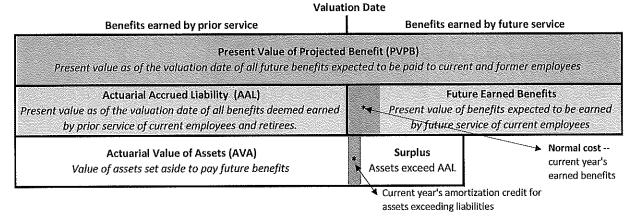


B. Valuation Process

This valuation is based on employee census data and benefits initially submitted to us by the District and clarified in various related communications. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the District as to its accuracy. The valuation has been performed in accordance with the process described below using the actuarial methods and assumptions described herein and is consistent with our understanding of Actuarial Standards of Practice.

In projecting benefit values and liabilities, we first determine an expected premium or benefit stream over each current retiree's or active employee's future retirement. Benefits may include both direct employer payments (explicit subsidies) and any implicit subsidies arising when retiree premiums are expected to be partially subsidized by premiums paid for active employees. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected dates when benefits will end. Assumptions regarding the probability that each employee will remain in service to receive benefits and the likelihood that employees will elect coverage for themselves and their dependents are also applied.

We then calculate a present value of these future benefit streams by discounting the value of each future expected employer payment back to the valuation date using the valuation discount rate. This present value is called the **Present Value of Projected Benefits (PVPB)** and represents the current value of all expected future plan payments to current retirees and current active employees. Note that this long-term projection does not anticipate entry of future employees.



The next step in the valuation process splits the Present Value of Projected Benefits into 1) the value of benefits already earned by prior service of current employees and retirees and 2) the value of benefits expected to be earned by future service of current employees. Actuaries employ an "attribution method" to divide the PVPB into prior service liabilities and future service liabilities. For this valuation we used the **Entry Age Normal** attribution method. This method is the most common used for government funding purposes and the only attribution method allowed for financial reporting under GASB 75.

We call the value of benefits deemed earned by prior service the **Actuarial Accrued Liability (AAL)**. Benefits deemed earned by service of active employees in a single year is called the **Normal Cost** of benefits. The present value of all future normal costs (PVFNC) plus the Actuarial Accrued Liability will equal the Present Value of Projected Benefits (i.e., PVPB = AAL + PVFNC).



Valuation Process (Concluded)

The District has committed to making regular contributions to a trust in order to prefund plan benefits. Trust contributions and earnings accumulate so that the trust can make benefit payments to retirees (or reimburse the District for making those payments directly). The difference between the value of trust assets (i.e., the Market Value of Assets and the Actuarial Accrued Liability yields the **Unfunded Actuarial Accrued Liability (UAAL)**. The UAAL represents, as of the valuation date, the present value of benefits already earned by past service that remain unfunded. A plan is generally considered "fully funded" when the UAAL is zero. The plan sponsor of a fully funded plan will still need to make future contributions for benefits earned by future service of actives employees. But in a fully funded plan, the plan sponsor has set aside sufficient assets to pay for benefits that have been earned by past service of current retirees and active employees if all valuation assumptions are realized.

Future contributions by the District will fund 1) the value of benefits earned each year by service of active employees (i.e., annual Normal Costs) less 2) an amortized credit of the amount by which assets exceed the actuarial accrued liability. Various strategies might be employed to reflect surplus assets, although it's recommended that any surplus assets should generally be recognized in contributions over a long period³.

Please note that projections of future benefits over such long periods (frequently 70 or more years) which are dependent on numerous assumptions regarding future economic and demographic variables are subject to substantial revision as future events unfold. While we believe that the assumptions and methods used in this valuation are reasonable for the purposes of this report, the costs to the District reflected in this report are subject to future revision, perhaps materially. Demonstrating the range of potential future plan costs was beyond the scope of our assignment except to the limited extent of providing liability information at various discount rates.

Finally, certain actuarial terms and GASB 75 terms may be used interchangeably. We note a few in the table below.

Actuarial Terminology	GASB 75 Terminology
Present Value of Projected Benefits (PVPB)	No equivalent term
Actuarial Accrued Liability (AAL)	Total OPEB Liability (TOL)
Market Value of Assets (MVA)	Fiduciary Net Position
Actuarial Value of Assets (AVA)	No equivalent term
Unfunded Actuarial Accrued Liability (UAAL)	Net OPEB Liability
Normal Cost	Service Cost

³ See "Actuarial Funding Policies and Practices for Public Pension and OPEB Plans", November 2015, California Actuarial Advisory Panel.



C. Valuation Results as of June 30, 2023

This Section presents the basic results of our recalculation of the OPEB liability using the updated employee data, plan provisions and asset information provided to us for the June 30, 2023, valuation. We described the general process for projecting all future benefits to be paid to retirees and current employees in the preceding Section. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Supporting Information, Section 3.

Lifetime medical coverage and benefits are paid for qualifying enrolled District retirees. Please see Supporting Information, Section 2 for details.

The following graph illustrates the annual other post-employment benefits projected to be paid on behalf of current retirees and current employees expected to retire from the District.

Projected to be Paid During Retirement to Current Employees and Retirees \$1,200,000 **■ Explicit Payments** M Implicit Payments ☐ Trend +1% \$1,000,000 \$800,000 \$600,000 \$400,000 \$200,000 \$-2054 2057 2060 2063 2066 2072 2075 2078 2081 2084

OPEB PaymentsProjected to be Paid During Retirement to Current Employees and Retirees

The amounts shown in green reflect the expected payment by the District toward retiree medical premiums while those in yellow reflect the implicit subsidy benefits (i.e., the excess of estimated retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees' coverage). The projections in gray reflect increases in benefit levels if healthcare trend were 1% higher.

The first 15 years of benefit payments from the graph above are shown in tabular form on page 20.

Liabilities relating to these projected benefits are shown beginning on the following page.



Valuation Results as of June 30, 2023 (Continued)

This chart compares the results measured as of June 30, 2022, based on the prior valuation, with the results measured as of June 30, 2023, based on the current valuation.

Valuation Date		6/30/2021			6/30/2023	
Fiscal Year Ending		6/30/2023			6/30/2024	
Measurement Date		6/30/2022			6/30/2023	
Discount rate		6.15%			6.00%	
Number of Covered Employees						
Actives		27	•		32	
Retirees		19			21	
Total Participants		46			53	
OPEB Subsidy Type	Explicit	Implicit	Total	Explicit	Implicit	Total
Actuarial Present Value of Projected Benefits						
Actives		\$ 1,021,585	\$ 5,512,880	\$ 4,625,574	\$ 1,038,028	\$ 5,663,602
Retirees	1,606,920	94,571	1,701,491	2,521,667	302,707	2,824,374
Total APVPB	6,098,215	1,116,156	7,214,371	7,147,241	1,340,735	8,487,976
Total OPEB Liability (TOL)						
Actives	3,176,358	719,923	3,896,281	2,555,182	588,311	3,143,493
Retirees	1,606,920	94,571	1,701,491	2,521,667	302,707	2,824,374
TOL	4,783,278	814,494	5,597,772	5,076,849	891,018	5,967,867
Fiduciary Net Position			6,127,737			6,517,501
Net OPEB Liability			(529,965)			(549,634)
Service Cost For the period following the measurement date	165,674	36,413	202,087	213,517	48,101	261,618
Percent of ABPVB funded			84.9%			76.8%
Percent of TOL funded			109.5%			109.2%

The Net OPEB Liability has decreased by \$19,669 from that reported one year ago. Some of the change was expected and some was unexpected. Reasons for the change in the TOL are discussed on the following page.



Valuation Results as of June 30, 2023 (Concluded)

Expected NOL changes: The NOL was expected to decrease by \$35,453, from additional service and interest costs accruing for the period reduced by contributions to the trust and earnings on trust assets.

Unexpected NOL changes increased the NOL by \$15,784 and fall into one of these categories:

- *Plan experience* increased the TOL by \$108,993, reflecting results that are different than expected based on the prior valuation data and assumptions. Details are shown in the chart below.
- Assumption changes collectively decreased the TOL by \$77,148. These changes are listed below, with additional information provided on the last page in Supporting Information, Section 3.
- Investment experience: Trust asset return exceeded the expected earnings by \$16,061.

This chart reconciles results measured as of June 30, 2022, to results measured as of June 30, 2023.

Reconciliation of Changes During Measurement Period	٦	otal OPEB Liability (a)		Fiduciary et Position (b)	Net OPEB Liability = (a) - (b)
Balance at Fiscal Year Ending 6/30/2023 Measurement Date 6/30/2022	\$	5,597,772	\$	6,127,737	\$ (529,965)
Expected Changes During the Period:		200 007			202 227
Service Cost		202,087			202,087
Interest Cost		350,112		276 762	350,112
Expected Investment Income				376,762 213,949	(376,762) (213,949)
Employer Contributions Administrative expenses				(3,059)	3,059
Benefit Payments		(213,949)		(213,949)	5,055
·	-				 (25, 452)
Total Expected Changes During the Period		338,250		373,703	(35,453)
Expected at Fiscal Year Ending 6/30/2024 Measurement Date 6/30/2023	\$	5,936,022	\$	6,501,440	\$ (565,418)
Unexpected Changes During the Period:					
Change Due to Investment Experience				16,061	(16,061)
Plan Experience:					
Premiums and Estimated Claims Other Than Expected		(26,049)	l		
Terminations and Retirements Other Than Expected		255,791			
Retiree Retention and Mortality Other Than Expected		(130,754)			
Liability Added for New Employees		68,475			
Other Plan Experience		(58,470)			
Change Due to Plan Experience					108,993
Assumption Changes:					
Update to Trust Return/Discount Rate from 6.15% to 6.0%		103,713			
Update to Healthcare Trend		(202,857)			
Increased Participation Assumption		81,678			
Updated Demographic Assumptions		(59,682)			
Change Due to Assumption Changes			_		 (77,148)
Total Unexpected Changes During the Period		31,845		16,061	15,784
Balance at Fiscal Year Ending 6/30/2024 Measurement Date 6/30/2023	\$	5,967,867	\$	6,517,501	\$ (549,634)



D. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year ending June 30, 2024. The District is classified for GASB 75 purposes as a single employer.

Trust Assets (FNP), deferred Contributions and covered payroll for fiscal year 2023/24 shown in this Section are estimates subject to change based on the final reported amounts.

Components of Net Position and Expense

The exhibit below shows the development of Net Position and Expense as of the Measurement Date.

lan Summary Information for FYE June 30, 2024 leasurement Date is June 30, 2023		MCSD
ems Impacting Net Position:		
Total OPEB Liability	\$	5,967,867
Fiduciary Net Position		(6,517,501
Net OPEB Liability (Asset)		(549,634
Deferred (Outflows) Due to:		
Assumption Changes		(364,234
Plan Experience		(93,288
Investment Experience		(891,494
Deferred Contributions		(231,595
Deferred Inflows Due to:		
Assumption Changes		77,541
Plan Experience		475,288
Investment Experience	****	484,453
Impact on Statement of Net Position, FYE 6/30/2024	\$	(1,092,963
ems Impacting OPEB Expense:		
Service Cost	\$	202,087
Cost of Plan Changes		
Interest Cost		350,112
Expected Earnings on Assets		(376,762
Administrative expenses		3,059
Recognition of Deferred Outflows:		
Assumption Changes		82,635
Plan Experience		15,705
Investment Experience		326,888
Recognition of Deferred (Inflows):		
Assumption Changes		(20,251
Plan Experience		(211,477
Investment Experience	,	(239,015



Change in Net Position During the Fiscal Year

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End Measurement Date	6/30/2023 6/30/2022		5 /30/2024 5/30/2023	Change During Period
Total OPEB Liability	\$ 5,597,772	\$	5,967,867	\$ 370,095
Fiduciary Net Position	(6,127,737)		(6,517,501)	(389,764)
Net OPEB Liability (Asset)	(529,965)		(549,634)	(19,669)
Deferred (Outflows) Due to:				
Assumption Changes	(446,869)		(364,234)	82,635
Plan Experience	-		(93,288)	(93,288)
Investment Experience	(1,218,382)		(891,494)	326,888
Deferred Contributions	(213,949)		(231,595)	(17,646)
Deferred Inflows Due to:				
Assumption Changes	20,644		77,541	56,897
Plan Experience	686,765		475,288	(211,477)
Investment Experience	707,407		484,453	(222,954)
Impact on Statement of Net Position	\$ (994,349)	\$	(1,092,963)	\$ (98,614)
Change in Net Position During the Fiscal Ye	ear			
Impact on Statement of Net Position, FYE 6	/30/2023	\$	(994,349)	
OPEB Expense (Income)			132,981	
Employer Contributions During Fiscal Year			(231,595)	
Impact on Statement of Net Position, FYE 6	/30/2024	\$	(1,092,963)	
OPEB Expense				
Employer Contributions During Fiscal Year		\$	231,595	
Deterioration (Improvement) in Net Positio	n	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(98,614)	
OPEB Expense (Income), FYE 6/30/2024		\$	132,981	



Change in Fiduciary Net Position During the Measurement Period

	MCSD
Fiduciary Net Position at Fiscal Year Ending 6/30/2023 Measurement Date 6/30/2022	\$ 6,127,737
Changes During the Period:	
Investment Income	392,823
Employer Contributions	213,949
Administrative expenses	(3,059)
Benefit Payments	 (213,949)
Net Changes During the Period	389,764
Fiduciary Net Position at Fiscal Year Ending 6/30/2024 Measurement Date 6/30/2023	\$ 6,517,501

The balance shown above has not yet been audited and may change slightly once the audit is complete.

Expected Long-term Return on Trust Assets

In March 2022, CalPERS updated the projected future investment returns for CERBT Strategy 1. CalPERS determined its returns using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are split for years 1-5 and years 6 -20. We assumed that the returns for years 6 through 20 would continue in later years.

CERBT Strategy 1			Years 1-5		Calcaly as a second	Years 6-20	
Major Asset Classification	Target Allocation	General Inflation Rate Assumption	1-5 Year Expected Real Rate of Return	Compound Return Yrs 1-5	General Inflation Rate Assumption	6-20 Year Expected Real Rate of Return	Compound Return Years 6-20
Global Equity	49%	2.40%	4.40%	6.80%	2.30%	4.50%	6.80%
Fixed Income	23%	2.40%	-1.00%	1.40%	2,30%	2.20%	4.50%
Global Real Estate(REITs)	20%	2.40%	3.00%	5.40%	2.30%	3.90%	6.20%
Treasury Inflation Protected Securities	5%	2.40%	-1.80%	0.60%	2.30%	1.30%	3,60%
Commodities	3%	2.40%	0.80%	3,20%	2.30%	1.20%	3,50%
Volatility	12.1%		weighted	5.1%		weighted	6.3%

To derive the expected future trust return specifically for the District, we first adjusted CalPERS' future return expectations to align with the 2.5% general inflation assumption used in this report. Then applying the plan specific benefit payments to CalPERS' bifurcated return expectations, we determined the single equivalent long-term rate of return to be 6.15%. The District is less optimistic about future expected returns and approved 6.00 % as the expected return on assets.



Recognition Period for Deferred Resources

Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumption changes during the period are recognized over the plan's Expected Average Remaining Service Life ("EARSL"). The EARSL of 6.94 years is the period used to recognize such changes in the OPEB Liability arising during the current measurement period.

When applicable, changes in the Fiduciary Net Position due to investment performance different from the assumed earnings rate are always recognized over 5 years.

Liability changes attributable to benefit changes occurring during the period, if any, are recognized immediately.

Deferred Resources as of Fiscal Year End and Expected Future Recognition

The exhibit below shows deferred resources as of the fiscal year end June 30, 2024.

Midway City Sanitary District	rred Outflows Resources	erred Inflows Resources
Changes of Assumptions	\$ 364,234	\$ 77,541
Differences Between Expected and Actual Experience	93,288	475,288
Net Difference Between Projected and Actual Earnings on Investments	407,041	
Deferred Contributions	231,595	-
Total	\$ 1,096,158	\$ 552,829

In addition, future recognition of these deferred resources is shown below.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2025	\$ (51,537)
2026	12,048
2027	282,676
2028	18,802
2029	45,434
Thereafter	4,311



Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate

The discount rate used for accounting purposes for the fiscal year end 2024 is 6.0%. Healthcare Cost Trend Rate was assumed to start at 6.5% (increase effective January 1, 2025) and grade down to 3.9% for years 2075 and later. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

	Sensitivity to:		
Change in Discount Rate	Current - 1% 5.00%	Current 6.00%	Current + 1% 7.00%
Total OPEB Liability	6,740,860	5,967,867	5,327,718
Increase (Decrease)	772,993		(640,149)
% Increase (Decrease)	13.0%		-10.7%
Net OPEB Liability (Asset)	223,359	(549,634)	(1,189,783)
Increase (Decrease)	772,993		(640,149)
% Increase (Decrease)	140.6%		-116.5%
Change in Healthcare Cost Trend Rate	Current Trend - 1%	Current Trend	Current Trend + 1%
Total OPEB Liability	5,246,847	5,967,867	6,855,865
Increase (Decrease)	(721,020)	_,,	887,998
% Increase (Decrease)	-12,1%		14.9%
Net OPEB Liability (Asset)	(1,270,654)	(549,634)	338,364
Increase (Decrease)	(721,020)		887,998
% Increase (Decrease)	-131.2%		161.6%



Accounting Information

(Continued)

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. Results for years since GASB 75 was implemented are shown.

Fiscal Year Ending June 30		2024	2023	2022	2021	2020	2019	2018
Measurement Date	"	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Discount Rate on Measurement Date		%00'9	6.15%	6.75%	6.75%	6.75%	6.75%	6.75%
Total OPEB liability								
Service Cost	↔	202,087	\$ 171,620	\$ 181,650	\$ 175,932 \$	167,394 \$	162,126	\$ 157,023
Interest		350,112	333,422	339,606	317,915	351,202	329,262	307,649
Changes of benefit terms		ŝ	ı	ı	ı	1	ı	i
Differences between expected					1	(701 /172)		
and actual experience		108,993	1	(577,952)	ı	(/07,463)	ľ	1
Changes of assumptions		(77,148)	406,611	144,567	1	(57,184)	ı	t
Benefit payments		(213,949)	(163,678)	(175,237)	(181,215)	(182,104)	(161,138)	(138,039)
Net change in total OPEB liability		370,095	747,975	(87,366)	312,632	(502,115)	330,250	326,633
Total OPEB liability - beginning		5,597,772	4,849,797	4,937,163	4,624,531	5,126,646	4,796,396	4,469,763
Total OPEB liability - ending (a)	\$	5,967,867	\$ 5,597,772	\$ 4,849,797	\$ 4,937,163 \$	4,624,531 \$	5,126,646	\$ 4,796,396
Plan fiduciary net position								
Contributions - employer	↔	213,949	\$ 97,558	\$ 38,567	\$ 181,215 \$	182,104 \$	182,104	\$ 6,972
Net investment income		392,823	(946,753)	1,560,478	195,303	321,380	321,380	350,153
Benefit payments		(213,949)	(163,678)	(175,237)	(181,215)	(182,104)	(182,104)	(138,039)
Administrative Expenses		(3,059)	(1,798)	(2,145)	(2,700)	(1,116)	(6,703)	(1,771)
Net change in plan fiduciary net position		389,764	(1,014,671)	1,421,663	192,603	320,264	1,698,452	217,315
Plan fiduciary net position - beginning		6,127,737	7,142,408	5,720,745	5,528,142	5,207,878	3,509,426	3,292,111
Plan fiduciary net position - ending (b)	₩	6,517,501	\$ 6,127,737	\$ 7,142,408	\$ 5,720,745 \$	5,528,142 \$	5,207,878	\$ 3,509,426
Net OPEB liability - ending (a) - (b)	\$	(549,634)	\$ (529,965)	\$ (2,292,611)	\$ (783,582) \$	(903,611) \$	(81,232)	\$ 1,286,970
Covered-employee payroll	√ γ	2,598,271	\$ 2,310,720	\$ 2,265,018	\$ 2,219,965 \$	2,004,990 \$	1,707,287	\$ 1,610,995
Net OPEB liability as a % of covered payroll		-21.15%	-22.94%	-101.22%	-35.30%	-45.07%	-4.76%	79.89%



Accounting Information

(Continued)

Schedule of Changes in the District's Net OPEB Liability and Related Ratios

(concluded)

Fiscal Year Ending June 30	2024	2023	2022	2021	2020	2019	2018
Measurement Date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Discount Rate on Measurement Date	6.00%	6.15%	6.75%	6.75%	6.75%	6.75%	6.75%

Notes to Schedule - assumptions used to develop the results shown above

ation Date 6/30/20	
tion	

Valuation Date	6/30/2023	/08/9	6/30/2021	/08/9	6/30/2019	6/30/2017	2017
Actuarial cost method	Entry Age Normal	Entry Age	Entry Age Normai	Entry Age Normal	e Normal	Entry Age Normal	e Normal
Amortization method	Level % of Pay	% level %	Level % of Pay	Level %	Level % of Pay	Level % of Pay	of Pay
Amortization period	30 years	19 years	20 years	21 years	22 years	23 years	24 years
Accet walnution mothers	Market Value of	10/1+00/2008	A 7000	10/1400			
	Assets	ואומו עבר אמור	Mainer Value Of Assers	iviar ket vall	iviar ket value of Assets	Market value of Assets	ie ot Assets
Inflation	2.50%	2.50%	%0	2.75%	5%	2.75%	5%
	6.5% in 2025	5 7% in 2022 a	5 7% in 2022 grading down to	7. vi % 7. 7.	6 E% in 2024 to E%	7 50, 12, 20	24 O ± 0 E 0/
Healthcare cost trend rates	decreasing to	2.7.2 III 57.7.2 FOC all 700 N	facing cowin to	3. 1 1 1 2. C	0/5 C3 75	%5.03 ETOZ III %5.7	%C O1 6TC
	3.9% by 2075	4.0% 111 20.4	4.0% III 20/0 and later	% c.O m	ın v.5% steps	ın 0.5% steps	steps

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Healthcan

Mortality	

Retirement age

#
Mortality Improvement

50 to 75	CalPERS 2014 Study	MacLeod Watts 2017 generationally
50 to 75	CalPERS 2017 Study	MacLeod Watts 2018 generationally
50 to 75	CalPERS 2017 Study	MacLeod Watts 2020 generationally
50 to 75	CalPERS 2021	MacLeod Watts 2022 generationally

3.25% 6.75%

3.25% 6.75%

6.75%

6.15%

800.9 3%

3.00%



Schedule of Contributions

The chart below shows the Actuarially Determined Contribution (ADC), the District's contribution, and the excess or shortfall. Contributions and covered employee payroll for the fiscal year ending 2023 are estimates and should be updated when known.

Fiscal Year Ending		2024	72	2023	2022	2021	12		2020		2019		2018
Actuarially Determined Contribution (ADC) Contributions in relation to the ADC	φ.	231,595 \$ 231,595	ζ, ΄	58,057 \$ 213,949	52,539 ; 97,558	₩ "	138,060 \$ 38,567	\$	136,307 \$ 181,215	٠,	176,711 \$ 182,104	ر ب	256,997 1,579,105
Contribution deficiency (excess)	w	\$		\$ (268'55	- \$ (155,892) \$ (45,019) \$		99,493	Ş	(44,908)	\$	99,493 \$ (44,908) \$ (5,393) \$ (1,322,108)	\$	1,322,108)
Covered employee payroll Contributions as a % of covered payroll Percent of ADC contributed	45	2,700,000 \$ 8.58%	2,	2,598,271 \$ 8.23% 369%	2,310,720 \$ 4.22% 185.69%		2,265,018 \$ 1.70% 27.93%		2,219,965 8.16% 132.95%	₩	2,004,990 \$ 9.08% 103.05%	10.	1,610,995 98.02% 614.44%

Notes to Schedule - assumptions used to develop Actuarially Determined Contributions

Valuation Date	6/30/2023	6/30/2021	2021	6/30/2019	2019	6/30/2017	2017
Actuarial cost method	Entry Age Normal	Entry Age Normal	Normal	Entry Age Normal	. Normal	Entry Age Normal	Normal
Amortization method	Level % of Pay	Level % of Pay	of Pay	Level % of Pay	of Pay	Level % of Pay	of Pay
Amortization period	30 years	19 years	20 years	21 years	22 years	23 years	24 years
	Market Value	Markot Value of Accete	o of Accore	Markot Value of Accete	o of Accete	Market Walie of Accete	o of Accore
Asset valuation method	Assets	IVIGINEL VAIN	C OI ASSELS	Niginet vaid	le of Assets	ואומו אכנ אמומ	e or Assets
Inflation	2.50%	2.50%	%(2.75%	82%	2.75%	%9
	6.5% in 2025	C 7% is 3032 grading down to	ading down to	6 5% in 2021 to 5%	121 +0 5%	7 5% in 2019 to 5%	19 to 5%
Healthcare cost trend rates	decreasing to 3.9%	4.0% in 2076 and later	sand later	in 0.5% steps	steps	in 0.5% steps	steps
	5/ 70 ya						
Salary increases	3%	3.00%	%(3.25%	2%	3.25%	2%
Investment rate of return	6.00%	6.75%	%9	%5/29	%5	%5/.9	%
Retirement age	50 to 75	50 to 75	.75	50 to 75	75	50 to 75	75
4	CalPERS 2021	Calbers 2017 Study	117 S±11dy	Calpers 2017 Study	317 Stridy	CalbeRs 2014 Study	71.4 Study
Nortality	Study	Cair End 20	try Study	במוז בווט צו	יבי שנשט יבי	כפור בווט בי	ידי סומתא
	MacLeod Watts	MacLood Watts 2020	(atts 2020	Macleod Watts 2018	1 41+c 2018	7105 stts/M bod Matte 2017	Jatte 2017
Mortality Improvement	2022	100000000000000000000000000000000000000	المدين حرجن	* 200000	ionolli.	10000000	ionollis
	generationally	generationality	Ollaliy	generationany	iOllairy	generationally	Ulally

Detail of Changes to Net Position

The chart below details changes to all components of Net Position.

	Total	Fiduciary	Net		(d) Deferi	(d) Deferred Outflows:		(e)	(e) Deferred Inflows:	NS:	Impact on
Midway City Sanitapy District	OPEB	Net	OPEB								Statement of
	Liability	Position	Liability	Assumption	Plan	Investment	Deferred	Assumption	Plan	Investment	Net Position
	(a)	(p)	(c) = (a) - (b)	Changes	Experience	Experience	Contributions	Changes	Experience	Experience	(f) = (c) - (d) + (e)
Balance at Fiscal Year Ending 6/30/2023 Measurement Date 6/30/2022	\$ 5,597,772 \$ 6,127,737	\$ 6,127,737	\$ (529,965) \$	\$ 446,869	- \$	\$ 1,218,382	\$ 213,949	\$ 20,644	-	\$ 707,407	\$ (994,349)
Changes During the Period:											
Service Cost	202,087		202,087			*********					202.087
interest Cost	350,112		350,112							************	350,112
Expected Investment Income		376,762	(376,762)				•				(376.762)
Employer Contributions		213,949	(213,949)				_				(213,949)
Changes of Benefit Terms	1		1		•						(2: 5(3-1)
Administrative expenses		(3,059)	3,059								3.059
Benefit Payments	(213,949)	(213,949)	j								ţ
Assumption Changes	(77,148)		(77,148)					77,148			•
Plan Experience	108,993		108,993		108,993						r
Investment Experience		16,061	(16,061)							16,061	•
Recognized Deferred Resources				(82,635)	(15,705)	(326,888)	(213,949)	(20,251)	(211,477)	(239,015)	168,434
Contributions After Measurement Date							231,595				(231,595)
Net Changes in Fiscal Year 2023-2024	370,095	389,764	(19,669)	(82,635)	93,288	(326,888)	17,646	56,897	(211,477)	(222,954)	(98,614)
Balance at Fiscal Year Ending 6/30/2024 Measurement Date 6/30/2023	\$ 5,967,867 \$ 6,517,501	\$ 6,517,501	\$ (549,634)	\$ (549,634) \$ 364,234 \$	93,288	\$ 891,494	\$ 231,595	\$ 77,541	\$ 475,288	\$ 484,453	\$ (1,092,963)



Accounting Information

(Continued)

Schedule of Deferred Outflows and Inflows of Resources

A listing of all deferred resource bases used to develop the Net Position and OPEB Expense is shown below. Deferred Contributions are not shown.

Measurement Date: June 30, 2023

	מ	Deferred Outflow or (Inflow)	or (Inflow)				Recog	Recognition of Deferred Outflow or Deferred (Inflow) in Measurement Period:	red Outflow	or Deferred (I	nflow) in Me	asurement Pe	riod:
		Impact on				Balance							
Date		Net OPEB	ınitial	Period	Annual	as of	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	
Created	Source	Liability (NOL)	Amount	(Yrs)	Recognition .	Jun 30, 2023	(FYE 2024)	(FYE 2025) ((FYE 2026)	(FYE 2027)	(FYE 2028)	(FYE 2029)	Thereafter
	Plan	Decreased											
6/30/2019	Experience	NOL	\$ (781,423)	6.26	\$ (124,828) \$		(157,283) \$ (124,828) \$ (124,828) \$	\$ (124,828) \$	(32,455) \$	•	- \$	- \$	٠ \$
	Assumption	Decreased											
6/30/2019	Changes	NOL	(57,184)	6.26	(9,135)	(11,509)	(9,135)	(9,135)	(2,374)	•	•	1	1
	Investment	Increased											
6/30/2019	Earnings	NOL	30,114	5.00	6,023		6,022	,		*	*	ŝ	1
	Investment	Increased											
6/30/2020	Earnings	NOL	177,755	2.00	35,551	35,551	35,551	35,551	1	,	'	ı	1
	Plan	Decreased											
6/30/2021	Experience	NOL	(577,952)	6.67	(86,649)	(318,005)	(86,649)	(86,649)	(86,649)	(86,649)	(58,058)	'	-
	Assumption	Increased											
6/30/2021	Changes	NOL	144,567	6.67	21,674	79,545	21,674	21,674	21,674	21,674	14,523	-	1
	investment	Decreased											
6/30/2021	Earnings	NOL	(1,179,013)	5.00	(235,803)	(471,604)	(235,803)	(235,803)	(235,801)	•	•	,	1
	Assumption	Increased											
6/30/2022	Changes	NOL	406,611	6.67	60,961	284,689	60,961	60,961	60,961	60,961	60,961	40,845	
	Investment	Increased											
6/30/2022	Earnings	NOL	1,426,573	5.00	285,315	855,943	285,315	285,315	285,315	285,313	•	1	
	Plan	increased											
6/30/2023	Experience	NOL	108,993	6.94	15,705	93,288	15,705	15,705	15,705	15,705	15,705	15,705	14,763
	Assumption	Decreased											
6/30/2023	Changes	NOL	(77,148)	6.94	(11,116)	(66,032)	(11,116)	(11,116)	(11,116)	(11,116)	(11,116)	(11,116)	(10,452)
	Investment	Decreased											
6/30/2023	Earnings	NOL	(16,061)	5.00	(3,212)	(12,849)	(3,212)	(3,212)	(3,212)	(3,212)	(3,213)	1	1



Detail of District Contributions to the Plan

District contributions to the Plan occur as benefits are paid to or on behalf of retirees and/or as contributions are made to the OPEB trust. Benefit payments may occur in the form of direct payments for premiums ("explicit subsidies") and/or indirect payments to retirees in the form of higher premiums for active employees ("implicit subsidies"). Note that the implicit subsidy contribution does not represent cash payments to retirees, but rather the reclassification of a portion of active healthcare expense to be recognized as a retiree healthcare cost. For details, see Appendices for a description of implicit subsidy plan contributions.

The District reported the following OPEB contributions paid during the measurement period.

For the Measurement Period,	MCSD
Jul 1, 2022 thru Jun 30, 2023	
Employer	
(a) Contribution To Trust	\$ -
(b) Benefits Paid Directly To or On Behalf of Retirees	178,924
(c) Implicit Subsidy Payment	35,025
Trust	
(d) Benefits Paid Directly To or On Behalf of Retirees	-
(e) Reimbursements to Employer	-
Total Benefits Paid During the MP, (b)+(c)+(d)	213,949
Employer Contribution During the MP, (a)+(b)+(c)-(e)	213,949

We estimate the District's OPEB contributions made after the measurement date but prior to the current fiscal year end in the chart below. These estimates should be updated with the actual amounts once known after the close of the year.

For the Fiscal Year, Jul 1, 2023 thru Jun 30, 2024	MCSD
Employer	
(f) Contribution To Trust	\$ 177,303
(g) Benefits Paid Directly To or On Behalf of Retirees	212,038
(h) Implicit Subsidy Payment	54,292
Trust	
(i) Benefits Paid Directly To or On Behalf of Retirees	~
(j) Reimbursements to Employer	212,038
Total Benefits Paid During the Current FY, (g)+(h)+(i)	266,330
Employer Contribution During the Current FY, (f)+(g)+(h)-(j)	231,595



Projected Benefit Payments (15-year projection)

The following is an estimate of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from the District. Expected annual benefits have been projected on the basis of the actuarial assumptions outlined in Section 3.

	Projected Annual Benefit Payments									
Fiscal Year	I	xplicit Subsid	y	- 1	mplicit Subsid	y				
Ending	Current	Future		Current	Future	T / 1				
June 30	Retirees	Retirees	Total	Retirees	Retirees	Total		Total		
2024	\$ 212,038	\$ -	\$ 212,038	\$ 54,292	\$ -	\$ 54,292	\$	266,330		
2025	196,731	33,012	229,743	44,167	13,004	57,171		286,914		
2026	185,478	56,463	241,941	22,097	24,072	46,169		288,110		
2027	190,423	79,920	270,343	26,357	31,547	57,904		328,247		
2028	186,906	106,462	293,368	20,579	46,563	67,142		360,510		
2029	190,681	124,484	315,165	24,323	48,776	73,099		388,264		
2030	194,239	153,790	348,029	28,505	58,481	86,986		435,015		
2031	197,578	177,956	375,534	33,187	78,777	111,964		487,498		
2032	196,453	194,217	390,670	38,420	86,415	124,835		515,505		
2033	194,759	213,536	408,295	44,257	89,753	134,010		542,305		
2034	186,885	253,134	440,019	35,830	117,016	152,846		592,865		
2035	177,053	256,705	433,758	26,530	94,447	120,977		554,735		
2036	166,067	267,103	433,170	13,946	87,607	101,553		534,723		
2037	152,807	298,068	450,875	-	115,129	115,129		566,004		
2038	152,157	295,626	447,783	-	93,181	93,181		540,964		

The amounts shown in the Explicit Subsidy section of the table reflect the expected payment by the District toward retiree medical premiums in each of the years shown. The amounts are shown separately, and in total, for those retired on the valuation date ("current retirees") and those expected to retire after the valuation date ("future retirees"). The explicit subsidy benefit amount shown for FYE 2024 is currently an estimate and will be replaced with the actual amount, once known.

The amounts shown in the Implicit Subsidy section reflect the estimated excess of retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees' coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).



Sample Journal Entries

OPEB Accounts at	By Sour		Sources Co	
Beginning of Fiscal Year	Debit	Credit	Debit	Credit
Net OPEB Liability	529,965	İ	529,965	
Deferred Outflow:				
Assumption Changes	446,869			
Plan Experience	••			
Investment Experience	1,218,382			
Contribution Subsequent to MD Deferred Outflows	213,949		1,879,200	
Deferred Inflow:				
Assumption Changes		20,644		
Plan Experience		686,765		
Investment Experience		707,407		
Deferred Inflows				1,414,816
Record Benefits Paid to Retirees	Debit		Cred	it
Net OPEB Liability	212,03	18		
Cash			212,0	38
Record Contributions to the Trust	Debit		Cred	it
Net OPEB Liability	177,30	13		
Cash			177,3	03
Record Reimbursements from the Trust	Debit	.	Cred	it
Cash	212,03	8		
Net OPEB Liability			212,0	38
Record Implicit Subsidy Payment	Debit		Cred	it
Net OPEB Liability	54,292	2		
Premium Expense			54,29) 2
Record End of Year	By Source	te	Sources Co	mbined
Updates to OPEB Accounts	Debit	Credit	Debit	Credit
Net OPEB Liability		211,926		211,926
Deferred Outflow:				
Assumption Changes		82,635		
Plan Experience	93,288	22.5		
Investment Experience Contribution Subsequent to MD	17 646	326,888		
Deferred Outflows	17,646			298,589
Deferred Inflow:				
Assumption Changes		56,897		
Plan Experience	211,477			
Investment Experience	222,954			
Deferred Inflows			377,534	
OPEB Expense	132,981		132,981	



E. Funding Information

The employer's OPEB funding policy and level of contributions to an irrevocable OPEB trust directly affects the discount rate which is used to calculate the OPEB liability to be reported in the employer's financial statements. Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes. Prefunding also improves the security of benefits for current and potential future recipients and contributes to intergenerational taxpayer equity by better matching the cost of the benefits to the service years in which they are "earned" and which correspond to years in which taxpayers benefit from those services.

Paying Down the UAAL

Once an employer decides to prefund, a decision must be made about how to pay for benefits related to accumulated prior service that have not yet been funded (the Unfunded Actuarial Accrued Liability, or UAAL⁴). This is most often, though not always, handled through structured amortization payments. The period and method chosen for amortizing this unfunded liability can significantly affect the Actuarially Determined Contribution (ADC) or other basis selected for funding the OPEB program.

Much like paying off a mortgage, when the Actuarial Accrued Liability (AAL) exceeds plan assets, choosing a longer amortization period to pay off the UAAL means smaller payments, but the payments will be required for more years; plan investments will have less time to work toward helping reduce required contribution levels. When the plan is in a surplus position, the reverse is true, and a longer amortization period is usually preferable.

There are several ways the amortization payment can be determined. The most common methods are calculating the amortization payment as a level dollar amount or as a level percentage of payroll. The employer might also choose to apply a shorter period when the UAAL only when it is positive, i.e., when trust assets are lower than the AAL, but opt for a longer period or to exclude amortization of a negative UAAL, when assets exceed the AAL. The entire UAAL may be amortized as one single component or may be broken into multiple components reflecting the timing and source of each change, such as those arising from assumption changes, benefit changes and/or liability or investment experience.

The amortization period(s) should not exceed the number of years which would allow current trust assets plus future contributions and earnings to be sufficient to pay all future benefits and trust expenses each year. Prefunding of OPEB is optional and contributions at any level are permitted. However, if trust sufficiency is not expected, a discount rate other than the assumed trust return will likely be required for accounting purposes.

Funding and Prefunding of the Implicit Subsidy

An implicit subsidy liability is created when retiree medical claims are expected to exceed the premiums charged for retiree coverage. Recognition of the estimated implicit subsidy each year is handled by an accounting entry, reducing the amount paid for active employees and shifting that amount to be treated as a retiree healthcare expense/contribution (see Sample Journal Entries). The implicit subsidy is a true benefit to the retiree but can be difficult to see when medical premiums are set as a flat rate for both actives and pre-Medicare retirees.

⁴ We use actuarial, rather than accounting, terminology to describe the components used to develop the ADCs.



Funding Information (Continued)

This might lead some employers to believe the benefit is not real or is merely an accounting construct, and thus to forgo prefunding of retiree implicit benefits.

Consider what would happen if the retiree premiums were based only on expected retiree claims experience. Almost certainly, retiree premiums would increase while premiums for active employees would go down if the active premiums no longer had to help support the higher retiree claims. Who would pay the increases in retiree premiums? Current plan documents and bargaining agreements would have to be consulted. Depending on circumstances, the increase in retiree premiums might remain the responsibility of the employer, pass entirely to the retirees, or some blending of the two. The answer would determine whether separate retiree-only premium rates would result in a higher or lower employer OPEB liability. In the current premium structure, with blended active and pre-Medicare retiree premiums, the employer is clearly, though indirectly, paying the implicit retiree cost.

The prefunding decision is complex. OPEB materiality, budgetary concerns, desire to use the full trust rate in developing the liability for GASB 75, and other factors must be weighed by each employer. Since prefunding OPEB benefits is not required, each employer's OPEB prefunding strategy will depend on how they balance these competing perspectives.

Development of the Actuarially Determined Contributions

The District has approved development of ADCs based on the following two components, which are then adjusted with interest to each fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the negative unfunded actuarial accrued liability (a surplus) over an open 30-year period with level dollar payments.

Actuarially Determined Contributions, developed as described above for the District's fiscal years ending June 30, 2024, 2025 and 2026 are shown the exhibit on the next page. These ADCs incorporate both explicit (cash benefit) and implicit subsidy benefit liabilities. Contributions credited toward meeting the ADC will be comprised of:

- 1) direct payments to insurers toward retiree premiums, to the extent not reimbursed to the District by the trust; plus
- 2) each year's implicit subsidy payment; and
- 3) contributions to the OPEB trust.

ADCs determined on this basis should provide for trust sufficiency, based on the current plan provisions and census data, provided all assumptions are exactly realized and if the District contributes 100% or more of the ADC each year. When an agency commits to funding the trust at or above the ADC, the expected long-term trust return may be used as the discount rate in determining the plan liability for accounting purposes. Trust sufficiency cannot be guaranteed to a certainty, however, because of the non-trivial risk that the assumptions used to project future benefit liabilities may not be realized.



Funding Information (Continued)

We develop the Actuarially Determined Contributions (ADCs) for fiscal years ending June 30, 2024, June 30, 2025, and June 30, 2026 from the results of this valuation.

Valuation date	6			6/30/2023			
Discount rate		6.00%					
Number of Covered Employees							
Actives				32			
Retirees				21			
Total Participants				53			
For fiscal year ending	(5/30/2024		6/30/2025		6/30/2026	
Actuarial Present Value of Projected Benefits	\$	8,487,976	\$	8,722,934	\$	8,950,789	
Actuarial Accrued Liability (AAL)							
Actives		3,143,493		3,589,743		4,043,366	
Retirees		2,824,374		2,739,190		2,655,417	
Total AAL		5,967,867		6,328,933		6,698,783	
Actuarial Value of Assets		6,517,501		6,873,815		7,239,691	
Unfunded AAL (UAAL)		(549,634)		(544,882)		(540,908)	
UAAL Amortization method		Level Dollar		Level Dollar		Level Dollar	
Remaining amortization period (years)		30		30		30	
Amortization Factor		14.5907		14.5907		14.5907	
Actuarially Determined Contribution (ADC)							
Normal Cost	\$	261,618	\$	269,467	\$	277,551	
Amortization of UAAL		(37,670)		(37,344)		(37,072)	
Interest to fiscal year end		7,647		8,239		8,273	
Total ADC		231,595		240,362		248,752	

As described on the prior page, OPEB funding consists of 3 different sources. The chart below estimates how these 3 contribution sources would apply toward satisfying the ADC for each of these years.

1 Implicit subsidy contribution	\$ 54,292	\$ 57,171	\$ 46,169
Additional payments needed to meet ADC	177,303	183,191	202,583
2 Estimated agency paid premiums for retirees	212,038	229,743	241,941
3 Estimated agency contribution to OPEB trust	(34,735)	(46,552)	(39,358)
Total Expected Employer Contributions (1+2+3)	\$ 231,595	\$ 240,362	\$ 248,752

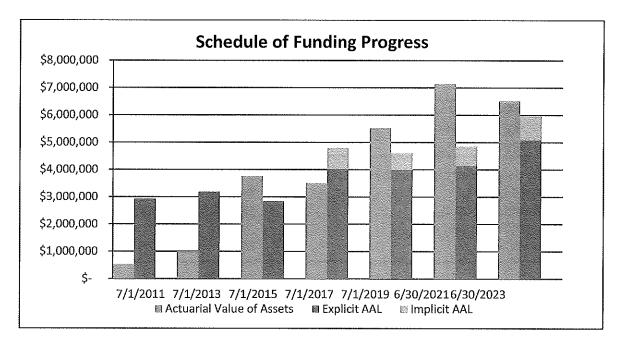
Estimated contributions are illustrated for FYEs 2024 - 2026. If the intent is to get to full ADC funding for these three years, and if retiree benefit payments for those years are lower than our projection, the distribution from the trust should be decreased to balance so that total contributions equal or exceed the ADC each year.



Funding Information (Concluded)

In this section, we provide a review of key components of valuation results from 2011 through 2023.

		Sc	hedule of Fundir	ng Progres	5		
			Unfunded		-	UAAL as a	•
	Actuarial	Actuarial	Actuarial			Percentage	
Actuarial	Value of	Accrued	Accrued	Funded	Covered	of Covered	
Valuation	Assets	Liability	Liability	Ratio	Payroll	Payroll	Discount
Date	(a)	(b)	(b-a)	(a/b)	(c)	((b-a)/c)	Rate
7/1/2011	\$ 526,085	\$ 2,925,475	\$ 2,399,390	18.0%	\$ 1,592,879	150.6%	7.50%
7/1/2013	\$ 997,620	\$ 3,187,342	\$ 2,189,722	31.3%	\$ 1,505,332	145.5%	7.00%
7/1/2015	\$ 3,751,818	\$ 2,839,996	\$ (911,822)	132.1%	\$ 1,550,911	-58.8%	7.00%
7/1/2017	\$ 3,507,041	\$ 4,796,396	\$ 1,289,355	73.1%	\$ 1,610,995	80.0%	6.75%
7/1/2019	\$ 5,528,142	\$ 4,624,531	\$ (903,611)	119.5%	\$ 2,004,990	-45.1%	6.75%
6/30/2021	\$ 7,142,408	\$ 4,849,797	\$ (2,292,611)	147.3%	\$ 2,265,018	-101.2%	6.75%
6/30/2023	\$ 6,517,501	\$ 5,967,867	\$ (549,634)	109.2%	\$ 2,598,271	-21.2%	6.00%



Significant changes during this period include:

- June 30, 2017: Significant change to number of covered or eligible plan members; higher than expected premiums; updated District subsidy
- June 30, 2019: Premiums and estimated claims other than expected; updated demographic assumptions.
- **June 30, 2021**: Premiums and estimated claims lower than expected; updated healthcare trend; retiree retention other than expected.
- June 30, 2023: Lower expected trust return/discount rate, change in assumed future retiree participation and updated healthcare trend; earlier retirements than expected



F. Certification

The primary purposes of this report are: (1) to provide actuarial information of the other postemployment benefits (OPEB) provided by the Midway City Sanitary District (the District) in compliance with Statement 75 of the Governmental Accounting Standards Board (GASB 75); and (2) to provide Actuarially Determined Contributions for prefunding of this program in conformity with the District's OPEB funding policy. The District is not required to contribute the ADC shown in this report and we make no representation that it will, in fact, fund the OPEB trust at any particular level.

In preparing this report we relied without audit on information provided by the District. This information includes, but is not limited to, plan provisions, census data, and financial information. We performed a limited review of this data and found the information to be reasonably consistent. The accuracy of this report is dependent on this information and if any of the information we relied on is incomplete or inaccurate, then the results reported herein will be different from any report relying on more accurate information.

We consider the actuarial assumptions and methods used in this report to be individually reasonable under the requirements imposed by GASB 75 and taking into consideration reasonable expectations of plan experience. The results provide an estimate of the plan's financial condition at one point in time. Future actuarial results may be significantly different due to a variety of reasons including, but not limited to, demographic and economic assumptions differing from future plan experience, changes in plan provisions, changes in applicable law, or changes in the value of plan benefits relative to other alternatives available to plan members.

Alternative assumptions may also be reasonable; however, demonstrating the range of potential plan results based on alternative assumptions was beyond the scope of our assignment except to the limited extent required by GASB 75 and in accordance with the District's stated OPEB funding policy. Results for accounting purposes may be materially different than results obtained for other purposes such as plan termination, liability settlement, or underlying economic value of the promises made by the plan.

This report is prepared solely for the use and benefit of the District and may not be provided to third parties without prior written consent of MacLeod Watts. Exceptions: the District may provide copies of this report to their professional accounting and legal advisors who are subject to a duty of confidentiality, and the District may provide this work to any party if required by law or court order. No part of this report should be used as the basis for any representations or warranties in any contract or agreement without the written consent of MacLeod Watts.

The undersigned are unaware of any relationship that might impair the objectivity of this work. Nothing within this report is intended to be a substitute for qualified legal or accounting counsel. The signing actuaries are members of the American Academy of Actuaries and meet the qualification standards for rendering this opinion.

Signed: December 13, 2023

Catherine L. MacLeod, FSA, FCA, EA, MAAA

J. Kevin Watts, FSA. FCA, MAAA



G. Supporting Information

Section 1 - Summary of Employee Data

Active employees: The District reported 32 active members in the data provided to us for the June 30, 2023, valuation. Of these, 29 were enrolled in the medical program, with 3 waiving coverage.

	Distribution of Benefits-Eligible Active Employees										
Current Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 & Up	Total	Percent			
Under 25							0	0%			
25 to 29	1	2					3	9%			
30 to 34		1					1	3%			
35 to 39	2	3	1				6	19%			
40 to 44		3				1	4	13%			
45 to 49	1	1	2	1		1	6	19%			
50 to 54		2	1		2	2	7	22%			
55 to 59						2	2	6%			
60 to 64			į į		2	1	3	9%			
65 to 69							0	0%			
70 & Up							0	0%			
Total	4	12	4	1	4	7	32	100%			
Percent	13%	38%	13%	3%	13%	22%	100%				

Valuation	<u>June 2021</u>	<u>June 2023</u>
Average Attained Age for Actives	47.8	45.9
Average Years of Service	12.6	9.5

Retirees: There are also 21 retirees receiving benefits under this program on the valuation date. Their current ages are summarized in the chart at right, as well as the average age at retirement.

Retirees by Age									
Current Age	Number	Percent							
Below 50	0	0%							
50 to 54	2	10%							
55 to 59	0	0%							
60 to 64	3	14%							
65 to 69	6	29%							
70 to 74	1	5%							
75 to 79	2	10%							
80 & up	7	33%							
Total	21	100%							
Average Age:									
On 6/30/2023	73.0								
At retirement	57.5								

Summary of Plan Member Counts: The numbers of those members currently or potentially eligible to receive benefits under the OPEB plan are required to be reported in the notes to the financial statements.

Summary of Plan Member Cou	nts
Number of active plan members	32
Number of inactive plan members currently receiving benefits	21
Number of inactive plan members entitled to but not receiving benefits	8



Section 1 - Summary of Employee Data (continued)

The chart below reconciles the number of actives and retirees included in the June 2021 valuation of the District plan with those included in the June 2023 valuation:

Reconciliation of District Plan Members Between Valuation Dates										
Status	Covered Actives	Waiving Actives	Covered Retirees	Covered Surviving Spouses	Total					
Number reported as of June 30, 2021	26	1	15	4	46					
New employees	8	2			10					
Separated employees	(1)				(1)					
New retiree, elected coverage	(4)		4		0					
New retiree, waiving coverage					0					
Deceased			(3)	1	(2)					
Number reported as of June 30, 2023	29	3	16	5	53					

The number of active plan members decreased by 5, or about 19%.

The number of covered retirees and survivors increased by 2, representing an 11% increase. There were 4 new retirements between valuations. All of these new retirees elected District coverage.

The particular medical plan chosen and the level of coverage selected (e.g., single, two-party) both impact the District's OPEB liability. The following exhibit summarizes the enrollment elections for all current active and retired members:

	Actives								
Enrollment by Plan, Status,				Pre 65			Pos	7.0	
and Coverage Level		Two			Two			Two	Grand
	Single	Party	Family	Single	Party	Family	Single	Party	Total
Anthem Select Region 2			3						3
Blue Shield Access Region 2	1			•					1
Blue Shield Access Region 3			3	1			1		5
Health Net Smart Care Region 3		1							1
Kaiser Region 2	1	4	9			2	1	2	19
Kaiser Region 3			2						2
PERS Platinum OOS							1	1	2
PERS Platinum Region 1					1				1
PERS Platinum Region 2	1	1				1			3
PERS Platinum Region 3							3		3
UHC Region 2		2	1				1	1	5
UHC Region 3							2	2	4
Waived Coverage	3						1		4
Total	6	8	18	1	1	3	10	6	53



Section 2 - Summary of Retiree Benefit Provisions

OPEB provided: The District reported to us that the only OPEB provided is medical coverage.

Access to coverage: Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS: either (a) attainment of age 50 (age 52, for miscellaneous PEPRA employees) with 5 years of State or public agency service or (b) an approved disability retirement.

The employee must begin his or her **pension benefit** within 120 days of terminating employment with the District to be eligible to continue medical coverage through the District and be entitled to the benefits described below. It is the timing of initiating pension benefits and not timing of enrollment in the medical program which determines whether the retiree qualifies for lifetime medical coverage and benefits defined in the PEMHCA resolution. Once eligible, coverage may be continued at the retiree's option for his or her lifetime. A surviving spouse and other eligible dependents may also continue coverage. If an eligible employee is not already enrolled in the medical plan, he or she may enroll within 60 days of retirement, during any future open enrollment period or with a qualifying life event.

Retiree medical benefits provided: The District maintains a PEMHCA resolution which currently provides for the agency to contribute 100% of medical premiums for the retiree, spouse and other eligible covered dependents up to a stated monthly maximum. Retirees pay the remainder of the premium, if any, in excess of this amount. The maximum monthly benefit amounts in effect during the term of the current MOU are:

Calendar Year	District-Paid Maximum		
2020	\$	1,875	
2021	\$	1,875	
2022	\$	1,875	
2023	\$	1,875	

Premium rates: The 2024 CalPERS monthly medical plan rates in Region 2 are shown in the table below. If different rates apply where the member resides outside of this area, those rates are reflected in the valuation, but not listed here. The CalPERS administration fee is assumed to be expensed each year and has not been projected as an OPEB liability in this valuation.

Region 2 2024 Health Plan Rates								
Actives and Pre-Med Retirees Medicare Eligible Ro						Retirees		
Plan	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+		
Anthem Select HMO	807.71	1,615.42	2,100.05	405.83	811.66	1,217.49		
Blue Shield Access+ HMO & EPO	869.14	1,738.28	2,259.76	392.68	785.36	1,178.04		
Kaiser HMO*	904.95	1,809.90	2,352.87	386.55	773.10	1,159.65		
PERS Platinum	1,151.50	2,303.00	2,993.90	448.15	896.30	1,344.45		
UHC Alliance HMO**	837.88	1,675.76	2,178.49	366.01	732.02	1,098.03		

^{*}Medicare rates shown are for Kaiser Medcare Advantage Summit

^{**}Medicare rates shown are for UHC Medicare Advantage Edge



Section 3 - Actuarial Methods and Assumptions

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These payments depend only on the terms of the plan and the administrative arrangements adopted. Actuarial assumptions are used to estimate the cost of these benefits; the funding method spreads the expected costs on a level basis over the life of the plan.

Important Dates

Valuation Date June 30, 2023

Fiscal Year End June 30, 2024

GASB 75 Measurement Date June 30, 2023 (last day of the prior fiscal year)

Valuation Methods

Funding Method Entry Age Normal Cost, level percent of pay

Asset Valuation Method Market value of assets

Participants Valued Only current active employees and retired participants and

covered dependents are valued. No future entrants are

considered in this valuation.

Development of Age-related Medical Premiums

Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, "Health Care Costs — From Birth to Death", sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts's Age Rating Methodology (see Appendices).

Monthly baseline premium costs were set equal to the active single premiums shown in the chart in Section 2. Representative claims costs derived from the dataset provided by CalPERS are shown in the chart on the following page. Estimated age-based claims were applied (a) for all retirees not yet eligible for Medicare and (b) for Medicare retirees covered by Medicare

Supplement (but not Medicare Advantage) plans.



Section 3 - Actuarial Methods and Assumptions

Medical Premiums (continued) Development of Age-related

				Exp	ected Moi	Expected Monthly Claims by Medical Plan for Selected Ages - Male	s by Medic	sal Plan fo	ır Selecte	Ages - N	lale		
			Non-Iv	Non-Medicare Retirees	etirees		100		Med	Medicare Retirees	rees		
Region	Medical Plan .	- 50	53	- 26	- 29	29		70	75	80	85	- 06	95
Region 1	PERS Platinum PPO	1,299	1,531	1,779	2,039	2,318	381	427	464	486	480	458	454
	Anthem Select HMO	\$ 793	\$ 935	\$ 1,086	\$ 1,245	\$ 1,415	Cl	aims not ι	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
	Blue Shield Access+ HMO	967	1,141	1,325	1,518	1,726	C	aims not ι	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
Region 2	Kaiser HMO	839	686	1,149	1,317	1,497	C	aims not ι	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
	PERS Platinum PPO	1,081	1,275	1,480	1,697	1,929	381	427	464	486	480	458	454
	UHC Alliance HMO	831	980	1,138	1,304	1,482	Ü	aims not ι	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
	Blue Shield Access+ HMO	847	666	1,161	1,330	1,512	C	aims not c	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
Region 3	Kaiser HMO	811	926	1,110	1,272	1,447	C	aims not c	heveloped	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
7 10 20 1	PERS Platinum PPO	1,085	1,279	1,486	1,703	1,936	381	427	464	486	480	458	454
	UHC Alliance HMO	807	951	1,105	1,266	1,440	בֿ	aims not c	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
Out of State	PERS Platinum	819	965	1,121	1,285	1,461	381	427	464	486	480	458	454
	<u> </u>			Expe	cted Mon	Expected Monthly Claims by Medical Plan for Selected Ages - Female	by Medica	al Plan for	Selected.	Ages - Fel	nale		
			Non-IV	Non-Medicare Retirees	etirees				Med	Medicare Retirees	rees		
Region	Medical Plan	50	53	- 26	65	- 62		70	75	80	85	06	95
Region 1	PERS Platinum PPO	1,609	1,768	1,902	2,055	2,266	365	413	447	467	471	462	454
	Anthem Select HMO	\$ 983	\$ 1,079	\$ 1,161	\$ 1,255	\$ 1,383	C	aims not c	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
	Blue Shield Access+ HMO	1,199	1,316	1,417	1,531	1,687	C	aims not c	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
Region 2	Kaiser HMO	1,040	1,142	1,229	1,328	1,464	CL	aims not ι	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
	PERS Platinum PPO	1,340	1,471	1,583	1,711	1,886	365	413	447	467	471	462	454
	UHC Alliance HMO	1,029	1,131	1,217	1,315	1,449	Cl	aims not c	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
	Blue Shield Access+ HMO	1,050	1,153	1,241	1,341	1,478	C	aims not c	developed	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
Region 3	Kaiser HMO	1,005	1,103	1,187	1,283	1,414	Ch	aims not c	<i>leveloped</i>	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
200	PERS Platinum PPO	1,345	1,477	1,589	1,717	1,893	365	413	447	467	471	462	454
	UHC Alliance HMO	1,000	1,098	1,182	1,277	1,407	כוי	aims not c	<i>leveloped</i>	for Medic	are Advan	Claims not developed for Medicare Advantage plans	
Out of State	PERS Platinum	1,014	1,114	1,199	1,295	1,428	365	413	447	467	471	462	454



Section 3 - Actuarial Methods and Assumptions

Economic Assumptions

Long Term Return on Assets

6.0% as of June 30, 2023, and 6.15% as of June 30, 2022, net of

plan investment related expenses

Discount Rate

6.0% as of June 30, 2023, and 6.15% as of June 30, 2022

General Inflation Rate

2.5% per year

Salary Increase

3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.

Healthcare Trend Medical plan premiums and estimated claims costs by age are assumed to increase once each year. Increases over the prior year's levels are assumed to be effective on the dates shown in the chart below.

Effective	Premium	Effective	Premium
January 1	Increase	January 1	Increase
2024	Actual	2040-2043	4.8%
2025	6.5%	2044-2049	4.7%
2026	6.0%	2050-2059	4.6%
2027	5.5%	2060-2065	4.5%
2028	5.4%	2066-2067	4.4%
2029	5.3%	2068-2069	4.3%
2030	5.2%	2070	4.2%
2031	5.1%	2071-2072	4.1%
2032-2037	5.0%	2073-2074	4.0%
2038-2039	4.9%	2075 & later	3.9%

The healthcare trend shown above was developed using the Getzen Model 2023 published by the Society of Actuaries using the following settings: CPI 2.5%; Real GDP Growth 1.4%; Excess Medical Growth 1.0%; Expected Health Share of GDP in 2032 20%; Resistance Point 21%; Year after which medical growth is limited to growth in GDP 2075.

Employer Cost Sharing

Maximum District-paid benefits are assumed to increase at the Healthcare Trend rates shown above.



Supporting Information

(Continued)

Section 3 - Actuarial Methods and Assumptions

Participant Election Assumptions

Participation Rate Current actives: 100% are assumed to continue their current

plan election in retirement pre-65. 90% are assumed to continue their current enrollment post-65. If not currently enrolled, the employee is assumed to elect coverage in the Kaiser Region 2

plan.

Retired participants: If currently under 65, 90% are assumed to continue after reaching age 65 until their death. If currently over

65, all are assumed to continue for life.

Spouse Coverage Active employees: 75% are assumed to be married and elect

coverage for their spouse in retirement. Surviving spouses are assumed to retain coverage until their death. Husbands are

assumed to be 3 years older than their wives.

Retired participants: Existing elections for spouse coverage are assumed to be continued until the spouse's death. Actual spouse ages are used, where known; if not, husbands are

assumed to be 3 years older than their wives.

Spouse gender is assumed to be the opposite of the employee.

Dependent Coverage An existing election for coverage of dependent children for

current active employees and current retirees is assumed to

continue until the youngest child is age 26.

Medicare Eligibility Absent contrary data, all individuals are assumed to be eligible

for Medicare Parts A and B at age 65.



Section 3 - Actuarial Methods and Assumptions

Demographic Assumptions

Demographic actuarial assumptions used in this valuation are based on the 2021 experience study of the California Public Employees Retirement System using data from 1997 to 2019, except for a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. The representative mortality rates were the published CalPERS rates, then projected as described below.

Mortality Before Retirement

Mis	CalPERS Public Agency Miscellaneous Non- Industrial Deaths				
Age	Male	Female			
15	0.00018	0.00010			
20	0.00039	0.00014			
30	0.00044	0.00019			
40	0.00075	0.00039			
50	0.00134	0.00081			
60	0.00287	0.00179			
70	0.00594	0.00404			
80	0.01515	0.01149			

Mortality After Retirement (before improvement applied)

Heal	lthv	Lives
neai	ILIIV	Lives

	*				
CalPI	ERS Public	Agency			
Misce	Miscellaneous, Police &				
Fire	Post Retir	ement			
	Mortality				
Age	Male	Female			
40	0.00075	0.00039			
50	0.00271	0.00199			
60	0.00575	0.00455			
70	0.01340	0.00996			
80	0.04380	0.03403			
90	0.14539	0.11086			
100	0.36198	0.31582			
110	1.00000	1,00000			

Disabled Miscellaneous

CalPERS Public Agency Disabled Miscellaneous Post-Retirement Mortality				
Age	Male	Female		
20	0.00411	0.00233		
30	0.00452	0.00301		
40	0.00779	0.00730		
50	0.01727	0.01439		
60	0.02681	0.01962		
70	0.04056	0.02910		
80	0.08044	0.06112		
90	0.16770	0.14396		

Mortality Improvement

MacLeod Watts Scale 2022 applied generationally from 2017 (see Appendices)



Section 3 - Actuarial Methods and Assumptions

Termination Rates

Each rate in this table reflects the probability that an employee with that age and service will end its employment with the agency in the next 12 months for reasons other than retirement or death.

		i <mark>s Employe</mark> (S Experier				
Attained	ttained Years of Service					
Age	0	3	5	10	15	20
15	0.1851	0,0000	0.0000	0.0000	0.0000	0,0000
20	0.1851	0.0927	0.0843	0,0000	0.0000	0.0000
25	0.1769	0.0927	0.0843	0.0377	0,0000	0.0000
30	0.1631	0.0802	0,0804	0.0377	0.0180	0.0000
35	0.1493	0.0677	0.0715	0.0366	0.0180	0.0141
40	0.1490	0.0583	0.0627	0.0337	0.0180	0.0141
45	0.1487	0.0538	0.0562	0.0309	0.0166	0.0141

	Female Miscellaneous Employees: Sum of Vested Terminated & Refund Rates From CalPERS Experience Study Report Issued November 2021						
Attained	d Years of Service						
Age	0	3	-5	10	15	20	
15	0.1944	0.1944 0.0000 0.0000 0.0000 0.0000 0.0000					
20	0.1944	0.1085	0.1074	0.0000	0.0000	0.0000	
25	0.1899	0.1085	0.1074	0.0502	0.0000	0.0000	
30	0.1824	0.0977	0.1041	0.0502	0.0252	0.0000	
35	0.1749	0.0869	0.0925	0.0491	0.0252	0.0175	
40	0.1731	0.0777	0.0809	0.0446	0,0252	0.0175	
45	0.1713	0.0710	0.0730	0.0401	0.0213	0.0175	

Disability Retirement Rates

	CalPERS Public Agency					
	Miscellaneous Disability					
From N	From Nov 2021 Experience					
Study Report						
Age	Male	Female				
20	20 0.00007 0.00004					
25	25 0.00007 0.00009					
30	0.00017	0.00033				
35	0.00035	0.00065				
40	0.00091	0.00119				
45	0.00149	0.00185				
50	0.00154	0.00193				
55	0.00139	0.00129				
60	0.00124	0.00094				



Section 3 - Actuarial Methods and Assumptions

Service Retirement Rates

The following miscellaneous retirement formulas apply:

If hired prior to 7/1/2009:

3.0% @ 60

If hired on or after 7/1/2009, with prior PERS Service 2.0% @ 55

If hired on or after 1/1/2013, PEPRA:

2.0% @ 62

Sample rates of assumed future retirements applicable to each of these retirement benefit formulas are shown in tables on the following page. Each rate reflects the probability that an employee with that age and service will take a service retirement in the next 12 months.

From C	Miscellaneous Employees: 3.0% at 60 formula From CalPERS Experience Study Report Issued November 2021						
Current	Current Years of Service						
Age	5	10	15	20	25	- 30	
50	0.0150	0.0200	0.0250	0.0390	0.0400	0.0440	
55	0.1370	0.0430	0.0510	0.0650	0.0760	0.1080	
60	0.0810	0.0850	0.1330	0.2150	0.2800	0.3330	
65	0.1520	0.2010	0.2620	0.2990	0.3230	0.3230	
70	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450	
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	

From Cal	Miscellaneous Employees: 2% at 55 formula From CalPERS Experience Study Report Issued November 2021					
Current	Years of Service					
Age	5	10	15	20	25	30
50	0.0140	0.0140	0.0170	0.0210	0.0230	0.0240
55	0.0450	0.0420	0.0530	0.0860	0.0980	0.1230
60	0.0590	0.0640	0.0830	0.1150	0.1540	0.1700
65	0.1670	0.1870	0.2100	0.2620	0.2880	0.2910
70	0.2290	0.2290	0.2290	0.2290	0.2290	0.2290
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

	Miscellaneous "PEPRA" Employees: 2% at 62 formula From CalPERS Experience Study Report Issued November 2021					
Current	Years of Service					
Age	5	10	15	20	25	30
50	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
55	0.0100	0.0190	0.0280	0.0360	0.0610	0.0960
60	0.0310	0.0510	0.0710	0.0910	0.1110	0.1380
65	0.1080	0.1410	0.1730	0.2060	0.2390	0.3000
70	0.1200	0.1560	0.1930	0.2290	0.2650	0.3330
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000



Section 3 - Actuarial Methods and Assumptions

Software and Models Used in the Valuation

ProVal - MacLeod Watts utilizes ProVal, a licensed actuarial valuation software product from Winklevoss Technologies (WinTech) to project future retiree benefit payments and develop the OPEB liabilities presented in this report. ProVal is widely used by the actuarial community. We review results at the plan level and for individual sample lives and find them to be reasonable and consistent with the results we expect. We are not aware of any material inconsistencies or limitations in the software that would affect this actuarial valuation.

Age-based premiums model – developed internally and reviewed by an external consultant at the time it was developed. See discussion on Development of Age-Related Medical Premiums in Appendices.

Getzen model – published by the Society of Actuaries; used to derive medical trend assumptions described earlier in this section.

Changes in assumptions or methods since the prior Measurement Date

Trust rate of return	
and discount rate	Decreased from 6.15% to 6.00%, reflecting current expected trust return information provided by CalPERS applied to the projected annual benefit cashflows and incorporating a 15 basis point margin for potential adverse return.
Demographic Assumptions	Updated demographic assumptions from those in the 2019

Updated demographic assumptions from those in the 2019 CalPERS experience study to those recommended in the CalPERS 2021 Experience Study report issued November 2021

The mortality improvement scale was updated from MacLeod Watts Scale 2020 to MacLeod Watts Scale 2022, reflecting continued updates in available information (see Appendices).

Updated the base healthcare trend scale from Getzen Model 2021_b to Getzen Model 2023, as published by the Society of Actuaries

Following a review of recent and historical retiree participation elections, we made the following changes:

- Future retirees: Increased from 95% to 100% for coverage prior to age 65 and decreased from 95% to 90% for coverage after age 65.
- Current retirees under 65: We decreased assumed participation on reaching age 65 from 100% to 90% to continue coverage for the remainder of the retiree's lifetime.



Healthcare Trend

Participation Rates

Appendix 1: Important Background Information

General Types of Other Post-Employment Benefits (OPEB)

Post-employment benefits other than pensions (OPEB) comprise a part of compensation that employers offer for services received. The most common OPEB are medical, prescription drug, dental, vision, and/or life insurance coverage. Other OPEB may include outside group legal, long-term care, or disability benefits outside of a pension plan. OPEB does not generally include COBRA, vacation, sick leave (unless converted to defined benefit OPEB), or other direct retiree payments.

A direct employer payment toward the cost of OPEB benefits is referred to as an "explicit subsidy". In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an "implicit subsidy" of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

	Expected retiree claims	
Promittee charged 5		Covered by higher
Premium charged f	active premiums	
D-ti	Agency portion of premium	
Retiree portion of premium	Explicit subsidy	Implicit subsidy

This chart shows the sources of funds needed to cover expected medical claims for pre-Medicare retirees. The portion of the premium paid by the Agency does not impact the amount of the implicit subsidy.

Valuation Process

The valuation was based on employee census data and benefits provided by the District. A summary of the employee data is provided in Section 1 and a summary of the benefits provided under the Plan is provided in Section 2. While individual employee records have been reviewed to verify that they are reasonable in various respects, the data has not been audited and we have otherwise relied on the District as to its accuracy. The valuation was also based on the actuarial methods and assumptions described in Section 3.

In developing the projected benefit values and liabilities, we first determine an expected premium or benefit stream over the employee's future retirement. Benefits may include both direct employer payments (explicit subsidies) and/or an implicit subsidy, arising when retiree premiums are expected to be subsidized by active employee premiums. The projected benefit streams reflect assumed trends in the cost of those benefits and assumptions as to the expected date(s) when benefits will end. We then apply assumptions regarding:

- The probability that each individual employee will or will not continue in service to receive benefits.
- The probability of when such retirement will occur for each retiree, based on current age, service and employee type; and
- The likelihood that future retirees will or will not elect retiree coverage (and benefits) for themselves and/or their dependents.



Important Background Information (Continued)

We then calculate a present value of these benefits by discounting the value of each future expected benefit payment, multiplied by the assumed expectation that it will be paid, back to the valuation date using the discount rate. These benefit projections and liabilities have a very long time horizon. The final payments for currently active employees may not be made for many decades.

The resulting present value for each employee is allocated as a level percent of payroll each year over the employee's career using the entry age normal cost method and the amounts for each individual are then summed to get the results for the entire plan. This creates a cost expected to increase each year as payroll increases. Amounts attributed to prior fiscal years form the "Total OPEB Liability". The OPEB cost allocated for active employees in the current year is referred to as "Service Cost".

Where contributions have been made to an irrevocable OPEB trust, the accumulated value of trust assets ("Fiduciary Net Position") is applied to offset the "Total OPEB Liability", resulting in the "Net OPEB Liability". If a plan is not being funded, then the Net OPEB Liability is equal to the Total OPEB Liability.

It is important to remember that an actuarial valuation is, by its nature, a projection of one possible future outcome based on many assumptions. To the extent that actual experience is not what we assumed, future results will differ. Some possible sources of future differences may include:

- A significant change in the number of covered or eligible plan members
- A significant increase or decrease in the future premium rates
- A change in the subsidy provided by the Agency toward retiree premiums
- Longer life expectancies of retirees
- Significant changes in estimated retiree healthcare claims by age, relative to healthcare claims for active employees and their dependents
- Higher or lower returns on plan assets or contribution levels other than were assumed, and/or
- Changes in the discount rate used to value the OPEB liability



Important Background Information (Continued)

Requirements of GASB 75

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This Statement establishes standards for the measurement, recognition, and disclosure of OPEB expense and related liabilities (assets), note disclosures, and required supplementary information (RSI) in the financial reports of state and local governmental employers.

Important Dates

GASB 75 requires that the information used for financial reporting falls within prescribed timeframes. Actuarial valuations of the total OPEB liability are generally required at least every two years. If a valuation is not performed as of the Measurement Date, then liabilities are required to be based on roll forward procedures from a prior valuation performed no more than 30 months and 1 day prior to the most recent year-end. In addition, the net OPEB liability is required to be measured as of a date no earlier than the end of the prior fiscal year (the "Measurement Date").

Recognition of Plan Changes and Gains and Losses

Under GASB 75, gains and losses related to changes in Total OPEB Liability and Fiduciary Net Position are recognized in OPEB expense systematically over time.

- Timing of recognition: Changes in the Total OPEB Liability relating to changes in plan benefits are recognized immediately (fully expensed) in the year in which the change occurs. Gains and Losses are amortized, with the applicable period based on the type of gain or loss. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.
- Deferred recognition periods: These periods differ depending on the source of the gain or loss.

Difference between projected and actual trust earnings:

5 year straight-line recognition

All other amounts:

Straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the Measurement Period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.



Important Background Information (Continued)

Implicit Subsidy Plan Contributions

An implicit subsidy occurs when estimated retiree claims exceed the premiums charged for retiree coverage. When this occurs, we expect part of the premiums paid for active employees to cover a portion of retiree claims. This transfer represents the current year's "implicit subsidy". Because GASB 75 treats payments to an irrevocable trust or directly to the insurer as employer contributions, each year's implicit subsidy is treated as a contribution toward the payment of retiree benefits.

The following hypothetical example illustrates this treatment:

Hypothetical Illustration of Implicit Subsidy Recognition			For Retired Employees		
Prior to implicit S	ubsidy Ad	ljustment			
Premiums Paid by Agency During Fiscal Year		411,000	\$	48,000	
Accounting Treatment		Compensation Cost for Active Employees		Contribution to Plan & Benefits Paid from Plan	
After Implicit Su	bsidy Adju	ustment			
Premiums Paid by Agency During Fiscal Year		411,000	\$	48,000	
Implicit Subsidy Adjustment		(23,000)		23,000	
Accounting Cost of Premiums Paid		388,000	\$	71,000	
	3	s Compensation		s Contributions	
Accounting Treatment Impact		Cost for Active Employees		to Plan & Benefits Paid from Plan	

The example above shows that total payments toward active and retired employee healthcare premiums is the same, but for accounting purposes part of the total is shifted from actives to retirees. This shifted amount is recognized as an OPEB contribution and reduces the current year's premium expense for active employees.



Important Background Information (Concluded)

Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate.

Actuarial Funding Method and Assumptions

The "ultimate real cost" of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These expenditures are dependent only on the terms of the plan and the administrative arrangements adopted, and as such are not affected by the actuarial funding method.

The actuarial funding method attempts to spread recognition of these expected costs on a level basis over the life of the plan, and as such sets the "incidence of cost". GASB 75 specifically requires that the actuarial present value of projected benefit payments be attributed to periods of employee service using the Entry Age Actuarial Cost Method, with each period's service cost determined as a level percentage of pay.

The results of this report may not be appropriate for other purposes, where other assumptions, methodology and/or actuarial standards of practice may be required or more suitable.



Appendix 2: MacLeod Watts Age Rating Methodology

Both accounting standards (e.g., GASB 75) and actuarial standards (e.g., ASOP 6) require that expected retiree claims, not just premiums paid, be reflected in most situations where an actuary is calculating retiree healthcare liabilities. Unfortunately, the actuary is often required to perform these calculations without any underlying claims information. In most situations, the information is not available, but even when available, the information may not be credible due to the size of the group being considered.

Actuaries have developed methodologies to approximate healthcare claims from the premiums being paid by the plan sponsor. Any methodology requires adopting certain assumptions and using general studies of healthcare costs as substitutes when there is a lack of credible claims information for the specific plan being reviewed.

Premiums paid by sponsors are often uniform for all employee and retiree ages and genders, with a drop in premiums for those participants who are Medicare-eligible. While the total premiums are expected to pay for the total claims for the insured group, on average, the premiums charged would not be sufficient to pay for the claims of older insureds and would be expected to exceed the expected claims of younger insureds. An age-rating methodology takes the typically uniform premiums paid by plan sponsors and spreads the total premium dollars to each age and gender intended to better approximate what the insurer might be expecting in actual claims costs at each age and gender.

The process of translating premiums into expected claims by age and gender generally follows the steps below.

- 1. Obtain or Develop Relative Medical Claims Costs by Age, Gender, or other categories that are deemed significant. For example, a claims cost curve might show that, if a 50 year old male has \$1 in claims, then on average a 50 year old female has claims of \$1.25, a 30 year male has claims of \$0.40, and an 8 year old female has claims of \$0.20. The claims cost curve provides such relative costs for each age, gender, or any other significant factor the curve might have been developed to reflect. Section 3 provides the source of information used to develop such a curve and shows sample relative claims costs developed for the plan under consideration.
- 2. Obtain a census of participants, their chosen medical coverage, and the premium charged for their coverage. An attempt is made to find the group of participants that the insurer considered in setting the premiums they charge for coverage. That group includes the participant and any covered spouses and children. When information about dependents is unavailable, assumptions must be made about spouse age and the number and age of children represented in the population. These assumptions are provided in Section 3.
- 3. Spread the total premium paid by the group to each covered participant or dependent based on expected claims. The medical claims cost curve is used to spread the total premium dollars paid by the group to each participant reflecting their age, gender, or other relevant category. After this step, the actuary has a schedule of expected claims costs for each age and gender for the current premium year. It is these claims costs that are projected into the future by medical cost inflation assumptions when valuing expected future retiree claims.

The methodology described above is dependent on the data and methodologies used in whatever study might be used to develop claims cost curves for any given plan sponsor. These methodologies and assumptions can be found in the referenced paper cited as a source in the valuation report.



Appendix 3: MacLeod Watts Mortality Projection Methodology

Actuarial standards of practice (e.g., ASOP 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP 6, Measuring Retiree Group Benefits Obligations) indicate that the actuary should reflect the effect of mortality improvement (i.e., longer life expectancies in the future), both before and after the measurement date. The development of credible mortality improvement rates requires the analysis of large quantities of data over long periods of time. Because it would be extremely difficult for an individual actuary or firm to acquire and process such extensive amounts of data, actuaries typically rely on large studies published periodically by organizations such as the Society of Actuaries or Social Security Administration.

As noted in a recent actuarial study on mortality improvement, key principles in developing a credible mortality improvement model would include the following:

- (1) Short-term mortality improvement rates should be based on recent experience.
- (2) Long-term mortality improvement rates should be based on expert opinion.
- (3) Short-term mortality improvement rates should blend smoothly into the assumed long-term rates over an appropriate transition period.

The MacLeod Watts Scale 2022 was developed from a blending of data and methodologies found in two published sources: (1) the Society of Actuaries Mortality Improvement Scale MP-2021 Report, published in October 2021 and (2) the demographic assumptions used in the 2021 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, published August 2021.

MacLeod Watts Scale 2022 is a two-dimensional mortality improvement scale reflecting both age and year of mortality improvement. The underlying base scale is Scale MP-2021 which has two segments—(1) historical improvement rates for the period 1951-2017 and (2) an estimate of future mortality improvement for years 2018-2020 using the Scale MP-2021 methodology but utilizing the assumptions used in generating Scale MP-2015. The MacLeod Watts scale then transitions from the 2020 improvement rate to the Social Security Administration (SSA) Intermediate Scale linearly over the 10-year period 2021-2030. After this transition period, the MacLeod Watts Scale uses the constant mortality improvement rate from the SSA Intermediate Scale from 2030-2044. The SSA's Intermediate Scale has a final step in 2045 which is reflected in the MacLeod Watts scale for years 2045 and thereafter. Over the ages 95 to 117, the age 95 improvement rate is graded to zero.

Scale MP-2021 can be found at the SOA website and the projection scales used in the 2021 Social Security Administrations Trustees Report at the Social Security Administration website.



Glossary

<u>Actuarial Funding Method</u> – A procedure which calculates the actuarial present value of plan benefits and expenses, and allocates these expenses to time periods, typically as a normal cost and an actuarial accrued liability

<u>Actuarial Present Value of Projected Benefits (APVPB)</u> – The amount presently required to fund all projected plan benefits in the future. This value is determined by discounting the future payments by an appropriate interest rate and the probability of nonpayment.

<u>CalPERS</u> – Many state governments maintain a public employee retirement system; CalPERS is the California program, covering all eligible state government employees as well as other employees of other governments within California who have elected to join the system

<u>Defined Benefit (DB)</u> – A pension or OPEB plan which defines the monthly income or other benefit which the plan member receives at or after separation from employment

<u>Deferred Contributions</u> – When an employer makes contributions after the measurement date and prior to the fiscal year end, recognition of these contributions is deferred to a subsequent accounting period by creating a deferred resource. We refer to these contributions as Deferred Contributions.

<u>Defined Contribution (DC)</u> – A pension or OPEB plan which establishes an individual account for each member and specifies how contributions to each active member's account are determined and the terms of distribution of the account after separation from employment

<u>Discount Rate</u> - Interest rate used to discount future potential benefit payments to the valuation date. Under GASB 75, if a plan is prefunded, then the discount rate is equal to the expected trust return. If a plan is not prefunded (pay-as-you-go), then the rate of return is based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

<u>Expected Average Remaining Service Lifetime (EARSL)</u> – Average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period

<u>Entry Age Actuarial Cost Method</u> — An actuarial funding method where, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to the last age at which benefits can be paid

<u>Explicit Subsidy</u> – The projected dollar value of future retiree healthcare costs expected to be paid directly by the Employer, e.g., the Employer's payment of all or a portion of the monthly retiree premium billed by the insurer for the retiree's coverage

<u>Fiduciary Net Position</u> —The value of trust assets used to offset the Total OPEB Liability to determine the Net OPEB Liability.

<u>Government Accounting Standards Board (GASB)</u> – A private, not-for-profit organization which develops generally accepted accounting principles (GAAP) for U.S. state and local governments.

<u>Health Care Trend</u> – The assumed rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to increases in the cost of healthcare; contributing factors include medical inflation, frequency or extent of utilization of services and technological developments.



Glossary (Continued)

<u>Implicit Subsidy</u> — The projected difference between future retiree claims and the premiums to be charged for retiree coverage; this difference results when the claims experience of active and retired employees are pooled together and a 'blended' group premium rate is charged for both actives and retirees; a portion of the active employee premiums subsidizes the retiree premiums.

<u>Net OPEB Liability (NOL)</u> – The liability to employees for benefits provided through a defined benefit OPEB. Only assets administered through a trust that meet certain criteria may be used to reduce the Total OPEB Liability.

<u>Net Position</u> – The Impact on Statement of Net Position is the Net OPEB Liability adjusted for deferred resource items

<u>OPEB Expense</u> – The OPEB expense reported in the Agency's financial statement. OPEB expense is the annual cost of the plan recognized in the financial statements.

Other Post-Employment Benefits (OPEB) — Post-employment benefits other than pension benefits, most commonly healthcare benefits but also including life insurance if provided separately from a pension plan

<u>Pay-As-You-Go (PAYGO)</u> – Contributions to the plan are made at about the same time and in about the same amount as benefit payments and expenses coming due

<u>PEMHCA</u> – The Public Employees' Medical and Hospital Care Act, established by the California legislature in 1961, provides community-rated medical benefits to participating public employers. Among its extensive regulations are the requirements that a contracting Agency contribute toward medical insurance premiums for retired annuitants and that a contracting Agency file a resolution, adopted by its governing body, with the CalPERS Board establishing any new contribution.

<u>Plan Assets</u> – The value of cash and investments considered as 'belonging' to the plan and permitted to be used to offset the AAL for valuation purposes. To be considered a plan asset, GASB 75 requires (a) contributions to the OPEB plan be irrevocable, (b) OPEB assets to dedicated to providing OPEB benefit to plan members in accordance with the benefit terms of the plan, and (c) plan assets be legally protected from creditors, the OPEB plan administrator and the plan members.

<u>Public Agency Miscellaneous (PAM)</u> – Non-safety public employees.

<u>Select and Ultimate</u> – Actuarial assumptions which contemplate rates which differ by year initially (the select period) and then stabilize at a constant long-term rate (the ultimate rate)

<u>Service Cost</u> – Total dollar value of benefits expected to be earned by plan members in the current year, as assigned by the actuarial funding method; also called normal cost

<u>Total OPEB Liability (TOL)</u> – Total dollars required to fund all plan benefits attributable to service rendered as of the valuation date for current plan members and vested prior plan members; a subset of "Actuarial Present Value"

<u>Vesting</u> – As defined by the plan, requirements which when met make a plan benefit nonforfeitable on separation of service before retirement eligibility



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AGENDA ITEM #7C

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Milo Ebrahimi, P.E., District Engineer

Subject: Approve and File the Engineer Report for December 2023.

BACKGROUND

District Engineer prepares a monthly report for the Board of Directors to inform about engineering and engineering related activities. This report includes monthly progress of District projects, reviewed plans, sewer department projects and activities, trainings and meetings, preventive maintenances and repairs of the district assets, and more.

DISCUSSION

1. District Building Project by Woodcliff

1.1. The new office building:

- 1.1.1. Contractor finished drywall inside of the building.
- 1.1.2. Contractor finished interior painting.
- 1.1.3. Contractor finished the cabinets and the front desk inside the building.
- 1.1.4. Contractor finished the ceiling tiles inside the building.
- 1.1.5. Contractor is working on lighting inside of the building.
- 1.1.6. Contractor is working on flooring tiles inside the building.
- 1.1.7. Contractor is working on low voltage cabling inside the building.

1.2. The locker room building:

- 1.2.1. Contractor finished drywall inside of the Locker room building.
- 1.2.2. Contractor finished interior painting inside of the Locker room building.
- 1.2.3. Contractor is working on flooring tiles inside of the Locker room building.

1.3. Solar Carport

1.3.1. Contractor finished the excavation of foundations for carport columns and installing columns.

1.4. Housekeeping and dust control:

- 1.4.1. District communicates with the contractor to resolve any housekeeping issues.
- 1.4.2. Contractor sweeps nails and sharp objects with big magnets frequently.

2. Plans Reviewed

- 2.1. Sewer permits (this month): 18.
- 2.2. Sewer permits (this fiscal year): 83.
- 2.3. Development projects (trash enclosures and/or sewer lines): 5.

3. Westminster Mall project

- 3.1. The Conditional Will Serve Letter is prepared and sent to the developer's engineer for review.
- 3.2. District has not received any comments on the Conditional Will Serve Letter yet.

4. Sewer department projects

4.1. Sewer System Master Plan (SSMP)

- 4.1.1. SSMP is in progress. There is a monthly meeting with AKM about the progress.
- 4.1.2. Consultant will finish in about 7 months. A few months' delay is possible due to some missing As-Builts. A survey of the missing area or other approach might be needed to cover missing information for engineering analysis.
- 4.1.3. Consultant worked on developing sewer system model and utilizing GIS based software (task 2 of the project).
- 4.1.4. Consultant worked on assessing lift stations and developing capital rehabilitation program (task 7 of the project).

4.2. Cockroach Mitigation Project for sewer manholes

4.2.1. Contractor finished treating 1288 manholes on east side of the District.

4.3. Sewer lines CCTV project

- 4.3.1. District received 5 proposals from proposers.
- 4.3.2. District Engineer reviewed all the proposals.
- 4.3.3. District Engineer prepared a staff report for this project.

5. Sewer Department Activities

- 5.1. There was no emergency related repair for sewer system this month.
- 5.2. There was no sewer system overflow this month.
- 5.3.73 hotspot locations were cleaned.
- 5.4. About 48 hotspot locations were checked weekly.
- 5.5. About 51,000 linear feet of sewer line was cleaned on the west side.

6. Trainings and Meetings

- 6.1. District Engineer attended monthly meeting with District Engineer of Costa Mesa Sanitary District.
- 6.2. District Engineer helped Costa Mesa Sanitary District with being part of the Interview Panel for Engineering Technician position.
- 6.3. District Engineer attended Development Review Team meetings at the City of Westminster.

7. Preventive Maintenances (PM) and Repairs

- 7.1. The contractor performed the monthly PM services on the CNG station at the yard.
- 7.2. A repair was done on the portable generator in the yard. The portable generator is still not operational due to more issues. The contractor will need more parts to finish the repair.

FISCAL IMPACT

Informational report only.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve and file the Engineer Report.

AGENDA ITEM #7D

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Ashley Davies, Director of Services and Program Development

Subject: Approve the December 6, 2023 Outreach Committee Recommendations

BACKGROUND

At the April 5, 2022 meeting the Board approved the formation of a standing Outreach Committee. The Outreach Committee usually meets on the first Wednesday of each month to plan and discuss upcoming outreach activities. The Committee recommends continued radio and media outreach, averaging up to two radio programs per month on an ongoing basis.

The Outreach Committee met on December 6, 2023 and their recommendations are as follows:

- The Committee recommends that two of the three directors, Directors C. Nguyen, President A. Nguyen, or Director S. Contreras, participate in the radio outreach with Radio Bolsa. An appointment will be set up in January.
- 2. The Committee recommends that President M. Nguyen, Director T. Diep, or Director S. Contreras to attend the radio outreach with VNCR Radio. An appointment will be set up in January.
- 3. The Committee recommends moving forward with Open House Sponsorship Package with approval from the Board.
- 4. The Committee recommends approving a signing poster for Open House.
- 5. The next Outreach Committee meeting is planned for January 3, 2024 at 12:00 noon.

FISCAL IMPACT

The potential fiscal impact of the Outreach Committee's recommendations are as follows:

Monthly radio outreach

\$4,000

Open House signing poster

\$40

STAFF RECOMMENDATION

Staff recommends that the Board of Directors approve the Outreach Committee's recommendations as presented.

AGENDA ITEM #7E

Date: December 19, 2023

To: Board of Directors

Prepared by: Robert Housley, General Manager

Subject: Approve General Manager, Robert Housley's, Request for Leave Starting

December 11, 2023 through December 22, 2023, and Approve Acting Pay

for Director of Operations/Safety, Nicolas Castro

BACKGROUND

General Manager, Robert Housley is eligible for and is requesting that the Board of Directors approve Time Off Starting December 11, 2023 through December 22, 2023. While the General Manager is on leave, Director of Operations/Safety, Nicolas Castro will assume the duties of General Manager. Pursuant to District policy, the Board is to approve Acting Pay when an incumbent is absent, and the duties of the higher paid position are assigned to, and performed by, the designated employee for five (5) or more consecutive work days.

Policy For Acting Pay Salary Adjustments

- The employee is assigned by the Board of Directors to perform all or a majority of the significant duties of a budgeted, higher paid position from which an incumbent is absent;
- 2. The duties of the higher paid position are assigned to, and performed by, the designated employee for five (5) or more consecutive work days;
- 3. The assignment should be approved in advance by the Board of Directors but the Board of Directors may, in its discretion, retroactively provide an employee with Acting Pay from the time the incumbent becomes absent and the employee commences performance of the incumbent's duties;
- 4. Acting Pay shall not be provided during any period of paid leave taken by the employee during the assignment, nor shall Acting Pay apply to any leave time accrued by the employee during the assignment;
- 5. Employees shall be paid Acting Pay at the salary level of the position being filled. In no case shall an employee receive a salary greater than the salary range of the higher classification or incumbent; and

STAFF RECOMMENDATION

Staff recommends that the Board approve General Manager Housley's request for time off, and acting pay for the designated employees assigned to perform the General Manager's duties for five (5) or more consecutive work days.

FISCAL IMPACT

The potential fiscal impact of approving acting pay for the designated employees assigned to perform the General Manager's duties is \$1,151.

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RESOLUTION NO. 2014-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANITARY DISTRICT \mathbf{OF} COUNTY, CALIFORNIA, APPROVING A **POLICY ADJUSTMENTS** ACTING PAY SALARY UNREPRESENTED EMPLOYEES

THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT FINDS AND DETERMINES AS FOLLOWS:

- A. On occasion, circumstances may arise in which an unrepresented employee of the Midway City Sanitary District ("District") is requested to and agrees to perform, on an interim basis, the duties and responsibilities of another District employee of a higher pay class or grade while that other District employee is on an extended leave or while such position is vacant;
- Β. In such circumstances, the Board of Directors may determine that the unrepresented employee who assumes such duties and responsibilities should receive an interim salary adjustment for the period of time that such duties and responsibilities are performed; and
- C. The Board of Directors believes that the District should have a policy in place to establish the circumstances in which such interim salary adjustments may be implemented.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT AS FOLLOWS:

1. The Policy For Acting Pay Salary Adjustments attached hereto as Exhibit A is approved.

PASSED AND ADOPTED, at a regular meeting of the Board of Directors of Midway City Sanitary District of Orange County, California, held this 6th day of May 2014.

ATTES7

Al P. Krippner

Frank Cobo, President

CERTIFICATION

I, Al P. Krippner, Secretary of the Midway City Sanitary District of Orange County, California, do hereby certify that the foregoing Resolution No. 2014-05 was duly adopted at a regular meeting of the Board of Directors of said District, held on the 6th day of May 2014, by the following vote of the members of the Board:

AYES: Cobo, Neugebauer, Rice

NOES: Krippner

ABSTAIN: Diep

ABSENT:

and I further certify that Frank Cobo, as President and Al P. Krippner, as Secretary, signed and approved said Resolution on the 6th day of May 2014.

Al P. Krippner, Secretary

(District Seal)

STATE OF CALIFORNIA) §§ COUNTY OF ORANGE I, Al P. Krippner, Secretary of Midway City Sanitary District of Orange County, California, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2014-05 passed and adopted by the Board of Directors of said District at a regular meeting thereof held on the 6th day of May 2014. IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official Seal of said District this 6th day of May 2014. Al P. Krippner, Segretary (District Seal)

MIDWAY CITY SANITARY DISTRICT

Policy For Acting Pay Salary Adjustments

(Applicable To Unrepresented Employees Only)

I. PURPOSE AND SCOPE

The purpose of this policy is to outline the circumstances under which an unrepresented employee may be provided with an interim salary adjustment for work performed at a higher employment grade level during the absence of an incumbent, and to establish procedures for granting such a salary adjustment.

Acting Pay compensation may only be provided to a full-time unrepresented employee who assumes the duties and responsibilities, on an interim basis, for an employment position with a higher pay grade while retaining the duties and responsibilities associated with his/her own position.

For purposes of this policy, and unless otherwise directed by the Board of Directors, the term "Acting Pay" shall mean salary compensation at the then existing salary of the incumbent, in substitution for the employee's then existing salary. No other salary or compensation benefits shall be included within the meaning of "Acting Pay".

II. APPLICABILITY

- 1. Acting Pay may be provided to an unrepresented employee under the following conditions:
 - a. The employee is performing the duties and responsibilities of an employment position of a higher pay class or grade while retaining the duties associated with the employee's own existing employment position;
 - b. The incumbent of the higher level position is on extended leave or the position is vacant;
 - c. The absence of the incumbent of the higher level position or the vacancy is expected to continue for a minimum of five (5) consecutive working days:
 - d. No Acting Pay shall be provided in the absence of the approval of the Board of Directors;

- e. No authorization by the Board of Directors for Acting Pay shall be valid for longer than three (3) months without the renewed approval of the Board of Directors; and
- f. Except to the extent otherwise required by law, an employee receiving Acting Pay shall not receive any other adjustment of benefits during the period in which the employee receives Acting Pay.

III. POLICY

It is the policy of the Midway City Sanitary District to compensate an unrepresented employee for assuming, on an interim basis, some or all of the duties of another position from which an incumbent is absent, when all of the conditions set forth in Sections II and III herein have been met:

- 1. The employee is assigned by the Board of Directors to perform all or a majority of the significant duties of a budgeted, higher paid position from which an incumbent is absent;
- 2. The duties of the higher paid position are assigned to, and performed by, the designated employee for five (5) or more consecutive work days;
- 3. The assignment should be approved in advance by the Board of Directors but the Board of Directors may, in its discretion, retroactively provide an employee with Acting Pay from the time the incumbent becomes absent and the employee commences performance of the incumbent's duties;
- 4. Acting Pay shall not be provided during any period of paid leave taken by the employee during the assignment, nor shall Acting Pay apply to any leave time accrued by the employee during the assignment;
- 5. Employees shall be paid Acting Pay at the salary level of the position being filled. In no case shall an employee receive a salary greater than the salary range of the higher classification or incumbent; and
- 6. Acting Pay shall not be requested by the General Manager if the District budget has insufficient budget appropriations to meet the expense.

AGENDA ITEM #9A

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Siamlu Cox, Director of Finance and Human Resources

Subject: Resolution No. 2023-21

A Resolution of the Board of Directors of the Midway City Sanitary District of Orange County, California, Establishing Updated Procedures for the

Payment of Claims and Demands

BACKGROUND

Withdrawals of District money for the payment of District expenses is currently governed by Resolution No. 2023-15, adopted by the Board of Directors on June 27, 2023. Pursuant to Resolution No. 2023-15, the withdrawal of District money may be made by joint action of any two (2) of the following four individuals: the Board President, the Treasurer, the General Manager, and the Director of Finance and Human Resources; provided, however, that (1) such withdrawals must be consistent with the Annual Budget as approved by the Board and (2) such withdrawals (whether by check, warrant or electronic transfer) must be authorized by the Board of Directors through action to approve the payment of the regular expenses of the District. Accordingly, every Board Meeting agenda includes an item for the Board's approval of expenditures.

Assembly Bill (AB) 759 was approved by the Legislature earlier this year and signed by the Governor on June 29, 2023. AB 759 updated outdated procedures in the Sanitary District Act of 1923 to align the permitted procedures for the payment of claims and demands by sanitary districts more closely with those that govern cities and other types of special districts. Effective January 1, 2024, AB 759 expressly authorizes a sanitary district to adopt a procedure that provides for checks or warrants to pay claims and demands without approval by the Board before payment if: (1) the treasurer determines that the demands are payable within the district's approved budget; (2) the procedure contains appropriate internal controls with measures to prevent fraud and ensure accountability, and which are necessary for financial reporting in accordance with generally accepted accounting principles; and (3) demands so paid are presented to the board of directors at the next regular meeting for review.

DISCUSSION

Staff, in consultation with the District's General Counsel, has prepared a proposed Resolution and associated Accounts Payable Policy to implement the new procedures authorized by AB 759 for the Board's consideration. The new procedures provide for multiple levels of review and compliance with other internal controls prior to the payment

1804640.1 Page 1 | 2

of submitted invoices and other payment requests. In addition, the Treasurer or Treasurer Pro-Tem will continue to review all payments to determine and/or verify they are within the Budget approved by the Board. All payments in excess of the approved Budget will continue to require prior Board approval.

All payments issued by District Staff will be summarized in a disbursements report that will be presented to the Board for review at the next regular meeting in a format acceptable to the Board. The disbursements report will, at minimum, include the date, amount, and payee information for all payments.

Adoption of the proposed procedures will streamline the District's payment processes and ensure they strictly comply with the amended statutes governing sanitary districts. Per AB 759, while the Board will still "review" all payments at each Board meeting, Board "approval" of each payment will no longer be needed, and the District will no longer be required to list each approved payment, the fund from which it came, and its purpose in the Board meeting minutes.

The Board's current Polices and Procedures strictly dictate the format of Board meeting agendas and provide for "Approval of Expenditures" to be a separate agenda item. Pursuant to the law as amended by AB 759, in its discretion, the Board could now choose to makes its "review" or "receive and file" approved expenditures and/or could include such review as a Consent Calendar item, rather than as a separate stand-alone item. Such changes would require Staff to bring back a Resolution to amend the Board Policies and Procedures accordingly. Staff seeks the Board's direction on these issues.

FISCAL IMPACT

There is no cost associated with the adoption of Resolution 2023-21 or the Accounts Payable Policy.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors (1) adopt the attached Resolution establishing updated procedures for the payment of claims and demands and (2) provide direction regarding the form and agenda location for review of paid expenditures.

ATTACHMENTS:

- 1. Proposed Resolution
- 2. Accounts Payable Policy (Exhibit A to Resolution)

1804640.1 Page 2 | 2

RESOLUTION NO. 2023-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT OF ORANGE COUNTY, CALIFORNIA, ESTABLISHING UPDATED PROCEDURES FOR THE PAYMENT OF CLAIMS AND DEMANDS

The Board of Directors of the Midway City Sanitary District hereby finds, determines, declares, and resolves as follows:

WHEREAS, Health and Safety Code Sections 6794 and 6801, as amended by Assembly Bill 759 (2023), authorize the District's Board of Directors ("Board") to adopt a procedure that provides for checks or warrants to pay claims and demands without approval by the Board before payment if such claims or demands are payable within the District's approved budget and the procedure contains appropriate internal controls with measures to prevent fraud and ensure accountability and which are necessary for financial reporting in accordance with generally accepted accounting principles; and

WHEREAS, the procedures for withdrawal of District funds for the payment of regular expenses of the District is currently governed by Section 4 of Resolution No. 2023-15; and

WHEREAS, the Board of Directors (the "Board") wishes to update the procedures governing the withdrawal of District funds consistent with Health and Safety Code Sections 6794 and 6801; and

WHEREAS, the District's Staff has prepared an Accounts Payable Policy containing appropriate internal controls to prevent fraud, ensure accountability, and facilitate financial reporting in accordance with generally accepted accounting principles.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MIDWAY CITY SANITARY DISTRICT DOES RESOLVE, DECLARE, DETERMINE, AND ORDER AS FOLLOWS:

1. The withdrawal of District money may be made by joint action of any two (2) of the following four (4) individuals: the Board President, the Treasurer, the General Manager and the Director of Finance and Human Resources; provided, however, that said individuals shall make only those withdrawals of District's money (whether by check, warrant or electronic transfer) as are consistent with the Annual Budget (or any amendments, additions, modifications or corrections thereto) as approved by the Board of Directors.

1804115.1 Page 1 | 4

- 2. Pursuant to Health and Safety Code Sections 6794(b) and 6801(c), the Board President, the Treasurer, the General Manager and the Director of Finance and Human Resources are hereby authorized to withdraw District's money (whether by check, warrant or electronic transfer) to pay claims and demands, including District payroll, without approval of the Board of Directors before payment if such claims or demands are payable within the Annual Budget (or any amendments, additions, modifications or corrections thereto) as approved by the Board of Directors, as determined and/or verified by the Board Treasurer. All claims and demands so paid shall be presented to the Board of Directors at the next regular meeting for review in a format acceptable to the Board. Claims or demands exceeding the approved Annual Budget shall be subject to approval of the Board or Directors prior to payment.
- 3. The Accounts Payable Policy attached hereto as Exhibit "A" is hereby approved. The General Manager is hereby authorized to administratively update and make minor changes to the Accounts Payable Policy from time to time as necessary, provided such updates or changes are consistent with Health and Safety Code Sections 6794 and 6801 and this Resolution and do not significantly modify or reduce the measures included in the policy for purposes of preventing fraud and ensuring accountability.
- 4. The procedures adopted pursuant to this Resolution shall supersede any provisions or procedures previously enacted by resolution or other action of the District to the extent they are inconsistent with this Resolution, including, but not limited to, the provisions set forth in subsection (b) of Section 4 of Resolution No. 2023-15.
 - 5. This Resolution shall take effect on January 1, 2024.

PASSED AND ADOPTED, at a regular meeting of the Board of Directors of Midway City Sanitary District of Orange County, California, held this 19th day of December, 2023.

ATTEST:	Mark Nguyen, President
Andrew Nguyen, Secretary	

1804115.1 Page 2 | 4

CERTIFICATION

COUNTY OF ORANGE

I, Andrew Nguyen, Secretary of the Midway City Sanitary District of Orange				
County, California, do hereby certify that the foregoing Resolution No. 2023-21 was duly				
adopted at a meeting of the Board of Directors of said District, held on the 19th day of				
December, 2023, by the following vote of the members of the Board:				
AYES:				
NOES:				
ABSENT:				
and I further certify that Mark Nguyen, as President, and Andrew Nguyen, as Secretary,				
signed and approved said Resolution on the 19th day of December, 2023.				
				
Andrew Nguyen, Secretary				
(District Seal)				
STATE OF CALIFORNIA)				

I, Andrew Nguyen, Secretary of Midway City Sanitary District of Orange County, California, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2023-21 passed and adopted by the Board of Directors of said District at a meeting thereof held on the 19th day of December, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official Seal of said District on the 19th day of December, 2023.

(District	Andrew Nguyen, Secretary	—— Seal
`		•

1804115.1 Page 3 | 4

EXHIBIT "A"

MIDWAY CITY SANITARY DISTRICT ACCOUNTS PAYABLE POLICY



MIDWAY CITY SANITARY DISTRICT

ACCOUNTS PAYABLE

Policy:

It is the policy of the Midway City Sanitary District to pay vendor invoices within 30 days of receipt. In order to process accounts payable, the following procedures are to be followed.

General Information:

The accounts payable/check processing schedule requires that the invoice be approved by the employee who initiated the purchase, a division Director, and the General Manager.

Procedures:

Invoices are paid only from original invoices and will not be paid from copies or statements received from the vendor. Invoices are to be submitted electronically to AccoutsPayable@MidwayCitySanitaryCA.gov. If the vendor is not able to submit it electronically, then a paper copy of the invoice should be submitted to the Accountant.

All purchases should adhere to the Midway City Sanitary District's Purchasing Policy and Procedures.

Directors are responsible for the verification of invoices for payment, including the following items:

- Comparison of quantities billed on the invoice with quantities listed on the purchase order / contract or shown on the receiving documents.
- Comparison of prices, discounts, and terms with those specified on the purchase order / contract.
- Proof of clerical accuracy of the invoice with respect to extensions, mathematical accuracy, and deductions for discounts.
- Confirmation that payment of the invoice will not cause total payments to the vendor to exceed the total amount authorized under the terms of any applicable purchase order or contract.
- Confirmation that there are sufficient funds in the approved budget to cover the full amount of the invoice.

An approved invoice is required for all payments and is used to clearly document the invoices to be paid. An invoice is considered approved once it has been stamped, signed, and the information below is on the invoice. This information is then reviewed and approved by the Accountant.

- The date the invoice was received
- Vendor name and address
- The total amount of the check requested. This must match the final invoice amount.
- DESCRIPTION: Provide a description of the services provided.
- SV: The signature of the supervisor or employee that initiated the charge.
- DEPT: Department Head approval or Engineer.
- GM: General Manager Approval
- GL: The account number to which the expenditure is to be charged. If there are insufficient funds in the account, a budget adjustment may be required.
- Selection of the Department. The department to which the invoices are being charged against should be marked on the stamp. If more than one department is the be charged, the amount should be listed above the department initials.

Example of an approval stamp:

		FT SR SV:	SW
GM:		GL: _	
DESCRIPTIO	ON:		

After the proper approvals have been secured, the Accountant will process the request on the scheduled accounts payable check run.

Process:

The Accountant inputs the accounts payable data into the District's financial system. An accounts payable report is generated ("Unpaid Bills Detail"), printed, reviewed, and matched to the check run by the Director of Finance and Human Resources and is turned in to the General Manager for final approval.

Once the approval to proceed is received from the General Manager, the Accountant proceeds with the check payment processing.

Electronic Payments

Automated Clearing House (ACH) payments and wires will follow the same verification and approval procedures. Once the payment has been made, the proof of payment must be printed. Each proof of payment will be signed by the Board Treasurer, the General Manager, and the Director of Finance and Human Resources. The approved proof of payment and backup documentation will be entered into the finance system, entered into the electronic check log, and included with the disbursement report. The Accountant will file the paper copy.

The General Manager and Director of Finance and Human Resources will review and approve electronic payroll payments to verify and ensure accuracy and consistency with approved wage rates, salary schedules, and policies. All payments made for payroll will be included in the disbursement report for review.

Treasurer of the Board's Review

The Board Treasurer or the Treasurer Pro Tem will review and determine and/or verify that each check, warrant, or electronic transfer is payable within the Annual Budget (or any amendments, additions, modifications or corrections thereto) approved by the Board.

Issuance of Accounts Payable Checks

Disbursement checks are mailed after the final check proofing.

Check Log

Accounts payable checks are pre-numbered and secured in a locked location. All checks must be accounted for. Any damaged or voided checks are to be turned in to the Director of Finance and Human Resources.

Check Mailing

After the accounts payable checks are processed, the accounts payable run is recorded in the Check Log. The charges are automatically posted and reflected in the general ledger of the District's financial system. The checks are matched up with the approved invoices and duplicate copies of checks. The checks will be reviewed for accuracy before mailing. A vendor file is created and filed alphabetically in the vendor file according to fiscal year.

Accounts Payable Reports

At the end of the accounts payable process, the approved Unpaid Checks Detail report is filed by the Accountant.

Void Checks:

There are times when a check would need to be "voided" out of the system. For this process to occur a Void Check Authorization Form must be filled out and approved by the Director of Finance and Human Resources. The following information must be obtained:

- Check Number
- Amount
- Date
- Issued To
- Reason for void
- Stop Payment Required

Check being Reissued:

Once approval from the Director of Finance and Human Resources is obtained, the void check process is posted in the financial system. A copy of the void check authorization form is given to the Accountant indicating the posting date on the void check authorization form.

At the end of the void check process, the void checks and Void Check Authorization Forms are filed.

Review of Disbursements Report by Board

Approved and issued payments determined and/or verified by the Board Treasurer or Treasurer Pro Tem to be payable within the approved Budget shall be summarized in a disbursements report and presented to the Board of Directors for review at the next regular meeting. The disbursements report will, at minimum, include the date, amount, and payee information for all payments.

AGENDA ITEM #9B

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Milo Ebrahimi, P.E., District Engineer

Subject: Consider Proposals for the 2024 Sewer Mains CCTV Video Inspection and

Cleaning Project; Staff's Recommendation that the Board of Directors Authorize the General Manager to Enter into a Professional Services Agreement with Empire Pipe Cleaning and Equipment, Inc. for the Project in an Estimated Amount of \$1,867,691.44; and Approval of a Corresponding

Budget Adjustment

BACKGROUND

Regular visual and closed-circuit television (CCTV) inspections of manholes and sewer pipes are part of the preventive operation and maintenance activities required by the State Water Resources Control Board general order (ORDER WQ 2022-0103-DWQ). A similar Sewer System CCTV Video Inspection and Cleaning Project was performed in 2014. A similar project should be performed every ten years to meet the Water Board requirement.

Through this project, the District will collect important data about the sewer system conditions, including identification of any structural deficiencies and areas prone to root intrusion that could result in system backup and/or failure. The collected data will also be used to help plan for Capital Improvement Projects (CIP) to replace and/or upgrade segments of the District's aging sewer system.

The project scope involves the cleaning and CCTV inspection of all approximately 174 miles of gravity sewer mains and 3001 manholes within the Midway City Sanitary District's jurisdiction for the purpose of identifying any defects within sewer mains and manholes based on the industry standards.

The Request For Proposal (RFP) was approved by the Board on November 7, 2023. The proposal was posted on MCSD's website and MCSD's LinkedIn page. The RFP was also sent to a list of companies known to perform this type of service. A Pre-Proposal Meeting was held on December 4, 2023, at 10:00 a.m. at the District Office. Representatives from the following companies participated in this meeting:

- Performance Pipeline Technologies Inc.
- Champion Cleaning Specialists Inc.
- Pro Pipe Inc.

The Proposal Due Date was December 7, 2023, at 3:00 p.m.

1804767.1 Page 1 | 4

DISCUSSION

The District received proposals from the following five companies in response to the RFP:

No.	Company Name	Price Proposal	Points Awarded
1	Empire Pipe Cleaning and Equipment Inc.	\$1,867,691.44	43
2	Performance Pipeline Technologies Inc.	\$1,518,287.90	41
3	Mattucci Plumbing Inc.	\$2,432,209.49	41
4	Pro Pipe Inc.	\$2,693,588.06	33
5	Champion Cleaning Specialists Inc.	\$2,524,333.30	35

The RFP states that the selection of a contractor will be based on an evaluation of the following seven criteria:

- 1. Per Unit Pricing and Cost.
- 2. Ability of the proposer to design an approach and work plan to meet the Project requirements, which will include an assessment of the overall quality of the proposal.
- 3. Ability of the Proposer to carry out and manage the Project, which includes an assessment of the past experience of the proposer in general.
- 4. Capabilities of the proposer and/or its proposed team, which includes an assessment of the capabilities of the proposer and individuals that will be engaged in the Project.
- 5. Current Workload of the proposer, which includes an assessment of the perceived ability of the proposer to devote the necessary human resources and management attention to the Project.
- 6. Proximity of the proposer to the Project site.
- 7. Willingness to comply with the proposed Agreement terms. Proposals will be rated based on the exceptions taken to the proposed Agreement.

The District Engineer thoroughly reviewed all received proposals, carefully evaluated each proposal based on the seven selection criteria delineated in the RFP, and awarded points to each proposer based on satisfaction of each of the criterion. The overall points awarded to each proposal is summarized in the Table above, and District Engineer's Evaluation Worksheet showing the points assigned to each proposer is attached to this Report.

Empire Pipe Cleaning and Equipment, Inc.'s proposal scored the highest across all seven evaluation criterion. This proposer meets the minimum requirements for the RFP, was awarded the highest possible number of points under the second evaluation criterion (overall quality of proposal / ability to meet Project requirements), and provided the second lowest price proposal.

Although Performance Pipeline Technologies, Inc. provided the lowest price proposal, its proposal scored the lowest number of points under the second evaluation criterion

1804767.1 Page 2 | 4

(overall quality of proposal / ability to meet Project requirements). In the District Engineer's opinion, its proposal does not meet the requirement of the RFP for manhole inspection. The provided manhole sample video was not acceptable. In the provided video, the camera did not enter the manhole, and the camera was just zoomed on the walls from different angles. This method of inspection does not provide all the information that is required for level 2 inspection of the manholes.

The District Engineer recommends that the Board authorize Staff to contract with Empire Pipe Cleaning and Equipment, Inc. to complete the Project pursuant to its Proposal and the contract terms set forth in the RFP, subject to completion by Staff of an oral interview with the selected contractor to verify certain matters. Should the Board wish to award the contract to a different proposer, Staff would similarly recommend completion of an oral interview before executing the agreement. In the event Staff is not satisfied after the oral interview that the selected contractor is able to satisfy the technical specifications of the RFP, it will bring the item back to the Board for further consideration.

The current projected start date of the Project is January 8, 2019, with a projected completion date of December 9, 2024.

FISCAL IMPACT

Provided the Board approves Empire Pipe Cleaning and Equipment, Inc.'s Proposal, the estimated fiscal impact for the Sewer System CCTV Video Inspection and Cleaning Project will be \$1,867,691.44. This amount assumes the estimated unit quantities (i.e., number of manholes and length of sewer line segments) set forth in the RFP are accurate. Therefore, the final amount may be higher or lower, based on actual observed unit quantities. The contractor will be bound to the same per unit prices stated in its proposal for up to 120% of the unit quantity for any item.

The Board approved \$1,200,000 for the Sewer System CCTV Video Inspection and Cleaning Project in the Fiscal Year 2023-24 Budget. Factoring in a 10% contingency, Staff anticipates up to an additional \$854,461 will need to be budgeted for the Project. According, Staff proposes to increase the FY 2023/2024 Budget for the CCTV and Cleaning of District Sewer Lines from \$1,200,000 to \$2,054,461. The District has sufficient reserves to account for this increase. The additional \$854,461 needed for the project is proposed to be funded from the Lift Stations & Sewer Lines reserves which currently has a balance of \$30,315,430. Since the Project is anticipated to span two fiscal years, any budgeted amounts not expended in Fiscal Year 2023/2024 could be carried over to the Fiscal Year 2024/2025 Budget.

STAFF RECOMMENDATION

Staff recommends that the Board of Directors (1) authorize the General Manager to enter into and execute a Professional Services Agreement with Empire Pipe Cleaning and Equipment, Inc. for the 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project pursuant to its Proposal dated December 5, 2023, and in a form substantially similar to the Sample Agreement contained within the Request for Proposals for the Project; (2) authorize staff to thereafter issue Notice to Proceed for the Project; and (3)

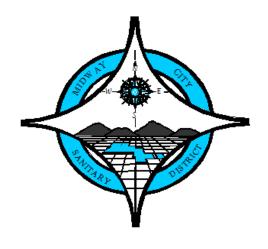
1804767.1 Page 3 | 4

amend the Fiscal Year 2023/2024 Budget to (a) increase the Sewer System CCTV video Inspection and Cleaning project budget from \$1,200,000 to \$2,054,461; and (b) decrease the Lift Stations & Sewer Lines reserves budget from \$30,315,430 to \$29,460,969.

ATTACHMENTS:

- 1. RFP for 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project
- 2. All the received proposals
 - a. Empire Pipe Cleaning and Equipment Inc.
 - b. Performance Pipeline Technologies Inc.
 - c. Mattucci Plumbing Inc.
 - d. Pro Pipe Inc.
 - e. Champion Cleaning Specialists Inc.
- 3. Proposal Evaluation Worksheet

1804767.1 Page 4 | 4



MIDWAY CITY SANITARY DISTRICT

REQUEST FOR PROPOSALS

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

November 7, 2023

Important Dates:

Pre-Proposal Meeting:	December 4, 2023, at 10:00 a.m.
Proposal Due Date:	December 7, 2023, at 3:00 p.m.
Award of Agreement:	December 19, 2023
Projected Start Date:	January 8, 2024
Projected Completion Date:	December 9, 2024

Contact:

Milo Ebrahimi, P.E., District Engineer Midway City Sanitary District 14451 Cedarwood Street Westminster, CA 92683 (714) 893-3553

TABLE OF CONTENTS

I.	INTI	RODUCTION	5
	A.	Background.	5
	В.	Purpose of the Request.	5
II.	SCO	PE OF SERVICES.	5
III.	PRO	POSAL FORMAT.	6
	A.	Approach.	6
	В.	Description of Firm, Management and Team Members	6
	C.	Qualifications	6
	D.	Scope of Work.	6
	E.	Proposed Project Schedule.	6
	F.	Proposed Pricing.	7
	G.	References, Related Experience and Examples of Work.	7
	Н.	A Sample Report	7
	Н.	A Sample Video Picture Quality	7
IV.	APP	LICABLE LAWS AND PREVAILING WAGES	7
	A.	Laws To Be Observed.	7
	В.	Prevailing Wages	8
	C.	Licensing.	8
V.	SELI	ECTION PROCESS	8
	A.	Evaluation.	8
	В.	Selection Criteria.	8
	C.	Proposed Selection and Project Schedule	10
	D.	Award of Contract.	10
VI. P	ROPO	SAL DUE DATE AND DELIVERY	10
VII.	GEN	ERAL CONDITIONS OF THE RFP.	10
	A.	General Conditions.	11
	В.	Liability of Costs and Responsibility.	12
	C.	Validity	12
	D.	Standard Agreement Terms	12
	E.	Permits.	12
	F.	Licenses and Certificates.	13

	G.	Oral and Written Explanations.	13
	H.	Proposer's Representative.	13
	I.	Insurance.	13
	J.	Bonds.	13
	J.	Spill Prevention and Clean Up.	14
VIII.	Exhib	its	14
EXHI	BIT A	- SCOPE OF WORK	15
	A.	General Procedures.	15
		1. Sewer Main Cleaning.	15
		2. Sewer Main Video Inspection.	16
		3. Manhole Inspection	19
	В.	Traffic Control.	19
	C.	Order of Work.	20
	D.	Sewer Mains and Manholes to be Inspected.	20
	E.	Submittals.	20
	F.	Safety.	21
	G.	Experience.	21
	Н.	Flow Control.	21
		1. Allowable Depth of Flow	21
		2. Plugging or Blocking and Pumping.	21
		3. Flow Control Precautions.	22
	I.	Measurement and Payment.	22
	J.	Contractor's CCTV Inspection Services Standard Operating Procedures.	23
		1. CCTV Software.	23
		2. District's Review of CCTV Submittals	23
		3. Approval Guidelines	24
		4. Videotaping Procedures and "STOP" Locations.	24
		5. No Payment and Rejection for Partially Completed Work	25
	K.	Work Hours.	25
	L.	Decrease/Increase in Service And Stop Work Due To Inclement Weather.	26
EVIII	ріт р	SAMDI E CONTDACT	27

EXHIBIT C - PRICE PROPOSAL FORM	42

I. INTRODUCTION.

The Midway City Sanitary District ("District") is requesting Proposals from qualified firms ("Contractor" or "Proposer") to assist the District in its 2024 Sewer Mains CCTV Video Inspection and Cleaning project ("Project").

A. Background.

The District is a California special district organized in 1939 under the Sanitary District Act of 1923 (Health & Safety Code §§ 6400 et seq.) to serve the citizens and businesses of the City of Westminster and unincorporated community of Midway City, in Orange County. The District's operations are conducted from offices located at 14451 Cedarwood Street, Westminster, CA 92683.

Situated in Orange County, the area of Westminster and Midway City is a large and diverse community. As a service district, the District supplies sanitary sewer services and maintains approximately 174 miles of gravity sewer lines that transport 13 million gallons a day to treatment facilities for 103,000 residents.

B. Purpose of the Request.

The District desires to obtain the services of a Contractor to perform closed caption television (CCTV) video inspection and cleaning services to its gravity sewer lines. The Contractor will provide the full range of services including sewer main cleaning, sewer and manhole video inspection, and will provide a report describing the condition of the District's sewer facilities.

II. SCOPE OF SERVICES.

The attached Exhibit A contains a list of major work tasks that should be accomplished as part of the scope of work. Proposers are asked to define the approach and the specific scope of work and methodology to achieve the objectives presented in this RFP. Proposers should include a refined scope of work by developing a detailed description of all project tasks and any changes, additions or recommendations proposed. The description of each project task should include specification of the task itself, the methodology or analytical process, scheduling, personnel, and costs. If you have any questions, please contact:

Milo Ebrahimi, P.E., District Engineer Midway City Sanitary District 14451 Cedarwood Street Westminster, CA 92683 (714) 893-3553

III. PROPOSAL FORMAT.

All proposals shall include the following minimum information:

A. Approach.

A short discussion of the intended approach to the Project that demonstrates the proposer's understanding of the issues and tasks and the proposer's ability to address them.

B. Description of Firm, Management and Team Members.

A description of the proposer, its proposed team, and a work plan that identifies the personnel to be assigned to each task. The proposer's description should clearly identify who will be the project manager and the day to day contact person for the job. The proposal must identify the legal name, address, telephone number, and primary contact for each business entity that will provide services for the Project. The proposal shall expressly indicate if it is a joint proposal by more than one business entity. If a proposer intends to subcontract any of the work for the Project, the proposal shall identify and describe the qualifications of each subcontractor proposed to be used. The proposer(s) shall demonstrate that each business entity proposed to provide work for the Project is authorized to do business in the State of California, the County of Orange, and the City of Westminster. For any business entity that is organized as a corporation, limited liability company, or other entity under the laws of another state, the proposal shall include evidence that such business entity is properly registered with the California Secretary of State.

C. Qualifications.

Provide an outline of the proposer's qualifications indicating minimum five years relevant background experience and capabilities for this Project. A list of major projects, both ongoing and planned, to which the proposer is committed during the time frame of this Project should also be provided. Include the staff resources devoted to those projects and the status of the projects.

D. Scope of Work.

The proposal should contain a description of each work task with an explanation of how the proposer plans to approach the tasks and the steps that will be taken to complete the tasks including analytical methods and tools. Proposers must demonstrate that they understand the magnitude and importance of each individual task. Tasks should be organized into phases constituting measurable deliverables.

E. Proposed Project Schedule.

Time is of the essence for this Project. The proposal shall include a schedule to undertake and complete the work program. The project is anticipated to start by January 8, 2024 and be completed by December 9, 2024. The proposed schedule shall include a time period for completion of any cleaning and inspection of sewers and manholes in excess of the estimated unit quantities stated herein. Failure to complete the Project on schedule will subject the

Contractor to the payment of liquidated damages, as described in the Sample Agreement (Exhibit B).

F. Proposed Pricing.

All proposers must complete the Price Proposal Form included in Exhibit C. Proposers must indicate a unit price for each item listed in the Price Proposal Form. The unit price shall be inclusive of all contractor costs to provide the services, as described in Exhibit A. Unit quantities listed are best estimates. Contractor will be compensated based on actual unit quantities cleaned and inspected. The stated unit prices shall apply to up to one hundred twenty percent (120%) of the unit quantity for any item. Unit Prices quoted must be binding for a minimum of 90 days and the term of the Agreement.

G. References, Related Experience and Examples of Work.

Include client references with phone numbers for relevant work. Specify the client, location, proposer's members and participating individuals and role on the team (principal, project director, etc.), type of work, implementation results or status, examples of work, and other relevant information as needed.

H. A Sample Report

Include a sample report and high resolution photos for a segment of a sewer main indicating the location of all laterals and connections encountered, the location of any breaks, obstructions, offsets, high points, sags or other major defects.

Also include a sample report and high resolution photos for a manhole indicating the location of sewer main connections, the location of any breaks, obstructions, or other major defects, and the condition of manholes.

H. A Sample Video Picture Quality

To establish criteria for video picture quality to be maintained throughout the Project, the Contractor shall furnish a thumb drive of a previous sewer inspection that meets the specifications for quality. This thumb drive shall become the property of the District. It will be used as a standard to judge the acceptability of video inspections produced on this Project.

IV. APPLICABLE LAWS AND PREVAILING WAGES.

A. Laws To Be Observed.

The Contractor shall keep itself fully informed of all existing and future federal, state and local laws which in any manner affect those engaged or employed in the work, or the materials used in the work, or which in any way affect the conduct of the work, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the Project.

B. Prevailing Wages.

The District has determined that the Project requires work of labor categories which are subject to Prevailing Wage Laws identified in the State of California Labor Code. The selected Contractor shall be aware of the requirements of California Labor Code sections 1720 et seq. and 1770 et seq., as well as California Code of Regulations, Title 8, section 16000 et seq. ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on certain "public works" projects. Specific requirements of the Prevailing Wage laws that Contractor will be expected to comply with are listed in the proposed Agreement at Exhibit "B"

C. Licensing.

Before submitting proposals, proposers shall be licensed in accordance with the provisions of Chapter 9, Division 3, of the Business and Professional Code of the State of California.

V. SELECTION PROCESS.

A. Evaluation.

All proposals received by the due date will be evaluated by the District's General Manager and assigned staff and/or consultants, and the General Manager will make a recommendation to the District's Board of Directors based on this evaluation. Only information which is received in response to the RFP or via any subsequent interview will be evaluated. The District will evaluate the responses of each proposer in several critical areas. Selected proposers may be invited to an oral interview.

B. Selection Criteria.

The District will select the most qualified proposal based on the following factors. Responses to the RFP should address the qualities and indicators that are listed below:

- 1. Per Unit Pricing and Cost.
- 2. Ability of the proposer to design an approach and work plan to meet the Project requirements, which will include an assessment of the overall quality of the proposal. Qualities and indicators that will receive consideration include:
 - The proposer's performance in converting the Scope of Services into a work plan;
 - The detail and clarity of the discussion as to the proposer's approach to undertaking the Project;
 - The proposer's performance in identifying any special problems or concerns which may be associated with the Project and preliminary ideas about how these obstacles should be addressed;

- The inclusion of any unique approaches which are designed to save time and money or increase the benefits or effectiveness of the proposed work; and
- The demonstrated ability to work with governmental bodies and a full understanding of applicable laws or regulations that relate to the Project.
- 3. Ability of the Proposer to carry out and manage the Project, which includes an assessment of the past experience of the proposer in general. Qualities and indicators that will receive consideration include:
 - The number and types of projects the proposer or its employees have completed;
 - The variety of projects completed and a demonstration of the proposer's ability to undertake this Project;
 - The general level of experience in the areas of supervision, observing and monitoring projects;
 - The proposer's ability to realize timetables and quality control objectives; and
 - The demonstrated general ability to bring about a successful completion of the projects under the proposer's direction.
- 4. Capabilities of the proposer and/or its proposed team, which includes an assessment of the capabilities of the proposer and individuals that will be engaged in the Project. Qualities and indicators that will receive consideration include:
 - What professionals will be doing/working on each task;
 - The various professional, technical, and educational achievements and registrations of each firm and individuals involved;
 - The applicable experience of the proposed assigned staff and the specific experience gained on similar projects.
- 5. Current Workload of the proposer, which includes an assessment of the perceived ability of the proposer to devote the necessary human resources and management attention to the Project. Qualities and indicators that will receive consideration include:
 - The number and size of the projects presently being performed by the proposer and the assigned staff;
 - The status of existing projects;
 - The past ability of the proposer to deliver projects on a timely basis; and
 - The nature of existing projects that are behind schedule or past the completion date.
- 6. Proximity of the proposer to the Project site. The application of this criteria will include an assessment of the following:

- The proposer's geographic proximity to the Project site;
- The location of the office from which the Project will be administered;
- The perceived response time and general availability of the proposer's management to be on site;
- The perceived effect that Project management location will have on price and the ability of the Project to be expedited on a timely basis; and
- The availability of special travel or communication plans which would effectively mitigate difficulties associated with location.
- 7. Willingness to comply with the proposed Agreement terms. A sample Agreement is attached in Exhibit B. Proposals will be rated based on the exceptions taken to the proposed Agreement.

C. Proposed Selection and Project Schedule.

Pre-Proposal Meeting: December 4, 2023, at 10:00 a.m. Proposal Due Date: December 7, 2023, at 3:00 p.m.

Award of Agreement: December 19, 2023
Projected Start Date: January 8, 2024
Projected Completion Date: December 9, 2024

D. Award of Contract.

It is anticipated that any award of an agreement for services will be made by the District Board at its December 19, 2023 regular meeting.

VI. PROPOSAL DUE DATE AND DELIVERY

Proposals shall be prepared according to the instructions contained in this RFP, including any addenda hereto published by the District. Proposals must be delivered by mail, courier, express or by hand to the District at its offices at:

Midway City Sanitary District Attention: District Engineer 14451 Cedarwood Street Westminster, CA 92683

by 3:00, p.m., prevailing time, on or before December 7, 2023, at 3:00 p.m.

All copies received by that time will be date and time stamped. Proposals will not be accepted after this time.

VII. GENERAL CONDITIONS OF THE RFP.

A. General Conditions.

The District reserves the right to cancel or reject all or a portion or portions of the RFP without notice. Further, the District makes no representations that it will enter into an Agreement with any proposer submitting a proposal. The District reserves the right to reject any and all proposals submitted in response to this request or any addenda thereto, including without limitation the right to reject any or all nonconforming, nonresponsive, unbalanced, or conditional proposals and to reject the proposal of any proposer that the District believes would not be in the best interest to hire. The District also reserves the right to reject any subcontractor or individual working on a proposed team and to replace them with a mutually acceptable replacement.

Upon receipt by the District, proposals are considered a public record and subject to disclosure under the Public Records Act, including within such information, without limitation, personal identification information such as social security numbers, bank account numbers, and drivers' license numbers. Further, after the award of the Contract by the District, whether or not a proposer is the successful Contractor, all material in proposals received by the District shall be subject to the right of the public to inspect and to obtain copies. The District shall retain all proposals submitted in response to this RFP for as long as the District is required to do so under the law.

In submitting a proposal, each proposer agrees that the District may reveal any trade secret materials contained in such response to all District staff and District officials involved in the selection process, and to any outside consultant or other third parties who are hired or appointed by the District to assist in the evaluation process.

Each proposer may designate specified information as a trade secret and confidential and agrees to indemnify and hold harmless the District and each of its officers, employees, and agents from all liability, damages and expenses, including reasonable attorneys' fees, incurred by any of them in connection with the District's refusal to disclose any material that the proposer has so designated. Any Consultant that designates its entire proposal as a trade secret will be disqualified.

Any changes to the proposal requirements will be made by written addendum.

The District reserves the right to waive any and all defects or informalities in any proposal.

It shall be the responsibility of each proposer before submitting a proposal:

- To examine thoroughly the requirements of this RFP;
- To visit the District to become familiar with and satisfy the proposer as to the general, local, and site conditions, and has obtained any additional or supplementary examinations, investigations, explorations, tests, or other studies concerning conditions at the District;
- To study and carefully correlate proposer's knowledge with this RFP and such other related data; and

• To promptly notify the District of all conflicts, errors, ambiguities or discrepancies that proposer has discovered in this RFP.

B. Liability of Costs and Responsibility.

The District assumes no liability for any cost incurred by proposers responding to this RFP or in responding to any further requests for interviews, or additional information, prior to the issuance of the Contract. All costs shall be borne by the person or firm responding to the request. Proposers responding to the request shall hold the District harmless from any and all liability, claim or expense whatsoever incurred by or on behalf of that person or firm. All submitted material becomes the property of the District.

The selected Contractor will be required to assume responsibility for all services offered in the proposal whether or not they possess them within their firm. The Contractor will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the Contract.

C. Validity.

Proposers agree to be bound by their proposals for a period of ninety (90) days commencing on December 7, 2023, during which time the District may request clarification or correction of the proposal for the purpose of evaluation. Amendments or clarifications shall not affect the remainder of the proposal, but only that portion so amended or clarified.

D. Standard Agreement Terms.

The selected Contractor will be required to enter into the District's standard Agreement, a copy of which has been provided in Exhibit B. Each proposer shall assume that the execution of this Agreement, without changes, will be a required condition unless proposed modifications are requested at the time of submittal of the proposal and then accepted by the District. If a proposer wishes to take exception to any of the terms and conditions contained in the Agreement, these should be identified specifically; otherwise it will be assumed that the proposer is willing to enter into the Agreement as it is written. Failure to identify contractual issues of dispute can later be the basis for the District disqualifying a proposer. Any exceptions to terms, conditions, or other requirements must be clearly stated. Otherwise, the District will consider that all items offered are in strict compliance with the RFP, and the successful proposer will be responsible for compliance. The District will consider such exceptions as part of the evaluation process which may constitute grounds for rejection of the proposal. The Agreement will not be executed by the District without first being signed by the proposer.

E. Permits.

The Contractor and all of its subcontractors, at its and/or their sole expense, shall obtain and maintain during the term of the Agreement, all appropriate permits required in connection with the performance of the Project.

The required permits include:

- 1. Traffic control plans, encroachment permits and/or business licenses are required from the City of Westminster and County of Orange for this Project.
- 2. The Contractor shall provide the necessary water for this task. The Contractor shall obtain a temporary water meter and permit from the City of Westminster and/or County of Orange if required or make necessary water provisions for this Project. Use of property owner's water for sewer cleaning is not permitted.
- 3. Confined Space Permit is required from the District for entering into any District's manholes. Confined space procedures will be provided with the permit.
- 4. Any other permit which is required by the local agency and the local jurisdiction.

F. Licenses and Certificates.

The Contractor and all of its subcontractors, at its and/or their sole expense, shall obtain and maintain during the term of the Contract, all appropriate licenses and certificates required in connection with the performance of the Project.

The required Licenses and Certificates include:

- 1. NASSCO's Pipeline Assessment Certification Program (PACP) and Manhole Assessment Certification Program (MACP) are the trusted sources for proper and consistent assessment condition coding of pipelines and manholes.
- 2. General contractor license A, C36, or C42.
- 3. Any other Licenses and Certificates which is required by the local agency and the local jurisdiction.

G. Oral and Written Explanations.

The District will not be bound by oral explanations or instructions given at any time during the review process or after the award. Oral explanations given during the review process and after award become binding when confirmed in writing by an authorized District official.

Written responses to question(s) asked by one proposer will be provided to all proposers who received the Request for Proposals.

H. Proposer's Representative.

The person signing the proposal must be a legal representative of the firm authorized to bind the proposer to an agreement in the event of the award.

I. Insurance.

General Liability, Automobile, and Worker's compensation insurance are required in the amount set forth in the attached sample Contract.

J. Bonds.

The Contractor shall furnish the following bonds in a form and from a bonding company acceptable to the District's General Counsel:

- <u>Faithful Performance</u>: A bond in the amount of 100% of the total contract price guaranteeing the faithful performance of this Agreement, and
- <u>Labor and Materials</u>: A bond for labor and materials in the amount of 100% of the total contract price.

J. Spill Prevention and Clean Up.

Spill prevention and clean up shall be performed based on instructions and guidelines by Orange County Public Works Standards that can be found at: https://ocerws.ocpublicworks.com/sites/ocpwocerws/files/import/data/files/10193.pdf

In case of observation of Sewer System Overflow (SSO), please call District's emergency numbers: 714-310-9004 or 714-310-8654.

VIII. Exhibits.

- A. Scope of Work
- B. Sample Agreement
- C. Price Proposal Form
- D. Main Sewer Line and Manhole Location Maps

EXHIBIT A - SCOPE OF WORK

A. General Procedures.

The Contractor shall perform CCTV video inspection of sewer main and manholes, and cleaning services to the sewer mains only within the District sewer system. It is anticipated that the Project will include approximately 174 miles of CCTV video inspection and cleaning and inspection of 3001 manholes. The Contractor will determine the maintenance and structural deficiencies of the sewer mains and manholes in accordance with the PACP and MACP rating system accordingly.

The Contractor shall comply with the detailed CCTV Inspection and cleaning Services requirements below. The scope of work includes, but is not limited to, the following:

1. Sewer Main Cleaning.

Sewer cleaning shall include removal of foreign material and objects from the sewer line to permit for its video inspection. The Contractor shall take all necessary measures not to damage the sewer lines as a result of the cleaning. Low pressure hydraulic cleaning equipment used shall be of a movable dam type and be constructed in such a way that a portion of the dam may be collapsed at any time during the cleaning operations to protect against flooding of the sewer. The movable dam shall be equal in diameter to the pipe being cleaned and shall provide a flexible scraper around the outer periphery to insure removal of grease. If sewer cleaning balls or other equipment which cannot be collapsed is used, special precautions to prevent flooding of the sewers and public or private property shall be taken. The equipment shall have a selection of two or more high velocity nozzles. The nozzles shall be capable of producing a scouring action from 15 to 45 degrees in all size lines designated to be cleaned. The equipment shall carry its own water tank, auxiliary engines, pumps, and hydraulically driven hose reel.

Mechanically powered (Bucket machines) equipment shall be in pairs with sufficient power to perform the work in an efficient manner. Machines shall be belt operated or have an overload device. Machines with direct drive that could cause damage to the pipe will not be allowed. A power rodding machine shall be either a sectional or continuous rod type capable of holding a minimum of 750 feet of rod. The rod shall be specifically heat-treated steel. To insure safe operation, the machine shall be fully enclosed and have an automatic safety clutch or relief valve.

The designated sewer line sections shall be cleaned using hydraulically propelled, high velocity jet, or mechanically powered equipment. Selection of equipment used shall be based on the conditions of lines at the time the work commences. The equipment and methods selected shall be satisfactory to the District. The equipment shall be capable of removing roots, dirt, grease, rocks, sand, and other materials and obstructions from the sewer lines. If cleaning of entire section cannot be successfully performed from one manhole, the equipment shall be set upon the other manhole and cleaning again attempted.

During sewer cleaning operations, satisfactory precautions shall be taken in the use of cleaning equipment. When hydraulically propelled cleaning tools (which depend upon water pressure to provide their cleaning force) or tools which retard the flow in the sewer line are used, precautions shall be taken to ensure that the water pressure created does not damage or cause flooding of public or private property being served by the sewer. When possible, the flow of sewage in the sewer shall be utilized to provide the necessary pressure for hydraulic cleaning devices. When additional water from fire hydrants is necessary to avoid delay in normal work procedures, the water shall be conserved and not used unnecessarily. No fire hydrant shall be obstructed in case of a fire in the area served by the hydrant.

The Contractor shall provide the necessary water for this task. The Contractor shall obtain a temporary water meter and permit from the City of Westminster and/or County of Orange if required or make necessary water provisions for this Project. Use of property owner's water for sewer cleaning is not permitted.

The Contractor is responsible for removing debris from the site and for any damage or clean-up on private property caused by negligent sewer cleaning operations.

Roots should not be removed during the cleaning process as much as possible to ensure roots will be recorded in the video inspection. All related work shall be included in various items and shall not be considered for additional payment.

Protruding Taps shall not be removed, and shall remain in place.

Acceptance of Sanitary Sewer line cleaning shall be made upon demonstration, through the television inspection, that the line has been thoroughly cleaned. Payment for sanitary sewer cleaning shall be included in Contractor's unit price for television inspection. No additional compensation shall be made.

2. Sewer Main Video Inspection.

Sewer main video inspection shall include producing and logging of the sewer main video inspection as specified in the following paragraphs.

All pipeline inspections shall be conducted utilizing National Association of Sewer Service Companies (NASSCO) Pipeline Assessment Certification Program (PACP) Standards and NASSCO certified software. All CCTV operators shall be certified through the NASSCO program.

The Contractor shall utilize the District's GIS to pre-populate the session data. Pipe and Manhole ID's shall be used for each section of pipe. Pipe sizes provided in GIS shall be verified by Contractor during inspections.

The location of all laterals and defects, as defined in the PACP guidelines shall be documented. The recorded digital files shall include a narrative description of all observations made by the observer and shall be included in the log.

The initial text screen for each pipe reach shall be identified with text and voice recording including the following:

- 1. Midway City Sanitary District and Contract No.
- 2. Date
- 3. Time
- 4. Contractor's name and number
- 5. Surveyor's name
- 6. Street name
- 7. Pipe ID
- 8. Upstream manhole ID
- 9. Downstream manhole ID
- 10. Inspection direction
- 11. Pipe size
- 12. Pipe shape
- 13. Pipe material

During the CCTV inspection, the running screen shall show the running footage and the following text:

- 1. MCSD
- 2. Upstream Manhole ID
- 3. Downstream Manhole ID
- 4. Inspection Direction
- 5. Street Location
- 6. Pipe Size
- 7. Pipe Material
- 8. Date
- 9. Time

The Contractor shall use a color pan and tilt camera or a side wall scanning (panoramic) camera specifically designed and constructed for sewer inspection. Each sewer to be televised shall be suitably isolated to control flow during the inspection. The Contractor shall provide a recording of the televised sewer inspection, locating each sewer service connection entering the sewer.

Lighting for the pan and tilt camera or side wall scanning camera shall provide a clear picture of the entire periphery of the existing sewer.

The pan and tilt camera shall pause, pan, and visually inspect all service connections, pipe ends, and maintenance or structural defects. If utilizing a camera with side wall scanning capabilities, pausing and panning of each lateral is not necessary during the inspection if the image clearly depicts the inside of the lateral for post processing. If a blockage cannot be removed and hampers the televising of the sewer in one direction then the Contractor shall attempt to complete the section by televising from the other manhole to complete the section; this reversal should

immediately follow the initial direction. The Contractor must immediately report the obstruction to the District.

Side wall scanning inspection systems are imaging cameras that are capable of a continuous 360 degree image capture of the wall of the pipeline being inspected. These systems may have one or multiple cameras to capture the complete interior view of the pipeline. Due to the high resolution of the image quality, the inspections may be conducted at a higher speed than color pan and tilt CCTV method. Once the pipeline inspections are completed, the captured images can be linked with a companion software package that allows for identifying and coding defects and features in the pipeline. Typically these systems provide a fold flat view and a perspective view (typical of CCTV) of the pipeline.

If the image quality is not adequate for post-inspection coding, the Contractor shall be required to repeat the survey at the Contractor's expense.

The Contractor shall perform all CCTV inspections in accordance with NASSCO's Pipeline Assessment Certification Program (PACP). CCTV inspections will be delivered entirely in electronic format. The entire survey shall be recorded in an approved electronic format submitted with electronic links between the data and the video. All television inspection reports shall be with-in +/- two (2) feet of the measured linear footage between manholes along the existing sewer centerline from the start of pipe to end of pipe. All District and PACP required header information must be fully and accurately entered on all CCTV reports. Work not following these specifications may be rejected for payment and the Contractor may be required to re do the work.

The Contractor shall provide a PACP certified operator on site at all times during the entire survey. If video is to be coded separately from the actual recording, both the onsite Operator and the individual performing the PACP coding shall be PACP certified. The Contractor shall provide proof of certification prior to commencement of work, prior to a change in personnel involved in data collection, and as requested by the District.

The Contractor will document and perform an above-ground survey of each manhole, recording along the alignment of the interceptor and surface cover, and a still photo of the exterior of the manhole and surrounding area. The camera will start at the manhole rim in line with the largest diameter outgoing pipe, rotating the camera clockwise until a 360 degree panorama is complete. The camera shall be moved through the line at a moderate rate, stopping when necessary to permit proper documentation of the condition of the sewer line, manhole, lateral wyes and lateral location. In no event will the television camera be pulled at a speed greater than 30 feet per minute. Manual winches, power winches, TV cable, and power rewinds or other devices that do not obstruct the camera view or interfere with proper documentation of the sewer line conditions shall be used to move the camera through the sewer line. If, during the inspection operation, the television camera will not pass through the entire sewer, the Contractor shall set up its equipment so that the inspection can be performed from the opposing manhole.

When manually operated winches are used to pull the television camera through the line, telephones or other suitable means of communication shall be set up between the two manholes of the section being inspected to insure good communications between members of the crew.

The importance of accurate distance measurements is emphasized. Measurement for location of defects shall be made by means of a camera-mounted transmitter and aboveground receiver. Marking on the cable, which requires interpolation for depth of the manhole, will not be permitted.

To establish criteria for video picture quality to be maintained throughout the Project, the Contractor shall furnish a thumb drive of a previous sewer inspection that meets these specifications for quality. This thumb drive shall become the property of the District. It will be used as a standard to judge the acceptability of video inspections produced on this Project.

The audio portion of the inspection report, recorded at the time of inspection, shall be intelligible in its entirety. The information contained on the audio recording shall include (1) the location of the sewer, (2) the location of the manholes involved, (3) the direction of travel (4) a description of conditions in the sewer as they are encountered, and (5) the location and entrance condition of service laterals.

Any Red Flag Conditions shall be reported immediately to the District. Red Flag Conditions are things such as root ball or other large obstruction blocking flow path, large hole in pipe or other defect that could lead to a collapsed pipe, collapsed pipes, large offset joint where sewage may be leaving the system, etc.

Any assessments that cannot be inspected from manhole to manhole shall be listed as MSA – Survey Abandoned. If the reason for the MSA is not a cause for a Red Flag Condition, it shall be noted in the inspection report and conveyed to the District. If possible, the Reverse Run shall be completed from the opposite manhole. If the camera fails to reach the same point in the pipe where the initially discovered obstruction is located, the inspection of this reach shall be considered complete and flagged. It should be noted that inspection of the entire sewer reach could not be completed.

If a manhole not listed in the database is found, a new inspection shall be started. The added structures and inspections shall be noted.

3. Manhole Inspection.

Manholes shall be inspected in accordance with the NASSCO standards. The Contractor shall determine the maintenance and structural deficiencies of the manholes in accordance with the MACP rating system.

B. Traffic Control.

For sewer system in the City of Westminster, Traffic control and safety shall conform to the City of Westminster Standards – "Traffic Control General Notes" that can be find at: https://www.westminster-ca.gov/departments/public-works/standards

For sewer system in the unincorporated Midway City area, Traffic control and safety shall conform to Orange County Public Works Standard Plans that can be found at: https://ocpublicworks.com/ocpw/oc-public-works-standard-plans

C. Order of Work.

The Contractor shall coordinate its work with all other workers or utility companies working in the work area designated for CCTV inspection.

Sewer video inspection of each segment of a sewer main shall be done maximum one week after the cleaning of that segment. If the video inspection of the sewer line was not done within the next one week after the cleaning day, new line cleaning shall be performed for the same segment at no extra cost to the District before the video inspection.

D. Sewer Mains and Manholes to be Inspected.

All sewer mains and manholes shall be visually inspected by means of CCTV and video. The inspections shall be done one sewer section at a time. Flows shall be controlled as specified herein while the inspection work is in progress. Sewer line and manhole location maps will be provided only by request to District.

E. Submittals.

- 1. The Contractor shall deliver monthly video inspections and logs on a thumb drive or on an external hard drive concurrent with invoice submittal.
- 2. The Contractor shall furnish one color video recording, with target, for each section of sewer inspected, and JPEG files of all photographs taken during the inspection. The videos shall show the date the work was performed and the location of the entry manhole. Videos shall indicate cumulative footage from the entry manhole, as verified by the camera-mounted transmitter and receiver. Video recordings shall be included in the monthly report.
 - The video files shall be standard MPEG/JPEG format. If the District approves a different electronic file format to allow for a higher resolution video or photo file, the Contractor shall also deliver a "viewer" program and support of the software used.
- 3. The Contractor shall furnish a report and high resolution photos for every section of the sewer mains indicating the location of all laterals and connections encountered, the location of any breaks, obstructions, offsets, high points, sags or other major defects, and the condition of manholes. All reports shall be neatly typed. Photos, thumb drives, hard drives, reports and all related work shall be included in various items and shall not be considered for additional payment.
- 4. The Contractor shall deliver an external hard drive that contains comprehensive NASSCO Data including the following:

- a) Standard PACP Exchange database;
- b) All video inspections and photographs;
- c) Plots of each pipe inspected with the defects shown with distance in the pipe;
- d) Observation reports with images;
- e) List of all Red Flag Conditions found in the system;
- f) List of all incomplete inspections with reasons for not completing them;
- g) List of all areas where roots were removed;
- h) Copy of "viewer" program in support of the software used;
- i) The final report of the sewer system.

F. Safety.

The Contractor shall have a documented safety program in place that meets all applicable occupational safety and health standard, rules, regulations and orders established by the State of California. Site Safety Plan and all related work shall be included in various items and shall not be considered for additional payment. This document shall be submitted to District before beginning of the project.

G. Experience.

The Contractor shall have a minimum of five years experience in the television inspection of sanitary sewers. The thumb drive and/or video files shall be reviewed by a person having a minimum of five years experience in evaluating and repairing problems in sanitary sewer mains.

H. Flow Control.

When sewer line depth of flow at the upstream manhole of the section being inspected is above the maximum allowable depth shown below, the flow shall be reduced by operation of pump stations, plugging or blocking of the flow, or by pumping and bypassing of the flow. Reducing depth of flow and all related work shall be included in various items and shall not be considered for additional payment.

1. <u>Allowable Depth of Flow.</u>

Depth of the flow shall not exceed 5% of pipe diameter or depth where camera is not submerged, whichever is smaller, as measured in the manhole when performing CCTV inspection.

2. Plugging or Blocking and Pumping.

During video inspection, flow shall be reduced to the limits specified herein. When sewer flow control is required, the Contractor shall furnish, install, and operate pumps, plugs, conduits, and other equipment to divert the flow of sewage around the pipeline reach in which work is to be performed.

A sewer plug shall be so designed that all or any portion of the sewage can be released. The plug shall be provided with a tag line. A plug shall be inserted into the line upstream of the section being inspected.

The pumping system shall be of sufficient capacity to handle existing flow plus additional flow that may occur during a rainstorm. If pumping is required on a 24-hour basis, engines shall be equipped in a manner to keep noise to a minimum. Standby pumps shall be provided as required. Pumping shall be done by the Contractor in such manner as it will not damage public or private property or create a nuisance or health menace. The pumped sewage shall be in an enclosed hose or pipe and shall be reinserted into the sanitary sewer system.

Sewage shall not be allowed to free flow in gutters, streets, or over sidewalks, etc. Nor shall any sewage be allowed to flow into the storm inlets or conduits. After the work has been completed, flow shall be restored to normal.

Plugging or blocking and all related work shall be included in various items and shall not be considered for additional payment.

3. Flow Control Precautions.

When flow in a sewer is plugged, blocked, or bypassed, precautions shall be taken to protect all sewers from damage that might result from sewer surcharging. Precautions shall also be taken to insure that flow control operations do not cause flooding or damage to public or private property being served by the sewers involved.

I. Measurement and Payment.

Payment for the work, as further specified herein, shall include all compensation to be received by the Contractor for furnishing all tools, equipment, supplies, and manufactured articles, and for all labor, operations, mobilization, and incidentals appurtenant to the work being described, as necessary to complete the various items of the work specified, including Occupational Safety and Health Administration requirements for any item that is not specifically set forth in the proposal, and the costs therefor shall be included in the prices named in the various bid items for the work.

The following items of work will not be measured for payment but the cost thereof will be included in the prices named in the various bid items for the work:

- 1. Data entry, computerized equipment, software, and hardware to submit the required electronic submittals.
- 2. Completion of all electronic forms.
- 3. Photographic equipment and supplies used to show sewer pipe and manhole defects.
- 4. Bypass pumping and flow control where required by the Contractor to perform his or her work.
- 5. Demobilization and mobilization.
- 6. Updates to the schedule as required by the District.
- 7. Right of entry access to private property.
- 8. Dye testing of service connections in order to meet the CCTV specification.

Payment for maintenance of traffic and detour barriers and for conforming to all of the provisions of these specifications shall be considered to be included in the price for the various bid items for various items of work wherein maintenance or traffic and detours is required and no additional allowance will be made therefor.

In cases where the sewer is entirely cleaned and inspected manhole-to-manhole, payments for cleaning and CCTV inspection of sewer mains will be based on the measured linear footage between manholes along the existing sewer centerline from manhole wall to manhole wall at the agreed upon unit price .

All invoicing will be by sewer segment, and payment and will be made when all punch list items and rework are completed for each Sewer Segment.

The payment for Inspection of District's manholes will be based on the inspection, photo and video footage of each manhole at the agreed upon unit price.

J. Contractor's CCTV Inspection Services Standard Operating Procedures.

In order to assure that all Project sewer pipes are thoroughly cleaned and inspected, and that a usable, quality product is delivered to the District, the following standard operating procedures are to be followed by the Contractor at all times during this Project. If any of the procedures and guidelines is unclear or ambiguous, the Contractor is to seek guidance from the District before proceeding.

1. CCTV Software.

The Contractor shall use a digital CCTV data acquisition software program for collection of the CCTV data. If the program does not save the video file in standard MPEG format, the program shall include a "viewer" program, which allows concurrent viewing of the CCTV data and video. The aforementioned viewer program shall be provided to the District at no cost. CCTV observations shall be recorded using NAASCO PACP and MACP standards. CCTV reports shall be provided in PDF format.

2. District's Review of CCTV Submittals.

Concurrent to the submission of a monthly invoice by the Contractor, the Contractor shall provide quality control of submitted work product, and submit copies of video, digital data, and image findings in a format specified by the District. The District will perform a Quality Assurance review and no payment shall be made for the submitted work until the District reviews and approves submitted videos and quantities of estimated linear foot of sewer line videotaped.

The District shall confirm or reject the condition assessment results submitted by the Contractor within two weeks of the submission. The District will return work in need of correction or rework to the Contractor on a bi-weekly basis.

The Contractor agrees to abide by the submission guidelines for electronic data, reports, and standard of quality set forth by the District. The decision of the District Engineer shall be final except in cases where all District guidelines are met and the interpretation of acceptance is subjective.

3. Approval Guidelines.

The District will base its review of the submitted work product upon the following submission guidelines:

- a. All submittals rejected by the District shall not be considered for payment and shall be redone by the Contractor. All hardships or irregularities during video inspection must be thoroughly, clearly and properly documented with photographs and comments in order for a pipe to be considered "Uninspectable".
- b. The proper videotaping procedures must be followed as outlined below under the section Videotaping Procedures and STOP locations. All submittals with premature or improper STOP procedures will be rejected.
- c. The clarity of the video inspection shall be in a quality wherein the condition of the pipe may be visually confirmed by the District with no obstruction or excessive wastewater flows. If the District cannot positively confirm the condition of the pipe due to poor video quality, pipe flow or obstruction, then the submittal may be rejected by the District if:
 - The pipe was improperly cleaned, or exhaustion of approved cleaning methods was not properly documented.
 - The pipe flow was not stopped or controlled as per the specifications.

4. Videotaping Procedures and "STOP" Locations.

Payment shall be at the unit price bid as noted in the specifications from the start manhole structure to the end manhole structure, or from the start manhole to a STOP location.

All video inspections submitted by the Contractor shall proceed only as detailed by the specific situations outlined below:

- a. 1st condition Ideally the video inspection shall proceed from the start manhole structure to the end manhole structure without obstruction, blockages, or interference from excessive wastewater flows. Inspections shall proceed from upstream to downstream unless access into the upstream structure is prevented or the inspection is a reverse setup.
- b. 2nd condition If a STOP location is encountered before reaching the end manhole structure, then:

- 1. All STOP locations shall be confirmed by video imaging from the start of the run (first manhole structure) to the point of the STOP causing event. Include appropriate observation coding and clear concise comments in the report documenting the reason for the STOP event.
- 2. Any STOP event shall be followed with a REVERSE SETUP from the opposite end of the line segment.
- 3. If the reverse video inspection can proceed from the end manhole structure to the point of the initial STOP causing event, then the video inspection shall be considered complete.
- c. 3rd Condition Proceeding from the REVERSE SETUP as outlined in the 2nd Condition above, if a second STOP location is found before reaching the initial STOP point during the cleaning procedure, its presence shall be confirmed by video imaging from the start of the REVERSE SETUP run to the point of the STOP causing event. Include appropriate observation coding and clear concise comments in the report documenting the reason for the STOP event.

5. No Payment and Rejection for Partially Completed Work.

The District will not pay and will reject partially completed work in the following situations:

- a. Line cleaning and incomplete inspection work is submitted without a picture and thorough, clear and concise description of the STOP event.
- b. A REVERSE SETUP and camera run is not attempted after a STOP is recorded and when access by the camera at the opposite end of the selected line segment was feasible.
 - 1. Where REVERSE SETUPS are attempted but unsuccessful, thorough documentation with videos, pictures and comments must be provided in order for the area to be considered "Uninspectable".
 - 2. In any instance where the feasibility or acceptability of a REVERSE SETUP or STOP event is in question, the Contractor shall contact the District. The District shall have the final decision in such matters.
- c. There is the presence of excessive wastewater in the line as described in these specifications.
- d. In any instance where the District rejects the work or if it is determined by the District that the Contractor failed to follow the standard operating procedures.

K. Work Hours.

The Contractor must complete all work such that no homeowner is without sewer service, unless otherwise directed by the District. Local noise ordinances or agencies having control over roadway closures may control starting or stopping operations. Prior to starting operations, the Contractor shall advise the District of the restrictions imposed by the local agencies.

The workdays are Monday to Friday, and the workhours are from 7 am to 7 pm. local time. Local restrictions imposed by the local agencies supersede the workdays and the workhours. No work will be allowed on weekends or holidays except at the discretion of the District.

L. Decrease/Increase in Service And Stop Work Due To Inclement Weather.

The unit quantities set forth in this Request for Proposals are best estimates, and the actual unit quantities may differ from those set forth in the Request for Proposals. This Request for Proposals and the ultimate Agreement do not guarantee a specific amount of work or lump sum payment. In the event the actual unit quantity for any item exceeds the unit quantity stated in the Request for Proposals, the Contractor will be required to notify and obtain approval of the District prior to proceeding to perform cleaning and inspection services with respect to such additional unit quantities. Upon receipt of written authorization from the District, the Contractor will be required to provide cleaning and inspection services at the agreed upon unit prices with respect to up to one hundred twenty percent (120%) of the unit quantity set forth in the Request for Proposals for any item.

The District further reserves the right to suspend or stop the performance of any or all of the work under the Agreement due to inclement weather conditions.

EXHIBIT B – SAMPLE CONTRACT

PROFESSIONAL SERVICES AGREEMENT FOR THE 2024 SEWER MAINS CCTV VIDEO INSPECTION AND CLEANING

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made this ____ day of ____ 2023, by the MIDWAY CITY SANITARY DISTRICT, a public entity (hereinafter referred to as "DISTRICT") and [NAME OF CONTRACTOR], a [TYPE OF ENTITY AND STATE OF ORGANIZATION], (hereinafter referred to as "CONTRACTOR"). DISTRICT and CONTRACTOR are sometimes hereinafter individually referred to as "Party" and are hereinafter collectively referred to as the "Parties."

RECITALS

The following recitals are a substantive part of this Agreement:

- 1. This Agreement is entered into pursuant to Midway City Sanitary District Board authorization dated ______, 2023.
- 2. DISTRICT has determined there is a need to retain the professional services of a qualified company to provide cleaning and CCTV video inspection of DISTRICT's gravity sewer mains and manholes (the "Project") in accordance with the Request for Proposals for the 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project, dated November 7, 2023 (hereinafter referred to as the "Request for Proposals") prepared by DISTRICT.
- 3. In response to the Request for Proposals, CONTRACTOR has submitted to DISTRICT a proposal, dated [DATE], to provide DISTRICT with professional CCTV video inspection and cleaning services (the "Proposal").
- 4. CONTRACTOR represents and maintains that it is uniquely qualified by virtue of its experience, training, education, reputation, and technical expertise to provide the professional CCTV video inspection and cleaning services to DISTRICT for the Project and has agreed to provide such services as provided herein. DISTRICT does not have the personnel, training, certification, or specialized technical expertise necessary to perform the work and services contracted for herein.
- .5 DISTRICT desires to retain CONTRACTOR to provide such professional CCTV video inspection and cleaning services for the Project.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. <u>Term and Termination</u>. This Agreement shall cover services rendered from the full execution of this Agreement through completion of the tasks outlined in the Request for

Proposals and CONTRACTOR's Proposal, unless earlier terminated by DISTRICT. This Agreement may be terminated by DISTRICT without cause upon thirty (30) days written notice. In such event, the DISTRICT will compensate CONTRACTOR for work performed to date in accordance with Section 3.4 of this Agreement. CONTRACTOR is required to present evidence to support performed work completion. CONTRACTOR is required to present evidence to support performed work completion.

2. Services to be Provided.

- Scope of Services and Standard of Performance. In compliance with all terms and conditions of this Agreement, CONTRACTOR agrees to provide and perform professional cleaning and CCTV video inspection of DISTRICT's gravity sewer mains and manholes for the Project as set forth in (a) the Proposal, which is attached hereto as Exhibit "A" and incorporated herein by reference, and (b) the Scope of Work included in the Request for Proposals, which is attached hereto as Exhibit "B" and incorporated herein by reference (hereinafter referred to as the "Scope of Services," the "Services" or "Work"). As a material inducement to DISTRICT entering into this Agreement, CONTRACTOR acknowledges and understands that the Services and Work contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, CONTRACTOR's Services and Work shall be performed in a skillful and competent manner and shall be held to a standard of quality and workmanship prevalent in the industry for such Services and Work and with the standards recognized as being employed by professionals in the same discipline in the State of California. CONTRACTOR represents and warrants that it is skilled in the professional discipline necessary to perform the Services and Work and that it holds the necessary skills and abilities to satisfy the standard of work as set forth in this Agreement. CONTRACTOR represents and warrants that it and all of its employees, subconsultants and subcontractors providing any Work or Services under this Agreement shall have sufficient skill and experience to perform the Services and Work assigned to them. All Services and Work shall be completed to the reasonable satisfaction of DISTRICT. The Proposal, the Request for Proposals, and this Agreement do not guarantee any specific amount of work.
- 2.2 <u>Contract Documents</u>. The Agreement between the Parties shall consist of the following: (1) this Agreement; (2) CONTRACTOR's Proposal submitted to DISTRICT; and the Scope of Work included in the Request for Proposals, which shall collectively be referred to collectively hereinafter as the "Contract Documents." The CONTRACTOR's Proposal is attached hereto as Exhibit "A" and is hereby incorporated by reference and made a part of this Agreement. The Scope of Work included in the Request for Proposals is attached hereto as Exhibit "B" and is hereby incorporated by reference and made a part of this Agreement. All provisions of the Contract Documents shall be binding on the Parties. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest priority document, which shall be determined in the following order of priority: (1st) the terms and conditions of this Agreement; (2nd) the provisions of the Consultant's Proposal (Exhibit "A"); and (3rd) the provisions of Scope of Work.

- 2.3 <u>Compliance with Law.</u> CONTRACTOR shall comply at all times during the term of this Agreement with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government, including without limitation all applicable fair labor standards and Cal/OSHA requirements. CONTRACTOR shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of the Work and Services, including all Cal/OSHA requirements, and shall give all notices required by law. CONTRACTOR shall be liable for all violations of such laws and regulations in connection with performing the Work and Services. If CONTRACTOR performs any Work or Services in violation of such laws, rules, and regulations, CONTRACTOR shall be solely responsible for all penalties and costs arising therefrom. CONTRACTOR shall defend, indemnify, and hold DISTRICT, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules, or regulations.
- Licenses, Permits, and Fees. Prior to performing any Services or Work hereunder CONTRACTOR shall obtain all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Work and Services required by this Agreement. CONTRACTOR represents and warrants to DISTRICT that CONTRACTOR shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement and any extension, any license, permit, qualification, or approval that is legally required for CONTRACTOR to perform the Work and Services under this Agreement. CONTRACTOR shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the CONTRACTOR's performance of the Work and Services required by this Agreement, and shall defend, indemnify, and hold DISTRICT, its officials, officers, employees, agents and volunteers, free and harmless from and against any claim or liability arising out of any failure or alleged failure to obtain such license, permits, and approvals of whatever nature that are legally required to perform the Work or Services.
- 2.5 Familiarity with Work. By executing this Agreement, CONTRACTOR warrants that: (1) it has thoroughly investigated and considered the Scope of Work or Services to be performed; (2) it has carefully considered how the Services should be performed and has carefully examined the location or locations at or with respect to where such Services or Work is to be performed and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of attending performance of the Services under this Agreement. If the Services involve work upon any site, CONTRACTOR represents and maintains that CONTRACTOR has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of any Services hereunder. Should CONTRACTOR discover any latent or unknown conditions materially differing from those inherent in the Work or as represented by DISTRICT, it shall immediately inform DISTRICT of this and shall not proceed, except at CONTRACTOR's risk, until written instructions are received from DISTRICT.

- 2.6 <u>Care of Work.</u> CONTRACTOR shall adopt reasonable methods during the term of the Agreement to furnish continuous protection to the Work and the equipment, materials, papers, documents, plans, studies, and/or other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the Work by DISTRICT, except such losses or damages as may be caused by DISTRICT's own negligence.
- 2.7 <u>Further Responsibilities of Parties</u>. Both Parties agree to use reasonable care and diligence to perform their respective obligations under this Agreement. Both Parties agree to act in good faith to execute all instruments, prepare all documents, and take all actions as may be reasonably necessary to carry out the purposes of this Agreement.

3. Compensation.

- 3.1 Amount. For the Services and Work rendered pursuant to this Agreement, CONTRACTOR shall be compensated by DISTRICT for each manhole inspected and each linear foot of sewer cleaned and inspected, as set forth in the Scope of Work (Exhibit "B"), at the unit prices set forth in the Price Proposal Form included within the Proposal (Exhibit "A"). CONTRACTOR acknowledges that the unit quantities set forth in the Request for Proposals are best estimates by DISTRICT and that the actual unit quantities may differ from those set forth in the Request for Proposals. CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any item in excess of the estimated unit quantity for such item set forth in the Request for Proposals. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the unit prices set forth in the Proposal with respect to up to one hundred twenty percent (120%) of the unit quantity set forth in the Request for Proposals for any item.
- 3.2 <u>Payment</u>. For Work or Services under this Agreement, payment shall be made in arrears per invoice for Work completed, subject to the payment provisions set forth in the Scope of Work (Exhibit "B").
- 3.3 <u>Changes in Scope</u>. In the event any change or changes in the Scope of Services is requested by DISTRICT and agreed to by CONTRACTOR, the Parties shall execute a written amendment to this Agreement, setting forth with particularity all terms of such amendment, including, but not limited to, any additional fees. An amendment may be entered into: (a) to provide for revisions or modifications to documents or other work product or work when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product, or work; and/or (b) to provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in CONTRACTOR's profession.
- 3.4 <u>Termination</u>. DISTRICT shall have the right to terminate this Agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by DISTRICT, then the provisions of paragraph 3 would apply to that portion of the work completed.

3.5 <u>Appropriations</u>. This Agreement is subject to and contingent upon funds being appropriated therefore by the Midway City Sanitary District Board of Directors for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to DISTRICT.

4. <u>Insurance requirements</u>.

- 4.1 <u>Commencement of Work.</u> CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the DISTRICT. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the DISTRICT of any material change, cancellation, or termination at least thirty (30) days in advance.
- 4.2 <u>Workers Compensation Insurance</u>. During the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law, if applicable.
- 4.3 <u>Insurance Amounts</u>. CONTRACTOR and all subcontractors shall procure and maintain insurance acceptable to DISTRICT. Unless otherwise agreed or waived in writing by DISTRICT's General Manager, CONTRACTOR and all subcontractors shall maintain the following insurance for the duration of this Agreement:
- (a) Commercial general liability in an amount of \$2,000,000.00 per occurrence: **claims made and modified occurrence policies are <u>not</u> acceptable**; Insurance companies must be acceptable to DISTRICT and have a Best's Guide Rating of A- Class VII or better, as approved by the DISTRICT.
- (b) Automobile liability in an amount of \$1,000,000.00 combined single limit: **claims made and modified occurrence policies are <u>not acceptable</u>; Insurance companies must be acceptable to DISTRICT and have a Best's Guide Rating of A- Class VII or better, as approved by the DISTRICT.**

An **On-Going and Completed Operations Additional Insured Endorsement** for the policy under section 4.3 (a) shall designate DISTRICT, its officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to DISTRICT proof of insurance and endorsement forms that conform to DISTRICT's requirements, as approved by the DISTRICT.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate DISTRICT, its officers, officials, employees, agents, and volunteers as additional insureds for automobiles, owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to DISTRICT proof of insurance and endorsement forms that conform to DISTRICT's requirements, as approved by the DISTRICT.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary insurance as respect to DISTRICT, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the DISTRICT, its officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

- 5. <u>Non-Liability of Officials and Employees of the District</u>. No official or employee of DISTRICT shall be personally liable to CONTRACTOR in the event of any default or breach by DISTRICT, or for any amount which may become due to CONTRACTOR.
- 6. <u>Conflict of Interest</u>. No officer or employee of the DISTRICT shall have any financial interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which effects his or her financial interest or the financial interest of any corporation, partnership, or association in which they are, directly or indirectly, interested in violation of any state statute or regulation. CONTRACTOR represents and warrants that it has not paid or given and will not pay or give any third party any money or other consideration in exchange for obtaining this Agreement.
- 7. <u>Covenant Against Discrimination</u>. In connection with its performance under this Agreement, CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. CONTRACTOR shall ensure that applicants are employed, and that employees are treated during their employment, without regard to their race, disability, medical condition, religion, color, sex, sexual orientation, age, marital status, ancestry, or national origin. Such actions shall include, but not be limited to, the following: 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.

8. Independent Contractor.

(a). The legal relationship between the Parties is that of an independent contractor, and nothing herein shall be deemed to make CONTRACTOR a DISTRICT employee. During the performance of this Agreement, CONTRACTOR and its officers, employees, and agents shall act in an independent capacity and shall not act as DISTRICT officers or employees. CONTRACTOR will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. The personnel performing the Services under this Agreement on behalf of CONTRACTOR shall at all times be under CONTRACTOR's exclusive direction and control. Neither DISTRICT nor any of its officials, officers, employees, agents or volunteers shall have control over the conduct of CONTRACTOR or any of its officers, employees, or agents, except as set forth in this Agreement. CONTRACTOR, its officers, employees or agents, shall not maintain a permanent office or fixed business location at

DISTICT's offices. DISTRICT shall have no voice in the selection, discharge, supervision, or control of CONTRACTOR's officers, employees, representatives or agents or in fixing their number, compensation, or hours of service. CONTRACTOR shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Services under this Agreement and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. DISTRICT shall not in any way or for any purpose be deemed to be a partner of CONTRACTOR in its business or otherwise a joint venturer or a member of any joint enterprise with CONTRACTOR.

- (b) CONTRACTOR shall not incur or have the power to incur any debt, obligation, or liability against DISTRICT, or bind DISTRICT in any manner.
- (c) No DISTRICT benefits shall be available to CONTRACTOR, its officers, employees, or agents, in connection with the performance of any Work or Services under this Agreement. Except for professional fees paid to CONTRACTOR as provided for in this Agreement, DISTRICT shall not pay salaries, wages, or other compensation to CONTRACTOR for the performance of any Work or Services under this Agreement. DISTRICT shall not be liable for compensation or indemnification to CONTRACTOR, its officers, employees, or agents, for injury or sickness arising out of performing any Work or Services hereunder. If for any reason any court or governmental agency determines that the DISTRICT has financial obligations, other than pursuant to Section 3 herein, of any nature relating to salary, taxes, or benefits of CONTRACTOR's officers, employees, representatives, agents, or subconsultants or subcontractors, CONTRACTOR shall defend, indemnify, and hold harmless DISTRICT from and against all such financial obligations.
- 9. <u>Notices</u>. All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice, and shall be deemed received upon the earlier of (i) the date of delivery to the address of the person to receive such notice if delivered personally or by messenger or overnight courier; or (ii) five (5) business days after the date of posting by the United States Post Office if by mail. These addresses shall be used for delivery of service of process.

(CONTRACTOR)	
(DISTRICT)	Midway City Sanitary District Attention: District Engineer 14451 Cedarwood Street Westminster, CA 92863
(WITH COPY TO)	Midway City Sanitary District Attention: General Counsel 14451 Cedarwood Street Westminster, CA 92863

10. Time of Essence; Liquidated Damages. Time is of the essence in the performance of this Agreement. The Parties hereby agree that all Work with respect to the unit quantities set forth in the Request for Proposals is intended to be completed by no later than [DATE]. With respect to all Work with respect to unit quantities in excess of those set forth in the Request for Proposals, the Parties hereby agree that such Work is intended to be completed within the time period(s) set forth in the schedule contained in CONTRACTOR's Proposal. It is agreed by the Parties to the Agreement that in case all the work called for under this Agreement is not completed before or upon the expiration of the time limits set forth herein, damage will be sustained by the DISTRICT, and that it is and will be impracticable to determine the actual damage which the DISTRICT will sustain in the event of and by reason of such delay. It is therefore agreed that the CONTRACTOR will pay to the DISTRICT the sum of five hundred Dollars (\$500) per calendar day for each and every day's delay beyond the time prescribed to complete the Work; and the CONTRACTOR agrees to pay such liquidated damages as herein provided, and in case the same are not paid, agrees that the DISTRICT may deduct the amount thereof from any money due or that may become due the CONTRACTOR under this Agreement.

It is further agreed that in case the work called for under this Agreement is not finished and completed in all parts and requirements within the time specified, the DISTRICT shall have the right to extend the time for completion or not, as may seem best to serve the interest of the DISTRICT; and if it decides to extend the time limit for the completion of this Agreement, it shall further have the right to charge the CONTRACTOR, his or her heirs, assigns, or sureties, and to deduct from the final payment for the work, all or any part, as it may deem proper, of the actual costs and overhead expenses which are directly chargeable to this Agreement, and which accrue during the period of such extensions. The CONTRACTOR shall not be assessed with liquidated damages during any delay in the completion of the Work caused by an act of God or of the public enemy, acts of the DISTRICT, fire, flood, epidemic, quarantine restriction, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes; provided that the CONTRACTOR shall, within one (1) day from the beginning of such delay, notify the DISTRICT in writing of the causes of delay. The DISTRICT shall ascertain the facts and the extent of the delay, and its findings of the facts thereon shall be final and conclusive.

11. <u>Limitations Upon Subcontracting and Assignment</u>. The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for DISTRICT to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the DISTRICT. This Agreement may not be assigned voluntarily or by operation of law, without the prior written approval of DISTRICT. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to DISTRICT for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and DISTRICT. All persons engaged in the work will be considered employees of CONTRACTOR. DISTRICT will deal directly with and will make all payments to CONTRACTOR.

12. <u>Indemnification</u>. CONTRACTOR agrees to protect, defend, and hold harmless DISTRICT and its elective or appointive boards, officers, agents, and employees from any and all third party claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for bodily injury or death of any person, or damage to property, or interference with use of property, to the extent caused by negligent acts, errors or omissions or willful misconduct by CONTRACTOR, CONTRACTOR's agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR. The exception to CONTRACTOR's responsibility to protect, defend, and hold harmless DISTRICT, is due to the active negligence of DISTRICT, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

- 13. <u>Bonds</u>. CONTRACTOR shall furnish the following bonds in a form and from a bonding company acceptable to the DISTRICT's General Counsel:
- (a) <u>Faithful Performance</u>: A bond in the amount of 100% of the total contract price guaranteeing the faithful performance of this Agreement, and
- (b) <u>Labor and Materials</u>: A bond for labor and materials in the amount of 100% of the total contract price.

14. Reports.

- (a) Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by CONTRACTOR pursuant to or in connection with this Agreement, shall be the exclusive properly of DISTRICT. CONTRACTOR shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to District the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of DISTRICT, and all publication rights are reserved to DISTRICT.
- (b) All Reports prepared by CONTRACTOR may be used by DISTRICT in execution or implementation of:
 - (1) The original Project for which CONTRACTOR was hired;
 - (2) Completion of the original Project by others;
 - (3) Subsequent additions to the original Project; and/or
 - (4) Other DISTRICT projects as appropriate.

- (c) No Report, information or other data given to or prepared or assembled by CONTRACTOR pursuant to this Agreement shall be made available to any individual or firm by CONTRACTOR without prior approval by District.
- Prevailing wages. DISTRICT has determined that the Work and Services under this 15. Agreement requires work of labor categories which are subject to Prevailing Wage Laws identified in the State of California Labor Code. CONTRACTOR is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. CONTRACTOR agrees to fully comply with all applicable federal and state labor laws (including, without limitation, the Prevailing Wage Laws). It is agreed by the Parties that, in connection with the Work or Services provided pursuant to this Agreement, CONTRACTOR shall bear all risks of payment or non-payment of prevailing wages under California law, and Consultant hereby agrees to defend, indemnify, and hold DISTRICT, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement CONTRACTOR understands and agrees to comply with the following California Labor Code compliance conditions [Labor Code Sections 1720 et seq., 1813, 1860, 1861, 3700]:
- 15.1 This Agreement is subject to the provisions of Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code relating to public works and the awarding public agency ("DISTRICT") and CONTRACTOR agree to be bound by all the provisions thereof as though set forth in full herein.
- 15.2 CONTRACTOR shall be registered with the Department of Industrial Relations ("DIR") in accordance with California Labor Code Section 1725.5 and has provided proof of registration to DISTRICT prior to the Effective Date of this Agreement.
- 15.3 CONTRACTOR agrees to comply with the provisions of California Labor Code Sections 1771, 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The applicable prevailing wage determination(s) may be obtained at https://www.dir.ca.gov/oprl/dprewagedetermination.htm, are on file with DISTRICT, and are available to any interested party upon request. A copy of said rates shall be posted at each job site during the Term of this Agreement.
- 15.4 Pursuant to California Labor Code Section 1771.4, CONTRACTOR's services are subject to compliance monitoring and enforcement by the Department of Industrial Relations. CONTRACTOR shall post job site notices as prescribed by DIR regulations and furnish the records specified in California Labor Code Section 1776 directly to the Labor Commissioner in the manner prescribed by California Labor Code Section 1771.4(a)(3) and (c)(2).
- 15.5 CONTRACTOR shall comply with the provisions of California Labor Code Section 1776 which, among other things, require Contractor and each subcontractor to (1) keep accurate payroll records, (2) certify and make such payroll records available for inspection as

provided by Section 1776, and (3) inform the DISTRICT of the location of the records. CONTRACTOR is responsible for compliance with Section 1776 by itself and all of its subcontractors.

- 15.6 CONTRACTOR shall comply with the provisions of California Labor Code Section 1777.5 concerning the employment of apprentices on public works projects, and further agrees that CONTRACTOR is responsible for compliance with Section 1777.5 by itself and all of its subcontractors.
- 15.7 Eight (8) hours of labor shall constitute a legal day's work for all workmen employed in the execution of this Agreement, and CONTRACTOR and any subcontractor shall comply with and be governed by the laws of the State of California having to do with working hours set forth in Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code. CONTRACTOR shall comply with the provisions of California Labor Code Section 1813 concerning penalties for workers who work excess hours. CONTRACTOR shall, as a penalty to DISTRICT, forfeit twenty-five dollars (\$25) for each worker employed in the execution of this Agreement by the CONTRACTOR or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the California Labor Code. (See, e.g., Cal. Labor Code §1815.)
- 15.8 Pursuant to California Labor Code Sections 1860 and 3700, CONTRACTOR will be required to secure the payment of compensation to its employees. By signing this Agreement, CONTRACTOR hereby certifies as follows:
 - "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Agreement."
- subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the California Public Contract Code, or engage in the performance of any contract for public work on a public works project unless registered with the DIR and qualified to perform public work pursuant to California Labor Code Section 1725.2. It is not a violation of California Labor Code Section 1771.1 for an unregistered contractor to submit a bid that is authorized by California Business and Professions Code Section 7029.1 or by California Public Contract Code Section 10164 or 20103.5, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded. CONTRACTOR shall not perform any work under this Agreement with any subcontractor who is ineligible to perform work on the public works project pursuant to Section 1777.1 or 1777.7 of the California Labor Code.

- 16. <u>Waiver</u>. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. Any waiver by the Parties of any default or breach of any covenant, condition, or term contained in this Agreement, shall not be construed to be a waiver of any subsequent or other default or breach, nor shall failure by the Parties to require exact, full, and complete compliance with any of the covenants, conditions, or terms contained in this Agreement be construed as changing the terms of this Agreement in any manner or preventing the Parties from enforcing the full provisions hereof.
- 17. <u>Rights and Remedies Cumulative</u>. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.
- 18. <u>Legal Action</u>. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.
- 19. <u>California Law; Venue</u>. This Agreement shall be construed in accordance with the laws of the State of California. Any action commenced about this Agreement shall be filed in the central branch of the Orange County Superior Court.
- 20. <u>Interpretation</u>. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties. The terms of this Agreement are contractual and the result of negotiation between the Parties. Accordingly, any rule of construction of contracts (including, without limitation, California Civil Code Section 1654) that ambiguities are to be construed against the drafting party, shall not be employed in the interpretation of this Agreement. The caption headings of the various sections and paragraphs of this Agreement are for convenience and identification purposes only and shall not be deemed to limit, expand, or define the contents of the respective sections or paragraphs.
- 21. <u>Entire Agreement; Modification</u>. This Agreement constitutes the entire agreement between the parties and supersedes any previous agreements, oral or written. This Agreement may be modified only by subsequent mutual written agreement executed by DISTRICT and CONTRACTOR.
- 22. <u>Severability</u>. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be determined to be invalid by a final judgment or decree of a court of competent jurisdiction, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the reminder of that provision, or the remaining provisions of this Agreement unless the invalid provision is so material that its invalidity deprives either Party of the basic benefit of their bargain or renders this Agreement meaningless.

- 23. <u>Corporate Authority</u>. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Agreement is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Agreement on behalf of the Party for which he/she is signing, (iii) by so executing this Agreement, the Party for which he/she is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the Party for which he/she is signing is bound.
- 24. <u>Counterparts</u>; <u>Facsimile Signatures</u>. This Agreement may be executed in counterparts, all of which shall constitute the same Agreement, notwithstanding that all parties to this Agreement are not signatory to the same counterpart. Signature and acknowledgement pages may be detached from the counterparts and attached to a single copy of this Agreement to physically form one (1) original document. These counterparts may be transmitted by facsimile or Portable Document Format (PDF), with the originals to be thereafter provided by the Parties. Such facsimiles or electronic copies shall be deemed original signatures.

IN WITNESS THEREOF, these parties have executed this Agreement as of the date first written above.

"DISTRICT"	"CONTRACTOR"
MIDWAY CITY SANITARY DISTRICT, a public entity	a
By:Robert Housley	By:
General Manager	Name:
APPROVED AS TO FORM:	By:
General Counsel Midway City Sanitary District	Name: Title:
	Tax ID No.
	If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to District.

EXHIBIT "A" TO AGREEMENT CONTRACTOR'S PROPOSAL

EXHIBIT "B" TO AGREEMENT SCOPE OF WORK

EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
1	Cleaning and CCTV inspection of all 8-inch gravity sewer mains	LF	857,031	\$	\$
2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$	\$
3	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$	\$
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$	\$
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$	\$
6	Inspection of all District's manholes (all sizes and types)	EA	3,001	\$	\$

Total Amount For All Items in Numerals (Assuming Stated Unit Quantities): \$	
Total Amount for All Items in Words (Assuming Stated Unit Quantities):	

Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ. Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.



MIDWAY CITY SANITARY DISTRICT

ADDENDUM 1 REQUEST FOR PROPOSALS

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

December 5, 2023

Please see the followings:

- 1. It is the sole responsibility of the contractor to find out if there is any cost associated with proper dumping of sewer sediments and debris. The contractor will be responsible for this cost.
- 2. It is the sole responsibility of the contractor to find out about any cost associated with any permits required for this project. The contractor will be responsible for this cost.
- 3. Sewer line and manhole location map will be provided only by email request to the district. The GIS map will be ready sometime in January 2024.
- 4. MCSD requires level 2 inspection for all manholes.
- 5. If you have more than 1 type of sample report, please include up to 3 sample reports in your proposal. The sample reports could be from different NASSCO approved software applications.

- 6. If you have more than 1 type of camera, please include up to 3 sample video pictures from different cameras in your proposal. The thumb drive shall become the property of the district.
- 7. Please include a digital copy of your proposal with your hard copy of your proposal in a thumb drive. The thumb drive shall become the property of the district.



REQUEST FOR PROPOSAL FOR

Midway City Sanitary District Sewer Video Inspection, Cleaning, and Manhole Inspections



Provided For:

MIDWAY CITY SANITARY SEWER DISTRICT

Milo Ebrahimi P.E. District Engineer Midway City Sanitary Sewer District 14454

Cedarwood Street Westminster CA 92683 (714) 893-3553







Letter of Intent



Empire Pipe Cleaning and Equipment Inc.

1788 N. Neville St. Orange CA. 92865 Office: (714) 639-8352 Fax: (714) 283-8578

www.empirepipecleaning.com

December 5, 2023

Milo Ebrahimi, P.E., District Engineer Midway City Sanitary District 14451 Cedarwood Street Westminster, CA 92683

Subject: EPCE Letter of Intent for Bid (RFP) for 2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING

Dear Milo:

Empire Pipe Cleaning and Equipment Inc. (EPCE) is delighted to express our earnest intent to participate in the bidding process for the aforementioned project. We firmly believe that EPCE would be an invaluable partner and contractor for the Midway City Sanitary District (MCSD), uniquely positioned to deliver exceptional results for this project.

EPCE commits to providing a comprehensive suite of services, encompassing sewer main cleaning and sewer and manhole video inspection with detailed reporting. We believe our partnership with MCSD would be advantageous for the following reasons:

Local Expertise

Having previously worked in the Midway City Sanitary District and neighboring cities, we possess firsthand knowledge of the local environment and have successfully completed city-wide cleaning and CCTV inspections.

Extensive Experience

With a legacy dating back to 1975, EPCE has been consistently providing sewer-related services to cities, municipalities, water and sanitation districts, contractors, engineering firms, and agencies.

Our experienced staff has over 18 years of experience in providing CCTV inspections for SSMP development. We have successfully executed numerous cleaning and CCTV inspection projects for AKM Consulting Engineers, one of your SSMP engineering service providers.





Certifications and Compliance

Our CCTV operators hold certifications in NASSCO PACP, MACP, and LACP, ensuring the highest standards of competence and compliance. EPCE is also a certified small business contractor with C36 plumbing and C42 Sanitation Systems licenses, boasting a track record of completing projects on time.

Safety

Our team understands the intricate details and requirements to perform the work safely, efficiently, and within the specified timeline.

Equipment

The synergy of experienced staff and state-of-the-art equipment positions EPCE to consistently deliver high-quality services to our customers.

Project Readiness

EPCE has dedicated crews and equipment prepared to initiate work on this project promptly, ensuring minimal delays. EPCE's facilities and equipment are conveniently situated in Orange County, providing the capability for 24-hour emergency services. Our main point of contact, Craig Van Thyne, Vice President, and Owner is responsible for all negotiations and contractual agreements. You can reach us at our 24-hour number, (714) 639-8352.

We eagerly anticipate the opportunity to collaborate with MCSD on this project and are available to provide any additional details as needed. Thank you for considering EPCE as a potential partner.

Respectfully Subr	nitted,
Craig Van Thyne	
Vice-President	





Summary

The Midway City Sanitary District is in search of a highly qualified team capable of providing labor, materials, and equipment for Sewer Video Inspection, Cleaning, and Manhole Inspections. Empire Pipe Cleaning & Equipment, Inc (EPCE) stands out as a proven and experienced candidate, well-equipped to undertake all aspects outlined in the scope of work within the specified timeline of the RFP.

Based in Orange, CA, EPCE is strategically located and well-acquainted with the City of Westminster and the jurisdictions covered by the Midway City Sanitary District (MCSD). Having successfully completed a comparable project for MCSD and several projects for the nearby Garden Grove Sanitary District, we bring a wealth of local expertise to this endeavor. For prompt communication and support, our 24-hour contact number is 714-639-8352.

EPCE specializes in collection system cleaning, CCTV Inspections, and Manhole Inspections, employing cutting-edge equipment and technology. Our services encompass cleaning and video inspections of sewer and storm drain systems, smoke testing, hydro-excavation, and comprehensive manhole inspections, including 3D scanning. Proficient in Arc View ESRI, we can seamlessly work with provided shape files and incorporate updates for any encountered field changes.

Presently, our workforce includes 5 full-time office staff and 16 full-time field crews. Our collaboration with professionally registered engineers enhances our capabilities, providing valuable condition assessments for sewer lines to support the City's Capital Improvement projects. Notably, we have a successful history of working with AKM Consulting Engineers, who are currently offering support for the SSMP project for MCSD.

EPCE has been providing sewer and storm drain maintenance services since 1975. We understand the project as outlined in the RFP to include the following.

- 1. Cleaning and CCTV Inspections of 857,031 LF of 8" gravity sewer mains
- 2. Cleaning and CCTV Inspections of 31,829 LF of 10" gravity sewer mains
- 3. Cleaning and CCTV Inspections of 14,390 LF of 12" gravity sewer mains
- 4. Cleaning and CCTV Inspections of 4554 LF of 15" gravity sewer mains
- 5. Cleaning and CCTV Inspections of 6986 LF of 18" gravity sewer mains
- 6. Inspection of District's 3001 manholes

We have received and acknowledge Addendum No. 1 Dated December 5, 2023





Table of Contents

Letter of Intent	2
Summary	
Section A	6
Approach	6
Section B	6
Description of Firm, Management, and Team Members	6
Section C	8
Qualifications	8
Section D	11
Scope of Work	11
Equipment	11
Sewer Mainline Cleaning	12
Cleaning Procedures	13
Schedule	14
Water	14
CCTV Inspection Procedures	14
GIS Data Integration and Mapping	16
Manhole Inspections	16
Safety	17
Traffic Control	17
Section E	18
Proposed Schedule	18
Proposed Schedule Map	19
Section F	20
Proposed Pricing	20
Section G	21
References, Related Experience and Examples of Work	21
Project Rolls	23
Section H	23
Sample Cleaning Report	23
Sample CCTV Inspection Report	24
Sample Manhole Inspection Report	26
Addendum 1	29
Contact Information	31





Section A

Approach

We possess a comprehensive understanding of the specifications and workforce necessary for executing the services delineated in the RFP. Having previously delivered these services to MCSD, our crews and management are familiar with the intricacies of the sewer system, providing invaluable insights for effective project planning. Our track record includes the successful completion of numerous projects of similar scale, facilitating meticulous planning and task scheduling. The accumulated knowledge and experience we bring to the table stand as a significant advantage for MCSD.

Given our role as a service provider for various municipal governments and Sanitary Districts, we have actively assisted them in optimizing their maintenance programs, resulting in a substantial reduction in SSO occurrences. Our extensive data repository enables us to concentrate efforts on problematic areas and devise sustainable solutions for their ongoing maintenance. The data and reports produced through our integrated system will provide invaluable assistance to MCSD in evaluating the condition of their sewer lines and manholes. This comprehensive information will empower the district to make informed decisions regarding maintenance priorities, budget allocations, and long-term infrastructure planning.

Empire Pipe Cleaning is committed to executing all project tasks exclusively with our in-house employees and company-owned equipment. The equipment selected for this project incorporates the latest technology, ensuring optimal performance and delivering the highest-quality results for MCSD's condition assessment of their sewer system. Importantly, we affirm that none of the services for this project will be subcontracted, underlining our dedication to maintaining control over the entire process and upholding the standards of excellence that MCSD expects. We have outlined our detailed process in Section D – Scope of Work.

Section B

Description of Firm, Management, and Team Members

Empire Pipe Cleaning boasts a highly skilled and diverse team dedicated to successfully managing and delivering top-notch inspections within the stipulated deadlines. Key personnel overseeing various aspects of the project include:

- Craig Van Thyne Vice President / General Manager
 - Responsibilities: Overseeing general operations, contract compliance, field, and office operations





 Mr. Van Thyne, also co-owner of Empire Pipe Cleaning and Equipment, Inc., manages day-to-day operations and holds financial control of the company.

• Dan Jacobson – Project Manager

 Responsibilities: Project point of contact, managing job-specific details, field coordination, establish project milestones and goals, Quality control of field data, GIS mapping, reporting, contract compliance and Prepare deliverables and reports for invoicing.

• Diana Guillen

 Responsibilities: Tracking production and scheduling, managing the status of daily reports, invoicing, water meter accounts, and overseeing the final deliverables.

• Manny Garcia – Field superintendent

 Responsibilities: Overseeing field operations and crews, scheduling, ensuring smooth and efficient execution.

This dedicated team, under the leadership of Mr. Van Thyne, is well-equipped to handle the intricacies of the project, combining expertise in project management, field operations, data management, and financial control.

This Project will have no subcontractors and all work shall be completed with employees and equipment owned by EPCE and is solely being submitted by EPCE. EPCE is licensed and is authorized to do business in the State of California, Orange County, and City of Westminster. Contact information for EPCE as follows:

Craig Van Thyne, Vice President Contractor's License 363528 Contractor's License C36 and C42 California State Corporation No CO745801

Empire Pipe Cleaning and Equipment Inc. 1788 N. Neville St. Orange CA. 92865

Office: (714) 639-8352 Fax: (714) 283-8578

www.empirepipecleaning.com





Section C

Qualifications

Empire Pipe Cleaning has been a trusted provider of sewer maintenance services in Southern California since 1974. With our headquarters located in Orange, CA, we have established a solid presence that extends from San Diego to the San Francisco Bay area. Our central location strategically positions us to efficiently serve Los Angeles, Orange, Riverside, and San Bernardino counties, with Midway City falling within our primary sphere of influence. This proximity allows us to offer prompt and responsive services when required.

Over the past five years, EPCE has successfully executed services for various clients, contributing to our extensive portfolio of significant projects. The following highlights some of our most noteworthy endeavors:

- CCTV Inspection for the Midway City Sanitary District System cleaning and development
 of inspection reports, recordings, and databases of 750,000 feet of gravity system in
 accordance with NASSCO PACP standards as part of the District's Sewer Master Plan. 20032005
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the City of Santa Clarita, Palmdale, and Lake Isabela – System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 460,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2018-2019
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the City of Santa Clarita, Palmdale – System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 370,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2019-2020
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the City of Santa Clarita System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 460,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2019-2020
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the City of Rancho Palos Verdes – System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 255,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2020-2021
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the Unincorporated of Los Angeles County near Commerce – System Cleaning, CCTV Inspection, Manhole Invert Depths





and development of inspection reports, recordings, and databases of approximately 460,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2020-2021

- Cleaning, CCTV Inspection, and Manhole Depth Validation for the Commerce System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 460,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2021-2022
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the Altadena System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 482,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2022-2023
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the Hacienda Heights System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 560,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2022-2023
- Cleaning, CCTV Inspection, and Manhole Depth Validation for the Baldwin Park System Cleaning, CCTV Inspection, Manhole Invert Depths and development of inspection reports, recordings, and databases of approximately 401,000 Lineal Feet in accordance with NASSCO PACP standards as part of the Los Angeles County Annual Services agreement. FY2023-2024
- CCTV Inspection and Manhole Inspection for the City of Hermosa Beach System cleaning, CCTV inspection, and development of inspection reports, recordings, and databases of approximately 200,000 Lineal Feet in accordance with NASSCO PACP/MACP standards as part of the City's Sewer Master Plan 2016-Ongoing
- CCTV Inspection and Manhole Inspection for the City of La Palma System cleaning, CCTV inspection, Manhole Inspections, and reporting approximately 180,000 Lineal Feet and associated Manholes in accordance with NASSCO PACP/MACP standards as part of the City's Sewer Master Plan 2015 to Ongoing.
- Manhole Inspections for City of Norwalk

 Manhole Inspections including reports and electronic files in accordance with NASSCO MACP/ Level 2 for 300 Manholes as part of the City's Sewer Master Plan. 2018
- CCTV Inspection for City of Stanton System cleaning and development of inspection reports, recordings, and databases of 300,000 feet of gravity system in accordance with NASSCO PACP standards as part of the City's Sewer Master Plan. 2016 to 2023
- Manhole Inspections for East Orange County Water District Manhole Inspections including reports and electronic files in accordance with NASSCO MACP for 500 Manholes as part of the City's Sewer Master Plan. 2017/2018
- CCTV Inspection for Condition Assessment for the City of Redondo Beach System cleaning,
 CCTV inspection, and development of inspection reports, recordings, and databases of





approximately 600,000 Lineal Feet gravity sewers in accordance with NASSCO PACP standards as part of the City's Sewer Master Plan. 2013-2014

- CCTV Inspection for the City of Cerritos— System cleaning and development of inspection reports, recordings, and databases of 250,000 feet of gravity system in accordance with NASSCO PACP standards as part of the City's annual maintenance program. 1995-Ongoing
- CCTV Inspection and manhole inspections for the City of Norwalk

 System cleaning and development of inspection reports, recordings, and databases of 475,000 feet of gravity system in accordance with NASSCO PACP standards as part of the City's maintenance program. 1994 to 2021
- CCTV Inspection for the Rossmoor/Los Alamitos Area Sewer District

 System cleaning and development of inspection reports, recordings, and databases of 350,000 feet of gravity system in accordance with NASSCO PACP standards as part of the District's Sewer Master Plan. 1991 to Ongoing.
- CCTV Inspection for the Garden Grove Sanitary District— Phase I & II System cleaning, CCTV inspection, and development of inspection reports, recordings, and databases of each phase is approximately 450,000 feet of gravity sewers in accordance with NASSCO PACP standards in three phases as part of the District's Sewer System Rehabilitation Plan 2017-2022
- CCTV Inspection for City of Dana Point Storm Drain System Engineered condition assessment of the pipe segments with a grade 4 or 5 structural rating and 3, 4, or 5 maintenance ratings. As we inspect the system, we are updating the GIS database and asset information. 2021-Ongoing

Currently, our operational capacity is at full strength, with both our office and field crews fully staffed. Notably, we pride ourselves on being the sole company that maintains 2-man crews in our trucks. Each of our trucks is equipped with two well-trained, full-time crew members, offering us the flexibility to swiftly add additional equipment on the road while ensuring that each truck is manned by highly skilled personnel.

Our current workload is robust, featuring several long-term projects that are expected to utilize only 30% of our crews to meet contractual obligations. For the upcoming project, we anticipate needing 35% of our CCTV crews and only 20% of our cleaning crews to fulfill contractual projections, reflecting our strategic allocation of resources.

Looking ahead, we are sitting in a good position to start this contract in January, which will not impact on our current future booked business.

To ensure efficient project management, 20% of our office staff's time will be dedicated exclusively to this project. This allocation is deemed more than sufficient to fulfill all administrative roles associated with the project, demonstrating our commitment to maintaining a high level of attention and focus on the successful execution of this endeavor.





Section D

Scope of Work

EPCE is set to conduct comprehensive CCTV video inspections of sewer mains and manholes, along with cleaning services exclusive to the district sewer system. The anticipated scope of the project encompasses approximately 174 miles of CCTV video inspection and cleaning, in addition to inspecting 3001 manholes. NASSCO PACP and MACP standards will serve as the benchmarks for the CCTV inspection of sewers and manholes, ensuring a rigorous and standardized assessment.

Equipment

Our fleet's advanced capabilities and adherence to environmental regulations showcase EPCE's commitment to delivering high-quality services while minimizing our ecological footprint. These investments in cutting-edge technology and eco-friendly practices ensure that we can provide efficient and environmentally responsible solutions for the Midway City Sanitary District project.



2-Recycle Combination Trucks Manufactured by Bucher. These trucks use 90% recycled water from the collection system to clean the pipes.

This Truck is ideal for all sizes of sewer pipes and can operate up to 125 GPM at 2500 PSI / 1.25" diameter Hose

- **2 Combination Trucks** manufactured by Vactor for safety, reliability, and productivity.
 - ❖ The Vactor Trucks provide up to 80 GPM at 2500 PSI, up to 800' of 1" sewer cleaning hose and a 3-stage fan or D.P. vacuum system.



1 -Specialty Easement Cleaning truck with 1200' of cleaning capability- Sewer cleaning hose capability of 1200'/80 GPM/1" diameter hose/2000psi. It is ideal for easement type cleaning and difficult to reach areas.





5 -Fully Operational and Self-Sufficient CCTV Trucks- CCTV Inspection trucks are equipped with Ibak, RST, and Envirosight inspection systems. Software collection utilizes POSM, Granite, or WinCan. We will utilize POSM for this project.





Sewer Mainline Cleaning

EPCE is committed to employing cutting-edge technology for effective sewer cleaning within the Midway City Sanitary District. Our approach involves utilizing high-pressure water jetting equipment alongside powerful vacuum systems to efficiently remove debris, sediment, and any accumulated material within the small diameter sewers. This ensures a thorough cleaning process that adheres to the highest industry standards.

EPCE takes pride in utilizing two-man crews for both cleaning and inspection trucks, allowing for seamless coordination and efficient task execution. This approach not only enhances operational flexibility but also ensures that our highly trained crew members can collaborate effectively to deliver optimal results.

In preparation for CCTV inspections, EPCE employs trucks equipped with advanced technology, adhering to NASSCO PACP and MACP standards. This guarantees that our cleaning process not only removes debris and sediment but also prepares the sewer lines to meet the rigorous requirements for subsequent inspections.

Our commitment to employing high-pressure water jetting, advanced cleaning tools, and

NASSCO standards reflects EPCE's dedication to providing comprehensive and effective sewer cleaning services for the Midway City Sanitary District.

EPCE's commitment to environmentally responsible sewer cleaning is evident through our recycle trucks, designed to clean sewer lines while simultaneously filtering and reusing water from the sewer for debris removal. This sustainable approach minimizes water consumption and







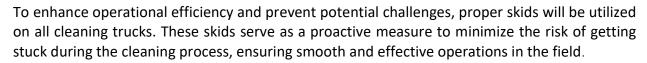
supports eco-friendly practices. Cleaning trucks have a Warthog Spinning Nozzle, Hydraulic root

saw, Nozzles with various angled jets, and penetrating nozzles at a minimum. The scouring action and angle of the nozzles are optimized based on the size and type of pipe, as well as the nature of the materials being removed. This ensures an efficient and tailored cleaning process.

The specifications emphasize that roots should not be intentionally removed to allow for an accurate assessment of their conditions within the pipe. However, as part of our standard cleaning process, EPCE may remove some roots to facilitate a high-quality CCTV inspection. This approach is aimed at ensuring thorough and effective inspection outcomes.

Any roots encountered during the CCTV inspections will be identified and reported to the Midway City Sanitary District (MCSD). This transparent reporting allows for a comprehensive

understanding of the root conditions within the sewer system, aiding in informed decision-making and future maintenance planning.





Cleaning Procedures

EPCE will clean the sewer segments from the downstream manhole and ensure that the nozzle has reached the upstream manhole before pulling the nozzle back to the downstream manhole until the entire length of the sewer has been cleaned. The crews will verify the entire line has been cleaned and record observations and conditions of the pipe. Pull back rate shall not exceed 40 feet per minute. Any debris or solids will be vacuumed at the downstream manhole and shall not be passed downstream. Any manholes not accessible will be noted on the cleaning reports. These lines will be cleaned from the adjacent upstream or downstream manholes. The number of passes will be dictated by the amount and type of debris. Standard maintenance is typically 1-2 passes per the Green Book Standards. Precautions will be taken using appropriate nozzles and pressure to avoid damage or flooding of public or private property.

Liquids will be decanted into the collection system downstream of the segments being cleaned. All debris collected from the cleaning operations will be disposed of at OCSD or an approved site. Lengths will be measured from center of manhole and recorded on the cleaning log. Any manhole defects will be noted on the cleaning log.





Combination trucks utilize water jet and vacuum technologies to remove grit, loose solids, debris, and grease to properly clean the pipe and prepare for the CCTV Inspection. Encrusted hard spots such as calcium and cast- iron scale will not be removed as part of this project. When encountered, CCTV operators will note these areas in the NASSCO PACP defect report for MCSD review. EPCE can offer solutions to remove these hard spots as an optional service at additional cost.

The cleaning crew will document the cleaning process and a cleaning log will be generated in the GIS database. The database will produce a cleaning report and a map of the segments cleaned

for each invoice. Typical fields that are collected in the cleaning report include date, map page, street name, upstream manhole number, downstream manhole number, length, operator name, truck number, debris type with volume, condition of manhole and comments if needed. "Red Flag" conditions will be immediately reported to the City Staff. A Master Sewer Atlas is marked at the office to show the status of the cleaning project. Electronic copies will be sent with the summary invoice at the end of the month.



Schedule

Our standard work hours for the Midway City Sanitary District project are scheduled from 7:00 am to 3:30 pm, Monday through Friday. However, recognizing the importance of minimizing disruptions in areas with heavy traffic flow, adjustments will be made as needed to accommodate these conditions. This flexibility ensures efficient work operations while considering the impact on the community.

To keep the district's staff and residents informed and up to date, EPCE is committed to providing a two-week look ahead schedule. This proactive communication approach allows for planning and awareness of scheduled activities, as well as any potential adjustments. In instances of unforeseen special events or emergencies, our crews will be redirected as necessary to address the situation promptly and effectively.

Water

EPCE will obtain a temporary water meter and permit from the City of Westminster and/or County of Orange if required or make necessary water provisions for this Project. We will not use any property owner's water for sewer cleaning. All cleaning trucks have an air gap eliminating the possibility of cross contamination or the water system. The recycle truck will only need to fill with water 1-2 times per day. The recycling truck vacuums water from the collection system while cleaning and processes the water through multiple onboard filters so it can be reused. This system can reduce water consumption by 80% compared to conventional combination trucks.

CCTV Inspection Procedures

EPCE will use POSM Software for this project which is NASSCO PACP/MACP/LACP certified. CCTV inspection trucks also contain Cues GNet and WinCan if desired. All the CCTV Operators are





NASSCO PACP, LACP and MACP certified. Sewer main video inspection will utilize the District's GIS to prepopulate the session data. This data will include Pipe ID and Manhole IDs for each section of pipe. Pipe data will be verified in the field and any differences will be reported in our field reports. The location of all laterals and defects, as defined in the PACP guidelines, be documented. The recorded digital video files will include computer generated audio documenting any observations or defects. Computer generated reports for the inspections will be supplied on a hard drive-in pdf format. Paper reports are available if requested.

High resolution pan and tilt cameras will be used for this project. The NASSCO PACP database, digital video and photographs, and reports are recorded on a removable hard and backed up daily. Flow control if needed will be used if flows in pipes exceed 25%. Adequate lighting and resolution will be provided for a clear picture of the inspection. The pan and tilt camera will pause, pan, and visually inspect all service connections, maintenance or structural defects, and all connections and end nodes.

The initial screen overlay and running screen overlay requirements outlined in the scope of work is acceptable and the software allows for any further modifications.

The recommended direction for CCTV inspection is to commence from the upstream manhole and progress downstream. Before initiating the inspection, a comprehensive overview of the manhole will be conducted, including a photograph taken from the top. Upon camera insertion, a thorough pan of both the incoming and outgoing sewer lines will be performed. The camera's movement speed shall not surpass 30 feet per minute, ensuring a controlled and detailed examination of the sewer line. The camera will traverse the line at a moderate pace, pausing when necessary to facilitate proper documentation of the sewer line's condition. This includes capturing details of the manhole, lateral wyes, and lateral locations.

In the event of a line blockage where the CCTV camera is unable to pass a reach of pipe between two manholes, EPCE will move the camera to the downstream manhole and continue inspecting the reach in an upstream direction. If again the camera fails to pass the entire reach, the inspection of this reach shall be considered complete and flagged. EPCE will notify the City and the Engineer's immediately of "Red Flag" conditions. Any other major defects such as holes in pipe, utility issues, or collapsed pipe will be immediately reported to the district.

If undocumented manholes are encountered, it shall be labeled with the Asset ID – upstream manhole – A, B, C and a new inspection will be initiated, and these segments will be reported in our field reporting tool and the district engineer will be notified.

Inspection will be completed per NASSCO PACP standards. All CCTV operators and management staff hold PACP, LACP and MACP certifications. Inspections will be completed as continuous recordings. All assessments will be imbedded into the video making it a permanent document. Recording will be in MPEG 4 and with a compression rate of 1.5 Mb/s and a minimum resolution of 352 x 240 and 24 frames per second. Pictures will be in the JPEG format.





GIS Data Integration and Mapping

EPCE leverages the ESRI GIS Pro Platform to effectively monitor job progress and capture field data. By utilizing the city-supplied File Geodatabase for the project, our CCTV Inspection Trucks can seamlessly integrate this data, ensuring consistent and accurate data entry. Our field collection tool, operating on this cloud-based GIS platform, facilitates real-time monitoring of cleaning and CCTV inspection progress.



Citywide Sewer Cleaning and Root Removal Services 2016-2017 The services 2016

Incorporating

this software enables EPCE to generate visual reports summarizing the completed CCTV, Manhole Inspections, and cleaning services. The GIS-based field collection tool plays a pivotal role in our performance tracking. Crews responsible for cleaning and inspections can effortlessly upload daily operation details, including notes and photographs of any noteworthy observations, directly into the database. Operators perform live data uploads in the field, contributing to a dynamic and up-to-date information repository.

This data, systematically entered, serves as the foundation for generating comprehensive reports, invoices, and graphic maps that vividly display our findings. The synergy between

the ESRI GIS Pro Platform and our cloud-based field collection tool enhances efficiency, accuracy, and transparency in our operations, ultimately benefiting the overall project outcomes.

Manhole Inspections

EPCE has performed thousands of manhole inspections using conventional pole camera technology. We have available 3D Manhole Scanning with Envirosight CleverScan Technology that delivers a high-resolution flat scan for 3D visualization. The resulting 3D image can be reviewed using NASSCO MACP rating systems and allows a rotating virtual image of the manhole. Our crews would scan the manholes using this scanning device and collect any other NASSCO MACP required field data. These scans would be analyzed for condition assessment in the office according to MACP Standards. Separating these functions minimizes time on the streets diverting and interfering with traffic. We will be using the NASSCO MACP Level II Standard for this project.







Safety

Empire Pipe Cleaning & Equipment, Inc. prioritizes the health and safety of its employees by adhering to comprehensive guidelines and regulations at the local, state, and federal levels. Our Health and Safety Plan is designed to address industry-known hazards, ensuring a secure work environment.

Our plan covers a range of industry hazards, including but not limited to drowning, H2S exposure, Personal Protective Equipment (PPE), medical first aid, tools, equipment, fire safety, and job site procedures. It also includes information on the locations of medical services.

Our confined space safety protocols are regularly updated, and all employees are re-certified. Confined space entry will include the following as a minimum; Two Man Crew both with confined space certifications, ventilator, tripod, safety harness, gas detector, PPE and additional equipment or supplies if needed to safely complete the task.

Traffic Control

EPCE will comply with CA-MUTCD standards and guidance for traffic control setups and any standards listed in the City of Westminster, Traffic control and safety shall conform to the City. of Westminster Standards – "Traffic Control General Notes.



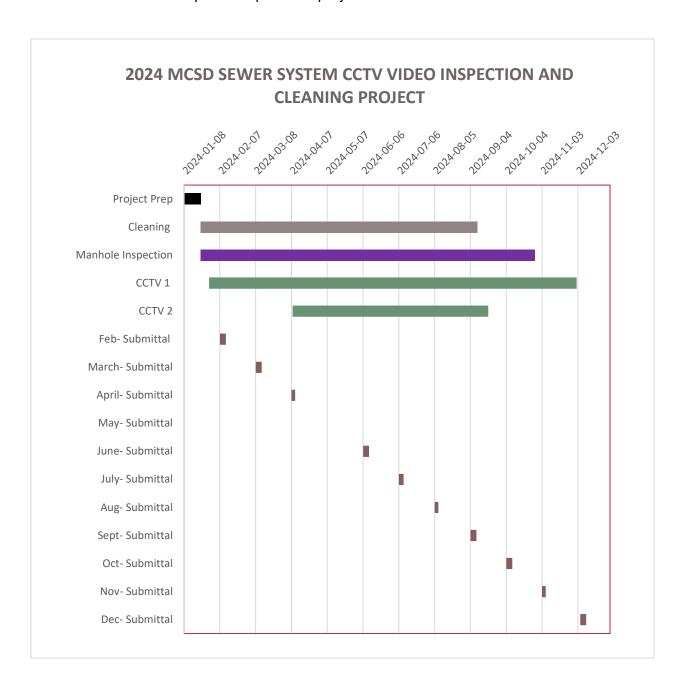


Section E

Proposed Schedule

Empire Pipe Cleaning & Equipment, Inc. is fully prepared to initiate the project immediately upon the issuance of the Notice to Proceed (NTP). We have all the necessary crews and trucks, ensuring a seamless progression from the project's commencement to its completion.

Our projection shows this should take approximately 238 working days to finish this project from NTP to final deliverable. We may be applying more crews after the project starts, which would reduce the number of days to complete the project.

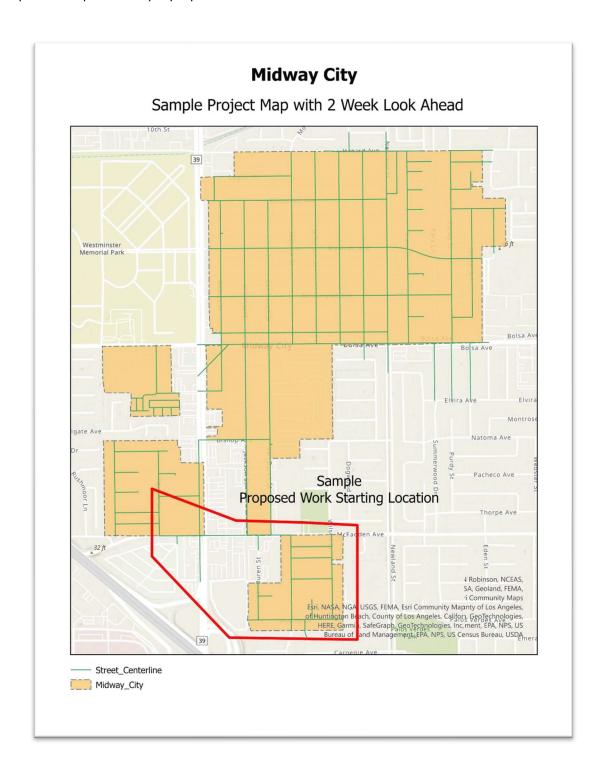






Proposed Schedule Map

Sample GIS Map with sample proposed 2 week look ahead work area







Here is a preliminary project schedule based on the guidelines provided in the Request for Proposal:

Section F

Proposed Pricing

A copy of the price proposal will be attached at the back of this proposal.

EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
1	Cleaning and CCTV inspection of all 8-inch gravity sewer mains	LF	857,031	\$ 1.43	\$ 1,225,554.33
2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$ 1.75	\$ 54,755.75
3	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$ 2.07	\$ 29,787.30
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$ 2.44	\$ 11,111.76
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$ 3.05	\$ 21,307.30
6	Inspection of all District's manholes (all sizes and types)	EA	3,001	\$ 175.00	\$ 525,175.00

Total Amount For All Items in Numerals (Assuming Stated Unit Quantities): \$_1,867,691.44

Total Amount for All Items in Words (Assuming Stated Unit Quantities):

One Million Eight Hundred Sixty Seven Thousand Six Hundred Ninety One Dollars and Forty Four Cents Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ. Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.

Midway City Sanitary District – November 7, 2023

1797771.1



Page 42



Section G

References, Related Experience and Examples of Work

Los Angeles County Department of Public Works

CONTACT: Alexander Villarama Senior Civil Engineer

PHONE: 626-300-3374

ADDRESS: 900 South Fremont St Alhambra, CA 91803-1331

Avilla@dpw.lacounty.gov

Current Service Provider 2018 to 2023

System cleaning, CCTV Inspection and development of inspection reports and databases, and GIS Data management With Project Status Reporting. EPCE completed 17 projects from the period of 2005 to 2023. EPCE completed over 10,000,000 lineal feet of assessments in Accordance with NASSCO PACP Standards All projects were completed 100% without delays.

Average contract Value of \$1,000,000.00

City of La Palma

CONTACT: Dean Chambers Water / Maintenance Supervisor

PHONE: (714) 690-3321

ADDRESS: 7822 Walker Street La Palma CA. 90623

dchamabers@cityoflapalma.org

Current Service Provider 2019 to Present

Citywide Sewer Cleaning, Quarterly Hot Spots, Condition Assessment of Sewers

Annual Contract Value \$135,000.00

City of Cerritos

CONTACT: Mary Anne Wozniak

PHONE: 310-603-0220

ADDRESS: 18125 S. Bloomfield Ave. Cerritos CA. 90703

mwozniak@cerritos.us

Current Service Provider 2018 to Present

Annual Cleaning and maintenance of 320,000 Feet of Sewer Line Annual Sewer Cleaning, On Call,

Trouble spots, CCTV Inspections, and lift station services.

Annual Contract Value of \$313,000.00

City of Hermosa Beach

CONTACT: Bradley Cocking PHONE: 310-863-2159

ADDRESS: 1315 Valley Drive Hermosa Beach CA. 90254

bcocking@hermosabch.org

Current Services Provider 2019 to Present

Annual Cleaning and Video Inspection of Sewer Lines

Annual Contract Value of \$195,000.00





City of El Segundo

CONTACT: Floriza Rivera, Principal Engineer

PHONE: 310-524-2361

ADDRESS: 350 Main Street El Segundo, CA 90245

frivera@elsegundo.org

FY 2022 to 2023

Project PW 21-12 Sewer Main Closed-Circuit Television (CCTV) Inspection Project

EPCE completed Cleaning and CCTV Inspection of 300,000 Lineal Feet of 6" to 30" mainline sewers. This project was completed in less than 6 months. POSM Collection Software was used for the CCTV

Inspection. NASSCO PACP Standards

Total Value: 390,000.00

City of Villa Park

CONTACT: Mahrooz Ilkhanipoiur, P.E. City Engineer

PHONE: 714-998-1500

ADDRESS: 17855 Santiago Blvd Villa Park CA 92861

Sewer Line Cleaning and Emergency Services. Services include cleaning all the sewer pipes, root cutting, CCTV investigations per NASSCO PACP standards, SSO emergency response and as

needed response request.

Current Services Provider 2023 to 2026

City of Dana Point

CONTACT: Lisa Zawaski CPSWP, QSP/QSD, CFM, QISP Senior Water Quality Engineer

PHONE: 949-248-3584

ADDRESS: 33282 Golden Lantern St Dana Point CA 92629

Izawaski@danapoint.or

Current Services Provider 2019 to Present

CCTV Inspection of the storm drain system, engineered condition assessment reports of structural and maintenance defects, and GIS mapping and coding of the system. NASSCO PACP

Standards

Annual Contract \$50,000.00

Additional references available upon request





Project Rolls

Roll for projects have been addressed above in section "B."

Section H

Sample Cleaning Report

Sample cleaning report generated from the GIS Cloud Database

Facility ID	Size	Date	Footage	Debris	Roots	Grease	Other Debris	Notes
MH 1 - MH 2	8"	12/1/2023	250	Medium	Heavy	Clear		Heavy roots were removed from the pipe. Addition root saw may be needed. See photos in the Cloud for details
MH 2 - MH 3	8"	12/1/2023	275	Medium	Heavy	Clear		Taproot and a root ball were removed. There was a change in the color of the debris that came out. My have a broken pipe. See photos in the Cloud for details.
MH 3 - MH 5	8"	12/2/2023	120	Light	Clear	Heavy		Large grease logs were removed. May have a FOG problem with restaurant. City should follow up
MH 4 - MH 5	8"	12/3/2023	95	Light	Medium	Clear		
MH 5 - MH 6	10"	12/4/2023	305	Heavy	Clear	Clear	Calcium	Large calcium was removed may have an "I-I" issue. See photos in the Cloud for details
MH 7 - MH 8	8"	12/4/2023	240	Light	Medium	Clear		
MH 8 - MH 9	8"	12/5/2023	50	Light	Medium	Clear		
MH 9 - MH 10	10"	12/6/2023	140	Light	Medium	Light		The drainage area pipe diameter has increased.
MH 10 - MH 11	10"	12/6/2023	215	Light	Medium	Light		
MH 11 - MH 12	10"	12/6/2023						Could not access manhole 11 a car was parked on top of it. Manny will post no parking and reschedule for another day.
MH 12 - MH 13	10"	12/7/2023	315	Light	Medium	Light		
MH 13 - MH 14	10"	12/7/2023						Manhole is in the back yard. Homeowner was not home to grant access the manhole. Manny will contact homeowner and reschedule with them.

Totals Footage 2,005.00

Empire Pipe Cleaning (714) 639-8352

Page 1 of 1

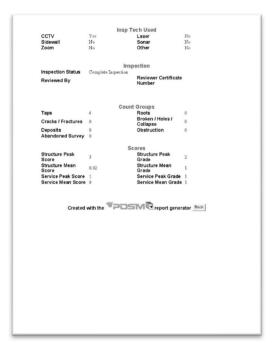




Sample CCTV Inspection Report

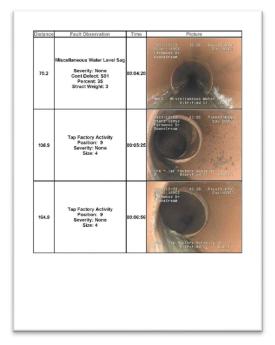
Sample CCTV report of detailed pipe asset information





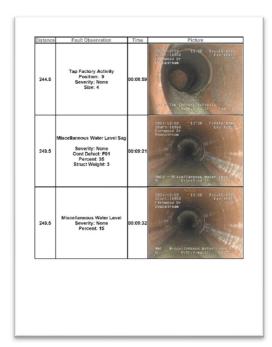
Sample CCTV report of defects photos

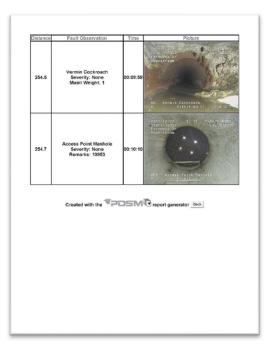




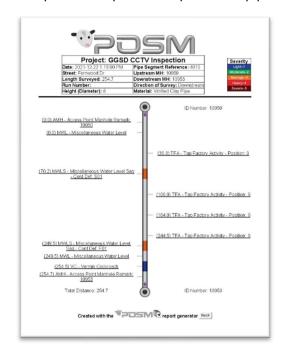








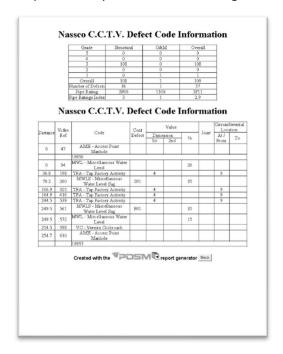
Sample CCTV report of the plot of the pipe





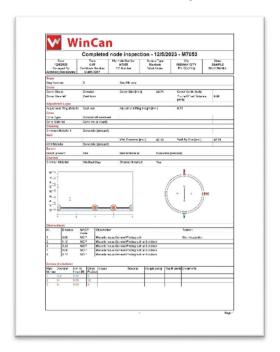


Sample CCTV report of NSAACO Rating Codes



Sample Manhole Inspection Report

Manhole Detail Page







The inspection includes a photo of each component of the manhole. If there is a defect a photo will be taken and coded, if no defect is found a picture of the general condition will be logged.





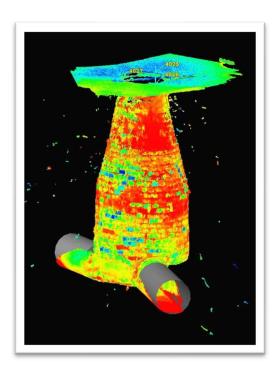








The inspection of the manhole is a 3D scan and can be views at any time after the inspection is completed. The software allows you to measure and zoom in to any portion of the manhole with the point cloud data.



The free viewer software will allow you go inside the manhole and pan around and zoom in or out as needed. This can provide additional detailed information that may not be observed from a photo.





Addendum 1



MIDWAY CITY SANITARY DISTRICT

ADDENDUM 1 REQUEST FOR PROPOSALS

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

December 5, 2023

Please see the followings:

- It is the sole responsibility of the contractor to find out if there is any cost associated with proper dumping of sewer sediments and debris. The contractor will be responsible for this cost.
- It is the sole responsibility of the contractor to find out about any cost associated with any permits required for this project. The contractor will be responsible for this cost.
- Sewer line and manhole location map will be provided only by email request to the district. The GIS map will be ready sometime in January 2024.
- 4. MCSD requires level 2 inspection for all manholes.
- If you have more than 1 type of sample report, please include up to 3 sample reports in your proposal. The sample reports could be from different NASSCO approved software applications.

Page 1 of 2





- 6. If you have more than 1 type of camera, please include up to 3 sample video pictures from different cameras in your proposal. The thumb drive shall become the property of the district.
- 7. Please include a digital copy of your proposal with your hard copy of your proposal in a thumb drive. The thumb drive shall become the property of the district.

Receives 12/5/2023

Page 2 of 2





Contact Information

Empire Pipe Cleaning & Equipment, Inc.



Craig Van Thyne, Vice-President 1788 N. Neville St Orange, CA 92865 Contractor's License Number 363528 Classes C36 and C42 Tel 714-639-8352 Fax 714-283-8578

<u>Craig@Empirepipecleaning.com</u> <u>www.empirepipecleaning.com</u>





EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
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2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$ 1.75	\$ 54,755.75
3	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$ 2.07	\$ 29,787.30
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$ 2.44	\$ 11,111.76
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$ 3.05	\$ 21,307.30
6	Inspection of all District's manholes (all sizes and types)	EA	3,001	\$ 175.00	\$ 525,175.00

Total Amount For All Items in Numerals (Assuming Stated Unit Quantities): \$ 1,867,691.44

One Million Eight Hundred Sixty Seven Thousand Six Hundred Ninety One Dollars and Forty Four Cents Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ. Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.



MIDWAY CITY SANITARY DISTRICT

ADDENDUM 1 REQUEST FOR PROPOSALS

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

December 5, 2023

Please see the followings:

- 1. It is the sole responsibility of the contractor to find out if there is any cost associated with proper dumping of sewer sediments and debris. The contractor will be responsible for this cost.
- 2. It is the sole responsibility of the contractor to find out about any cost associated with any permits required for this project. The contractor will be responsible for this cost.
- 3. Sewer line and manhole location map will be provided only by email request to the district. The GIS map will be ready sometime in January 2024.
- 4. MCSD requires level 2 inspection for all manholes.
- 5. If you have more than 1 type of sample report, please include up to 3 sample reports in your proposal. The sample reports could be from different NASSCO approved software applications.

- 6. If you have more than 1 type of camera, please include up to 3 sample video pictures from different cameras in your proposal. The thumb drive shall become the property of the district.
- 7. Please include a digital copy of your proposal with your hard copy of your proposal in a thumb drive. The thumb drive shall become the property of the district.

Receives 12/5/2023

STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Tel: (714) 536-7386

December 7, 2023

Letter of Offer

Attention: Midway City Sanitary District:

Performance Pipeline Technologies Inc. DBA Sanitation Systems has received The Midway City Sanitary District Request for Proposal for the 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project. Gene Glassburner has the authority to negotiate and execute contracts on behalf of Performance Pipeline Technologies Inc. DBA Sanitation Systems. gene@pptsocal.com

All our equipment owned and operated by Performance Pipeline meets all AQMD and CARB (California air resources board) requirements for clean air equipment.

We have over 20 years of experience in wage compliance including working with Federal, State, HCID, HUD, HACLA and various CRA agencies to ensure each project meets the necessary Prevailing Wage, EOE, and Local Hire Requirements.

Prevailing Wage Monitoring Services

Performance Pipeline employs a full-time wage compliance department to meet prevailing wage requirements. Our team is fully trained in wage compliance and has an in-depth understanding of prevailing wage monitoring and requirements for both federal and state funded projects. Our knowledge of these policies and procedures are fundamental in avoiding costly penalties and compliance delays.

Local Hire Program

Performance Pipeline understands the impact our projects have on the surrounding community and its residents. We have successfully completed many projects with local hire and Section 3 requirements. As such, we offer our clients local hire, for this project by making local hiring an opportunity for a local resident or residents to be used as the apprentice for this project. Performance Pipeline will work closely with Midway City in using local residents from the Laborers union when possible.

Performance Pipeline doesn't take any exceptions to the proposed agreement.

This proposal shall remain valid for not less than 90 calendar days from the date of submittal. We have received Addendum 1 for this RFP attached after Exhibit C.

Respectfully Submitted,

Gene Glassburner

President



5292 System Drive Huntington Beach, CA 92649

STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

A. Approach

Tel: (714) 536-7386

Performance Pipeline understands that time is of the essence and will work diligently to execute the project as fast and efficiently without jeopardizing the quality of its work or safety and staying on budget. Performance Pipeline's offices are within 4 miles of the district's offices, which makes our availability and response time very quick. We have over twenty years of completing similar projects throughout Southern California, and we have been using the latest technological equipment available. We are constantly researching the newest and most efficient products available to stay on top of the industry. An advantage of the years of experience Performance Pipeline crews has been assessing the sewer system in real time. The advantage of completing inspections in real time, compared to using the panoramic system, decreases costs, possible spills and inconveniences to residents if the equipment needs to be dug up for any reason. For example, the Panoramic system does not video in real time and cameras can easily get stuck in voids, hard deposits, offset joints, or protruding lateral connections. We are aware that many of these issues including ground water infiltration which creates hard deposits exist in an aging sewer system. Our cleaning operators all have over 10 years of experience in maintenance of sewers utilizing proper tools and techniques to prevent damaging the existing sewer system. During the cleaning process our operators know what to look for and if immediate CCTV inspection is required while preventing further damage from doing multiply passes. Performance CCTV operators have experience in looking at active sewer mains to recognize problems that may be below the flow line by watching the path of the water that may eliminate equipment getting stuck in pipes because of unseen issues. We have trenchless solutions such as a robotic cutting system to remove hard deposits, calcium deposits, protruding laterals and offset joints if these problems arise. Another trenchless solution to ground water infiltration is our Chemical grout injection truck which can seal the infiltration of water internally from pipe sizes ranging from 6" to 18". Depending on the pipe segment assessment, PPT offers sectional spot repair lining using UV technology and manhole to manhole lining using steam-cure and UV technology CIPP lining systems.



STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121 Tel: (714) 536-7386

Section B: Description of Firm, Management and Team Members of Proposer

Performance Pipeline has been providing cleaning and CCTV services for over the last twenty years. We have an impeccable safety record over the past 20 years, we have a record of zero injuries in the workplace and no lost days from work with an x mod rating of .76. We are a part of the ISNetworld with a safety grade of an A. Our employees are all certified in confined space entry, rescue training, first aid, and NASSCO. Our staff experience averages a minimum of 2-20 years' experience in CCTV inspection, 10-20 Years in cleaning services. Performance Pipeline Technologies was founded by Gene and Carol Glassburner in 2002 as a sole proprietorship. In 2020 Performance Pipeline Technologies incorporated as Performance Pipeline Technologies Inc. DBA Sanitation Systems. We are a signatory contractor for the Laborers Union and currently staff approximately 27 employees ranging from apprentices, journeyman, superintendents, foreman, estimators, project managers, and other office staff. Performance Pipeline has the resources to generate additional local hire apprentices by reaching out to the Union Hall. Our office is in Huntington Beach at 5292 System Drive and is approximately 4 miles from the project location. We are one of the largest, if not the largest, contractor that provides services from San Diego County to Marin County. Our services include CCTV inspection, pipe cleaning, hydro excavation, by-pass pumping and dewatering utilizing 3" to 6" pumps, traffic and arrow board trucks, pipe repairs such as UV CIPP sectional spot repairs and Manhole to Manhole CIPP lining, Vactor services, line locating, and high-pressure jetting. All our equipment owned and operated by Performance Pipeline meets all AQMD and CARB (California air resources board) requirements. Performance Pipeline acknowledges that the key personnel will be available to the extent proposed for the duration of the Scope of Work to the services requested. Performance Pipeline Technologies does not have a high turnover rate, which provides security in which no project is left uncompleted by key personnel. The management staff for this project consists of the following and will be available anytime Monday through Friday to address any questions or concerns:

B.1.1 Legal Name & Adress:

Performance Pipeline Technologies Inc. DBA Sanitation Systems 5292 System Drive Huntington Beach CA 92649 714-536-7386

State Contractors License C-42 825824

DIR: 1000561121

Primary Contact: Gene Glassburner

B.1.2 Secretary of State: Attachment B1

B.2.1 Performance Pipeline does not employ subcontractors for any of their work or will not have a joint proposal with another entity.



STATE CONTRACTORS LICENSE # 825824 C-42

Tel: (714) 536-7386

SMALL BUSINESS CERTIFICATION # 36488

DIR REGISTRATION # 1000561121

B.3 Proposed Staffing and Project Organization: Resumes attachment B2

- 1. **Gene Glassburner**: Project Manager, California State Contractor License 825824 C-42 Sanitation Systems
- a. Project Manager, Quality & Training Control, provide weekly feedback based on pipe segment ratings generated from NASSCO PACP program

b. Email: Gene@pptsocal.com

c. Cell: 714-350-2131

- 2. Brittany Spielberger: Controller, California State University of Fullerton Masters of Science
 - a. Project Manager, Billing, Insurance, Certified Payroll

b. Email: Brittany@pptsocal.com

c. Cell: 714-477-3715

- 3. Josh Alejos: Assistant Project Manager, Certifications: NASSCO with PACP, LACP, MACP; Vactor Training Course; Confined space entry & rescue training; CPR training
- a. Daily Communications with Midway City, project management or Inspectors; Assistant Project Manager; Scheduling, Provide Midway City with weekly progress reports and monthly summary reports; Pre-job walks, JHA Safety

b. Email: josh@pptsocal.com

c. Cell: 714-454-4586

- 4. Anthony Sanchez: Project Superintendent, Certifications: NASSCO with PACP, LACP, MACP; Vactor Training Course; Confined space entry & rescue training; CPR training
- a. Project Superintendent, JHA Safety, Staffing requirements for each task; reports directly to project management team.

b. Email: Anthony@pptsocal.com

c. Cell: 714-475-9916

- 5. **Vactor Operators**: Rick Briseno, Albert Garcia, Matthew Okimura, Herbert Linares, Roger Hernandez, Rosemberg Rivas, Miguel Padilla, Fernando Rojo, and Christopher Veil
- 6. NASSCO PACP Certified CCTV Inspection Operators: Josh Alejos, Rick Briseno, Fausto Camacho, Guillermo Davalos, Gregory Lucero, Jefferson Robinette, Miguel Padilla, and Anthony Sanchez



STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Section C: Qualifications

Tel: (714) 536-7386

- C.1.1 Similar Projects/ Relevant Background to RFP
 - 1. Orange County Sanitation District On-Call CCTV Services: Troy Edwards, Purchasing, 10844 Ellis Avenue Fountain Valley CA 92708, tedwards@ocsan.gov, 714-962-2411

Start Date: December 2019 End Date: December 2024

- City of Huntington Beach Public Works On-Call Services: Mark Birchfield,
 Wastewater Maintenance Supervisor, <u>Mbirchfield@surfcity-hb.org</u> 714 329-2885
 Start Date: July 2018 End Date: July 2025
- 3. Sunset Beach Sanitation District: Brad VanMalsen, Project Manager, P.O. Box 1185 Sunset Beach CA 90742, 714-330-3728

Start Date: July 2005 End Date: June 2025

4. City of Ventura Water On-Call Services: Robert Berretto, Wastewater Maintenance Supervisor, 1400 Spinnaker Dr Ventura CA 93001, RBerretto@cityofventura.ca.gov, 805-207-6384

Start Date: July 2020 End Date: June 2025

- 5. City of Ventura Engineering Department On-Call Services: Chris Palmieri, 501 Poli Street Ventura CA 93001, cpalmieri@cityofventura.ca.gov, 805-652-4521 Start Date: July 2020 End Date: June 2025
- C.1.2 Performance Pipeline acknowledges that the key personnel will be available to the extent proposed for the duration of the Scope of Work to the services requested. Performance Pipeline Technologies does not have a high turnover rate, which provides security in which no project is left uncompleted by key personnel. We have enough staff, crew, and equipment to run up to eight Clean & CCTV crews at a given time.
- C.1.3. Performance is a trenchless rehabilitation company that provides more than just Cleaning and CCTV services. Our experience with the above reference projects during the cleaning, and CCTV assessments can provide trenchless solutions that may arise when the NASSCO ratings are above 4 and 5. During our weekly feedback communications of assessments completed with the City, we will provide insight on timely and cost-effective repairs that are needed and a time schedule based on the NASSCO rating scale.



STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Section D: Scope of Work

Tel: (714) 536-7386

D.1.1 The Scope of work will be broken down into four phases. Phase 1 is cleaning the lines prior to CCTV inspection. Phase 2 is CCTV inspection of the cleaned pipe. Phase 3 is level 2 manhole assessments. Phase 4 is review of NASSCO assessment ratings and what additional steps may be required.

Phase 1 cleaning will include the following steps: 1. Placement of no-parking signs when required 2. Providing proper traffic control in public right of way to ensure safe working zone for the cleaning operator 3. Prior to opening manholes crew member will check combustible gas levels with a 4-1 gas detector to ensure safety. 4. Cleaning basket and/or Vactor tube will be lowered into the downstream invert manhole being cleaned to collect debris and grease. 5. Insert cleaning nozzle into the downstream pipe segment heading to the upstream manhole at a pressure capability of producing a scouring action from 15 to 45-degree nozzle placed on a centering skid. 6. The nozzle will be retrieved at a speed to ensure the pipe segment has been cleaned properly that might take multiple passes to complete the cleaning. Any debris brought back into the manhole will be vacuumed out into vactor debris tank. This process will be repeated at each manhole to manhole reach until the project is completed. If for any reason the nozzle cannot make it through the pipe segment PPT will inspect the pipe to determine the blockage prior to completing a reverse setup to prevent additional damage to the sewer line. Disposal of debris removed from the sewer system will be disposed of in compliance with State and Federal law.

Phase 2 CCTV inspection will include the following steps: 1. Placement of no-parking signs when required. 2. Providing proper traffic control in public right of way to ensure safe working zone for the CCTV inspection operator. 3. Prior to opening manholes crew member will check combustible gas levels with a 4-1 gas detector to ensure safety. 4. CCTV inspection will begin with placing camera on the manhole rim documenting the manhole and surrounding area. Once completed the camera will be placed inside upstream manhole. The CCTV inspection will be conducted utilizing the NASSCO PACP standards and software. During the inspection lateral locations and defects will be documented. 5. If an inspection cannot be completed, the reach will be listed as an MSA and an immediate phone call will be made to the appropriate personal, a reserve set up will be completed to ensure entirety of reach is inspected if possible. 6. When the sewer line depth of flow exceeds 5% of pipe diameter, PPT will provide flow control to meet the specified CCTV inspection requirements.

Phase 3 Level 2 manhole assessments will include the following steps: 1. Placement of no-parking signs when required. 2. Providing proper traffic control in public right of way to ensure safe working zone for the crew. 3. Prior to opening manholes crew member will check combustible gas levels with a 4-1 gas detector to ensure safety. 4. The manhole assessment will be completed by following the NASSCO MACP inspection process. All manhole inspection information will be broken down into three sections as required by the MACP.



Tel: (714) 536-7386

STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Phase 4 review of NASSCO assessment ratings will include the following steps: 1. Project management team will review monthly of the completed CCTV inspections and MACP inspections and provide findings that may need immediate or future attention, depending on severity per NASSCO guidelines.

E. Proposed Project Schedule

E.1.1. The estimated time to complete this project will be ten months. We will provide a more accurate and detailed schedule and proposed completion once we receive maps of the district. Cleaning production and CCTV inspection are estimated to progress at a rate of a minimum of 100,000 LF per month. Manhole inspections are estimated to progress a minimum of 300 manholes per month.

F. Proposed Pricing

F.1.1 Please see Exhibit C attached.

G. Reference, Related Experience and Examples of Work

G.1.1 Client References

- 1. Orange County Sanitation District: Dickie Fernandez, Project Manager, 10844 Ellis Avenue Fountain Valley CA 92708, bfernandez@ocsan.gov, 714-593-7523

 Type of work: Cleaning, CCTV inspection, Sectional lining, Manhole to manhole lining, Calcium removal, grout injection
- 2. City of Huntington Beach Public Works: Mark Birchfield, Wastewater Maintenance Supervisor, Mbirchfield@surfeity-hb.org, 714 329-2885

Type of work: Cleaning, CCTV inspection, Sectional lining, Calcium removal

3. Sunset Beach Sanitation District: Brad VanMalsen, Project Manager, P.O. Box 1185 Sunset Beach CA 90742, 714-330-3728

Type of work: Cleaning and CCTV inspections

4. City of Ventura Water On-Call Services: Robert Berretto, Wastewater Maintenance Supervisor, 1400 Spinnaker Dr Ventura CA 93001, RBerretto@cityofventura.ca.gov, 805-207-6384



Type of work: Manhole inspections, Cleaning, CCTV inspection, Sectional and Manhole to manhole lining

5292 System Drive Huntington Beach, CA 92649

STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Tel: (714) 536-7386

5. City of Ventura Engineering Department On-Call Services: Chris Palmieri, 501 Poli Street Ventura CA 93001, cpalmieri@cityofventura.ca.gov, 805-652-4521

Type of work: Cleaning, CCTV inspection, Sectional and Manhole to manhole lining

6. Laguna County Sanitation District: Kevin Thompson, Engineer, 620 W Foster Rd, Santa Maria, Ca 93455; kethomp@countyofsb.org; 805-803-8756

Type of work: Cleaning, CCTV inspection, Asbestos removal, Manhole to manhole lining

H. A Sample Report

H.1.1. Please see attached thumb drive provided.

I. A Sample Video Picture Quality

I. 1.1. Please see attached thumb drive provided.



STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Tel: (714) 536-7386

Attachment B1: Secretary of State Information







BA20231455462



STATE OF CALIFORNIA Office of the Secretary of State STATEMENT OF INFORMATION CORPORATION

California Secretary of State 1500 11th Street Sacramento, California 95814 (916) 653-3516 For Office Use Only

-FILED-

File No.: BA20231455462 Date Filed: 9/15/2023

PERFORMANCE PIPELINE TECHNOLOGIES, INC.
4320834
CALIFORNIA
5292 SYSTEM DRIVE HUNTINGTON BEACH, CA 92649
5292 SYSTEM DRIVE
HUNTINGTON BEACH, CA 92649
5292 SYSTEM DRIVE HUNTINGTON BEACH, CA 92649

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Officer Name	Officer Address	Position(s)
GENE GLASSBURNER JR.	19284 BECKONRIDGE LANE HUNTINGTON BEACH, CA 92648	Chief Executive Officer
■ Brittany Spielberger	358 SUNRISE LANE Stanton, CA 90680	Secretary
Gene Glassburner Jr.	19284 Beckonridge Lane Huntington Beach, CA 92648	Chief Financial Officer

Additional Officers

	Officer Name	Officer Address	Position	Stated Position
None Entered				

Directors

Director Name	Director Address
Gene R Glassburner Jr.	19284 BRECKONRIDGE LANE HUNTINGTON BEACH, CA 92648
Carol Glassburner	19284 Beckonridge Lane Huntington Beach, CA 92648

The number of vacancies on Board of Directors is: 0

Agent for Service of Process

Agent Name

Agent Address

GENE GLASSBURNER

19284 BECKONRIDGE LANE

HUNTINGTON BEACH, CA 92648

Type of Business

Type of Business

CONSTRUCTION

Email Notifications

Opt-in Email Notifications	No, I do NOT want to receive entity notifications via email prefer notifications by USPS mail.	
abor Judgment No Officer or Director of this Corporation Standards Enforcement or a court of law, order or provision of the Labor Code.	has an outstanding final judgment issued by the Division of Labor for which no appeal therefrom is pending, for the violation of any wage	
Electronic Signature		
_	nerein is true and correct and that I am authorized by California law to sign.	
_	nerein is true and correct and that I am authorized by California law to sign. 09/15/2023	

STATE CONTRACTORS LICENSE # 825824 C-42 SMALL BUSINESS CERTIFICATION # 36488 DIR REGISTRATION # 1000561121

Tel: (714) 536-7386

Attachment B2: Resumes



Gene R. Glassburner Jr.

Safety-Project Manager

Objective

I have used my 38 years of experience in the sanitation industry to build and operate a successful trenchless rehabilitation company.

Experience

2002 to present

Performance Pipeline

H.B. CA.

Owner

Oversee the daily operations of all aspects of the company

1987-2011

Sancon Engineering

H.B. CA.

Superintendent-Project Manager

- Supervised and managed 36 employees
- Worked directly with foreman in the completion of projects
- Estimator for projects
- Worked directly with city inspectors in completing projects
- Implemented training course for new employees

1985-1987 County Sanitation District of Orange

F.V. CA.

Line and Pump station maintenance worker 2

- Cleaning sewer lines from 4" to 108" in Diameter.
- Operated high velocity flush trucks and balling machines
- Repaired and replaced sewage pumps
- Cleaned Wet Wells of debris

Qualifications

I have successfully cleaned, CCTV Inspected, installed and supervised over 3 million linear feet of trench less sewer and storm drain installations, using the following methods. Fold and form PVC pipe lining,slip lining with HDPE pipe and CIPP pipe. There are thousands of sectional repairs I have installed using CIPP UV Light cured pipe, link pipe sleeves repair patches. Addition responsibility is applying protective coatings for concrete structures, steel digesters and concrete manholes. Chemical Grouting water infiltration in pipe's structures and manholes.

NASSCO Certified # U 304-1120

License & Certifications

- California Contractor's license C-42 #825824/ HIC Certificate
- Municipal Sewer Grout School Safety Training certificate
- Municipal Sewer Grout School NASSCO Specified Certificate
- Confined space entry certified
- CPR Training Certificate
- Supervisory Training (DOT CFR) Substance Abuse/Alcohol Misuse Certificate
- First Aid Certificate

Brittany Spielberger

358 Sunrise Lane Stanton CA 90680 brittany@pptsocal.com 714-477-3715

OBJECTIVE

I use my communication skills, organizational skills, and my expertise in customer service in a professional atmosphere to enhance the growth and development of a large corporation while providing quality relationships in the construction industry.

EDUCATION:

California State University, Fullerton: Masters of Science; Fullerton, CA- December 2016

Mater Dei High School: Diploma; Santa Ana, CA-May 2011

EMPLOYMENT:

2008-Present: Performance Pipeline Technologies: Controller

- Project management
 - projects ranging in awarded amounts up to 6 million dollars
- Job Proposals and submittals
- -Insurance compliance officer
- -Trial and Balance auditor
- -Certified payroll reports
- -Compliance officer
- --Data Analysis
- -Oversees 30 employees
- -Payroll administrator
- -Accounts receivable and payable
- -401K Retirement plan administrator

2008-2015: Unicorn Sports Center: Manager/Retail Sales

Provided leadership to increase productivity of sales and motivated other sales representatives for optimal performance in the workplace

SKILLS:

QuickBooks Microsoft Word Excel PowerPoint Customer Service

HONORS/AWARDS:

2011-2016: Dean's List: California State University, Fullerton | Fullerton, CA

2008-2011: National Honors Society, California Scholarship Federation, & Renaissance Award

REFERENCES: Furnished upon request.

SUMMARY

Highly trained and experienced field operator with knowledge of a wide range of equipment. A background in construction with a proven safety record, I'm a team player with an attention to detail. Quality along with production is always a priority.

PROFESSIONAL EXPERIENCE

PERFORMANCE PIPELINE TECHNOLOGIES ADVANCED SEWER TECHNOLOGIES

Present February 2002- 2012

SUPERINTENDENT-CAMERA OPERATOR/CLEANER

- Supervised a crew of over 20 employees.
- Worked directly with foreman and city inspectors in completing projects.
- Conducted in-depth CCTV Pipeline Inspections, providing customers with visual documentation and computer generated schematic of pipeline.
- Trained in operating hydro jet cleaning units, along with combo trucks to remove and flush materials from sewers using high-pressure water jets.

CAMERA OPERATOR

- Proficient in RST and CUES camera equipment.
- CCTV Lateral Launch & Locating.
- Trained in Posm, Granite, WinCan V7 & V8.
- General knowledge of electronics and computer use.
- Profound knowledge of reading and understanding maps and other industry related documentation.
- · Ability to maintain camera equipment and repair minor camera problems i.e. replacing a "bullet".
- Experience with boating and tag lining for "big pipe".
- Use of push camera equipment.
- Familiarity with various contracts (LA COUNTY SANITATION DIST., ORANGE COUNTY SANITATION DIST., LA COUNTY DEPARTMENT OF PUBLIC WORKS, CITY OF LA... and many more).

CLEANER

- · Combo and Jet truck cleaning.
- Experienced with a variety of different nozzle attachment i.e. Root saws, chain flails, large diameter pipe nozzles, Warthog
 nozzles and many others for heavy debris situations.
- High Pressure Jetter cleaning.
- Hydro excavation.
- Hydro blasting.
- Storm drain catch basin cleaning.

CERTIFICATIONS:

- NASSCO/PACP certified
- NASSCO/MACP certi
- NASSCO/LACP certified
- NASSCO/ITCP certified
- OSHA 10 hour training
- OSHA Confined Space Safety
- OSHA Confined Space Rescue training
- CPR/ First Aid
- Smith System driver training
- OSHA Traffic control training
- Class B CDL with immaculate driving record

QUALIFICATIONS:

• I have successfully cleaned/CCTV inspected and supervised over a million linear feet of sewer and storm drain pipelines. I have assisted on CIPP and fold and form PVC lining crews. I have installed CIPP UV Light repair patches. Additionally, I have set up bypass pumps and HDPE drainage piping.

Anthony Sanchez

Objective

I have helped build Performance Pipeline into a successful trenchless rehabilitation company. Using my management skills to facilitate the daily operations of the company. In charge of cleaning, CCTV and Grouting for the sanitation industry

Experience

2003 to present

Performance Pipeline

H.B. CA.

Superintendent

- Cleaning, CCTV Inspection and Grouting systems
- Assists in training for new employees
- Supervises 20 field employees

License & Certifications

- NASSCO Certified # U-1007-5803 PACP
- Confined space entry certified
- Municipal Sewer Grout School Certificate Safe Operating Practices
- Municipal Sewer Grout School Safety Training certificate (NASSCO Specified SOPP Training)
- Vactor Training Certificate
- Rescue Training certificate
- CPR Training Certificate
- First Aid Certificate

EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
1	Cleaning and CCTV inspection of all 8-inch gravity sewer mains	LF	857,031	\$1.20	\$ 1,028,437.20
2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$1.20	\$ 37,546.80
3.	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$ 1.20	\$ 17,268.00
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$ 1.20	\$ 5,464.80
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$1.35	\$ 9431.10
6	Inspection of all District's manholes (all sizes and types)	EA	3,001	\$ 140	\$ 420,140

Total Amount For All Items in Numerals (Assuming Stated Unit Quantities): \$ 1518, 287.90

Total Amount for All Items in Words (Assuming Stated Unit Quantities): Ope Milia Five

Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ.

Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.



MIDWAY CITY SANITARY DISTRICT

ADDENDUM 1 REQUEST FOR PROPOSALS

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

December 5, 2023

Please see the followings:

- 1. It is the sole responsibility of the contractor to find out if there is any cost associated with proper dumping of sewer sediments and debris. The contractor will be responsible for this cost.
- 2. It is the sole responsibility of the contractor to find out about any cost associated with any permits required for this project. The contractor will be responsible for this cost.
- 3. Sewer line and manhole location map will be provided only by email request to the district. The GIS map will be ready sometime in January 2024.
- 4. MCSD requires level 2 inspection for all manholes.
- 5. If you have more than 1 type of sample report, please include up to 3 sample reports in your proposal. The sample reports could be from different NASSCO approved software applications.

- 6. If you have more than 1 type of camera, please include up to 3 sample video pictures from different cameras in your proposal. The thumb drive shall become the property of the district.
- 7. Please include a digital copy of your proposal with your hard copy of your proposal in a thumb drive. The thumb drive shall become the property of the district.

Received

GENE-GLASSburner

President Performance PiPeline Technologies, INC.



Project Approach / Methodology

Using the provided digital maps and data sets, Mattucci Plumbing will work with the district staff to develop a work plan that prioritizes known problem areas & hot spots while maximizing safety and minimizing impact on the public.

All work that will require a traffic control permit will be identified and permits will be secured. All traffic control will conform to the Orange County Public Works Standard Plans.

A temporary water meter will be obtained from the water purveyor(s).

Equipment and crew members will be assigned and dedicated to this project.

Cleaning will be performed in tandem with video inspections, with CCTV being done immediately after lines are cleaned. All main line Inspections will be performed in the direction of flow, upstream to downstream, if an inspection cannot be completed with flow a reverse setup and inspection will be performed.

Cleaning trucks will recycle water from the lines being cleaned to minimize the need to draw water from hydrants. This will save water, improve production by reducing time spent filling water tanks, increase safety, and decrease impact to the community by eliminating travel from the work site to hydrants.

Manholes will be inspected, per NASSCO MACP requirements, independently of cleaning and pipeline inspections after the pipeline have been cleaned and inspected. Manholes will be resealed using an approved duct seal immediately upon completing inspection.

Pipeline and Manhole inspections will be captured in a digital format allowing NASSCO coding to be performed in the office post inspection. This allows for more consistent coding in a controlled environment, and moving the time spent coding from the field to the office further reduces the amount of time equipment is needed to be on the streets, increasing safety and reducing impact to the community.

Any surcharged or submerged pipe segments, access issues, or defects that could impede flow or create and unstable will be reported to district personal immediately.



An emergency contact, able to immediately dispatch services if needed, will be available 24 hours a day.

All operators and QC staff members will be NASSCO PACP, LACP & MACP certified, inspections will be performed, and deliverables will be created to NASSCO specifications as outlined in the RFP.

Our office staff will code all videos per NASSCO requirements. Our QC department will review all videos to verify there are no errors prior to submission.

High-quality digital video recordings of inspections will be labeled per the district's specifications and submitted along with high-quality digital still images of defects. Electronic files will be formatted for use in the city's GIS database.

Submittals will be prepared as described in the RFP and delivered monthly on a digital storage device such as a portable hard drive or thumb drive along with an invoice.



Company Certification and Personnel Verification

Mattucci Plumbing operates as a S corporation, located in the city of Gardena at 13528 S. Western Ave, 90249. Mattucci Plumbing has been in business in California for over 30 years, operating in good standing with the California Secretary of State. State Contractors License Number 770059, classifications, A, C34, C36, C42. Federal Tax ID Number 33-0844591, Woman Owned Enterprise Number 20000180, Small Business Enterprise Certification Number 2009655, Department of Industrial Relations Number 1000060516. Mattucci Plumbing, or any key personnel, have not been involved in any litigation, mediation, or arbitration or had any claims or disciplinary action taken against them. Mattucci Plumbing currently employs over 90 local staff members.

Steve Powers, General Manager, is authorized to submit this proposal, represent, and contract with the Midway City Sanitary District on behalf of Mattucci plumbing. Steve will be the primary contact for this project, spowers@mattucciplumbing.com (562)572-8521.

Enzo Mattucci, Operations Manager, will be the secondary contact for this project, emattucci@mattucciplumbing.com (310) 480-5554.

We have reviewed and understand the project specifications and we are pleased to provide this proposal to the Midway City Sanitary District for the 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project as specified within this RFP. Mattucci Plumbing will be self-performing all aspects of this project, no subcontractors will be utilized.

Sincerely,

Silvana Mattucci

Owner Mattucci Plumbing

(310) 543-2001 ext. 104 (direct)

Silvana@mattucciplumbing.com



Qualifications

Mattucci has the capacity of dedicating multiple CCTV and cleaning trucks with operators, management staff, and office personnel, to the Midway City Sanitary District project. We fully intend to exceed the district's expectations and provide the very highest quality level of service in all aspects of this project.

Mattucci Plumbing is currently working on long term projects with Southern California Gas, the City of Newport Beach, Long Beach Utilities, and LACSD (as a CCTV subcontractor to Redzone Robotics), along with many short-term projects. We are continually looking for additional projects for our team to undertake.

Our management team for this project will include our General Manager, Steve Powers, Operations Manager, Enzo Mattucci, and or Lead Project Manager, Ramon Rodarte. Collectively the three have over 60 years of experience performing cleaning and video inspection work. They have completed numerous projects over the past five years for many local agencies including, Orange County Sanitation District, Los Angeles County Sanitation District, the City of Los Angeles, the City of Huntington Beach, the City of Newport Beach, the City of Costa Mesa, the City of Laguna Niguel, the City of Brea, and the City of Long Beach, as well as agencies outside the local area including, the City of Victorville, the City of San Jose, Yellowstone National Park, and East Bay Municipal District. In addition, they have completed multiple specialized projects for utility companies throughout California including Southern California Gas, Pacific Gas and Electric, Long Beach Gas, and Southwest Gas. Assessment projects have also been completed for various engineering companies including AECOM, Water Works Engineers, V&A Engineering, Carollo, Black & Veatch, Brown and Caldwell, and Jacobs Engineering.



Scope of Work

Cleaning of all diameters of pipeline will be performed using a combo truck providing both high velocity jet cleaning and vacuuming of debris simultaneity. Every precaution will be taken to eliminate any chance of damaging the pipe or causing flooding of public or private property. A verity of specialized cleaning nozzles specifically designed for use in the diameter and material of the pipes being cleaned will be available onsite at all times.

AQUASTAR WATER RECYCLER





The KAISER PREMIER AquaStar offers a perfect combination of performance and versatility. The KDU jetting pump delivers water at a rate up to 132 gpm and water pressure of up to 2900 psi. The large hose reel can accommodate up to a



985 ft jetting hose. With the KAISER vacuum pump, the maximum air throughput is 2,390 cfm with a high vacuum of 25" Hg. Due to the combined jetting hose and suction boom, the vehicle can be positioned at a manhole for a sewer cleaning process that is both quick and safe. Due to the large hose reel capacity of up to a 55.6 ft suction hose, dig tube extensions are not needed in most cases. The unique installation of the vacuum pump in the freshwater chamber serves for cooling, noise insulation as well as increases the suction power because of the short suction lines. With the patented ROTOMAX water recycling system, the AquaStar represents a benchmark for the industry in the high-performance recycling sector.

Video inspection of pipelines and manholes will be performed using the IBAK PANARAMO scanning system by NASSCO certified operators. The district's GIS data will be used to perpopulate the session data and verified by the operator during inspection. Manhole inspections will capture a 360-degree view of the entire structure, the surface ring, and the surface area at grade above the structure.

IBAK PANORAMO 4K





IBAK designed PANORAMO® from the ground up to address the weaknesses of traditional sewer inspection technology which has revolutionized both pipeline and manhole inspections with its cutting-edge optical scanning technology. Using the PANORAMO® method data collection is done in the field and data analysis is completed back in the office. At the core of the PANORAMO® system are the wide angle (185º) twin digital cameras. These cameras are installed on the front and rear of the system and capture still images as they move through the pipeline. The PANORAMO® system has very few moving parts, allowing for easier maintenance and less downtime than that of traditional pan & tilt cameras. Collect data at speeds up to 69' (21m) / minute, with brilliant picture quality in 4K resolution with no motion blur. The PANORAMO® 4K captures three different views – a 360° perspective, an unfolded view, and a geometric view. No other system captures an equivalent quality or quantity of data.

Video inspection of the pipelines will be performed concurrently with the cleaning of the lines. The Manhole inspections will be performed independently of the pipelines by a separate crew.

All CCTV inspections will be coded in our Gardena office by our NASSCO certified staff. Submittals will be reviewed by our experienced NASSCO Certified QC staff prior to delivery.

Mattucci Plumbing will be self-performing all aspects of this project, no subcontractors will be utilized.

In addition to the equipment described above, Mattucci Plumbing operates seven IBAK, and two Cues, truck mounted CCTV systems. Each system is capable of inspecting main and lateral pipelines using the latest NASSCO certified software.

These systems include the following inspection equipment:

IBAK - Capable of 6-inch to 120-inch main line inspection, 4-inch & 6-inch lateral line inspection, and manhole inspection

PANORAMO 2 4K High Resolution Digital Camera

PANORAMO SI 4K High Resolution Digital Manhole Scanner

Orion Zoom Main Line Camera

Orpheus HD Main Line Camera

T76 Tractor/Crawler

T66.1 HD Tractor



NANO-L Lateral Launch Camera

LISY 3.2 HD Lateral Launch Camera

CUES - Capable of 6-inch to 72-inch main line inspection and 4-inch & 6-inch lateral line inspection

OZII Pan & Tilt Optical Zoom Camera

Ultra Shorty Tractor/Transporter 6-inch to 36-inch Lines

Compact Pipe Ranger Tractor/Transporter

LAMP II Lateral Launch Camera

Mattucci Plumbing also operates twenty five portable Ridgid push camera systems capable of inspecting 3-inch to 6-inch lateral lines through cleanouts or roof vents.

All truck mounted and portable inspection systems have integrated sondes providing the ability to locate and mark lines at grade if needed.

Back-up equipment is immediately available for all video inspection systems along with in-house certified repair technicians.



Proposed Project Schedule

Mattucci Plumbing is prepared to begin field work in January of 2024. All field work will be completed in under 200 working days and all submittals will be delivered prior to December 9th, 2024.

The first submittal will be made within two weeks of the start of work, with regular submittals being delivered monthly thereafter. Invoices will accompany submittals along with a master tracking spreadsheet sortable by dates and footage completed and footage remaining.

Mattucci Plumbing is very particular in selecting the projects we choose to bid on and potentially undertake. We are proud of the fact that we are ahead of schedule on all of our current projects and have brought every project that we have been awarded to successful completion, meeting all deadlines under the allotted time schedule.

EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
1 .	Cleaning and CCTV inspection of all 8-inch gravity sewer mains	LF	857,031	\$2.22	\$1,898,372.39
2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$2.22	\$69,306.91
3	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$2.25	\$32,377.50
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$2.25	\$10,251.31
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$2.40	\$16,766.40
6	Inspection of all District's manholes (allsizes and types)	EA	3,001	\$135.00	\$405,135.00

Total Amount for All Items in Numerals (Assuming Stated Unit Quantities): \$2,432,209.49

Total Amount for All Items in Words (Assuming Stated Unit Quantities):

Two million four hundred thirty two thousand two hundred nine dollars and forty nine cents

Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ. Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.



References / Resent Project History Mattucci Plumbing

City of Newport Beach
Mike Lynch (949)718-3415 mlynch@newportbeachca.gov
Wastewater & Storm Drain Systems Video Inspection Services
Principal Manager, Steve Powers
Field Supervisor, Enrique Ruiz

Southern California Gas Company
Francisco Rodriguez (310) 930-9244 firodriguez@socalgas.com
CCTV inspection of sewer and storm drain main and lateral pipelines, ongoing since 2019
Principal Manager, Enzo Mattucci

Long Beach Utilities

Daniel Gutierrez (562)570-2087 thomas.d.guiterrez@longbeach.gov
Inspection of Sewer Lateral Pipelines

Principal Manager, Steve Powers

Field Supervisors Joaquin Olmos & Trinidad Garcia

Los Angeles County Sanitation Districts
John Westergaard (310) 638-1161 jwestergaard@lacsd.org
CCTV inspection of 8" to 30" Sewer Lines
Preforming inspection work as a subcontractor to RedZone
Principal Manager, Steve Powers
Project Manager, Ramon Rodarte

RedZone Robotics
Veronica Alvarez, General Manager, US West (310)886-9890
Performing subcontract CCTV and pipe cleaning work on various projects including LACSD Principal Managers, Steve Powers, and Enzo Mattucci
Project Manager, Ramon Rodarte



Northern Pipeline

Steve Wong (951)790-6763 swong@gonpl.com

CCTV inspection and locating of sewer and storm drain main and lateral pipelines \$3,000,000.00 annually

Principal Manager, Enzo Mattucci

City of Costa Mesa CCTV of Sewer Lines Mark Esquer (949) 645-8400 mesquer@cmsdca.gov Principal Manager, Steve Powers

Additional References for Individual Staff members (Steve Powers, Ramon Rodarte)

Waterworks Engineering – City of Morgan Hill
Mike Fisher (916) 521-9200 mikef@wwengineers.com
Cleaning & CCTV inspection of approximately 250,000LF of 4" to 30" Sewer Lines
Principal Manager, Steve Powers
Project Manager, Ramon Rodarte

City of Laguna Niguel
Jeff Metz (949) 362-4344 jmetz@cityoflagunaniguel.org
CCTV and Cleaning of 6" to 27" Storm Drain Lines
Principal Manager, Steve Powers

HDR-Various dam sites throughout California CCTV of Difficult Access Drain Lines Sean Hoss (951)206-9722 sean.hoss@hdring.com Principal Manager, Steve Powers Project Manager, Ramon Rodarte

Tahoe-Truckee Sanitation Agency
Aaron Carlson (530) 587-2525 acarlsson@ttsa.ca.gov
CCTV of Sewer Lines
Principal Manager, Steve Powers



Midway City Sanitary District Request for Proposals

2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project

Index of Thumb Drive Contents

- 1) Demo Video of Panaramo Camera
 - a. This is a short sample of a video created with the Pano system that does not require a Panaramo viewer to be installed to view.
- 2) 4K PANARAMO Viewer
 - a. This viewer must be installed to view the Panaramo files in items 3 to 7 below. There is a bit of a learning curve to becoming proficient with navigating the videos. The Help file at the top left of each video contains a lot of useful information including many shortcut keys. I would be happy to demonstrate the system if you would like.
- 3) Panaramo 4K Main Line Sample
- 4) Panaramo 4K Main Line Sample
- 5) Panaramo 4K Main Line Sample
 - a. Items 3, 4, and 5 contain samples of Panaramo main line inspections.
- 6) Panaramo 4K Manhole Sample
- 7) Panaramo 4K Manhole Sample
 - a. Items 6 and 7 contain samples of Panaramo Manhole inspections.
- 8) Sample Optional CCTV Camera HD Camera
 - a. This is an alternative CCTV camera that could be used in place of the Panaramo camera. It provides analog video rather than digital files. The video quality is excellent be it does not allow the end user the ability to control the view, focus, zoom, lighting, etc. like the Panaramo does. The is the same for either system.
- 9) Sample Report
 - a. This is a sample of a tabular report that would accompany the videos.



Mattucci Plumbing has read, understands, and agrees to comply with the bidder specifications as described in the Midway City Sanitary District Request for Proposal 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project dated November 7th, 2023, and Addendum 1 dated December 5th, 2023.

ACKNOWLEDGED BY:	Mattucci Plumbing Inc.	
	Company Name	
Steve Powers	General Manager	
Print Name	Title	
1 ()		
2/	12/06/2023	
Eignature	Date	



MIDWAY CITY SANITARY DISTRICT

2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project



Table of Contents

A. Approach	3
B. Description of Firm, Management and Team Members	4
Our Services	5
Proposed Staffing and Project Organization	6
PROGRAM TEAM	6
Primary Contact Information	6
C. Qualifications	8
Ongoing and Planned Projects	8
Past Experience	8
D. Scope of Work	9
SEQUENCE OF ACTION	10
QUALITY CONTROL, BUDGET, AND SCHEDULE	11
E. Proposed Project Schedule	12
F. Proposed Pricing	13
G. References, Related Experience and Examples of Work	14
References	14
Additional General References	15
H. A Sample Report and A Sample Video Picture Quality	16
Other Relevant Information	17
Equipment	17
Services Continued	19
California Class A Contractor's License Card	23
City of Westminster Business License	24
City of Orange Business License	25
California Secretary of State Certificate of Good Standing	26

A. Approach

Pro-Pipe, Inc. 47 Discovery, Suite 250, Irvine, CA 92618 949-398-0078 Pro-pipebidbox@pro-pipe.com

November 7, 2023

MIDWAY CITY SANITARY DISTRICT 14451 Cedarwood St., Westminster, CA 92683 Attn: Milo Ebrahimi, P.E., District Engineer

Re: 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project

Our superiority in the field is the result of decades of experience. In the span of three generations, we have honed our skills by tackling the most formidable challenges head-on in Sanitary water infrastructure. Our capacity to innovatively address intricate projects in collaboration with our clients has driven us to heavily invest in technological advancements. We firmly believe that technology, especially assessment and mapping tools (AGOL), empowers us to deliver optimal value both presently and in the future.

Pro-Pipe is dedicated to providing Midway City Sanitation District (MCSD) with outstanding service that surpasses expectations set forth in the RFP. We acknowledge that handling of Cleaning, CCTV assessment and Manhole inspection projects necessitates a skilled firm capable of cleaning, assessing, and delivering quality data deliverable. Successful execution hinges on having the appropriate equipment and knowledge of its optimal utilization. Pro-Pipe's operational and business development team are poised to complete the cleaning and CCTV of pipelines, and manhole inspections as outlined in the RFP. Our Pomona, CA operational facility would serve as the base of support, bolstered by our experienced operational support staff. We possess the flexibility to deploy additional assets as needed to meet the demands from MCSD's Professional Services Agreement and secure a long-lasting relationship.

During proposal evaluation, please contact Carla Reyes at 949-398-0078 or Carla.reyes@nationalu.com. The proposal shall remain valid for a period of not less than 90 days and the term of the agreement.

Sincerely,

Jeff Kappler

President and CEO

B. Description of Firm, Management and Team Members

Pro-Pipe, Inc. (Pro-Pipe) is a California corporation, and has been in business since December 22,

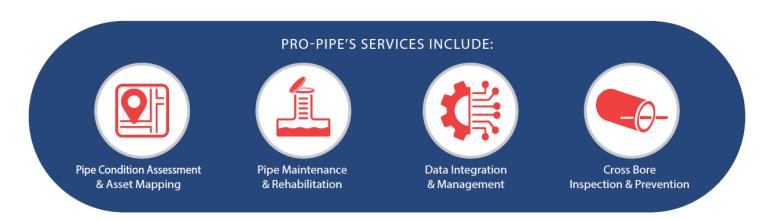
1972. Pro-Pipe was formed to answer the demands of aging wastewater infrastructure. Since then, we have become an industry leader in the assessment, cleaning, and rehabilitation of storm drain and wastewater infrastructure. Pro-Pipe, Inc. has over 300 employees and a fleet of 90 CCTV inspection trucks and 40 combination hydrovac trucks, including the latest liquid recycling technology.

We have 11 offices in Arizona, California, Colorado, New Mexico, Texas, Utah, and Virginia. Also, we are eligible to conduct business in Arkansas, Idaho, Iowa, Louisiana, Montana, Nebraska, Nevada, North Carolina, Oregon and Washington.



Pro-Pipe, Inc. is able to conduct work in the State of California, the County of Orange, and the City of Westminster.

Pro-Pipe, Inc. has built its success by consistently investing in the newest technologies for assessment, maintenance, and rehabilitation of our nation's underground infrastructure. In turn, we enable facility owners and their engineering partners to best understand underground infrastructure needs and how to address them safely and economically. Our customer focused, solutions-oriented mentality has positioned Pro-Pipe, Inc. as a leader in the industry. We have cultivated long term partnerships based on innovative solutions for our customers, and we continue to foster these relationships while looking to form new partnerships throughout the industry.





Our Services

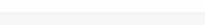
ASSESSMENT

- CCTV Inspection
- Mainline Sidewall 3D Digital Scanning
- Manhole Sidewall 3D Digital Scanning
- GIS Inspection Integration
- Lateral Launch CCTV
- Lateral Locating and Marking
- Multi-Sensor Inspection



MAINTENANCE

- Cleaning of: Pipes, Siphons, Wet Wells, Lift Stations & Digesters
- Mechanical Cleaning
- Hydro Excavation



Sewer Lateral Lining

REHABILITATION

- UV Light Cure Spot Repairs and Lateral Seals
- Short Run Mainline CIPP

CROSS BORE INSPECTION & PREVENTION

- Pre-horizontal Directional Drilling Location and Marking of Sewer Laterals
- Post-horizontal Directional Drilling Inspection for Cross Bores
- Legacy Inspection
- Preventative Solutions
- Risk Assessment
- Data Integration and Management
- Cleaning and Jetting
- Lateral Launch and Push Inspections



DATA INTEGRATION & MANAGEMENT

- All Data Deliverables Viewable in One Location
- Interactive Maps with Video Hyperlinks
- Work Order Management
- Invoicing Management



Proposed Staffing and Project Organization

PROGRAM TFAM

The organizational framework for managing a successful program consists of an operational Program Leadership Team. The Program Leadership Team will manage the field operations and collaborate with MCSD to measure, monitor, and drive progress on program objectives. This team will endeavor to drive clarity to field crews, identify best practices, and develop tactical plans to overcome field challenges as they arise during this program.

Pro-Pipe will be providing an experienced staff for this project. Staff will include Trained managers, Field operators and QA/QC Staff. Our staff has reviewed the RFP as outlined by MCSD and will not only meet expectations set forth, but plans to exceed expectations by means of communication, exceptional field execution and quality of deliverable submittal.

We have locations nationwide where we can add operators on an as-needed basis.

Pro-Pipe, Inc. plans to self-perform the entire contract, including traffic control.

Primary Contact Information

Pro-Pipe, Inc. 3531 Pomona Blvd. Pomona, CA 91768

Primary Contact: Juan Buenrostro Email: jbuenrostro@pro-pipe.com

Direct #: 949-683-4378 Main #: 800-784-7473

Program Leadership Team

Juan Buenrostro, Operations Project Manager:

Juan is the project manager and the day-to-day contact person for the job. In his role as Operations Superintendent, Juan assumes comprehensive responsibility for project management in support of the Professional Services Agreement with MCSD. His duties encompass project scheduling, optimizing equipment utilization, ensuring timely project deliverables, and maintaining rigorous quality assurance and quality control (QA/QC) procedures, including billing processes. Juan is NASSCO PACP, MACP, LACP Certified.

Brent McClure Project Manager and QA/QC Specialist:

Brent plays a critical role in ensuring the quality and accuracy of CCTV deliverables to the project owner. He also took charge of overseeing a team of Pro-Pipe's in-house QA/QC technicians, guiding them in structural coding and O&M coding for mainline sanitary sewers and manholes. Brent is NASSCO PACP, MACP, LACP Certified

Percy Palomar, California Regional Manager

Percy has recently joined our organization as the regional manager of California. He has significant construction, utility service, and leadership experience. Percy looks forward to make certain that the team is achieving the program objectives of the district and that the team has the resources and processes to be successful.

Cleaning Operators

Please find our operators below, where all are NASSCO PACP, MACP, LACP Certified. Vactor Operators from other Pro-Pipe locations to be dispatched to this project as needed.

Jose Galvez, Cleaning Supervisor

William Alleman, Lead Vactor Operator

Curtis Hankins, Vactor Operator/Lead Mechanic

CCTV and Manhole Inspection Operators

Please find our operators below, where all are NASSCO PACP, MACP, LACP Certified.

Santiago Lopez, Senior CCTV Operator

Julian De La Paz, CCTV Operator

Gerardo Rojo, CCTV Operator

Javier Munoz, CCTV Operator

Jose Gonzalez, CCTV Operator

C. Qualifications

Ongoing and Planned Projects

Los Angeles County Sanitary District, CA (Ongoing)

We will be wrapping up our project with Los Angeles County around February 2024. There are currently only 2 CCTV crews designated to this project, with no cleaning required.

Southern California Gas SLIP Project (Ongoing)

Southern California Gas is our biggest customer in California. We dedicate about 15 crews (30 employees) to this project full time. This project does not call for pipeline assessment, rather it focuses on cross-bore investigations. Our NASSCO certified operators are not typically assigned to this project.

Orange County Sanitation District Manhole Inspections (Ongoing)

We have a Task Order Agreement in place through November 2024 to conduct Manhole Inspections as needed. During this period, OC San will periodically send a list of manholes to be inspected with a deadline date for each individual work order. These work orders typically have a completion time of less than a week and are issued every couple of months.

Past Experience

Los Angeles County Sanitary District, CA (2014-2023)

For over 6 consecutive years, provided CCTV Inspection Services of trunk sewers ranging from 6" to 144". Tasked with an average of about 100,000 feet of sewer mains per month to be assessed using NASSCO PACP standards. Upon field completion, all inspections undergo QAQC review. Once processed, deliverables consist of PDF reports, PACP database, and all media collected during inspection.

City of Victorville, CA (2017)

Citywide condition assessment of about 1.9 million feet of sewer using a panoramic scanning system. All data collected was then reviewed for and finalized by our Quality Control team in order to meet PACP standards.

Yellowstone National Park, WY (2022)

Sewer condition assessment & lateral inspection at 4 of the major villages located inside the park. With the help of an engineering firm, Pro-Pipe provided inspection and reporting of critical infrastructure using NASSCO standards.

San Diego County, CA (2020)

Tasked with inspecting over 1 million feet of sewer line in the Spring Valley region of San Diego County. Per the request of the customer, all personnel working on the project was required to be trained and certified in all three of the NASSCO categories (PACP, MACP, and LACP).

D. Scope of Work

EXECUTION OF WORK

Cleaning and CCTV

- 1. Pro-Pipe will have the cleaning and CCTV crews working side by side to maximize the efficiency for completing this project.
- 2. Manhole Inspections will be conducted simultaneously but will not be expected to work alongside the cleaning and camera crews.
- 3. Each crew will consist of 1 Operator and 1 apprentice who will provide Traffic control and technical assistance.
- 4. The GIS provided by MCSD will be used by the Operations Manager and the crews to determine the best approach at each work location.
- 5. Pipe size, potential flow, and traffic conditions will all be factored when determining the ideal work schedule for crews on every Cleaning/CCTV segment. A 360 view of the access manholes will be provided at the beginning and end of each inspection.
- 6. Only after creating a safe work zone using the appropriate traffic control signage and equipment, will the crew begin conducting the cleaning/inspection work.

Cleaning Process

- 1. Pro-Pipe will deploy Hydrovac trucks to ensure proper cleaning and removal of debris from all sewers to be inspected.
- 2. After obtaining a temporary water meter from the City of Westminster, Pro-Pipe will start by using High-Velocity Jet Equipment on a to remove all roots, dirt, grease, rocks, sand and other foreign materials and obstructions from lines.
- 3. During and after the jetting process, our cleaning operators will use the Vacuums on the Hydrovac to collect all debris extracted from the pipe.
- 4. Cleaning Operators may be able to visually determine if a pipe segment looks adequately clean enough to conduct the video inspection but will rely on the CCTV crews for the final decision.
- 5. CCTV inspection is to be conducted within no more than 7 days after cleaning. If additional cleaning is required, CCTV operators will instruct cleaners on these segments.

CCTV Data Capture

- 1. Once a pipe segment has been deemed clean enough for CCTV, crews will begin the inspection process.
- 2. A 360 view of the access manhole will be provided at the beginning of each inspection, along with a still image showing the manhole and its surrounding area.
- 3. The camera shall then be lowered into the manhole and placed into the pipe with any slack removed to ensure counter measurements are accurate.
- 4. Operators will record inspections up to a rate of 30 feet per minute and stop to document any structural or maintenance defects, along with service connections, found during the inspection

- in accordance with PACP standards. Recorded digital files will include a narrative description of all the observations made and shall be included in the log, through text and voice recordings.
- 5. If more than 1 line is to be inspected from a single setup, operators will reset their counter at the beginning of every pipe segment.
- 6. Once an inspection is complete, the camera will be retrieved and removed from the manhole. The crews will close and return manholes back to their original conditions.
- 7. Sewer video inspection will be done maximum one week after cleaning of segment or will be recleaned at no extra cost to MCSD.

Manhole Inspection

- 1. Pro-Pipe will conduct Manhole Inspections by means of 360 panoramic capture, with crews separate of the cleaning and CCTV team.
- 2. Field work will only consist of collecting a 360 scan of every manhole using our truck mounted descending camera.
- 3. Operators may make multiple attempts to achieve the best quality image.
- 4. Pro-Pipe's QC department will then process and code any maintenance and structural deficiencies of the manholes in accordance with the MACP rating system.

SEQUENCE OF ACTION

Kick-Off Meeting

In successfully launching the 2024 MCSD Sewer System CCTV Video Inspection and Cleaning Project, it is important to conduct a formal Kickoff Meeting with the Operations Program Manager. This Kickoff Meeting will cover the following, but not limited to:

- Safety Process and Programs
- Reviewing and implementing customer specifications onto inspection systems
- Work Hours
- Deliverable Requirements
- Identify MCSD representative to provide asset data along with sewer atlas map/GIS data
- Invoicing Procedures
- Recurring Meeting Plan (Daily, Weekly, Monthly)

Communication and project visibility between Pro-Pipe and MCSD are imperative to successful inspection program and a Kickoff Meeting will serve to drive successful communication from the start.

Project Approach

Following a successful Kickoff Meeting, the sequence of work would be as follows;

- Pro-Pipe Operations Manager/Supervisor will advise MCSD Project Manager work schedule at least 24 hours in advance
- 2. Pro-Pipe Manager will separate work by pipe specs and will distribute between operators.
- 3. CCTV Operators will perform inspections using NASSCO PACP/MACP coding

and create individual databases for each work day.

- 4. All inspections items including video, photographs, and databases will be submitted to our Quality Assurance department daily and undergo review prior to customer delivery.
- 5. Once a work order has been completed, a final review will be conducted by our QA/QC team.
- Completed inspections will be delivered monthly on a thumb drive or external hard drive, Inspection media, PDF PACP/MACP Reports, and PACP/MACP database.

QUALITY CONTROL, BUDGET, AND SCHEDULE

Review Cadence

We have found that it is a best practice to conduct regular and periodic meetings with program leadership to review project safety metrics, program progress to date, operational challenges and best practices, and other needs. These periodic meetings should take place in two forms:

An Executive review twice a year, and Program Leadership review weekly

Each Sewer Inspection and Assessment program tends to evolve over time due to the specific nuances of the location, geography, topography, underground infrastructure, and community culture/politics. It is important to structure a review cadence to allow Program Leaders to maintain alignment of program mission, objectives, address challenges, and review progress. Having this structure in place is particularly helpful at the start of the program or expanding into new locations to make sure that the everyone is aligned and ensure that leaders can drive clarity of objectives, the priority of safety, and expectations of communication with their field teams. As Assessment programs mature, the frequency for these reviews do tend to reduce but it is imperative that they continue to occur to drive alignment on objectives and expectations.

E. Proposed Project Schedule

Pro-Pipe will complete Cleaning and CCTV on 174 miles of sewer mains and inspections of 3001 manholes with an anticipated start date of January 8, 2024, and will be completed by December 9, 2024.

Cleaning and inspection are expected to be completed in 230 working days. Pro-Pipe will use the District's GIS and consider Pipe and Manhole IDs, pipe size, potential flow, and traffic conditions to determine the ideal work schedule for crews on every Cleaning/CCTV segment.

Manhole inspections are expected to take 150 working days and will occur concurrently with the cleaning and inspection portion of the project.

F. Proposed Pricing

EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
1	Cleaning and CCTV inspection of all 8-inch gravity sewer mains	LF	857,031	\$2.26	\$ 1,939,939.26
2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$2.52	\$78,977.37
3	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$2.52	\$36,322.17
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$3.31	\$15,054.74
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$ 3.31	\$23,094.52
6	Inspection of all District's manholes (all sizes and types)	EA	3,001	\$200.00	\$ 600,200.00

Total Amount For All Items in Numerals (Assuming Stated Unit Quantities): \$ 2,693,588.06

Total Amount for All Items in Words (Assuming Stated Unit Quantities): Two Million Six Hundred

Ninety Three Thousand Five Hundred Eighty Eight Dollars and Six Cents

Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ. Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.

G. References, Related Experience and Examples of Work

References

Los Angeles County Sanitation District John Westergaard Senior Civil Engineer 1955 Workman Mill Rd, Whittier, CA 90601 (310) 638.1161 JWestergaard@lacsd.org

City of Victorville Stephan Longoria Senior Civil Engineer 14177 Mc Art Rd, Victorville, CA 92392 (760) 490-4560 hkam@sfwater.org

City of Newport Beach Mike Lynch Wastewater Supervisor 100 Civic Center Dr, Newport Beach, CA 92660 (949) 279-8323 mlynch@city.newport-beach.ca.us

Carrollo Engineers
Greg Gould
Associate Vice President at Carollo Engineers
Dallas, TX
(702) 792-3711
GGould@carollo.com

Brown & Caldwell
Gary Skipper
Vice President, Conveyance Infrastructure
451 A Street, Suite 1500 San Diego, CA 92101
858-699-6824
Gskipper@brwncald.com

As surety for Pro-Pipe, I am pleased to recommend this organization and the exceptional abilities it brings to the construction marketplace.

Margie Wager, Attorney-in-Fact | Travelers Bond, San Diego CA

Additional General References

We partner with hundreds of municipalities, sanitation districts, political subdivisions, and utility owners to support their pipe maintenance requirements such as cleaning, condition assessment, small diameter mainline rehabilitation, and lateral rehabilitation. We also provide comprehensive pipe assessment and mapping services.

City of Los Angeles, CA

Condition assessment & rehabilitation services. Pro-Pipe has averaged 500 miles annually for 13 consecutive years for the City of L.A.

City of Las Vegas, NV

Panorama & rehabilitation services contracted with City consultants; over 600 miles of high-definition pipe scanning completed to date.

City of Billings, MT

Condition assessment and cleaning of 4,735 LF of 60" sanitary sewer

Pima County, AZ

750-mile condition assessment and rehabilitation services

City of Plano, TX

Ongoing condition assessment of 622,685 LF of sanitary sewer; 2,500 Level II MACP inspections

Town of Bennington, OK

Condition assessment and cleaning of 34,000 LF of sanitary sewer

City of Loveland, CO

Condition assessment of 32,721 LF of 8"-12" sanitary sewer and rehabilitation of 431 service laterals

City of Derby, KS

Condition assessment and cleaning of 225,000 LF of sanitary sewer

City of Roseburg, OR

Cleaning and condition assessment with lateral lining rehabilitation

City of Hays, KS

Ongoing cleaning and condition assessment of sanitary sewer. 360,000 LF cleaned and inspected to date

South Island Public Service District, SC

100,000 LF cleaning and condition assessment with rehabilitation services

H. A Sample Report and A Sample Video Picture Quality

Please see our sample CCTV and manhole inspections that were performed utilizing the same equipment that is proposed in the link below and USB drive added to the hardcopy submission.

These files are representative of a typical submittal, including a video recording, photographs, inspection report and other files.

Link: Pro-Pipe Samples

Other Relevant Information

Equipment

Subsite Electronics

Large Diameter Tractor

Industry-Leading, Four-Wheel Drive Power!

Functioning on up to 2,000 feet of Single Conductor cable, the Steerable Storm Drain Tractor transports cameras deep into storm drains, sewer, and water pipes 24 inches and larger. Its remote-controlled motorized camera lift allows the camera to be centered in pipelines up to 60 inches in diameter.

ROV Features:

- Dual 26W (2600 lumens) adjustable LED light array.
- Pan and rotate axis are clutched to protect against impact damage to gear train and motors.
- Powerful, 125W motor.
- Remote-controlled camera lift centers the camera in up to 60-inch pipe.
- Fully steerable for easy maneuverability.

Camera Specs:

- High-resolution video (2.38 megapixel) with a total zoom of 120:1 (10X optical and 12X digital).
- Integrated pan/tilt head with 270° of pan and 340° of rotation for full 360° inspection capabilities.
- Adjustable, ultra-bright LED dual light array (1,300 total lumens) with remote-controlled settings allows inspection of pipes up to 48" without additional lights.
- Internal pressure and humidity sensors and internal clock with startup counter.
- Optional inclinometer and integrated lasers for crack measurement.





ALL CAMERAS CAN BE MOUNTED ONTO FLOATING UNITS DESIGNED FOR LARGE DIAMTER PIPE. THIS OFFERS A GREAT SOLUTION FOR INSPECTING LINES WHERE INTERRUPTION TO FLOW IS NOT POSSIBLE.

CUES Inc.

OZ II Pipeline Inspection Camera

The OZ II CCTV pipeline inspection camera offers unparalleled imaging technology and built-in lighting for 6" to 72" pipe.

Features and Benefits

- 10X optical zoom and 32X digital zoom; total 320:1 zoom capability enhances image details from faraway distances.
- 4 MP camera; higher image resolution means sharper pictures with maximum detail.
- Four field-replaceable lights (cool white LEDs);
 internal lights are directional with the moving camera head for optimum illumination in 6"-72" pipe.
- Pan, rotate, zoom, and focus homing feature; quick and easy to reorient to the current location.
- 400-degree rotational optical viewing angle; 331 degree pan viewing angle range; view minute defects and voids around the entire diameter of the pipe wall.



Lisy Lateral Inspection System

The LISY is IBAK's advanced lateral launch system. This impressive inspection system can launch from 6" to 48" mainlines into laterals 3" and up. With shorter front connector options, continuous camera rotation, and smaller launch cameras, it makes more demanding projects like reverse launching a breeze. The LISY's articulating arm rotates and tilts with precision, ensuring accurate camera placement and quick launching. Located on the articulating arm is the LISYCam Control Camera, which allows operators to view the position of their launch camera for a seamless lateral inspection.

Key Features

- Standard Pressurized Protection
- 180° Pan Range (Articulation Arm)
- 45° Tilt Range (Articulation Arm)
- Variable Control Push Speed
- 600 feet of Overall Cable Length
- 120 feet of Pushrod Length





Services Continued

Assessment - CCTV

CCTV pipe inspection is one of the most versatile services we offer, including self-steering robotic crawlers, all-terrain crawlers, and track-mounted systems, all of which provide NASSCO-compliant, unless otherwise specified, computer generated schematics, video, and still photo reports using advanced equipment and technology.



Pro-Pipe's systems are capable of inspecting 6" to 108" diameter mainlines and siphons utilizing the following software:

- WinCan v8
- WinCan VX
- WinCan Web
- PipeLogix
- Granite Net
- POSM
- ITPipes

All these software platforms can be integrated into the asset owners' GIS using ESRI ArcGIS Desktop and ArcGIS Online.

These software platforms then produce PACP-exchange databases compatible with asset management programs. Pro-Pipe provides a professional service, using NASSCO-certified operators (PACP, MACP & LACP). Visual documentation is captured in full-color digital format. All equipment is MPEG, MPEG-4, JPEG, and DVD comp





Pipe Cleaning

Pro-Pipe owns and manages one of the largest fleets of the latest hydrovac system technology available.

- Operates 24/7
- Cleans Wide Range of Diameter Pipes

Each pipe segment is assessed by the operator on arrival and equipment selection is specified for debris levels and pipe condition of that segment. Pro-Pipe has strategically built our fleet to address the customer's needs across our portfolio. We have a blend of equipment including:

- 35 Standard Cleaning Trucks
- 5 Cleaning Trucks with Recycling Capabilities





Our customers depend on our industry-leading cleaning capabilities for multiple applications. Cleaning improves the pipe's carrying capacity, recovering its hydraulic efficiency. Extracting debris from the pipe facilitates the insertion and movement of inspection tools through the pipe. Cleaning is often required before undertaking pipe rehab work, such as lining and repairs. Routine cleaning can prevent sanitary sewer overflows (SSOs), which can cause property damage and threaten public health.

After evaluating the condition of your pipes, the Pro-Pipe cleaning professionals decide which of the following processes is best for your infrastructure and needs.

Jetting: Power jetting involves blasting water through the sewer line to eliminate the buildup, scale, and blockages that have accumulated over time.

Mechanical: Pushing or pulling a special device through the pipe to scrape even the hardest deposits from the pipe's interior wall.



Safety Culture

Pro-Pipe is fully committed to safety. Our detailed and comprehensive Safety Program is focused on encouraging all employees to take personal responsibility for the safety of their customers, themselves, their work colleagues, and their surrounding community. This program has been initiated to provide a focal point for our commitment to safety.

Our success with customers and, consequently, the overall success of our business, depends upon our individual employee's personal skills and contributions. We are united with our customers in achieving success related to all key safety metrics. This begins with personal accountability and genuine personal concern and support for each other's safety and health.

Pro-Pipe believes strongly in the prevention of accidents before they happen. This preventative principle is supported by basic but critical concepts. At the core of our safety culture and policies is the belief that incidents can be prevented through implementation of effective safety and health policies and procedures. This preventative approach requires participation and ownership from all levels of the company and adherence to all safety processes as a condition of employment. We are happy to provide our full safety program documentation upon request.

Experience

Our experience is what makes us an industry leader. Over the course of our three decades in the underground infrastructure space, we have built our strength and expertise by facing the toughest challenges. Creatively addressing complicated projects, in collaboration with our customers, has led us to invest aggressively in technology. We believe technology, particularly assessment and mapping technology, allows us to deliver the most value to our customers now and into the future. These technologies include traditional CCTV, sidewall scanning 360-degree inspection technology, laser, LiDAR, and SONAR.

To ensure we get the most from these tech investments, we have built out a robust back-office QA/QC team based in Phoenix, Arizona.



Between our back-office QA/QC team, field QA/QC efforts, and field operations teams, Pro-Pipe inspects over 6,000 miles of pipe annually, and converts the data we collect into powerful, meaningful, actionable, and user-friendly assessment tools for our customers.

EXPERIENCE MILESTONES:







Over 1 million laterals inspected

Conducted multiple cross bore inspection programs for gas utilities

Performed over 6,000 miles consecutively for a single agency

Executed one of the largest condition assessment efforts in the United States

Conducted multi-sensor inspection programs throughout the nation

Implemented a robust and experienced QA/QC team



All Pro-Pipe inspection operators are NASSCO PACP/LACP/MACP-certified.

Pro-Pipe is a proud member of NASSCO and has representatives on many NASSCO committees and workgroups. Pro-Pipe is instrumental in the ongoing development of PACP and other wastewater technology standards and specifications. Pro-Pipe's executive leadership provide an influential role in the industry, nationwide.



CONTRACTORS STATE LICENSE BOARD ACTIVE LICENSE



Licerise Number 761395

Entity CORP

BUSINESS NAME PRO-PIPE INC

Classification(s) A

CSLB

Expiration Date 04/30/2025

www.csib.ca.gov



Any change of business address/name must be reported to the Registral within 90 days.

This license is not transferrable, and shall be returned to the Registrar upon demand when suspended, revoked, or evalidated for any mason. This pocket dard is valid through the apprecion date only

of found, chop in any master.
Postage guaranteed by
Contractors State License Board
P ⊇ Box 26000, Secremento CA 95828

Licensea Signature

CITY OF WESTMINSTER

BUSINESS LICENSE TAX CERTIFICATE

For Services Provided in the City of Westminster, California Only

Business Name

PRO-PIPE, INC.

Business Location

249 PASEO TESORO

WALNUT, CA 91789-2724

Business Owner(s)

NATIONAL UNDERGROUND GROUP, INC.

License Number

05117973

Business

SUB CONTRACTOR

Description

PRO-PIPE, INC.

47 DISCOVERY STE 250 IRVINE, CA 92618-3701 **Effective Date**

December 04, 2023

2023 - 2024

TO BE POSTED IN A CONSPICUOUS PLACE

NOT TRANSFERABLE OR ASSIGNABLE.

Expiration Date

December 31, 2024

THIS BUSINESS LICENSE TAX CERTIFICATE CONSTITUTES A RECEIPT FOR THE LICENSE TAX AND APPLICABLE FEES PAID. IT DOES NOT CERTIFY COMPLIANCE WITH REQUIREMENTS OF THE WESTMINSTER MUNICIPAL CODE. IT DOES NOT PERMIT A BUSINESS THAT IS OTHERWISE PROHIBITED BY FEDERAL, STATE, OR LOCAL LAWS.

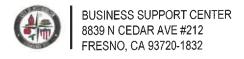
PRO-PIPE, INC.:

Thank you for your payment of your City of Westminster Business License Tax Certificate. ALL BUSINESS LICENSE TAX CERTIFICATES MUST BE AVAILABLE FOR INSPECTION UPON REQUEST. If you have questions concerning your Business License Tax Certificate, contact the Business Support Center via email at: westminster@hdlgov.com or by telephone at: 657-622-0222.

Keep this portion for your Business License Tax Certificate separate in case you need a replacement for any lost, stolen, or destroyed certificate. A fee may be charged for a replacement or duplicate certificate.

If you have a fixed place of business within the City of Westminster please display the Business License Tax Certificate above in a conspicuous place at the premises. Otherwise, every Business License Tax Certificate holder not having a fixed place of business in the City shall keep the Business License Tax Certificate upon his or her person, or affixed in plain view any cart, vehicle, van or other movable structure or device at all times if required by the Collector.

Starting January 1, 2021, Assembly Bill 1607 requires the prevention of gender-based discrimination of business establishments. A full notice is available in English or other languages by going to: https://www.dca.ca.gov/publications/





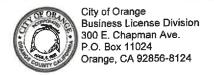
City of Westminster BUSINESS LICENSE TAX CERTIFICATE

PRO-PIPE, INC. 47 DISCOVERY STE 250 IRVINE, CA 92618-3701 License Number:

05117973

Date of Issue:

12/04/2023



CITY OF ORANGE **BUSINESS LICENSE CERTIFICATE**

www.cityoforange.org

ORU0616B 13 1 AB 0.507 7000000013 00.0001.0013 13/1

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PRO-PIPE INC **BUSINESS LICENSING** 47 DISCOVERY STE 250 IRVINE CA 92618-3206

Business License No.

191496

Expiration Date

4/30/2024

Business Tax Schedule Flat Tax

Business Type

Contractor

Ownership

Corporation

Federal Tax ID No.

95-2800680

IMPORTANT INFORMATION:

- Please verify all information. If any changes occur, please contact the Business License Division at (714) 744-2270.
- Remember to renew your Business License within one month of the Expiration Date, even if you don't receive a Renewal Notice. If the last day of the month (Penalty Date) falls on a holiday, weekend, or city closure day, make sure payments at City Hall are received by 5:30 pm on the last business day prior to this to avoid late penalties. Payments postmarked or paid on-line after the Penalty Date will also incur late penalties of 25% per month.
- Closing your business or no longer working in Orange? If you are taxed under a Gross Receipts classification (see Tax Schedule above), you must contact the City within 30 days of the business activity ceasing. Failure to do this may result in late penalties, a \$50 Non Compliance Fee, or having your account sent to a Collection Agency. If you pay with a Flat Tax, you must sign, date, and return your Renewal Notice to close your account.
- New location? Please call to have the location authorization on your Business License updated there is a \$10.00 fee for this.
- Please display the Certificate below in public view.

Thank you for doing business in the City of Orange!

FOLD OR DETACH HERE FOR DISPLAY

BUSINESS LICENSE CERTIFICATE

This certificate is to be displayed at your place of business. It is issued without verification that the holder is subject to or exempt from licensing by the State of California. This certificate does not constitute a permit to operate a business in violation of any law or ordinance.

Business PRO-PIPE INC

Name:

Business 249 PASEO TESORO **WALNUT CA 91789-2724** Location:

Business

Phone: (949)380-4161

Owner /

ZACH LEWIS

Officer:

RESPONSIBLE MANAGING OFFI

Business

Type: CONTRACTOR

OF ORA NCORPORATE

CITY OF ORANGE

300 E. Chapman Ave Orange, CA 92866 (714) 744-2270 www.cityoforange.org

Business License Number:

191496

Expiration Date: 4/30/2024

Opening Date: 5/29/2018

Business Description: General Contractor

Conditions / Remarks:

POST IN A CONSPICUOUS PLACE - NOT TRANSFERABLE



I, SHIRLEY N. WEBER, PH.D., California Secretary of State, hereby certify:

Entity Name: PRO-PIPE, INC.

Entity No.: 0671601 **Registration Date:** 12/22/1972

Entity Type: Stock Corporation - CA - General

Formed In: CALIFORNIA

Status: Active

The above referenced entity is active on the Secretary of State's records and is authorized to exercise all its powers, rights and privileges in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the date of this certificate and does not reflect documents that are pending review or other events that may impact status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of November 10, 2023.

SHIRLEY N. WEBER, PH.D. Secretary of State

Secretary of State

Certificate No.: 158463636

To verify the issuance of this Certificate, use the Certificate No. above with the Secretary of State Certification Verification Search available at **biz**fileOnline.sos.ca.gov.



47 Discovery, Suite 250 | Irvine, CA 92618 800.784.7473 | <u>www.Pro-Pipe.com</u>



Cover Introduction

December 6, 2023

Champion Cleaning Specialists Inc. (CCSI) is excited to offer Midway City Sanitary District this response to the published RFP. It is our pleasure to offer our services to MCSD with the utmost confidence, that the district standards will be far exceeded with the conclusion of this project if awarded.

Within the next few pages is our proposal but first, I would like to convey to the district that although the proposal may offer itself as a solid response to the RFP, CCSI is customer oriented first and foremost. Any malleable portion of the operations is fully customizable to the exact standards and needs of our customers. We have, do, and always will provide anything to our customers if within our abilities.

With this in mind, please also note that CCSI holds the reputation of acquiring and/or purchasing additional resources and equipment to fully satisfy our customers with unique requests. We afford this luxury to the exceptional ownership we have and to the leadership that upholds it with an outstanding financial background.

Myself, along with any point of contact noted within this proposal can attest to our efforts. Not only have we satisfied all contracts ever attained in the past 40 years, we have always surpassed expectations.

Riley Chon, BDM

Champion Cleaning Specialists Inc.



Approach

Introduction: Champion Cleaning Specialists Inc. (CCSI) presents a bid for your comprehensive sewer maintenance and televising project. With 40 years of industry experience and a robust fleet of 65 CCTV camera trucks and 10 Vactor cleaning units, CCSI is well-prepared for this crucial undertaking.

Objective: This project aims to conduct thorough cleaning, televising, and manhole inspections, ensuring optimal functionality and identifying potential issues for proactive maintenance.

Scope of Work:

1. Preliminary Inspection:

- Assess the sewer system, identifying key areas needing attention.
- Employ advanced CCTV inspection to evaluate pipe and structure conditions.

2. Cleaning Services:

- Utilize Vactor units for debris and obstruction removal.
- Apply eco-friendly cleaning techniques for infrastructure longevity.

3. Manhole Inspections:

- Video inspect and assess the condition of manholes.
- Document findings and address any maintenance needs.

4. Televising and Documentation:

- Conduct detailed televised inspections post-cleaning.
- Deliver comprehensive documentation, including video footage and condition reports.

5. Data Analysis:

- Use advanced software for analysis, identifying potential issues.
- Provide insights for preventive maintenance.

Quality Assurance: CCSI guarantees top-tier services, combining certified professionals with cutting-edge equipment for precise and efficient project execution.

Timeline: Outline a detailed timeline covering preliminary inspection, cleaning, manhole inspections, televising, and final documentation phases.

Conclusion: Champion Cleaning Specialists Inc. is confident in our ability to deliver exceptional results for your sewer project. With proven expertise, state licenses, and a commitment to excellence, we look forward to contributing to your sewer infrastructure's longevity, efficiency, and overall health.



- **1. Proposer Summary:** Champion Cleaning Specialists Inc. (CCSI) offers a comprehensive proposal for sewer maintenance services, backed by a proven track record in the industry.
- **2. Management Team:** *Leadership:* Mr. Jaime Diaz, an experienced Operations Manager, is proposed as the Project Manager.

Project Manager (Jaime Diaz): Jaime Diaz brings nearly a decade of Operations Management experience directly related to this RFP's project traits, specializing in process improvement, data analysis, and staff management.

Contact: jaime@championcleaning.net | +1 408 564 2097.

3. Project Team: CCSI's certified professionals, led by Jaime Diaz, possess expertise in advanced sewer inspection technologies and environmentally friendly cleaning techniques.

4. Contact Information:

- Legal Name: Champion Cleaning Specialists Inc.
- Contact: Riley Chon, Business Development Manager
- Address: 8391 Blue Ash Rd., Cincinnati, Ohio | Cell Phone: 419-789-9874

5. Proposal Details:

- Sole proposal from CCSI, no joint entities.
- No subcontractors; all services provided by CCSI's in-house teams.
- **6. Authorization and Compliance:** CCSI, Riley Chon, and Jaime Diaz are authorized to operate in California, Orange County, and the City of Westminster. Evidence of registration with the California Secretary of State is included.

Champion Cleaning Specialists Inc., Riley Chon, and Jaime Diaz are committed to delivering excellence in sewer maintenance. We look forward to contributing to the success of your project.



DIR Registration

Contractor Information

Legal Entity Name

Champion Cleaning Specialists Inc.

Legal Entity Type

Corporation

Status

Active

Registration Number

PW-LR-1001084827

Registration effective date

07/18/23

Registration expiration date

06/30/24

Mailing Address

8391 Blue Ash Rd Cincinnati 45236 OH United States of America

Physical Address

8391 Blue Ash Rd Cincinnati 45236 OH United States of America

Email Address

rileychon@championcleaning.net

Trade Name/DBA

License Number (s)

CSLB:1105799

Legal Entity Information

Corporation Entity Number:

3625024

Federal Employment Identification Number:

311027400

President Name:

Lincoln Stephenson

Vice President Name:

Treasurer Name:

Pat Kurtz

Secretary Name: CEO Name:

Chris Kurtz

Agency for Service:

Agent of Service Name:

Northwest Registered Agent

Agent of Service Mailing Address:

2108 N St. Suite N Sacramento 95816 CA United States of America

Worker's Compensation



Do you lease employees through Professional Employer Organization (PEO)?:

Please provide your current worker's compensation insurance information below:

PEO Information

PEO Name

PEO Phone

PEO Email

Insured by Carrier

Policy Holder Name:

Champion Cleaning Specialists Inc.

Insurance Carrier:

State Fund Compensation Insurance

Policy Number: 9056790-2023

Inception date: 05/15/23

Expiration Date: 05/15/24







Qualifications

- **1. Relevant Background Experience:** Champion Cleaning Specialists Inc. (CCSI) stands as a seasoned leader in sewer maintenance with a collective experience of over four decades. Each member of our dedicated team possesses an individual background of over five years in sewer infrastructure projects, contributing to the wealth of expertise within our organization.
- **2. Capabilities for this Project:** CCSI's capabilities for the proposed sewer maintenance project are built upon the individual expertise of our team members. With over 65 state-of-the-art CCTV sewer inspection camera trucks and 10 Vactor sewer cleaning combo units, our team is proficient in process improvement, data analysis, policy implementation, and staff management.

3. Major Projects Commitments:

Ongoing Projects:

- PG&E Crossbore inspections: Crossbore Investigations, Yearly Contract, 2 Lateral Launch crews, QAQC Specialist, and a Project Manager
- CA Lining: Collaborative initiative with Lining Department for enhanced sewer infrastructure services
- Our California Business Unit has until recently, only focused on a single customer due to the massive size of the contract (\$7M). Their budget for our services was cut nearly in half and has required us to initiate inorganic sales forces identical to the rest of the organization.

Planned Projects:

- 2024 MCSD Assessment: Awaiting Award from Midway City Sewer District, 83k LF of clean and inspect project in Westminster, CA.
- **4. Staff Resources:** Every member of the CCSI team individually boasts over five years of handson experience in sewer maintenance. Our certified operators, project managers, and technicians bring a wealth of knowledge to each project, ensuring a thorough understanding of industry best practices.
- **5. Project Status:** Ongoing projects are managed with precision, leveraging the extensive experience of our team members. Regular progress meetings and continuous monitoring guarantee that our seasoned staff resources are deployed effectively for optimal project outcomes.



Qualifications

- **6. Commitment to Excellence:** CCSI's commitment to excellence is not only a corporate ethos but a testament to the dedication of each team member. Our approach centers on innovation, efficiency, and strict compliance with industry regulations, reinforcing our position as a leader in sewer maintenance.
- **7. Resources Allocation:** CCSI has begun our winter weather transition for our Midwest team members, this includes winter work in the Southern States and our West Coast Operations.

In conclusion, Champion Cleaning Specialists Inc. is not just a company; it is a collective of seasoned professionals, each contributing their wealth of experience to deliver exceptional results for the proposed sewer maintenance project. We appreciate your consideration and eagerly anticipate the opportunity to bring our individual and collective expertise to this critical project.



Project Schedule and Scope of Work

Timeframe: January 8, 2024, to December 9, 2024

1. Preliminary Phase (January 8-9, 2024):

- Project Kickoff Meeting
- Rapid Site Assessment
- Efficient Team Mobilization and Equipment Setup

2. Concurrent Cleaning, Televising, and Manhole Inspection Phase (January 10, 2024 - November 4, 2024):

- Initiating Sewer Cleaning and Inspecting Operations
- Implementing Advanced Cleaning Techniques
- Concurrent Televising: Seamless Transition from Cleaning to Inspecting
- Conducting Comprehensive CCTV Inspections
- Identifying and Documenting Defects with Reports to the Owner
- Concurrent Manhole Inspections: Executing Detailed Inspections
- Adjusting Schedule to Cleaning and Televised Inspection of 5000 ft per Day including 20
 Manhole Inspections per day
- Continuous Monitoring of Progress and Quality Control and Making Customer Approved Adjustments as Needed

Monthly Deliverable (Starting February 1, 2024):

- Progress Report
- Video Footage Highlights
- Preliminary Inspection Reports

3. Finalization and Documentation (November 5, 2024 - December 9, 2024):

- Compiling Comprehensive Project Documentation
- Final Quality Checks and Rework Schedule
- Client Walkthrough and Approval
- Project Closeout Meeting

Final Deliverable (December 6, 2024):

- Final Project Documentation
- Project Summary Report
- Client Approval Documentation

Important Notes:

- Regular Bi-weekly Project Progress Meetings
- Continuous Monitoring of Work Program Adherence
- Immediate Mitigation for Any Unforeseen Delays



Project Schedule and Scope of Work

Liquidated Damages: CCSI acknowledges the critical importance of project completion within the specified timeframe. Any failure to meet the outlined schedule will result in the payment of liquidated damages, as detailed in the Sample Agreement (Exhibit B). Our commitment to adherence and excellence ensures a timely and successful project outcome. This revised schedule optimizes efficiency by incorporating concurrent manhole inspections with the cleaning, televising, and inspection phases, meeting the increased production capacity of 5000 ft per day of mainline work with 20 manhole inspections per day.



sbores.com References, Related Experience and Examples of Work

Crossbore Investigation and Condition Assessment

Piedmont Energy Sewer Inspection	North Carolina	Multiple	Michael Russ Ibold	812-260-0775	Russ.lbold@duke-energy.com	\$3,500,000.00	3
NIPSCO Energy Sewer Inspection	Indiana	Multiple	Ashley Dean	260-433-0011	ashleymsmith@nisource.com	\$5,000,000.00	5
Eversource Sewer Inspection	Maryland	Multiple	Joe Fiorante	978-423-5102	NA	\$600,000.00	4
Spire Energy Sewer Inspection	Missouri	Multiple	Steve Samson	314-737-7183	Steven.Samson@spireenergy.com	\$2,500,000.00	5
Pacific Gas & Electric	Californai	Multiple	Nathan Naylor	541-892-2347	NXNT@pge.com	\$6,000,000.00	8
Inspection	Ohio	Cincinnati	Duke Energy Cincinnati	, 812-260-0775	Russ.lbold@duke-energy.com	\$1,000,000.00	17

Condition Assessment and Prep for CIPP projects

CIPP Pipe Prep	2023	2023 Rehab Lining 1300068	Michigan	Gibraltar	Inliner Solutions, Dawn Young, 313-618-9293
CIPP Pipe Prep	2023	2022/2023 Sanitary Sewer Rehabilitation	Michigan	Fraser	Inliner Solutions, Dawn Young, 313-618-9293
CIPP Pipe Prep	2023	Bay City - 2023 Rehab	Michigan	Bay City	Inliner Solutions, Dawn Young, 313-618-9293
CIPP Pipe Prep	2023	Almont Cipp 1168702	Michigan	Almont	Inliner Solutions, Dawn Young, 313-618-9293
Assessmennt	2023	2023 Twin Lakes & WSC Sewer Cleaning and Televising	Indiana	Motte	Baxter & Woodman, Mike Kenney, 815-444-3371
CIPP Pipe Prep	2021	2021 Genesee County Sewer CIPP Rehabilitation 1125897	Michigan	Genesee County	Granite Inliner, Brandon Stangle, 734-955-2508
CIPP Pipe Prep	2021	2021 City of Livonia SS CIPP Rehabilitation 1123439	Michigan	Livonia	Granite Inliner, Brandon Stangle, 734-955-2508
CIPP Pipe Prep	2021	2021 Swartz Creek Downtown Lining 1139397	Michigan	Swartz Creek	Granite Inliner, Brandon Stangle, 734-955-2508
Rehab Assess	2021	1133557	Michigan	Southfield	Granite Inliner, Brandon Stangle, 734-955-2508
CIPP Pipe Prep	2020	2020 City of Southfield SS CIPP Rehabilitation 1042398	Michigan	Southfield	Granite Inliner, Brandon Stangle, 734-955-2508
Sewer Assessment	2020	Sanitation District 1 Sewer Inspection	Kentucky	Multiple	SD1, Greg Braunwart, 859-240-6476
Clean	2019	Large Diameter Sewer Cleaning	Ohio	Lima	Black & Veatch, Gabriel Staats, 614-454-4410

CIPP Lining Projects 2023

CIPP	August	City of Aiken	SC	15" & 18"
CIPP	July	Sycaore Township	ОН	15"
CIPP	August	Cheviot	ОН	24"
CIPP	August	Cardington	ОН	8" & 15"
CIPP	September	Owensboro	KY	6"-18"

Contact Lining Director Rusty Johnston for Details: 480-888-6497

CCSI prides itself in having never been involved in any litigation, maintaining an extremely low utilization of credit, having zero bond claims, and having never entered liquidated damages days in the 41 years of being in business. Sewer Pipes and Manholes are OUR BUSINESS and THIS IS WHAT WE DO.

EXHIBIT C - PRICE PROPOSAL FORM

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

Item No.	Description	Units	Estimated Quantity	Unit Price	Total Estimated Item Price
1	Cleaning and CCTV inspection of all 8-inch gravity sewer mains	LF	857,031	\$ 2.17	\$ 1,859,757.27
2	Cleaning and CCTV inspection of all 10-inch gravity sewer mains	LF	31,289	\$ 2.17	\$ 67,897.13
3	Cleaning and CCTV inspection of all 12-inch gravity sewer mains	LF	14,390	\$ 2.17	\$ 31,226.30
4	Cleaning and CCTV inspection of all 15-inch gravity sewer mains	LF	4,554	\$ 2.19	\$ 9,973.26
5	Cleaning and CCTV inspection of all 18-inch gravity sewer mains	LF	6,986	\$ 2.19	\$ 15,299.34
6	Inspection of all District's manholes (all sizes and types)	EA	3,001	\$ 180.00	\$ 540,180

Total Amount For All Items in Numerals (Assuming Stated Unit Quantities): \$\(\frac{2,524,333.30}{}\)

Total Amount for	All Items in Wor	ds (Assuming State	l Unit Ouantities) <u>:</u>

Two Million, Five Hundred Twenty Four Thousand, Three Hundred Thirty Three Dollars, and Thirty Cents.

Note: The Unit Quantities set forth above are best estimates; the actual Unit Quantities may differ. Payment will be based on the Unit Prices for actual linear feet of sewer mains cleaned and inspected and the actual number of manholes inspected.

CONTRACTOR shall notify and obtain approval of DISTRICT prior to performing Services with respect to any Item in excess of the estimated Unit Quantity for such Item. Upon receipt of written authorization from DISTRICT's General Manager or his or her designee, CONTRACTOR agrees to provide Services at the Unit Prices set forth above with respect to up to one hundred twenty percent (120%) of the Unit Quantity set forth above for any Item.



MIDWAY CITY SANITARY DISTRICT

ADDENDUM 1 REQUEST FOR PROPOSALS

2024 MCSD SEWER SYSTEM CCTV VIDEO INSPECTION AND CLEANING PROJECT

December 5, 2023

Please see the followings:

- 1. It is the sole responsibility of the contractor to find out if there is any cost associated with proper dumping of sewer sediments and debris. The contractor will be responsible for this cost.
- 2. It is the sole responsibility of the contractor to find out about any cost associated with any permits required for this project. The contractor will be responsible for this cost.
- 3. Sewer line and manhole location map will be provided only by email request to the district. The GIS map will be ready sometime in January 2024.
- 4. MCSD requires level 2 inspection for all manholes.
- 5. If you have more than 1 type of sample report, please include up to 3 sample reports in your proposal. The sample reports could be from different NASSCO approved software applications.

- 6. If you have more than 1 type of camera, please include up to 3 sample video pictures from different cameras in your proposal. The thumb drive shall become the property of the district.
- 7. Please include a digital copy of your proposal with your hard copy of your proposal in a thumb drive. The thumb drive shall become the property of the district.

Proposal Evaluation Worksheet

			Criteria 1 -	Criteria 2 -	Criteria 3 -	Criteria 4 -	Criteria 5 -	Criteria 6 -	Criteria 7 -		
			Cost	Proposal	Experience	Crew	Workload	Location	Agreement	Total	
No.	Company Name	Total Bid (\$)	(Points out of 10)	(Points out of 10)	(Points out of 5)	Points	Comments				
1	Performance Pipeline	\$1,518,287.90	10	6	5	5	5	5	5	41	MH inspection not good.
2	Empire Pipe	\$1,867,691.44	8	10	5	5	5	5	5	43	MH and line inspection are good.
3	Mattucci Plumbing	\$2,432,209.49	6	10	5	5	5	5	5	41	Great Camera. MH & lines.
4	CCSI	\$2,524,333.30	4	8	5	5	5	1	5	33	Sewer AI is used for MH & Lines.
5	Pro Pipe	\$2,693,588.06	2	8	5	5	5	5	5	35	Too expensive.

AGENDA ITEM 9C

Date: December 19, 2023

To: Board of Directors

From: Robert Housley, General Manager

Prepared by: Ashley Davies, Director of Services and Program Development

Subject: Consider Approval of Sponsorship Solicitation and Sponsorship Levels and

Benefits for February 3, 2024 Open House Event

BACKGROUND

At the December 5, 2023 meeting the Board approved Resolution No. 2023-20, establishing a Sponsorship Policy for the District. The approved Sponsorship Policy established guidelines and criteria for the solicitation and acceptance of sponsorships to help offset the cost of District events and programs. Under the policy, each program or event held by the District that the Board would like to have sponsored will require its own individual Sponsorship Package and Agreement. Each Sponsorship Package will be approved by the Board before Staff will solicit sponsors. As part of each Sponsorship Package, there will also be a Sponsorship Agreement created by Counsel. When the Board approves a Sponsorship Package, they will in turn be accepting the sponsorship levels in the Package and the Agreement.

DISCUSSION

The purpose of the proposed Sponsorship Package and Agreement is to provide levels of sponsorship opportunities, sponsor benefits, guidelines for sponsor logos, images, etc., and provide the Agreement with which they will be entering. This Sponsorship Package and Agreement put before the Board is for the February 3, 2024 Open House Event. Outlined in the Package are the levels of sponsorship available, what the sponsor will receive for their investment, and the Agreement that sets forth the parameters of the benefits. The February 3, 2024 Open House Package was created by Staff based on research from other organizations sponsorship packages, recommendations from the Outreach Committee, and availability for offerings for the Open House Event. The Agreement was created by Counsel with parameters that reflect the levels available for this event. With the approval of the proposed Package and Agreement, the Board is authorizing Staff to move forward with solicitation of sponsorships for the February 3, 2024 Open House Event either with recommendations or as outlined in the attached Sponsorship Package. Once the Board provides direction or approval of the proposed Package, Staff will begin soliciting Sponsorships for the 2024 Open House.

FISCAL IMPACT

There is no fiscal impact for the approval of this Sponsorship Package and Agreement for the February 3, 2024 Open House.

STAFF RECOMMENDATION

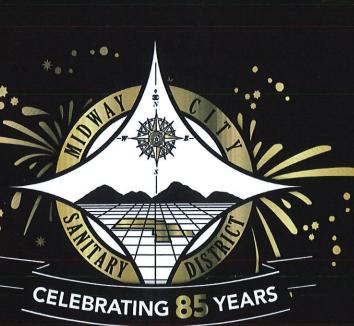
Staff recommends that the Board of Directors approve and authorize Staff to solicit sponsorships for the February 3, 2024 Open House Event and approve and provide direction regarding Sponsorship Levels, Sponsor Benefits, and Related Details.

ATTACHMENTS

- 1. Sponsorship package
- 2. Sponsorship agreement

2024

Midway City
Sanitary District
Open House
Sponsorship Package



Saturday, February 3, 2024 10AM – 2PM 14451 CEDARWOOD ST WESTMINSTER, 92683

Open House Highlights

PRESENTED BY: Midway City Sanitary District

DATE: Saturday, February 3, 2024

TIME: 10AM - 2PM

LOCATION: 14451 Cedarwood St. Westminster, 92683

COST: Admission is FREE with one lunch provided per person

Sponsorship Opportunities

PLATINUM SPONSOR
GOLD SPONSOR
SILVER SPONSOR
OTHER

\$5,000 \$2,500

\$1,000

FOR MORE INFORMATION CONTACT:

Ashley Davies, Director of Services and Program Development at 714-893-3553 or adavies@midwaycitysanityca.gov



2024 Open House Sponsorship Opportunities

PLATINUM SPONSOR - 1

Sponsor Investment \$5,000

As a Platinum Sponsor you will receive:

- Booth
- Banner at event
- Acknowledgement as top sponsor during event
- Name/logo on program
- Special social media recognition

GOLD SPONSOR-3

Sponsor Investment \$2,500

As a Gold Sponsor you will receive:

- Booth
- Banner at event
- Acknowledgement during event
- Name/logo on program
- Mention in related social media

SILVER SPONSOR

Sponsor Investment \$1,000

As a Silver Sponsor you will receive:

- Banner at event
- Acknowledgement during event
- Name/logo on program
- Mention in related social media

OTHER

Sponsor Investment

As a sponsor you will receive:

- Name/logo in program
- Mention in related social media



Ashley Davies, Director of Services and Program Development at 714-893-3553 or adavies@midwaycitysanityca.gov



2024 Open House Sponsorship Form

COMPANY NAME:	
ADDRESS:	CITY, ZIP:
CONTACT PERSON:	
CONTACT PHONE NUMBER:	
EMAIL:	
SPONSOR LEVEL/AMOUNT:	
PLATINUM \$5,000 GOL	D \$2,500 SILVER \$1,000
OTHER	
Please return completed form and done	ition to:
Midway City Sanitary District	
Attn: Ashley Davies	
14451 Cedarwood St.	
Westminster, CA 92683	
Make checks payable to: Midway City S	an <mark>itary District</mark>
Forms must be completed and returned	by January 26, 2024
	* *************************************
10 011	
Thank M	BU TO

CELEBRATING 85 YEARS

SPONSORSHIP AGREEMENT 2024 MIDWAY CITY SANITARY DISTRICT OPEN HOUSE

SPONSOR NAME	(Print the lega	l name of vour	organization)
	(

SPONSOR'S AUTHORIZED REPRESENTATIVE (Print the name of the individual executing this Sponsorship Agreement on your behalf. By executing this Sponsorship Agreement, this individual represents and warrants that he/she is legally authorized enter into the Agreement and to bind your organization.)

SPONSORSHIP INVESTMENT AND SPONSOR BENEFITS

In exchange for a Sponsorship Investment, the Midway City Sanitary District ("District") agrees to make the Sponsor Benefits associated with the Sponsorship Level chosen by the Sponsor available to Sponsor.

SPONSORSHIP LEVELS	
PLATINUM SPONSOR	GOLD SPONSOR
Sponsor Investment: \$5,000	Sponsor Investment: \$2,500
	The state of the s
Sponsor Benefits:	Sponsor Benefits:
* Sponsor Exhibit / Booth Space	* Sponsor Exhibit / Booth Space
* Sponsor Banner at Event	* Sponsor Banner at Event
* Acknowledgement of Sponsor at Event	* Acknowledgement of Sponsor at Event
* Sponsor Name / Logo on Event Program	* Sponsor Name / Logo on Event Program
* Enhanced Social Media Recognition of Sponsor	* Mention of Sponsor in Event Social Media
SILVER SPONSOR	OTHER
Sponsor Investment: \$1,000	Sponsor Investment: \$
Sponsor Benefits:	Sponsor Benefits:
* Display of Sponsor Banner	* Sponsor Name / Logo on Event Program
* Acknowledgement of Sponsor at Event	* Mention of Sponsor in Event Social Media
* Sponsor name / Logo on Event Program	
* Mention of Sponsor in Event Social Media	

ACKNOWLEDGMENTS

Sponsor Acknowledges and Agrees to the Following Terms. (Please initial each provision to acknowledge you have read and agree with these terms.)

INCORPORATION OF SPONSORSHIP POLICY AND SPONSORSHIP FORM INITIALS

The rights and obligations of Sponsor and the Midway City Sanitary District ("District") under this Sponsorship Agreement shall be subject to the Midway City Sanitary District Sponsorship Policy and the Sponsorship Form completed by Sponsor, which are hereby incorporated by reference into this Sponsorship Agreement.

NO SPECIAL PRIVILEGES **INITIALS** Sponsor acknowledges and agrees that the District's acceptance of Sponsor's Sponsorship Investment does not guarantee or allow, enable, impose, oblige, or entitle Sponsor to any special benefits or privileges other than those stated in this Sponsorship Agreement. **INITIALS** NO ENDORSEMENT OF SPONSOR BY DISTRICT Sponsor acknowledges and agrees that the District's acceptance of Sponsor's Sponsorship Investment and the provision of the Sponsor Benefits to Sponsor does not constitute an endorsement by the District of Sponsor or of Sponsor's products, services, or message, and Sponsor shall not state or imply otherwise in any form or manner. USE OF NAME, LOGO AND IMAGES OF SPONSOR AND ITS PERSONNEL **INITIALS** Sponsor acknowledges and agrees that, by agreeing to sponsor the Event, Sponsor's name and/or logo will be used to publicize the Event and will be reproduced at the Event and that Sponsor and its affiliates, employees, and volunteers attending the Event may be photographed or videoed. Sponsor hereby authorizes and grants permission to the District and its designees to produce, publish, post on website, exhibit, and otherwise make use of Sponsor's name and logo and photographs and videos of Sponsor and its affiliates, employees, volunteers, and banners, booths, and/or exhibits from the Event for any publicity and other non-commercial purposes of the District without compensation, attribution or further consent of the Sponsor or its affiliates, employees, or volunteers. WAIVER AND RELEASE OF LIABILITY **INITIALS** Sponsor, on behalf of itself and its affiliates, employees, and volunteers, hereby agrees to release, waive, discharge and covenant not to sue the District, its officers, directors, officials, agents, employees, volunteers and representatives, for any and all claims for loss or damage, including, without limitation, any claims or demands on account of personal injury, property damage or death which may occur as a result of Sponsor's sponsorship of the Event or the presence or participation of Sponsor or its affiliates, employees, or volunteers at the Event, even though that injury or damage may arise out of the negligence of the District, its officers, directors, officials, agents, employees, volunteers or representatives or out of a dangerous or defective condition of property or equipment of the District. **INITIALS** TERMINATION OF SPONSORSHIP AGREEMENT Sponsor may terminate this Sponsorship Agreement upon written request up to ten (10) business days prior to the Event. Sponsor may only terminate this Sponsorship Agreement within ten (10) business days prior to the Event with approval of the District. The District may unilaterally terminate this Sponsorship Agreement for any reason at any time up to conclusion of the Event in its sole discretion. In the event this Sponsorship Agreement is terminated, the District shall return Sponsor's Sponsorship Investment to Sponsor, and neither the District nor

the Sponsor shall continue to have any rights or obligations under this Sponsorship Agreement. If the Event is cancelled cancellation of the Event Upon mutual agreement of the District and Sponsor, the District may apply

Sponsor's Sponsorship Investment to another District event or program.

SPONSOR BANNERS AND BOOTHS _____INITIALS

Sponsor is solely responsible for fabricating and providing a banner for the Event (if applicable) and all tables, equipment, and personnel for an exhibit or booth at the Event (if applicable). District is not responsible for providing or paying for any of these items.

Banners or other displays provided by Sponsor for the Event (if applicable) shall be approved by the District prior to the Event and may display Sponsor's name and/or logo, but shall not contain other advertising copy or promotional messages of any kind. The District reserves the right to exercise full editorial control over the size, placement, content, and wording of any banner or other display provided by Sponsor.

The size and location of the exhibit / booth space provided to Sponsor for the Event (if applicable) is subject to space availability and shall be determined by the District in its sole discretion. All of the following must be disclosed to and approved by the District prior to the Event: (1) the size and components of Sponsor's booth; (2) the nature and type of all promotional materials or other tangible items Sponsor intends to display or hand out at the Event; and (3) the content and wording of any advertising or promotional messages Sponsor intends to display at the Event. Sponsor shall not utilize booth space provided to the Sponsor at the Event for any of the following activities: (1) to display or promote alcohol, drugs or drug paraphernalia, firearms or weapons, tobacco products, gambling, materials of a sexually explicit or adult-oriented nature; (2) to act on behalf of, in support of, or in opposition to any political candidate or ballot measure or advocate a political position; (3) to promote religious messages or advocate or promote religious beliefs; or (4) to promote or advocate for any product, service, message or position that the District, in its sole discretion, determines would compromise or damage the public trust in the District, that would conflict with or compromise the District's reputation, mission, image, values or aesthetic interests, or that would not be in the best interest of, or would create a conflict of interest for, the District.

If Sponsor intends to maintain an exhibit or booth at the Event, Sponsor shall procure and maintain valid workers' compensation and liability insurance acceptable to the District covering Sponsor's operation of Sponsor's exhibit or booth at the Event and the acts and omissions of all individuals acting on Sponsor's behalf at the Event, and shall provide evidence such insurance to the District upon request.

Sponsor agrees to assume full responsibility for and risk of bodily injury, death or property damage of or to Sponsor or to any of Sponsor's affiliates, employees, volunteers, or representatives while present during or participating at the Event. Sponsor further agrees to indemnify and save and hold harmless the District, its officers, directors, officials, agents, employees, volunteers and representatives, and each of them, from any loss, liability, damage or cost they may incur, including attorneys' fees, whether caused by the negligence of the District or otherwise, relating to the presence or participation of Sponsor, its affiliates, employees, volunteers or representatives at the Event, except that Sponsor shall not be required to indemnify the District for any loss, damage, injury or claim arising from the willful acts or gross negligence of the District, its officers, directors, officials, agents, employees, volunteers or representatives.

SPONSOR	DISTRICT
	Robert Housley, General Manager
Name of Authorized Representative	
Date:	Date: