

**NEVADA IRRIGATION DISTRICT
Administrative Practices Committee**

December 9, 2019

**SPECIAL MEETING
MINUTES**

Committee Members Present: W. Scott Miller, Division III
Ricki Heck, Division I

Committee Staff Members Present: Remleh Scherzinger, General Manager
Greg Jones, Assistant General Manager
Marvin Davis, Finance Manager/Treasurer
Jana Kolakowski, Human Resources Manager
Kris Stepanian, Board Secretary

Public Comment

None

Minutes of the September 4, 2019, Regular Meeting

Approved as submitted.

Minutes of the October 17, 2019, Special Meeting

Approved as submitted.

Minutes of the November 6, 2019, Special Meeting

Approved as submitted.

Minutes of the November 22, 2019, Special Meeting

Approved as submitted.

Year-End Budget Amendment

Marvin Davis, Finance Manager/Treasurer, presented the item.

It is a best practice for Agencies (Counties, Cities, Special Districts, etc.) to conduct mid and year-end budget reviews. The reason is to demonstrate fiscal line item management and reflect accurate budgetary levels for future spending plans. There are several reasons why actual expenditures vary from budgets, such as unplanned, inaccurate estimates, and delayed purchases.

Staff's approach is to align budgets to actuals during mid and year-end meetings. In accordance with Budget Amendment Policy 3100, the Administrative Practices Committee has budget amendment authority up to \$1,000,000. Currently, the Committee has approved amendments totaling \$537,470 (page 37 of October Financial Report and

BA 2019-133 for \$122,180). The proposed budget amendment request totals approximately \$1.7 million. Therefore, Board approval is required.

Budgetary Impact: There is a zero dollar impact to the District's final reserve position because total account increases are offset equally by decreases.

Public Comment

None

The Committee reviewed and discussed the item, which will be presented to the Board of Directors for approval on December 12, 2019.

Updates to District Policy 3080 – Procurement

Marvin Davis, Finance Manager/Treasurer, presented the item.

Following a request for staff and legal to review the procurement policy, the following proposed updates were proposed:

- NID is exempt from the procurement procedures in the Public Contract Code (PCC) when projects are not paid from bonds or limited assessment proceeds. The California Water Codes gives authority to the District to develop procurement policies and procedures.
- The District must follow the PCC when paying for projects from a bond or limited assessment proceeds. In addition, the District must follow "Sole Source" rules set forth in the PCC and defined in this policy.
- The term "Limited Assessment" is defined in Water Code §20540 and refers to completed, particular, or emergency assessments. An assessment is a financing mechanism similar to the District's Cement Hill and Rodeo Flat.
- Use of the District's professional service and construction contracts are dictated by the type of professional assistance required and the complexity of the construction project.
- The District shall solicit qualified vendors in the construction industry to develop a list of contractors. The list shall be updated annually and used when the District requests vendors for construction jobs. Depending on the qualified vendors on the approved list, the District may solicit additional vendors if necessary. The updated list shall be posted on the District website by January 31 of each year.

Other proposed updates include:

- Removal of the signed authority limits table
- General Manager's original contract cumulative amount reduced to \$250,000
- General Manager's purchasing authority not to exceed \$50,000
- Reducing APC Authority to \$100,000
- General Manager will notify the Board upon the time action is taken

Director Heck inquired about the following:

- Competitive bids and when they are used

Remleh Scherzinger, General Manager, responded that the only time the District is required to competitively bid is when it is using outside sourced funds, such as Federal grant money. When internal District funds are used, the District can use its approved bidders list.

- Determining the type of purchase method to use

Mr. Davis replied that Section 3080.7 of the Policy describes which method may be used and it is tied to dollar value.

- Clarification of “Resetting of Authority”, under Section 3080.7, G(5)

Mr. Scherzinger explained that it means when the Board takes action in terms of a change order following a previous change order on the same contract previously approved by the General Manager, it resets the General Manager and designee original approval amounts for that project.

Discussion ensued regarding resetting of original approval amounts.

Mr. Scherzinger provided the following potential update to Section 3080.7G: When the Board approves a change order or Task Order, it resets the APC and General Manager's original approval amounts. The Committee concurred.

Public Comment

None

The Committee unanimously agreed to advance a recommendation to the Board of Directors to approve the proposed updates to District Policy 3080 – Procurement, as amended to reflect that when the Board approves a change order or task order, it resets the APC and General Manger's original approval amounts.

Caltrans Highway 174 Pipeline Relocation (FATR #2423)

Doug Roderick, Engineering Manager, presented the item.

The District's treated water pipeline is located within Caltrans right of way on Highway 174. The proposed work requires the relocation of approximately 519 LF of 10-inch treated water pipeline and two automatic air release valves. The pipeline is under a right of way agreement with Caltrans, which requires the District to relocate these facilities at its own expense to accommodate the Caltrans project.

Caltrans has given the District until April 30, 2020, to have the relocation work approved by encroachment permit #0319AUR0269 completed. The District has already been given an extension of time to complete this work. The original completion date was October 31, 2019.

Requests for Quotes were sent to 6 contractors on October 18, 2019. On November 7, 2019, the District received and opened the five following quotes:

C&D Contractors, Inc.	\$187,750	Hansen Bros. Enterprises	\$299,999
Teichert Utilities	\$218,100	T&S Construction Co., Inc.	\$391,368
McGuire and Hester	\$250,300		

Budgetary Impact: The APC previously approved Budget Amendment Request No. 2019-130, transferring \$350,000 from the Raw Water Improvements Program (10151-52910) to the Pipeline Replacement Program (10151-52907). Of the \$350,000 approved by the APC, \$200,000 was for the Highway 174 Pipeline Relocation Project. The remaining \$150,000 of the budget transfer is for the Long Ravine Campground water system replacement project.

Director Heck requested that a legend be included on future maps.

Public Comment

None

The Committee unanimously approved a construction contract with C&D Contractors, Inc. in the amount of \$187,750, for the relocation of treated water pipelines to accommodate the Caltrans roadway work on Highway 174, and authorized the General Manager to execute the appropriate documents.

Committee Policy Update

Remleh Scherzinger, General Manager, provided an update, and the Committee discussed the development of a District policy for standing committees. The draft policy is scheduled to be presented to the Committee at the January 2020 meeting.

Public Comment

- Mike Pasner, resident of Penn Valley, requested committee meetings be recorded either by video or audio and kept in perpetuity.

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