



**FINANCE COMMITTEE MEETING
OF THE BOARD OF TRUSTEES
LOCATION: TELECONFERENCE – SEE BELOW**

May 1, 2023

5:30 PM

UPDATED AGENDA

The Finance Committee is not a decision-making body and can only make recommendations to the Board. All decisions are made by the full Board at the monthly meeting of the Board of Trustees.

IMPORTANT NOTICE REGARDING MEETINGS:

- The District's Board Room is open to the public at this time.
- The meeting will be conducted via teleconference using Zoom.
- All members of the public seeking to observe and/or to address the local legislative body may participate in the meeting telephonically or otherwise electronically in the manner described below.

HOW TO OBSERVE THE MEETING:

Telephone: Listen to the meeting live by calling Zoom at **(408) 636-0968** or **(669) 900-6833**.

Enter the **Meeting ID# 650-344-8592** followed by the pound (#) key. More phone numbers can be found on Zoom's website at <https://zoom.us/u/abb4GNs5xM> if the line is busy.

Computer: Watch the live streaming of the meeting from a computer by navigating to <https://zoom.us/j/6503448592> using a computer with internet access that meets Zoom's system requirements (see <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>)

Mobile: Log in through the Zoom mobile app on a smartphone and enter **Meeting ID# 650-344-8592**.

ACCESSIBILITY INFORMATION:

Board Meetings are accessible to people with disabilities and others who need assistance. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to observe and/or participate in this meeting and access meeting-related materials should contact Brian Weber, District Manager, at least 48 hours before the meeting, at (650) 344-8592 or bweber@smcmvcd.org. Advanced notification will enable the District to swiftly resolve such requests to ensure accessibility.

PUBLIC RECORDS:

Public records that relate to any item on the open session agenda for a meeting are available for public inspection. Those records that are distributed after the agenda posting deadline for the meeting are available for public inspection at the same time they are distributed to all or a majority of the members of the Board. The Board has designated the District’s website at <https://www.smcmvcd.org/board-meetings> as the place to make those public records available for inspection. The documents may also be obtained by calling the District Manager.

1. CALL TO ORDER

2. ROLL CALL

- Mason Brutschy (Chair), Town of Atherton _____
- Muhammad Baluom, City of Millbrae _____
- Ray Williams, Town of Portola Valley _____
- Robert Riechel, City of San Bruno _____
- Carolyn Parker, City of Brisbane _____
- Kati Martin, City of Half Moon Bay _____
- Ron Collins, City of San Carlos _____

3. PUBLIC COMMENTS AND ANNOUNCEMENTS

This time is reserved for members of the public to address the Finance Committee of the Board relative to matters of the Committee not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to three minutes per person (or six minutes where a translator is used).

4. REGULAR AGENDA

- A. Review the Preliminary Financial Report for FY 2022-23 as of March 31, 2023.

Report by: Finance Director, Richard Arrow, CPA

ACTION: Motion to recommend the Board approve the Financial Report for FY 2022-23 as of March 31, 2023

B. Presentation of FY 23-24 Budget and Estimates for FY 22-23

Report by: Finance Director, Richard Arrow, CPA

ACTION: Motion to recommend the Board approve the first reading of the FY 23-24 to the Board of Trustees

C. Present First Draft Engineer's Report Applicable to FY 23-24 and Board Resolution

Report By: District Manager, Brian Weber

ACTION: Motion to recommend a review of the first draft Engineers Report and accompanying resolution to the Board of Trustees

D. Staff Report on recommended reserve levels as of June 30, 2023

Report By: Finance Director, Richard Arrow, CPA

ACTION: Motion to recommend setting reserve levels to the Board of Trustees as of June 30, 2023

E. Joint Powers Agreement of Fire Risk Management Services

Report By: Finance Director, Richard Arrow, CPA

ACTION: Motion to recommend the Board approve the JPA Agreement of Fire Management Services and associated Board resolution.

F. Staff report on the purchase of BVA 2 Larvicide Oil in the amount of \$40,000 from Azelis Agricultural and Environmental Solutions

Report By: Operations Director, Casey Stevenson

ACTION: Motion to recommend purchase of BVA 2 Larvicide Oil in the amount of \$40,000 from Azelis Agricultural and Environmental Solutions

- G. Staff report on the purchase of thirteen iPads in the amount of \$9,440.21 from Verizon Wireless

Report By: Matt Nienhuis, Information and Technology Director

ACTION: Motion to recommend the Board approve the purchase of thirteen iPads in the amount of \$9,440.21 from Verizon Wireless

- H. Review the contract with the City of San Mateo for rodent control services in the amount of \$24,617.60 annually for a term of three years

Report By: Operations Director, Casey Stevenson

ACTION: Motion to recommend the Board approve the City of San Mateo contract in the amount of \$24,617.60 annually for a term of three years.

- I. Review the contract with Ag-Air for mosquito control application services not to exceed \$45,000.

Report By: Operations Director, Casey Stevenson

ACTION: Motion to recommend the Board approve the contract with Ag-Air for mosquito control application services not to exceed \$45,000.



Item 4A

**Monthly Financial Report
Month Ending March 31, 2023**

Staff Recommendation: Motion to recommend approval of the March 31, 2023, Financial Report.

Statement of Revenues, Expenditures, and Change in Fund Balance

Total revenues received from July 1 through March 31, 2023 (YTD) were \$ 4.5 million; total expenditures YTD were \$ 4.3 million, and the change in fund balance was \$ 215,811 thousand. The District had \$ 8.6 million in cash available in County Treasury.

	General	Capital	Total
	Fund	Fund	Funds
Beginning Fund Balance 7/1/2022:	\$ 8,001,587	\$ 749,944	\$ 8,751,531
Revenues/Resources	\$ 4,515,413	\$ 7,044	\$ 4,522,457
Due To (From) Funds	\$ (276,044)	\$ 276,044	\$ -
Expenditures	\$ 4,107,794	\$ 198,853	\$ 4,306,647
Change in Fund Balance	131,575	84,236	\$ 215,811
* Ending Fund Balance	\$ 8,133,162	\$ 834,180	\$ 8,967,341

* Components of Fund Balance:			
Nonspendable (Inventory)	\$ 143,930.00	\$ -	\$ 143,930.00
Assigned (Capital Improvements)	-	834,180	834,180
Public Health Emergency Fund	800,000	-	800,000
Natural Disaster Emergency Fund	650,000	-	650,000
Real Property Acquisiton Fund	1,134,670	-	1,134,670
Debt Service Repayment Fund	1,000,000	-	1,000,000
Unrestricted Fund Balance	4,404,562	-	4,404,562
Total	\$ 8,133,162	\$ 834,180	\$ 8,967,341

Budget Variances

Revenues

Actual revenues received through March 31, 2023, were over budget by \$ 455,759 resulting from the receipt of a portion of excess ERAF in August 2022 (\$ 574,500), as well as timing differences of other revenue sources.



Expenditures

Expenditures through March 31, 2023, were under budget by \$ 646,634 primarily due to the timing of expenditures contained in the table below:

Budget Category	Over/ Under	Variance	% of YTD Budget	Explanation
Salaries & Wages	Under	\$48,978	97.8%	New employees costs under budgeted positions.
Employee Benefits	Over	\$41,813	106.0%	Increase of expenditures over budget
Administration	Under	\$136,381	64.4%	Unspent HR, professional and legal services
Computer Hardware & Software	Under	\$23,688	54.3%	Unspent consulting and timing of hardware, and Map Vision licensing expenditures
Operations	Under	\$24,541	87.5%	Timing of pesticide and helicopter expenditures
Laboratory	Under	\$27,496	57.4%	Timing of Laboratory expenditures
Public Outreach	Under	\$25,859	72.6%	Timing of media and promotion expenditures
Capital Improvements	Under	\$358,649	35.7%	Timing of building improvement exp.

The Board’s budget level of control is at the category level, for example Salaries, Benefits, Admin., Operations, etc. The above table provides explanations for variances over \$15,000.

Questions

Please direct all inquiries related to this financial reporting package to the District Manager, Brian Weber, before the board meeting to allow for adequate research. He can be reached at the District office at (650) 344-8592 or via email at bweber@smcmvcd.org.

Approval

This month’s financial statements are fairly presented. The District Manager and Finance Director approved all disbursements and the monthly bank reconciliation. A Board Officer and the District Manager signed all checks.

San Mateo County Mosquito & Vector Control District
 Balance Sheet
 As of Mar 31, 2023

	Total Mar 31, 23	General Fund	Capital Fund
ASSETS			
Current Assets			
Checking/Savings			
1010 · Cash-County Treasury-GF x2706	7,752,685	7,752,685	
1015 · Checking -Union Bank - GF x9757	(67,257)	(67,257)	
1020 · Cash-County Treasury-CPF x2705	833,640		833,640
1025 · Checking -Union Bank - CPF x6913	-		-
1016 · County Funds - FMV	(259,384)	(259,924)	540
1030 · Petty Cash	400	400	
1035 · PARS Pension Rate Stabilization	110,183	110,183	
Total Checking/Savings	8,370,268	7,536,088	834,180
Accounts Receivable			
1100 · Accounts Receivable	4,135	4,135	
1105 · Interest Receivable	-	-	-
Total Accounts Receivable	4,135	4,135	-
Other Current Assets			
1220 · VCJPA-Member Contingency Fund	469,114	469,114	
1230 · Pesticide Inventory	176,476	176,476	
Total Other Current Assets	645,590	645,590	-
Total Current Assets	9,019,993	8,185,814	834,180
TOTAL ASSETS	9,019,993	8,185,814	834,180
LIABILITIES & FUND BALANCE			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 · Accounts Payable	52,652	52,652	-
Total Accounts Payable	52,652	52,652	-
Credit Cards			
1040 · US Bank Purchase Card	-	-	
Total Credit Cards	-	-	-
Other Current Liabilities			
2200 · Accrued Wages	-	-	
Total Other Current Liabilities	-	-	-
Total Current Liabilities	52,652	52,652	-
Fund Balance			
Beginning Fund Balance, 7/1/2022	8,751,531	8,001,587	749,944
Due To (From) Funds	-	(276,044)	276,044
Revenues Over Expenditures	215,811	407,619	(191,808)
Ending Fund Balance *	8,967,341	8,133,162	834,180
TOTAL LIABILITIES & FUND BALANCE	9,019,993	8,185,814	834,180
* COMPONENTS OF ENDING FUND BALANCE			
Nonspendable (Inventory)	143,930	143,930	-
Assigned (Capital Improvements)	834,180	-	834,180
Public Health Emergency Fund	800,000	800,000	-
Natural Disaster Emergency Fund	650,000	650,000	-
Real Property Acquisiton Fund	1,134,670	1,134,670	-
Debt Service Repayment Fund	1,000,000	1,000,000	-
Unrestricted Fund Balance (Includes Working Capital)	4,404,562	4,404,562	-
Total Fund Balance	8,967,341	8,133,162	834,180

	General	Capital	Total
	Fund	Fund	Funds
Beginning Fund Balance 7/1/2022:	\$ 8,001,587	\$ 749,944	\$ 8,751,531
Revenues/Resources	\$ 4,515,413	\$ 7,044	\$ 4,522,457
Due To (From) Funds	\$ (276,044)	\$ 276,044	\$ -
Expenditures	\$ 4,107,794	\$ 198,853	\$ 4,306,647
Change in Fund Balance	131,575	84,236	\$ 215,811
* Ending Fund Balance	\$ 8,133,162	\$ 834,180	\$ 8,967,341

* Components of Fund Balance:			
Nonspendable (Inventory)	\$ 143,930.00	\$ -	\$ 143,930.00
Assigned (Capital Improvements)	-	834,180	834,180
Public Health Emergency Fund	800,000	-	800,000
Natural Disaster Emergency Fund	650,000	-	650,000
Real Property Acquisiton Fund	1,134,670	-	1,134,670
Debt Service Repayment Fund	1,000,000	-	1,000,000
Unrestricted Fund Balance	4,404,562	-	4,404,562
Total	\$ 8,133,162	\$ 834,180	\$ 8,967,341

Statement of Revenues, Expenditures Budget vs. Actual
July 2022 through June 2023

Month of Report:

Mar, 2023

GENERAL FUND:

Ordinary Revenues/Expenditures

Revenues

	Annual Budget	YTD Actual	Annual Variance	%	YTD Budget	YTD Variance	%	Monthly Budget	Monthly Actual	Monthly Variance	%
Total 4000 · PROGRAM REVENUES	2,452,750	1,579,326	(873,424)	64.4%	1,588,653	(9,327)	99.4%	115,385	117,195	1,810	101.6%
Total 4100 · PROPERTY TAX REVENUES	3,197,480	2,177,068	(1,020,412)	68.1%	2,118,914	58,154	102.7%	157,599	167,700	10,101	106.4%
Total 4200 · OTHER TAX REVENUES	841,578	706,733	(134,845)	84.0%	225,000	481,733	314.1%	-	-	-	0.0%
Total 4300 · OTHER REVENUES	187,848	52,285	(135,563)	27.8%	127,087	(74,802)	41.1%	31,250	506	(30,744)	1.6%

Total Revenues

	6,679,656	4,515,413	(2,164,243)	67.6%	4,059,654	455,759	111.2%	304,234	285,401	(18,833)	93.8%
--	-----------	-----------	-------------	-------	-----------	---------	--------	---------	---------	----------	-------

Expenditures

Total 5000 · SALARIES & WAGES	3,031,167	2,174,492	856,675	71.7%	2,223,290	(48,798)	97.8%	332,424	330,499	(1,925)	99.4%
Total 5100 · EMPLOYEE BENEFITS	887,416	743,670	143,746	83.8%	701,857	41,813	106.0%	61,853	50,639	(11,214)	81.9%
Total 5200 · TRAINING - BOARD & STAFF	87,973	54,096	33,877	61.5%	64,911	(10,815)	83.3%	19,804	4,235	(15,569)	21.4%
Total 5300 · ADMINISTRATION	593,988	247,021	346,967	41.6%	383,402	(136,381)	64.4%	49,445	13,671	(35,774)	27.6%
Total 5400 · INSURANCE	143,254	138,306	4,948	96.5%	143,254	(4,948)	96.5%	-	-	-	0.0%
Total 5450 · COMPUTER HARDWARE & SOFTWARE	70,365	28,106	42,259	39.9%	51,794	(23,688)	54.3%	3,036	1,269	(1,767)	41.8%
Total 5500 · FACILITIES MAINTENANCE	51,547	36,060	15,487	70.0%	38,659	(2,599)	93.3%	4,296	4,821	525	112.2%
Total 5550 · UTILITIES	77,617	50,054	27,563	64.5%	58,210	(8,156)	86.0%	6,469	5,427	(1,043)	83.9%
Total 5600 · FLEET MAINTENANCE	59,891	40,307	19,584	67.3%	44,918	(4,611)	89.7%	4,991	1,988	(3,003)	39.8%
Total 5700 · OPERATIONS	262,067	172,009	90,058	65.6%	196,550	(24,541)	87.5%	21,839	62,150	40,311	284.6%
Total 5800 · LABORATORY	85,668	37,073	48,595	43.3%	64,569	(27,496)	57.4%	7,033	3,858	(3,175)	54.9%
Total 5900 · PUBLIC OUTREACH	125,820	68,506	57,314	54.4%	94,365	(25,859)	72.6%	10,485	10,309	(176)	98.3%
Total 6500 · DEBT SERVICE	330,000	318,094	11,906	96.4%	330,000	11,906	96.4%	-	-	-	0.0%

Total Expenditures

	5,806,773	4,107,794	(1,698,979)	70.7%	4,395,779	(287,985)	93.4%	521,675	488,867	(32,808)	93.7%
--	-----------	-----------	-------------	-------	-----------	-----------	-------	---------	---------	----------	-------

General Fund Net Revenues Over Expenditures

	872,883	407,619	(465,264)		(336,125)	743,744		(217,441)	(203,466)	13,975	
--	---------	---------	-----------	--	-----------	---------	--	-----------	-----------	--------	--

CAPITAL IMPROVEMENT FUND:

Total 6000 · CAPITAL IMPROVEMENTS REVENUE	-	7,044	(7,044)	0.0%	-	7,044	0.0%	-	-	-	0.0%
Total 6000 · CAPITAL IMPROVEMENTS EXPENDITURES	2,007,554	198,853	1,808,701	9.9%	557,502	(358,649)	35.7%	4,166	3,615	(551)	86.8%

Capital Improvement Fund Net Revenue Over Expenditures

	(2,007,554)	(191,808)	1,815,746		(557,502)	365,694		(4,166)	(3,615)	551	
--	-------------	-----------	-----------	--	-----------	---------	--	---------	---------	-----	--

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
July 2022 through March 2023

	<u>Jul '22 - Mar 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4000 · PROGRAM REVENUES				
4010 · Service Abatement Revenue -2451	138,734.12	134,263.00	4,471.12	103.33%
4020 · Special Benefit Assessmnt-2031	1,123,445.07	1,131,770.00	-8,324.93	99.26%
4030 · Special Mosquito Tax - 2439	317,147.14	322,620.00	-5,472.86	98.3%
Total 4000 · PROGRAM REVENUES	<u>1,579,326.33</u>	<u>1,588,653.00</u>	<u>-9,326.67</u>	<u>99.41%</u>
4100 · PROPERTY TAX REVENUES				
4105 · Current - Secured - 1021	1,997,218.51	1,917,851.00	79,367.51	104.14%
4110 · Current - Unsecured - 1031	102,565.81	128,812.00	-26,246.19	79.62%
4115 · Prior Year - Unsecured - 1033	1,131.29			
4120 · Current -Secured SB813-1041	70,339.91	65,000.00	5,339.91	108.22%
4130 · Prior Y. Unsecured SB813-1042	725.53	0.00	725.53	100.0%
4140 · State Homeowner Prop-1831	5,087.32	7,251.00	-2,163.68	70.16%
Total 4100 · PROPERTY TAX REVENUES	<u>2,177,068.37</u>	<u>2,118,914.00</u>	<u>58,154.37</u>	<u>102.75%</u>
4200 · OTHER TAX REVENUES				
4210 · ERAF Rebate-1046	574,499.02	0.00	574,499.02	100.0%
4220 · Redevelop Passthrough-1024,2647	132,234.21	225,000.00	-92,765.79	58.77%
Total 4200 · OTHER TAX REVENUES	<u>706,733.23</u>	<u>225,000.00</u>	<u>481,733.23</u>	<u>314.1%</u>
4300 · OTHER REVENUES				
4310 · Interest Earned (Cnty GF+VCJPA)	42,999.70	82,500.00	-39,500.30	52.12%
4311 · Interest Earned (Cnty Cap Fund)	7,044.48	11,250.00	-4,205.52	62.62%
4322 · Capital Lease Financing	0.00	0.00	0.00	0.0%
4323 · Sublease	0.00	0.00	0.00	0.0%
4340 · VCJPA / Misc. Income -2658	9,285.31	33,337.00	-24,051.69	27.85%
Total 4300 · OTHER REVENUES	<u>59,329.49</u>	<u>127,087.00</u>	<u>-67,757.51</u>	<u>46.68%</u>
4800 · GRANT REVENUE				
4810 · Operating Grants	0.00	0.00	0.00	0.0%
Total 4800 · GRANT REVENUE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.0%</u>
Total Income	<u>4,522,457.42</u>	<u>4,059,654.00</u>	<u>462,803.42</u>	<u>111.4%</u>
Expense				
5000 · SALARIES & WAGES				
5010 · Permanent Employees	1,925,327.43	1,925,635.00	-307.57	99.98%
5015 · Limited Term Employees	145,713.90	148,767.00	-3,053.10	97.95%
5020 · Seasonal Employees	90,950.75	130,739.00	-39,788.25	69.57%
5040 · Board Trustees Meeting Stipend	12,500.00	18,149.00	-5,649.00	68.87%
Total 5000 · SALARIES & WAGES	<u>2,174,492.08</u>	<u>2,223,290.00</u>	<u>-48,797.92</u>	<u>97.81%</u>
5100 · EMPLOYEE BENEFITS				
5110 · Retirement - Employer Contribut	243,483.21	239,061.00	4,422.21	101.85%
5115 · Retirement - Employee Contribut	0.00			
5116 · Alternate Retire-Employee Contr	0.00			
5125 · Actives - Medical Insurance	252,751.29	222,656.00	30,095.29	113.52%
5130 · Actives - HRA Health Reimb Acct	13,727.33	12,760.00	967.33	107.58%
5135 · Actives - Dental Insurance	22,450.32	23,832.00	-1,381.68	94.2%
5140 · Actives - Dental Reimbursement	403.00	900.00	-497.00	44.78%
5145 · Actives - Vision Insurance	3,968.00	4,285.00	-317.00	92.6%

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
 July 2022 through March 2023

	<u>Jul '22 - Mar 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5150 · Group Life Insurance	1,045.00			
5155 · Retirees - HRA & Prescrip Reimb	5,380.69			
5160 · Retirees - HRA & Medical Reimb	29,417.28			
5165 · Long Term Disability - Standard	12,403.37	11,367.00	1,036.37	109.12%
5170 · Actives - Other Benefits	0.00			
5175 · Social Security & Medicare Tax	37,715.57	40,920.00	-3,204.43	92.17%
5180 · CA Unemployment/Disability Tax	11,418.55	13,639.00	-2,220.45	83.72%
5182 · Workers Compensation	109,506.00	132,437.00	-22,931.00	82.69%
5185 · Actives - Deferred Compensation	0.00			
Total 5100 · EMPLOYEE BENEFITS	743,669.61	701,857.00	41,812.61	105.96%
5200 · TRAINING - BOARD & STAFF				
5205 · Coastal Regional Continuing Ed.	3,437.00	2,140.00	1,297.00	160.61%
5210 · Conferences / Workshops Board	16,070.67	26,235.00	-10,164.33	61.26%
5215 · Conferences / Workshops Staff	33,062.37	31,500.00	1,562.37	104.96%
5220 · Staff Training	1,526.03	5,036.00	-3,509.97	30.3%
Total 5200 · TRAINING - BOARD & STAFF	54,096.07	64,911.00	-10,814.93	83.34%
5300 · ADMINISTRATION				
5305 · Board Meeting Expenses	5,046.04	4,500.00	546.04	112.13%
5310 · Background / drug screening	535.80	751.00	-215.20	71.35%
5315 · County Accounting Service Chgs	22,100.80	22,000.00	100.80	100.46%
5325 · HR & Finance Consultant	2,796.84	20,331.00	-17,534.16	13.76%
5330 · Memberships & Subscriptions	25,830.00	24,838.00	992.00	103.99%
5335 · Office Expense	10,089.82	14,970.00	-4,880.18	67.4%
5340 · Janitorial/Household Expense	21,177.92	20,683.00	494.92	102.39%
5345 · Prof. Services - Engineer Rpt	22,461.40	76,412.00	-53,950.60	29.4%
5350 · Legal Services	14,896.50	52,491.00	-37,594.50	28.38%
5355 · Property Tax Stormwater Assess	3,360.00	5,350.00	-1,990.00	62.8%
5360 · Permits	4,544.00	8,578.00	-4,034.00	52.97%
5375 · Audit	25,625.00	31,057.00	-5,432.00	82.51%
5380 · Copier and postage	4,488.65	4,577.00	-88.35	98.07%
5385 · Security and fire alarm	8,587.15	10,849.00	-2,261.85	79.15%
5390 · Payroll Service	7,127.76	6,454.00	673.76	110.44%
5395 · Bank Fees (County General Fund)	717.04	904.00	-186.96	79.32%
5396 · Bank Fees (County Capital Fund)	259.99	425.00	-165.01	61.17%
5399 · Facility Lease	67,635.98	78,232.00	-10,596.02	86.46%
Total 5300 · ADMINISTRATION	247,280.69	383,402.00	-136,121.31	64.5%
5400 · INSURANCE				
5410 · Liability Insurance - VCJPA	98,808.00	101,171.00	-2,363.00	97.66%
5415 · Auto Physical Damage	2,401.00	2,566.00	-165.00	93.57%
5420 · Group Property Program	19,768.00	12,356.00	7,412.00	159.99%
5425 · VCJPA - General Fund Allocation	3,737.00	5,838.00	-2,101.00	64.01%
5430 · Group Fidelity	6,014.00	6,964.00	-950.00	86.36%
5435 · Non-owned Aircraft	4,625.00	6,359.00	-1,734.00	72.73%
5436 · Cyber Liability	2,952.95	7,500.00	-4,547.05	39.37%
5445 · Business Travel Accident Ins	0.00	500.00	-500.00	0.0%
Total 5400 · INSURANCE	138,305.95	143,254.00	-4,948.05	96.55%

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
July 2022 through March 2023

	Jul '22 - Mar 23	Budget	\$ Over Budget	% of Budget
5450 · COMPUTER HARDWARE & SOFTWARE				
5455 · IT Consulting - Compu-Data	700.00	11,027.00	-10,327.00	6.35%
5460 · Computer Hardware	3,416.56	9,463.00	-6,046.44	36.1%
5465 · Computer Software	14,626.91	9,378.00	5,248.91	155.97%
5470 · Database & Mapping - License	0.00	15,000.00	-15,000.00	0.0%
5475 · Website Hosting / Microsoft	9,362.47	6,926.00	2,436.47	135.18%
Total 5450 · COMPUTER HARDWARE & SOFTWARE	28,105.94	51,794.00	-23,688.06	54.27%
5500 · FACILITIES MAINTENANCE				
5505 · Facility - Repairs & Maint	36,059.74	38,659.00	-2,599.26	93.28%
Total 5500 · FACILITIES MAINTENANCE	36,059.74	38,659.00	-2,599.26	93.28%
5550 · UTILITIES				
5560 · Gas & Electricity - PG&E	20,900.92	22,882.00	-1,981.08	91.34%
5565 · Water	4,051.06	5,868.00	-1,816.94	69.04%
5570 · Phone - VOIP - Fusion/MegaPath	4,730.15	5,107.00	-376.85	92.62%
5575 · Phone - Land Line-AT&T/Comcast	3,077.49	4,142.00	-1,064.51	74.3%
5580 · Phone - Mobile Devices-Verizon	17,294.31	20,211.00	-2,916.69	85.57%
Total 5550 · UTILITIES	50,053.93	58,210.00	-8,156.07	85.99%
5600 · FLEET MAINTENANCE				
5610 · Garage Tools	8,448.36	6,376.00	2,072.36	132.5%
5615 · Garage Repairs Outside	3,992.53	5,989.00	-1,996.47	66.66%
5620 · Auto, Hotsy, Plug, Boat, Traile	17,060.08	12,749.00	4,311.08	133.82%
5630 · Ops Equipment & Repairs	10,806.36	11,250.00	-443.64	96.06%
5635 · Vehicle Accident Insur Claims	0.00	8,554.00	-8,554.00	0.0%
Total 5600 · FLEET MAINTENANCE	40,307.33	44,918.00	-4,610.67	89.74%
5700 · OPERATIONS				
5705 · Pesticides	88,554.34	101,485.00	-12,930.66	87.26%
5715 · Helicopter	17,267.25	28,881.00	-11,613.75	59.79%
5720 · Safety Equipment	4,510.99	5,861.00	-1,350.01	76.97%
5725 · Apparel - Uniforms & Boots	9,241.84	10,823.00	-1,581.16	85.39%
5730 · Mosquito Fish	1,639.65	3,001.00	-1,361.35	54.64%
5735 · Fuel	50,795.28	46,499.00	4,296.28	109.24%
Total 5700 · OPERATIONS	172,009.35	196,550.00	-24,540.65	87.51%
5800 · LABORATORY				
5805 · Disease Surveillance	2,009.57	8,024.00	-6,014.43	25.04%
5810 · Sentinel Chicken Flocks/Supply	2,198.30	2,406.00	-207.70	91.37%
5815 · Mosquito Blood	2,910.00	3,129.00	-219.00	93.0%
5820 · Dry Ice	8,320.46	8,775.00	-454.54	94.82%
5825 · Lab Supplies	3,981.82	6,821.00	-2,839.18	58.38%
5830 · Lab Biowaste Disposal	955.70	1,300.00	-344.30	73.52%
5835 · Lab Equip. Repair	947.98	1,499.00	-551.02	63.24%
5840 · Lab Equip. Maintenance	1,035.11	2,250.00	-1,214.89	46.01%
5845 · Lab PCR Supplies	14,714.16	21,666.00	-6,951.84	67.91%
5850 · Lab PCR Maintenance	0.00	8,699.00	-8,699.00	0.0%
Total 5800 · LABORATORY	37,073.10	64,569.00	-27,495.90	57.42%
5900 · PUBLIC OUTREACH				
5910 · Media and Network	54,710.86	85,765.00	-31,054.14	63.79%

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
July 2022 through March 2023

	<u>Jul '22 - Mar 23</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
5920 · Promotion & Printing	13,795.06	8,600.00	5,195.06	160.41%
Total 5900 · PUBLIC OUTREACH	68,505.92	94,365.00	-25,859.08	72.6%
6000 · CAPITAL IMPROVEMENTS				
6010 · Building Improvements	116,744.08	350,000.00	-233,255.92	33.36%
6020 · Equipment - Operations & Admin	49,980.93	60,000.00	-10,019.07	83.3%
6025 · Software	0.00	110,000.00	-110,000.00	0.0%
6030 · Vehicle Leases	31,867.66	37,502.00	-5,634.34	84.98%
Total 6000 · CAPITAL IMPROVEMENTS	198,592.67	557,502.00	-358,909.33	35.62%
6500 · DEBT SERVICE				
6510 · Principal Payments	207,169.12	210,000.00	-2,830.88	98.65%
6520 · Interest Payments	110,925.00	120,000.00	-9,075.00	92.44%
Total 6500 · DEBT SERVICE	318,094.12	330,000.00	-11,905.88	96.39%
Total Expense	4,306,646.50	4,953,281.00	-646,634.50	86.95%
Net Ordinary Income	215,810.92	-893,627.00	1,109,437.92	-24.15%
Other Income/Expense				
Other Income				
Transfer In	0.00	0.00	0.00	0.0%
Total Other Income	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	215,810.92	-893,627.00	1,109,437.92	-24.15%

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
March 2023

	Mar 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · PROGRAM REVENUES				
4010 · Service Abatement Revenue -2451	2,748.24	3,471.00	-722.76	79.18%
4020 · Special Benefit Assessmnt-2031	89,992.41	87,201.00	2,791.41	103.2%
4030 · Special Mosquito Tax - 2439	24,454.74	24,713.00	-258.26	98.96%
Total 4000 · PROGRAM REVENUES	117,195.39	115,385.00	1,810.39	101.57%
4100 · PROPERTY TAX REVENUES				
4105 · Current - Secured - 1021	156,563.86	149,864.00	6,699.86	104.47%
4110 · Current - Unsecured - 1031	4,609.60	7,287.00	-2,677.40	63.26%
4115 · Prior Year - Unsecured - 1033	-571.12			
4120 · Current -Secured SB813-1041	7,097.34			
4130 · Prior Y. Unsecured SB813-1042	0.00	0.00	0.00	0.0%
4140 · State Homeowner Prop-1831	0.00	448.00	-448.00	0.0%
Total 4100 · PROPERTY TAX REVENUES	167,699.68	157,599.00	10,100.68	106.41%
4200 · OTHER TAX REVENUES				
4210 · ERAF Rebate-1046	0.00	0.00	0.00	0.0%
4220 · Redevelop Passthrough-1024,2647	0.00	0.00	0.00	0.0%
Total 4200 · OTHER TAX REVENUES	0.00	0.00	0.00	0.0%
4300 · OTHER REVENUES				
4310 · Interest Earned (Cnty GF+VCJPA)	0.00	27,500.00	-27,500.00	0.0%
4311 · Interest Earned (Cnty Cap Fund)	0.00	3,750.00	-3,750.00	0.0%
4340 · VCJPA / Misc. Income -2658	506.32	0.00	506.32	100.0%
Total 4300 · OTHER REVENUES	506.32	31,250.00	-30,743.68	1.62%
Total Income	285,401.39	304,234.00	-18,832.61	93.81%
Expense				
5000 · SALARIES & WAGES				
5010 · Permanent Employees	306,212.31	299,352.00	6,860.31	102.29%
5015 · Limited Term Employees	22,887.00	16,529.00	6,358.00	138.47%
5020 · Seasonal Employees	0.00	14,526.00	-14,526.00	0.0%
5040 · Board Trustees Meeting Stipend	1,400.00	2,017.00	-617.00	69.41%
Total 5000 · SALARIES & WAGES	330,499.31	332,424.00	-1,924.69	99.42%
5100 · EMPLOYEE BENEFITS				
5110 · Retirement - Employer Contribut	24,706.90	26,563.00	-1,856.10	93.01%
5115 · Retirement - Employee Contribut	-9,378.97			
5116 · Alternate Retire-Employee Contr	-572.18			
5125 · Actives - Medical Insurance	29,065.66	24,740.00	4,325.66	117.48%
5135 · Actives - Dental Insurance	3,455.37	2,648.00	807.37	130.49%
5140 · Actives - Dental Reimbursement	0.00	100.00	-100.00	0.0%
5145 · Actives - Vision Insurance	600.43	476.00	124.43	126.14%
5150 · Group Life Insurance	104.50			
5160 · Retirees - HRA & Medical Reimb	1,161.36			
5165 · Long Term Disability - Standard	1,458.77	1,263.00	195.77	115.5%
5170 · Actives - Other Benefits	1,553.82			
5175 · Social Security & Medicare Tax	4,848.43	4,547.00	301.43	106.63%
5180 · CA Unemployment/Disability Tax	149.99	1,516.00	-1,366.01	9.89%

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
March 2023

	Mar 23	Budget	\$ Over Budget	% of Budget
5185 · Actives - Deferred Compensation	-6,515.01			
Total 5100 · EMPLOYEE BENEFITS	50,639.07	61,853.00	-11,213.93	81.87%
5200 · TRAINING - BOARD & STAFF				
5205 · Coastal Regional Continuing Ed.	0.00	0.00	0.00	0.0%
5210 · Conferences / Workshops Board	1,012.88	8,745.00	-7,732.12	11.58%
5215 · Conferences / Workshops Staff	2,017.38	10,500.00	-8,482.62	19.21%
5220 · Staff Training	1,205.00	559.00	646.00	215.56%
Total 5200 · TRAINING - BOARD & STAFF	4,235.26	19,804.00	-15,568.74	21.39%
5300 · ADMINISTRATION				
5305 · Board Meeting Expenses	607.14	500.00	107.14	121.43%
5310 · Background / drug screening	150.31	83.00	67.31	181.1%
5315 · County Accounting Service Chgs	6,088.30	6,000.00	88.30	101.47%
5325 · HR & Finance Consultant	312.12	2,259.00	-1,946.88	13.82%
5330 · Memberships & Subscriptions	0.00	2,760.00	-2,760.00	0.0%
5335 · Office Expense	491.95	1,664.00	-1,172.05	29.56%
5340 · Janitorial/Household Expense	2,089.25	2,298.00	-208.75	90.92%
5345 · Prof. Services - Engineer Rpt	0.00	25,471.00	-25,471.00	0.0%
5350 · Legal Services	2,080.50	5,832.00	-3,751.50	35.67%
5360 · Permits	0.00	0.00	0.00	0.0%
5380 · Copier and postage	271.14	508.00	-236.86	53.37%
5385 · Security and fire alarm	614.25	1,206.00	-591.75	50.93%
5390 · Payroll Service	907.71	717.00	190.71	126.6%
5395 · Bank Fees (County General Fund)	57.94	100.00	-42.06	57.94%
5396 · Bank Fees (County Capital Fund)	26.17	47.00	-20.83	55.68%
5399 · Facility Lease	0.00	0.00	0.00	0.0%
Total 5300 · ADMINISTRATION	13,696.78	49,445.00	-35,748.22	27.7%
5450 · COMPUTER HARDWARE & SOFTWARE				
5455 · IT Consulting - Compu-Data	140.00	1,225.00	-1,085.00	11.43%
5460 · Computer Hardware	196.50	0.00	196.50	100.0%
5465 · Computer Software	562.67	1,042.00	-479.33	54.0%
5475 · Website Hosting / Microsoft	370.00	769.00	-399.00	48.11%
Total 5450 · COMPUTER HARDWARE & SOFTWARE	1,269.17	3,036.00	-1,766.83	41.8%
5500 · FACILITIES MAINTENANCE				
5505 · Facility - Repairs & Maint	4,821.02	4,296.00	525.02	112.22%
Total 5500 · FACILITIES MAINTENANCE	4,821.02	4,296.00	525.02	112.22%
5550 · UTILITIES				
5560 · Gas & Electricity - PG&E	2,415.56	2,543.00	-127.44	94.99%
5565 · Water	0.00	652.00	-652.00	0.0%
5570 · Phone - VOIP - Fusion/MegaPath	537.01	568.00	-30.99	94.54%
5575 · Phone - Land Line-AT&T/Comcast	348.61	460.00	-111.39	75.79%
5580 · Phone - Mobile Devices-Verizon	2,125.32	2,246.00	-120.68	94.63%
Total 5550 · UTILITIES	5,426.50	6,469.00	-1,042.50	83.89%
5600 · FLEET MAINTENANCE				
5610 · Garage Tools	21.67	708.00	-686.33	3.06%
5615 · Garage Repairs Outside	0.00	665.00	-665.00	0.0%
5620 · Auto, Hotsy, Plug, Boat, Traile	1,040.80	1,417.00	-376.20	73.45%

San Mateo County Mosquito & Vector Control District
Statement of Revenues, Expenses & Changes- Budget vs. Actual
March 2023

	Mar 23	Budget	\$ Over Budget	% of Budget
5630 · Ops Equipment & Repairs	925.94	1,250.00	-324.06	74.08%
5635 · Vehicle Accident Insur Claims	0.00	951.00	-951.00	0.0%
Total 5600 · FLEET MAINTENANCE	1,988.41	4,991.00	-3,002.59	39.84%
5700 · OPERATIONS				
5705 · Pesticides	56,755.58	11,276.00	45,479.58	503.33%
5715 · Helicopter	0.00	3,209.00	-3,209.00	0.0%
5720 · Safety Equipment	537.74	651.00	-113.26	82.6%
5725 · Apparel - Uniforms & Boots	923.45	1,203.00	-279.55	76.76%
5730 · Mosquito Fish	0.00	333.00	-333.00	0.0%
5735 · Fuel	3,933.54	5,167.00	-1,233.46	76.13%
Total 5700 · OPERATIONS	62,150.31	21,839.00	40,311.31	284.58%
5800 · LABORATORY				
5805 · Disease Surveillance	627.31	892.00	-264.69	70.33%
5810 · Sentinel Chicken Flocks/Supply	1,519.00	268.00	1,251.00	566.79%
5815 · Mosquito Blood	349.00	348.00	1.00	100.29%
5820 · Dry Ice	798.59	975.00	-176.41	81.91%
5825 · Lab Supplies	202.36	758.00	-555.64	26.7%
5830 · Lab Biowaste Disposal	208.00			
5835 · Lab Equip. Repair	0.00	167.00	-167.00	0.0%
5840 · Lab Equip. Maintenance	0.00	250.00	-250.00	0.0%
5845 · Lab PCR Supplies	154.00	2,408.00	-2,254.00	6.4%
5850 · Lab PCR Maintenance	0.00	967.00	-967.00	0.0%
Total 5800 · LABORATORY	3,858.26	7,033.00	-3,174.74	54.86%
5900 · PUBLIC OUTREACH				
5910 · Media and Network	10,309.43	9,529.00	780.43	108.19%
5920 · Promotion & Printing	0.00	956.00	-956.00	0.0%
Total 5900 · PUBLIC OUTREACH	10,309.43	10,485.00	-175.57	98.33%
6000 · CAPITAL IMPROVEMENTS				
6010 · Building Improvements	0.00	0.00	0.00	0.0%
6030 · Vehicle Leases	3,588.49	4,166.00	-577.51	86.14%
Total 6000 · CAPITAL IMPROVEMENTS	3,588.49	4,166.00	-577.51	86.14%
Total Expense	492,482.01	525,841.00	-33,358.99	93.66%
Net Ordinary Income	-207,080.62	-221,607.00	14,526.38	93.45%
Other Income/Expense				
Other Income				
Transfer In	0.00	0.00	0.00	0.0%
Total Other Income	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	-207,080.62	-221,607.00	14,526.38	93.45%

San Mateo County Mosquito & Vector Control District
A/R Aging Summary
As of March 1, 2023

03/31/2023

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
City of Pacifica Public Works Wastewater	0.00	156.16	0.00	0.00	0.00	156.16
City of San Francisco, Public Utilities	0.00	1,512.99	0.00	0.00	0.00	1,512.99
City of San Mateo, Wastewater Treatment	0.00	168.06	0.00	0.00	0.00	168.06
City of South San Francisco Water Quality	0.00	168.06	84.03	0.00	0.00	252.09
San Francisco Int'l Airport	0.00	1,237.21	886.88	0.00	0.00	2,124.09
Sewer Authority Mid-Coastside	0.00	156.16	0.00	0.00	0.00	156.16
Silicon Valley Clean Water	0.00	327.80	0.00	0.00	0.00	327.80
TOTAL	<u>0.00</u>	<u>3,726.44</u>	<u>970.91</u>	<u>0.00</u>	<u>0.00</u>	<u>4,697.35</u>

San Mateo County Mosquito & Vector Control District
A/R Aging Summary
As of April 26, 2023

04/26/2023

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
City of Pacifica Public Works Wastewater	0.00	78.08	0.00	0.00	0.00	78.08
City of San Francisco, Public Utilities	0.00	512.45	735.19	0.00	0.00	1,247.64
City of San Mateo, Wastewater Treatment	0.00	84.03	0.00	0.00	0.00	84.03
San Francisco Int'l Airport	0.00	1,818.10	0.00	0.00	0.00	1,818.10
Sewer Authority Mid-Coastside	0.00	78.08	0.00	0.00	0.00	78.08
Silicon Valley Clean Water	0.00	93.47	0.00	0.00	0.00	93.47
TOTAL	<u>0.00</u>	<u>2,664.21</u>	<u>735.19</u>	<u>0.00</u>	<u>0.00</u>	<u>3,399.40</u>

San Mateo County Mosquito and Vector Control District
 Cash Activity & Reconciliation to County Statement
 General Fund
 March 31, 2023

GF-Mar
 2023

Beginning Cash per District as of Feb 28, 2023 7,904,611

Reductions	
Payroll Related (ADP)	(289,917)
Checks Written	(209,082)
County FY22-23 Accounting Fees	(6,088)
Bank Fee	(58)
Total Reductions	(505,146)

Additions	
Quarterly Interest	-
Abatement Services	3,310
Property Tax Revenue	167,700
ERAF Rebate	-
RDA/RPTTF	-
Special Benefit Assessment	89,992
Special Mosquito Tax	24,455
Misc Deposit	506
Total Additions	285,963

Ending Cash per District as of Mar 31, 2023 7,685,429

Cash per County General Fund Statement 7,685,429

Difference -

COUNTY OF SAN MATEO Verbose [D E T A I L E D T R I A L B A L A N C E] 03/01/2023-03/31/2023 Page 2
 WED, APR 12, 2023, 9:53 AM --req: VALENCIR--leg: GL JL--loc: CONTROL---job:16146211 J7595---prog: GL501 <1.86>--report id: GLTBAL01

SORT ORDER: SUB ACCT within SUB UNIT

SELECT ORG SUB UNIT: 02705-02706

Lg SUB UNIT Title	Director	St Tr	FDGP	FUND	SUB FUND	DEPT	DIVISION	SECTION	PROGRAM	BUDGET
GL 02706 County Mosquito Abatemen	Controller	A	07	02706	02706	00140	00000	00000	00000	00000
SUB ACCT	Date	Primary Ref.	Transaction Description	Debit	Credit	Balance				
0111 Claim on Cash			Prior to 03/01/23	11,881,564.31	3,976,953.01	7,904,611.30				
	03/15/23	JE534219	AutoID: JZE315G3 Job: 16105 JE	0.00	6,088.30	7,898,523.00				
	03/16/23	RJ15CFT2	Daily Cash Float Tsfr-Op Fd JE	5,494.24	0.00	7,904,017.24				
	03/20/23	JE534337	AutoID: JME320A3 Job: 16101 JE	0.00	57.94	7,903,959.30				
	03/28/23	SPS3283	AutoID: ITX328A3 Job: 16110 JE	7,097.34	0.00	7,911,056.64				
	03/28/23	RJ15CFT2	Daily Cash Float Tsfr-Op Fd JE	2,339.23	0.00	7,913,395.87				
	03/30/23	SEC3303	AutoID: ITX330A3 Job: 16089 JE	266,994.00	0.00	8,180,389.87				
	03/30/23	UCP3303	AutoID: ITX330E3 Job: 16092 JE	0.00	571.12	8,179,818.75				
	03/30/23	UCC3303	AutoID: ITX330C3 Job: 16092 JE	4,609.60	0.00	8,184,428.35				
	03/31/23	JE534905	AutoID: JRV403A3 Job: 16134 JE	0.00	498,999.61	7,685,428.74				
	DR		* SUB ACCT Total *	12,168,098.72*	4,482,669.98*	7,685,428.74*				

San Mateo County Mosquito and Vector Control District
 Cash Activity & Reconciliation to County Statement
 Capital Project Fund
 March 31, 2023

CPF-Mar
2023

Beginning Cash per District as of Feb 28, 2023	837,254
Reductions	
Checks Written	(3,588)
Bank Fee	(26)
Transfer-Out to General Fund	-
Total Reductions	(3,615)
Additions	
Quarterly Interest	-
Transfer-In from General Fund	-
Total Additions	-
Ending Cash per District as of Mar 31, 2023	833,640
Cash per County Capital Project Fund Statement	833,640
Difference	-

COUNTY OF SAN MATEO Verbose [D E T A I L E D T R I A L B A L A N C E] 03/01/2023-03/31/2023 Page 1
 WED, APR 12, 2023, 9:53 AM --req: VALENCIR--leg: GL JL--loc: CONTROL---job:16146211 J7595---prog: GL501 <1.86>--report id: GLTBAL01

SORT ORDER: SUB ACCT within SUB UNIT

SELECT ORG SUB UNIT: 02705-02706

Lg SUB UNIT Title	Director	St Tr	FDGP	FUND	SUB FUND	DEPT	DIVISION	SECTION	PROGRAM	BUDGET
GL 02705 SMC Mosq Abate-CP Proj F	Controller	A	07	02705	02705	00140	00000	00000	00000	00000
=====										
SUB ACCT	Date	Primary Ref.	Transaction Description	Debit	Credit	Balance				
=====										
0111 Claim on Cash			Prior to 03/01/23	1,032,492.33	195,238.00	837,254.33				
	03/20/23	JE534337	AutoID: JME320A3 Job: 16101 JE	0.00	26.17	837,228.16				
	03/31/23	JE534905	AutoID: JRV403A3 Job: 16134 JE	0.00	3,588.49	833,639.67				
	DR		* SUB ACCT Total *	1,032,492.33*	198,852.66*	833,639.67*				

San Mateo County Mosquito and Vector Control District
ADP Payroll Disbursement
 March 31, 2023

Mar 2023

	<u>March 3, 2023</u>	<u>March 17, 2023</u>	<u>March 31, 2023</u>	Footnotes:
Payroll ACH Disbursement (including Net Pay & Taxes)				
Total Net Pay	70,249	71,256	76,038	
Federal W/H Tax	13,225	13,340	14,922	
Social Security Tax	-	174	-	A
Medicare	3,151	3,191	3,181	
CA W/H Tax	5,473	5,493	6,211	
CA SUI/DI	1,041	1,077	987	
Total	93,139	94,531	101,339	
ADP Process Fee PPE 1/28, 2/11 & 2/25	245	300	241	
ADP Time & Attendance	-	122	-	
Total amount for the period	93,383	94,954	101,580	
Total amount for the month:			289,917	

Footnotes:

A. Social Security expenditure incurred for seasonal employees and Trustees stipends

**San Mateo County Mosquito & Vector Control District
Check Detail**

March 2023

GF-Mar 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
22521	03/09/2023	Charles P. Hansen	Retiree Health Insurance Reimb-Mar '23	1015 · Checking -Union Bank - GF x9757	-580.68
03012023	03/01/2023		Retiree Health Insurance Reimb-Mar '23	5160 · Retirees - HRA & Medical Reimb	580.68
TOTAL					<u>580.68</u>
22522	03/09/2023	Dennis J Jewell	Retiree Health Insurance Reimb-Mar '23	1015 · Checking -Union Bank - GF x9757	-580.68
03012023	03/01/2023		Retiree Health Insurance Reimb-Mar '23	5160 · Retirees - HRA & Medical Reimb	580.68
TOTAL					<u>580.68</u>
22523	03/09/2023	Great-West Life & Annuity Co	Group No. 98368	1015 · Checking -Union Bank - GF x9757	-6,515.01
02252023	02/25/2023		Employee Deferred Comp PPE 02/25/2023	5185 · Actives - Deferred Compensation	6,515.01
TOTAL					<u>6,515.01</u>
22524	03/09/2023	San Mateo County Retirement Assor SM M.A.D.		1015 · Checking -Union Bank - GF x9757	-21,732.41
02252023	02/25/2023		Employee Contribution Pay Period 02/12/2023-02/25/2023	5115 · Retirement - Employee Contribut	9,378.97
			Employer Contribution Pay Period 02/12/2023-02/25/2023	5110 · Retirement - Employer Contribut	12,353.44
TOTAL					<u>21,732.41</u>
22525	03/09/2023	U.S. Bank PARS Account # 6746022· Agency Name: San Mateo County Mosquito & Vector Control District PP		1015 · Checking -Union Bank - GF x9757	-572.18
6746022400-PP2-2	02/25/2023		Alternate Retirement System for Richard Arrow PPE 02/25/2023	5116 · Alternate Retire-Employee Contr	572.18
TOTAL					<u>572.18</u>
22526	03/09/2023	Aim To Please Janitorial Services	Invoice #58 - Feb 2023	1015 · Checking -Union Bank - GF x9757	-2,628.25
58	02/28/2023		1351 Rollins Janitorial Services-Feb 2023	5340 · Janitorial/Household Expense	1,200.00
			1415 N Carolan Janitorial Services	5340 · Janitorial/Household Expense	325.00
			1415 N Carolan Restroom Cleaning	5340 · Janitorial/Household Expense	108.25
			Floor Refinishing/Tech Room 2/18/23	5340 · Janitorial/Household Expense	995.00
TOTAL					<u>2,628.25</u>
22527	03/09/2023	Airgas Dry Ice	4317638	1015 · Checking -Union Bank - GF x9757	-533.02

San Mateo County Mosquito & Vector Control District
Check Detail

GF-Mar 2023

March 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
9135047423	02/14/2023		Dry Ice (200 lbs)	5820 · Dry Ice	266.61
135490712	03/09/2023		Dry Ice (200 lbs)	5820 · Dry Ice	266.41
TOTAL					533.02
22528	03/09/2023	Amazon Capital Services	Account # ARX6UTA334C06	1015 · Checking -Union Bank - GF x9757	-2,275.47
17GX-VWGV-4GD	02/28/2023		Shop tools	5610 · Garage Tools	501.91
			Fleet maintenance supplies	5620 · Auto, Hotsy, Plug, Boat, Traile	358.81
			Drone trailer supplies	5630 · Ops Equipment & Repairs	527.44
			Boggs and belts for techs	5725 · Apparel - Uniforms & Boots	289.71
			Mosquito fish pond maint supplies	5730 · Mosquito Fish	110.66
			Lab supplies	5805 · Disease Surveillance	199.26
			Outreach school supplies, less \$72.42 Return Cr	5910 · Media and Network	287.68
TOTAL					2,275.47
22529	03/09/2023	Cintas Corporation #464	Payer #15914933	1015 · Checking -Union Bank - GF x9757	-562.84
15914933 Feb-202	02/28/2023		Uniform Services 02/01/23 Inv #4145315172	5725 · Apparel - Uniforms & Boots	189.58
			Uniform Services 02/08/23 Inv #4145899705	5725 · Apparel - Uniforms & Boots	124.42
			Uniform Services 02/15/23 Inv #4146591262	5725 · Apparel - Uniforms & Boots	124.42
			Uniform Services 02/22/23 Inv #4147410827	5725 · Apparel - Uniforms & Boots	124.42
TOTAL					562.84
22530	03/09/2023	City of Burlingame, Water		1015 · Checking -Union Bank - GF x9757	-954.54
53-310176-Feb23	02/23/2023		Fireline 12/27/22-02/22/23	5565 · Water	13.15
53-133346-Feb23	02/23/2023		1 1/2 Inch 12/27/22-02/22/23	5565 · Water	583.06
53-485494-Feb23	02/23/2023		1 Inch meter 12/27/22-02/22/23-1415 N. Carolan Ave	5565 · Water	204.39
53-310184-Feb23	02/23/2023		3/4 Inch 12/27/22-02/22/23	5565 · Water	153.94
TOTAL					954.54
22531	03/09/2023	Comcast	A/C #8155200280283815	1015 · Checking -Union Bank - GF x9757	-169.33
8155200280283815	03/03/2023		Business Internet 03/08/23-04/07/23 (1351 Rollins)	5575 · Phone - Land Line-AT&T/Comcast	169.33
TOTAL					169.33

**San Mateo County Mosquito & Vector Control District
Check Detail**

March 2023

GF-Mar 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
22532	03/09/2023	Compu-Data, Inc.	Inv #64148	1015 · Checking -Union Bank - GF x9757	-1,366.50
64148	01/17/2023		SonicWall Gateway Security Suite 1Yr (PO 02706-1851)	5460 · Computer Hardware	715.84
			Advanced Gateway Security Suite	5460 · Computer Hardware	650.66
TOTAL					1,366.50
22533	03/09/2023	Eco Medical Inc.	Invoice #17115	1015 · Checking -Union Bank - GF x9757	-104.00
17115	02/28/2023		28 Gal. Bio-waste container pick-up - Feb 2023	5830 · Lab Biowaste Disposal	104.00
TOTAL					104.00
22534	03/09/2023	FDAC EBA	51 - SMCMVCD Billing Period Mar-2023	1015 · Checking -Union Bank - GF x9757	-34,268.18
FDAC0423-SMCM	03/08/2023		Medical Insurance for Apr-2023	5125 · Actives - Medical Insurance	30,107.88
			Dental Insurance	5135 · Actives - Dental Insurance	2,754.18
			Vision	5145 · Actives - Vision Insurance	482.02
			Hartford Group Life	5150 · Group Life Insurance	104.50
			Dental-Rachel Jan-Mar	5135 · Actives - Dental Insurance	701.19
			Vision-Rachel Jan-Mar	5145 · Actives - Vision Insurance	118.41
TOTAL					34,268.18
22535	03/09/2023	Flyers Energy, LLC	Account 700895	1015 · Checking -Union Bank - GF x9757	-1,418.92
CFS-3345273	02/28/2023		Fuels 02/16/2023-02/28/2023	5735 · Fuel	1,418.92
TOTAL					1,418.92
22536	03/09/2023	Harrington Industrial Plastics LLC	Inv #003S4899	1015 · Checking -Union Bank - GF x9757	-108.24
003S4899	02/22/2023		Gasket for BVA Tank	5505 · Facility - Repairs & Maint	108.24
TOTAL					108.24
22537	03/09/2023	Home Depot	A/C #6035-3225-3190-9392	1015 · Checking -Union Bank - GF x9757	-42.80
603532253190939:	02/21/2023		Bldg maint tools and ant baits	5505 · Facility - Repairs & Maint	42.80
TOTAL					42.80

San Mateo County Mosquito & Vector Control District
Check Detail

March 2023

GF-Mar 2023

Num	Date	Name	Memo	Account	Original Amount
22538	03/09/2023	Kone Inc.	Customer #N191941	1015 · Checking -Union Bank - GF x9757	-1,853.40
962466428	03/01/2023		Elevator Maintenance 03/01/2023-05/31/2023 Emergency Monitoring & Wireless Service	5505 · Facility - Repairs & Maint 5505 · Facility - Repairs & Maint	1,548.84 304.56
TOTAL					1,853.40
22539	03/09/2023	Napa Auto Parts	A/C #5644	1015 · Checking -Union Bank - GF x9757	-28.11
153432	02/24/2023		Fog light bulb for Nissan Frontier	5620 · Auto, Hotsy, Plug, Boat, Traile	28.11
TOTAL					28.11
22540	03/09/2023	O'Reilly Automotive, Inc.	Customer #1275593	1015 · Checking -Union Bank - GF x9757	-499.67
2581-Stmt 02/28/2:	02/28/2023		Fleet maintenance supply Snow Chains (2) to Reno AMCA Annl Conf	5620 · Auto, Hotsy, Plug, Boat, Traile 5630 · Ops Equipment & Repairs	88.38 411.29
TOTAL					499.67
22541	03/09/2023	Pitney Bowes Global Financial Servi	0076-7976-00-4	1015 · Checking -Union Bank - GF x9757	-209.35
3105978966	02/25/2023		Postage meter rental 01/01/23-03/31/23	5380 · Copier and postage	209.35
TOTAL					209.35
22542	03/09/2023	Quench USA, Inc.	A/C #D322868	1015 · Checking -Union Bank - GF x9757	-205.00
INV05410941	03/01/2023		Water Dispenser Rental - Mar 2023	5335 · Office Expense	205.00
TOTAL					205.00
22543	03/09/2023	Recology San Mateo County	A/C #731001072	1015 · Checking -Union Bank - GF x9757	-456.00
48863427	02/27/2023		Garbage Service - Feb 2023	5340 · Janitorial/Household Expense	456.00
TOTAL					456.00
22544	03/09/2023	San Mateo Daily Journal	Account #3560	1015 · Checking -Union Bank - GF x9757	-3,032.00
3560	02/23/2023		Outreach to report water under houses - 2/2-2/17/2023 (PO#02706-1853)	5910 · Media and Network	3,032.00

**San Mateo County Mosquito & Vector Control District
Check Detail**

March 2023

GF-Mar 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
TOTAL					3,032.00
22545	03/09/2023	Spark Creative Design	Inv #2739	1015 · Checking -Union Bank - GF x9757	-800.00
2739	03/04/2023		District brochures, annual report & CASPER setup	5910 · Media and Network	800.00
TOTAL					800.00
22546	03/09/2023	Streamline	Invoice No: 112D6F75-0025	1015 · Checking -Union Bank - GF x9757	-370.00
112D6F75-0025	03/01/2023		Streamline Web 3/1/2023-4/1/2023	5475 · Website Hosting / Microsoft	370.00
TOTAL					370.00
22547	03/09/2023	The Goodyear Tire & Rubber Co.	A/C #632593-0001	1015 · Checking -Union Bank - GF x9757	-1,180.41
184-1098435	02/27/2023		2 sets of tires for CB Jeeps (PO#02706-1860)	5620 · Auto, Hotsy, Plug, Boat, Traile	1,180.41
TOTAL					1,180.41
22548	03/09/2023	Tick Key International	Invoice #4043582	1015 · Checking -Union Bank - GF x9757	-5,250.00
202336	02/15/2023		Tick Keys & logo engraving (Qty 1500) (P.O. #02706-1857)	5910 · Media and Network	5,250.00
TOTAL					5,250.00
22549	03/09/2023	Verizon Wireless	A/C #271667168-00001	1015 · Checking -Union Bank - GF x9757	-1,361.17
9928659475	02/26/2023		Services for period 01/27/23-02/26/23 (CalNet)	5580 · Phone - Mobile Devices-Verizon	1,361.17
TOTAL					1,361.17
22550	03/09/2023	U.S. Bank	4246-0445-5564-6391	1015 · Checking -Union Bank - GF x9757	-12,406.13
02222023	02/22/2023		District Credit Card Payment PE 02/22/2023	1040 · US Bank Purchase Card	12,406.13
TOTAL					12,406.13
22551	03/23/2023	Great-West Life & Annuity Co	Group No. 98368	1015 · Checking -Union Bank - GF x9757	-6,515.01
03112023	03/11/2023		Employee Deferred Comp PPE 03/11/2023	5185 · Actives - Deferred Compensation	6,515.01
TOTAL					6,515.01

**San Mateo County Mosquito & Vector Control District
Check Detail**

March 2023

GF-Mar 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
22552	03/23/2023	San Mateo County Retirement Assor SM M.A.D.		1015 · Checking -Union Bank - GF x9757	-21,732.42
03/11/2023	03/11/2023		Employee Contribution Pay Period 02/26/2023-03/11/2023	5115 · Retirement - Employee Contribut	9,378.97
			Employer Contribution Pay Period 03/26/2023-03/11/2023	5110 · Retirement - Employer Contribut	12,353.45
TOTAL					21,732.42
22553	03/23/2023	U.S. Bank PARS Account # 6746022 Agency Name: San Mateo County Mosquito & Vector Control District PP		1015 · Checking -Union Bank - GF x9757	-572.18
6746022400-PP3-1	03/11/2023		Alternate Retirement System for Richard Arrow PPE 03/11/2023	5116 · Alternate Retire-Employee Contr	572.18
TOTAL					572.18
22554	03/23/2023	Adapco, Inc.	Cust #20200	1015 · Checking -Union Bank - GF x9757	-33,849.57
133644	03/17/2023		Metalarv S-PT 40LB bag (Qty 26) (P.O. #02706-1858)	5705 · Pesticides	33,849.57
TOTAL					33,849.57
22555	03/23/2023	American Fidelity Assurance	Payor: 56840	1015 · Checking -Union Bank - GF x9757	-457.98
D570601	03/20/2023		Life/Acc/Cancer EE Insurance for Mar-2023	5170 · Actives - Other Benefits	457.98
TOTAL					457.98
22556	03/23/2023	Angela Nakano		1015 · Checking -Union Bank - GF x9757	-323.36
MVCAC-P.Diem-3/	03/21/2023		Per Diem @ MVCAC Spring Mtg 3/21-3/22/2023	5215 · Conferences / Workshops Staff	103.50
MVCAC-Hotel-3/21	03/22/2023		Hotel @ MVCAC Spring Mtg 3/21-3/22/2023	5215 · Conferences / Workshops Staff	219.86
TOTAL					323.36
22557	03/23/2023	Bay Alarm	A/C #4676626; Inv# 20412180	1015 · Checking -Union Bank - GF x9757	-614.25
20412180	03/15/2023		Security Alarm Monitoring 04/01/23-06/30/23 (1351 Rollins Rd)	5385 · Security and fire alarm	614.25
TOTAL					614.25
22558	03/23/2023	California Municipal Treasurers Assc Invoice #200004269		1015 · Checking -Union Bank - GF x9757	-325.00
200004269	03/21/2023		2023 CDIAC & CMTA's Public Funds Investing (R. Arrow)	5220 · Staff Training	325.00

San Mateo County Mosquito & Vector Control District
Check Detail

March 2023

GF-Mar 2023

Num	Date	Name	Memo	Account	Original Amount
TOTAL					325.00
22559	03/23/2023	Clarke Mosquito Control Products, I	Customer # 002486	1015 · Checking -Union Bank - GF x9757	-23,058.42
5103587	03/15/2023		Natular G30 Granule 40lb bg (25 Bags) (P.O. #02706-1859)	5705 · Pesticides	21,240.48
			Natular G 40lb bg (5 Bags)	5705 · Pesticides	1,817.94
TOTAL					23,058.42
22560	03/23/2023	Colorprint		1015 · Checking -Union Bank - GF x9757	-743.80
32906	03/07/2023		Tick rack cards 2 versions - 1,000 ea	5910 · Media and Network	410.00
32905	03/07/2023		Tick kit cards (1,000)	5910 · Media and Network	227.06
32968	03/14/2023		Employee name badges (7)	5910 · Media and Network	106.74
TOTAL					743.80
22561	03/23/2023	Comcast	A/C #8155200280658818	1015 · Checking -Union Bank - GF x9757	-179.28
815520028065881	03/15/2023		Business Internet 03/20/23-04/19/23 (1415 N Carolan)	5575 · Phone - Land Line-AT&T/Comcast	179.28
TOTAL					179.28
22562	03/23/2023	Compu-Data, Inc.	Inv #64215	1015 · Checking -Union Bank - GF x9757	-402.87
64215	03/14/2023		Govt 1 Yr Rnwl Protection Essen'tl Clouds-on-Prem (22 Lic)	5465 · Computer Software	262.87
			Acquire, register and activate contract (1hr)	5455 · IT Consulting - Compu-Data	140.00
TOTAL					402.87
22563	03/23/2023	County San Mateo - Human Resourc	Invoice: SD20-071	1015 · Checking -Union Bank - GF x9757	-880.00
SD20-071	03/22/2023		Writing for the Workplace Training (11)	5220 · Staff Training	880.00
TOTAL					880.00
22564	03/23/2023	David Allen	Per Diem @ AMCA Annl Mtg 2/27-3/3/2023	1015 · Checking -Union Bank - GF x9757	-310.50
AMCA_mtg-2/27-3	03/21/2023		Per Diem @ AMCA Annl Mtg 2/27-3/3/2023	5215 · Conferences / Workshops Staff	310.50
TOTAL					310.50

San Mateo County Mosquito & Vector Control District
Check Detail

GF-Mar 2023

March 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
22565	03/23/2023	Flowers Electric & Service Co., Inc.	Customer #1798	1015 · Checking -Union Bank - GF x9757	-675.93
22212027	03/14/2023		Repair lighting in main lobby	5505 · Facility - Repairs & Maint	675.93
TOTAL					675.93
22566	03/23/2023	Flyers Energy, LLC	Account 700895	1015 · Checking -Union Bank - GF x9757	-2,098.44
CFS-3356077	03/15/2023		Fuels 03/01/2023-03/15/2023	5735 · Fuel	2,098.44
TOTAL					2,098.44
22567	03/23/2023	Fusion, LLC	Customer No. 3789973	1015 · Checking -Union Bank - GF x9757	-537.01
9657697	03/16/2023		Phone System Apr-2023	5570 · Phone - VOIP - Fusion/MegaPath	537.01
TOTAL					537.01
22568	03/23/2023	Grainger	809934680	1015 · Checking -Union Bank - GF x9757	-1,399.93
7108480703	03/05/2023		Building repair & maint supply	5505 · Facility - Repairs & Maint	350.01
			Truck key fob batteries	5620 · Auto, Hotsy, Plug, Boat, Traile	13.96
			Water jugs for Ops	5630 · Ops Equipment & Repairs	80.34
			Safety supplies for Ops	5720 · Safety Equipment	232.53
			Hip waders	5725 · Apparel - Uniforms & Boots	95.78
			Respirators & labels for rodent survey	5805 · Disease Surveillance	627.31
TOTAL					1,399.93
22569	03/23/2023	Heluna Health	A/C #26001, Inv #2108069	1015 · Checking -Union Bank - GF x9757	-1,372.00
2108069	03/08/2023		Chicken Sera Testing FY2023-70% (Qty: 137.20 x \$10)	5810 · Sentinel Chicken Flocks/Supply	1,372.00
TOTAL					1,372.00
22570	03/23/2023	Irena Gilligan	Reimb Exp @ MVCAC Conf 1/29/23-2/1/23	1015 · Checking -Union Bank - GF x9757	-354.75
MVCAC-1/29-2/1/2	03/16/2023		Reimb Exp @ MVCAC Conf 1/29/23-2/1/23	5210 · Conferences / Workshops Board	354.75
TOTAL					354.75
22571	03/23/2023	James Barry	Inv #593155	1015 · Checking -Union Bank - GF x9757	-150.00

San Mateo County Mosquito & Vector Control District
Check Detail

March 2023

GF-Mar 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
593155	03/18/2023		Fish pond maintenance	5505 · Facility - Repairs & Maint	150.00
TOTAL					<u>150.00</u>
22572	03/23/2023	Jarvis Fay LLP	Invoice 17393	1015 · Checking -Union Bank - GF x9757	-2,536.50
17393	02/28/2023		Board Matters (8.9 hrs) - Legal Services thru Feb-2023	5350 · Legal Services	2,536.50
TOTAL					<u>2,536.50</u>
22573	03/23/2023	Lampire Biological Laboratories, Inc A/C # SANMAT		1015 · Checking -Union Bank - GF x9757	-349.00
462657	03/07/2023		Chicken Blood (PO# 02076-1847)	5815 · Mosquito Blood	349.00
TOTAL					<u>349.00</u>
22574	03/23/2023	MVCAC	Inv #7364003	1015 · Checking -Union Bank - GF x9757	-147.00
7364003	03/13/2023		N. Red Leg Horn Chickens (Qty 14)	5810 · Sentinel Chicken Flocks/Supply	147.00
TOTAL					<u>147.00</u>
22575	03/23/2023	PG&E		1015 · Checking -Union Bank - GF x9757	-3,035.53
5584709654-6 Feb	02/27/2023		1351 Rollins Site 01/27/2023-02/27/2023	5560 · Gas & Electricity - PG&E	2,314.54
5594119880-0 Feb	02/27/2023		PGE Elec & Gas for 1415 N Carolan 01/27/23-02/27/2023	5560 · Gas & Electricity - PG&E	720.99
TOTAL					<u>3,035.53</u>
22576	03/23/2023	Public Agency Retirement Services Customer #SAN400		1015 · Checking -Union Bank - GF x9757	-312.12
52686	03/09/2023		PARS Alternate Retirement System Fees PE 01/31/2023	5325 · HR & Finance Consultant	312.12
TOTAL					<u>312.12</u>
22577	03/23/2023	RMT Landscape Contractors, Inc. Customer #M332		1015 · Checking -Union Bank - GF x9757	-790.00
2023033	03/10/2023		Landscape Maintenance Mar-2023 (1351 Rollins Rd)	5505 · Facility - Repairs & Maint	495.00
			Landscape Maintenance (1415 N Carolan Ave)	5505 · Facility - Repairs & Maint	295.00
TOTAL					<u>790.00</u>

**San Mateo County Mosquito & Vector Control District
Check Detail**

GF-Mar 2023

March 2023

<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Account</u>	<u>Original Amount</u>
22578	03/23/2023	World Oil Environmental Services	Invoice # I500-00908804	1015 · Checking -Union Bank - GF x9757	-95.00
I500-00908804	03/08/2023		Used oil disposal service 3/1/2023	5620 · Auto, Hotsy, Plug, Boat, Traile	95.00
TOTAL					<u>95.00</u>
22579	03/23/2023	Brian Weber	Hotel @ MVCAC Annl Conf 1/29/23-2/1/23	1015 · Checking -Union Bank - GF x9757	-944.19
MVCAC-1/29-2/1/2	03/23/2023		Hotel @ MVCAC Annl Conf 1/29/23-2/1/23	5215 · Conferences / Workshops Staff	944.19
TOTAL					<u>944.19</u>
22580	03/23/2023	Kathleen A. Martin	Reimb Exp @ MVCAC Legislative Days 3/20-3/22/2023	1015 · Checking -Union Bank - GF x9757	-658.13
MVCACLegis-3/20-	03/23/2023		Reimb Exp @ MVCAC Legislative Days 3/20-3/22/2023	5210 · Conferences / Workshops Board	658.13
TOTAL					<u>658.13</u>
22581	03/23/2023	California Department of Tax & Fee / SU BH 102-905010		1015 · Checking -Union Bank - GF x9757	-1,598.00
102905010-UseTa:	03/23/2023		OPS Online Purchase Use Tax	5620 · Auto, Hotsy, Plug, Boat, Traile	461.00
			LAB Online Purchase Use Tax	5845 · Lab PCR Supplies	154.00
			OUTREACH Online Purchase Use Tax	5910 · Media and Network	983.00
TOTAL					<u>1,598.00</u>
CHECK TOTAL					<u><u>209,082.46</u></u>

Note: Previous month's check numbers were 22448-22520. Current month's check numbers are 22521-22581 (61 checks).

San Mateo County Mosquito & Vector Control District
Check Detail

GF-Mar 2023

March 2023

Num	Date	Name	Memo	Account	Original Amount
1101	03/09/2023	Enterprise FM Trust	Customer No. 458563	1025 · Checking -Union Bank -CPF x6913	-3,588.49
FBN4698381	03/03/2023		22NCN8-2018 NISS Frontier- Mar 2023	6030 · Vehicle Leases	298.49
			22NCNB-2018 NISS Frontier	6030 · Vehicle Leases	298.49
			22NCNF-2018 NISS Frontier	6030 · Vehicle Leases	33.70
			22NCNJ-2018 NISS Frontier	6030 · Vehicle Leases	33.70
			23CDWF-2020 Subaru Forester	6030 · Vehicle Leases	318.64
			23LVXF-2019 NISS Frontier (Kim)	6030 · Vehicle Leases	405.59
			23LW6S-2019 NISS Frontier (Lab)	6030 · Vehicle Leases	455.33
			23MNV2-2020 NISS Frontier	6030 · Vehicle Leases	391.87
			23MNV3-2020 NISS Frontier	6030 · Vehicle Leases	391.88
			25QSHX-2022 FORD Explorer	6030 · Vehicle Leases	492.81
			266LKM-2021 RAM 2500	6030 · Vehicle Leases	467.99
TOTAL					3,588.49
CHECK TOTAL					3,588.49

Note: Previous month's check number was 1100. Current month's check number is 1101 (1 check).

**San Mateo County Mosquito & Vector Control District
Credit Card Transaction Detail by Account**

March 2023

Mar 2023

Type	Date	Name	Memo	Split	Amount
1040 · US Bank Purchase Card					
1045 · US Bank Visa Brian x2315					
Credit Card Charge	02/23/2023	Misc-Admin	Speedway-Gas for Brian's vehicle to VCJPA mtg in Santa Cruz 2/22	5215 · Conferences / Workshops Staff	70.19
Credit Card Charge	02/23/2023	Misc-Admin	Gilda's-Lunch for Brian & Rich-VCJPA mtg in Santa Cruz 2/22	5215 · Conferences / Workshops Staff	61.85
Credit Card Charge	02/23/2023	Misc-Admin	Grand Sierra Resort-hotel reserv for Matthew-AMCA conf. 3/1-3/3	5215 · Conferences / Workshops Staff	431.75
Credit Card Charge	02/25/2023	Misc-Admin	Grand Sierra Resort-hotel reserv for David-AMCA conf. 3/1-3/3	5215 · Conferences / Workshops Staff	431.75
Credit Card Charge	02/25/2023	Misc-Admin	Grand Sierra Resort-hotel reserv for Stephanie-AMCA conf. 3/1-3/3	5215 · Conferences / Workshops Staff	431.75
Credit Card Charge	02/25/2023	Misc-Admin	Grand Sierra Resort-hotel reserv for Ryan-AMCA conf. 3/1-3/3	5215 · Conferences / Workshops Staff	431.75
Credit Card Credit	02/25/2023	Misc-Admin	Grand Sierra Resort-refund for Vanessa's hotel rm-AMCA conf.	5215 · Conferences / Workshops Staff	-141.25
Credit Card Charge	02/28/2023	Craigslist	Job postings for the Vector Control Aide position	5335 · Office Expense	150.00
Credit Card Charge	03/01/2023	Holiday Inns	Hotel room for Ryan two nights - AMCA conf. 2/27-3/1	5215 · Conferences / Workshops Staff	207.74
Credit Card Charge	03/01/2023	Holiday Inns	Hotel room for Rachel two nights - AMCA conf. 2/27-3/1	5215 · Conferences / Workshops Staff	207.74
Credit Card Charge	03/01/2023	Holiday Inns	Hotel room for Matt two nights - AMCA conf. 2/27-3/1	5215 · Conferences / Workshops Staff	207.74
Credit Card Charge	03/01/2023	Holiday Inns	Hotel room for Stephanie two nights - AMCA conf. 2/27-3/1	5215 · Conferences / Workshops Staff	207.74
Credit Card Charge	03/01/2023	Holiday Inns	Hotel room for David two nights - AMCA conf. 2/27-3/1	5215 · Conferences / Workshops Staff	207.74
Credit Card Charge	03/01/2023	Holiday Inns	Hotel room for Vanessa two nights - AMCA conf. 2/27-3/1	5215 · Conferences / Workshops Staff	207.74
Credit Card Charge	03/01/2023	Misc-Admin	Original Joe's - Dinner for the March Board Meeting	5305 · Board Meeting Expenses	589.07
Credit Card Credit	03/04/2023	Misc-Admin	Grand Sierra Resort - refund for two nights David - AMCA conf.	5215 · Conferences / Workshops Staff	-282.52
Credit Card Credit	03/04/2023	Misc-Admin	Grand Sierra Resort - refund for two nights Stephanie - AMCA conf.	5215 · Conferences / Workshops Staff	-282.52
Credit Card Credit	03/04/2023	Misc-Admin	Grand Sierra Resort - refund for two nights Ryan - AMCA conf.	5215 · Conferences / Workshops Staff	-282.52
Credit Card Charge	03/20/2023	Misc-Admin	La Terraza-Dinner for Brian & Casey-MVCAC spring mtg Sacramento	5215 · Conferences / Workshops Staff	75.08
Credit Card Charge	03/21/2023	Misc-Admin	Statehouse Outpost-Dinner Kati, Brian & Casey-MVCAC spring mtg Sacramento	5215 · Conferences / Workshops Staff	66.38
Credit Card Charge	03/21/2023	Uber	Ride for Brian and Casey - MVCAC spring meetings Sacramento	5215 · Conferences / Workshops Staff	11.99
Total 1045 · US Bank Visa Brian x2315					3,009.19
1050 · US Bank Visa Admin x5992					
Credit Card Charge	02/23/2023	Misc- Outreach	Hoot Judkins - shelves for the book cases	5910 · Media and Network	131.70
Credit Card Credit	02/25/2023	Misc-Admin	Grand Sierra Resort - refund for one night Matthew - AMCA conf.	5215 · Conferences / Workshops Staff	-141.25
Credit Card Charge	02/27/2023	Intuit	Sample check order for two new acct. numbers with US Bank	5335 · Office Expense	91.14
Credit Card Charge	02/27/2023	Intuit	Sample check order for two new acct. numbers with US Bank	5335 · Office Expense	91.13
Credit Card Charge	02/28/2023	Best Buy	USB to USB data cable for drone	5630 · Ops Equipment & Repairs	32.80
Credit Card Charge	02/28/2023	Mosyle Business	Premium license	5465 · Computer Software	30.00
Credit Card Charge	03/07/2023	Cresco Equipment Ren	LP for lift truck	5505 · Facility - Repairs & Maint	37.27
Credit Card Charge	03/07/2023	Misc- Ops	South Bay Recycling - drop off tree branches and stump from fallen tree	5505 · Facility - Repairs & Maint	50.00

**San Mateo County Mosquito & Vector Control District
Credit Card Transaction Detail by Account**

Mar 2023

March 2023

<u>Type</u>	<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Split</u>	<u>Amount</u>
Credit Card Charge	03/08/2023	FasTrak	Toll charges for District vehicles	5215 · Conferences / Workshops Staff	25.00
Credit Card Charge	03/08/2023	Misc- Outreach	L.L. Bean - custom embroidered items for staff	5910 · Media and Network	459.91
Credit Card Charge	03/08/2023	Misc- Outreach	L.L. Bean - custom embroidered items for staff	5910 · Media and Network	150.77
Credit Card Charge	03/08/2023	Safeway Store	Cookies for March Board Meeting	5305 · Board Meeting Expenses	18.07
Credit Card Charge	03/09/2023	Ebay	Replacement chain covers for operations electric cordless chainsaws	5630 · Ops Equipment & Repairs	24.53
Credit Card Charge	03/09/2023	Summit Racing Equipm	Large size needles and seats for Airboat carburetor tuning	5630 · Ops Equipment & Repairs	94.21
Credit Card Credit	03/09/2023	Misc- Ops	AGspray.com - fillrite pump suction tube for cocobear tank	5630 · Ops Equipment & Repairs	-54.74
Credit Card Credit	03/14/2023	Best Buy	USB cable for drone	5630 · Ops Equipment & Repairs	-32.80
Credit Card Charge	03/14/2023	Rock Auto	Replacement airbag clockspring for CB jeep drivers side airbag	Credit	362.84
Credit Card Charge	03/14/2023	Craigslist	Job postings for seasonal lab assistant position	5335 · Office Expense	150.00
Credit Card Charge	03/20/2023	Zoom	Standard pro annual membership	5465 · Computer Software	299.80
Total 1050 · US Bank Visa Admin x5992					<u>1,820.38</u>
TOTAL 1040 · US Bank Purchase Card					<u>4,829.57</u>



P.O. BOX 6343
FARGO ND 58125-6343

Mar
2023



000001547 01 SP 0.600 106481696135233 P
SMCMVCD
ATTN DISTRICT MANAGER
1351 ROLLINS RD
BURLINGAME CA 94010-2409

ACCOUNT NUMBER [REDACTED]
STATEMENT DATE 03-22-2023
AMOUNT DUE \$4,829.57
NEW BALANCE \$4,829.57
PAYMENT DUE ON RECEIPT

AMOUNT ENCLOSED
\$

Please make check payable to U.S. Bank

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

[REDACTED] 000482957 000482957

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY									
SMCMAD	Previous Balance	Purchases And Other + Charges	Cash Advances +	Cash Advance Fees +	Cash Payment Charges -	Credits -	Payments -	New Balance	
Company Total	\$12,406.13	\$6,765.42	\$0.00	\$0.00	\$0.00	\$1,935.85	\$12,406.13	\$4,829.57	

CORPORATE ACCOUNT ACTIVITY				
SMCMAD				TOTAL CORPORATE ACTIVITY
				\$12,406.13 CR
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-21	03-19	74798263080000000000974	PAYMENT - THANK YOU 00000 C	12,406.13 PY

NEW ACTIVITY					
SMCMVCD ADMIN		CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
		\$228.79	\$2,049.17	\$0.00	\$1,820.38
Post Date	Tran Date	Reference Number	Transaction Description	Amount	
02-23	02-23	24011343054000005880931	HOOT JUDKINS FURNITURE WWW.HOOTJUDKI.CA	131.70	
02-27	02-26	74794873057900010378485	GRAND SIERRA ADV DEP 999-9999999 NV	141.25	CR
02-28	02-27	24692163058101285670283	INTUIT *CHECKS / FORMS CL.INTUIT.COM CA	91.14	
03-01	02-28	24399003059503012307960	BESTBUY.COM806745764746 888BESTBUY MN	32.80	
03-01	02-28	24692163059102058564223	INTUIT *CHECKS / FORMS CL.INTUIT.COM CA	91.13	

CUSTOMER SERVICE CALL 800-344-5696	ACCOUNT NUMBER		ACCOUNT SUMMARY	
	[REDACTED]		PREVIOUS BALANCE	12,406.13
SEND BILLING INQUIRIES TO: U.S. Bank National Association C/O U.S. Bancorp Purchasing Card Program P.O. Box 6335 Fargo, ND 58125-6335	STATEMENT DATE	DISPUTED AMOUNT	PURCHASES & OTHER CHARGES	6,765.42
	03/22/23	.00	CASH ADVANCES	.00
AMOUNT DUE 4,829.57		CASH ADVANCE FEES		.00
		LATE PAYMENT CHARGES		.00
		CREDITS	1,935.85	
		PAYMENTS	12,406.13	
		ACCOUNT BALANCE	4,829.57	



Company Name: SMCMVCD
Corporate Account Number: [REDACTED]
Statement Date: 03-22-2023

NEW ACTIVITY				
Post Date	Tran Date	Reference Number	Transaction Description	Amount
03-02	03-01	24492183081000003071112	MOSYLE BUS' MOSYLE_BUS HTTPSBUSINESS FL	30.00
03-09	03-07	24323043067046700213344	CRESCO EQUIPMENT RENTALS BURLINGAME CA	37.27
03-09	03-08	24431063067081301880933	FASTRAK CSC 415-486-8655 CA	25.00
03-09	03-08	24767903067535201460600	LLBEAN-DIRECT 207-8654781 ME	459.91
03-09	03-08	24767903067535201528091	LLBEAN-DIRECT 207-8654781 ME	150.77
03-09	03-07	24941863067091000000113	SOUTH BAY RECYCLING SAN CARLOS CA	50.00
03-10	03-09	24204293068006027924944	EBAY O'09-09802-03028 SAN JOSE CA	24.53
03-10	03-08	24231683068837001515335	SAFEWAY #2878 MILLBRAE CA	18.07
03-10	03-09	24445003069600077226753	SUMMIT RACING MAIL ORDER 800-230-3030 OH	94.21
03-14	03-09	74755423072730894582561	FIMCO SCHABEN AGSPRAY NORTH SIOUX C SD	54.74
03-15	03-14	74399003073295003082852	BEST BUY 00008730 COLMA CA	32.80
03-15	03-14	24055233073819754722896	ROCK AUTO ROCKAUTO.COM WI	362.84
03-15	03-14	24692183073102946456775	CRAIGSLIST.ORG 415-399-5200 CA	150.00
03-21	03-20	24011343079000040812452	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	299.80
BRIAN WEBER				
		CREDITS	PURCHASES	CASH ADV
		\$1,707.06	\$4,716.25	\$0.00
				TOTAL ACTIVITY
				\$3,009.19
Post Date	Tran Date	Reference Number	Transaction Description	Amount
02-24	02-22	24034543054002455189029	SPEEDWAY 4114 CAMPBELL CA	70.19
02-24	02-22	24692183054108274260749	TST* GILDAS SANTA CRUZ CA	61.85
02-27	02-25	24794873057900010370388	GRAND SIERRA ADV DEP RENO NV	431.75
		448651300428	ARRIVAL: 02-27-23	
02-27	02-25	24794873057900010370495	GRAND SIERRA ADV DEP RENO NV	431.75
		448651300594	ARRIVAL: 02-27-23	
02-27	02-25	24794873057900010370529	GRAND SIERRA ADV DEP RENO NV	431.75
		448651301524	ARRIVAL: 02-27-23	
02-27	02-25	24794873057900010370578	GRAND SIERRA ADV DEP RENO NV	429.75
		448953754013	ARRIVAL: 02-27-23	
02-27	02-25	24794873057900010370610	GRAND SIERRA ADV DEP RENO NV	288.50
		449591616389	ARRIVAL: 02-27-23	
02-27	02-25	24794873057900010370644	GRAND SIERRA ADV DEP RENO NV	431.75
		449591616511	ARRIVAL: 02-27-23	
03-01	02-28	24692183059101963762559	CRAIGSLIST.ORG 415-399-5200 CA	75.00
03-01	02-28	24692183059101963812743	CRAIGSLIST.ORG 415-399-5200 CA	75.00
03-03	03-01	24943003061708539626109	HOLIDAY INN AUBURN AUBURN CA	207.74
		11483357	ARRIVAL: 02-27-23	
03-03	03-01	24943003061708539671865	HOLIDAY INN AUBURN AUBURN CA	207.74
		11483359	ARRIVAL: 02-27-23	
03-03	03-01	24943003061708539672012	HOLIDAY INN AUBURN AUBURN CA	207.74
		11483358	ARRIVAL: 02-27-23	
03-03	03-01	24943003061708539672145	HOLIDAY INN AUBURN AUBURN CA	207.74
		11483362	ARRIVAL: 02-27-23	
03-03	03-01	24943003061708539675387	HOLIDAY INN AUBURN AUBURN CA	207.74
		11483360	ARRIVAL: 02-27-23	
03-03	03-01	24943003061708539675593	HOLIDAY INN AUBURN AUBURN CA	207.74
		11483361	ARRIVAL: 02-27-23	
03-06	03-02	74794873062900011135440	GRAND SIERRA ADV DEP 999-9999999 NV	429.75
03-06	03-02	74794873062900011135457	GRAND SIERRA ADV DEP 999-9999999 NV	141.25
03-06	03-02	74794873062900011135465	GRAND SIERRA ADV DEP 999-9999999 NV	288.50
03-06	03-04	747948730649000117487306	GRAND SIERRA RSRT&CASINO 999-9999999 NV	282.52
03-06	03-04	747948730649000117487421	GRAND SIERRA RSRT&CASINO 999-9999999 NV	282.52
03-06	03-04	747948730649000117487652	GRAND SIERRA RSRT&CASINO 999-9999999 NV	282.52
03-08	03-07	24692183066107727881248	TST* ORIGINAL JOES - WES 650-755-7400 CA	589.02
03-22	03-20	24013393080002236712025	LA TERRAZA MEXICAN RESTAU SACRAMENTO CA	75.08
03-22	03-21	24137463080200189815538	TST* STATEHOUSE OUTPOST SACRAMENTO CA	66.38
03-22	03-21	24492153080868111724709	UBER* TRIP HELP.UBER.COM CA	11.99

Mar
2023

01/01/2023
01/01/2023
01/01/2023
01/01/2023
01/01/2023
01/01/2023

Company Name: SMCMVCD
Corporate Account Number: [REDACTED]
Statement Date: 03-22-2023

Department: 00000 Total:
Division: 00000 Total:

\$4,829.57
\$4,829.57



Attachments:

1. Statement of Financial Position/Balance Sheet

2. Statement of Revenues, Expenditures and Change in Fund Balance

3. Budget Variance Reports

Month

YTD

YTD compared with adopted budget.

4. Accounts Receivable Aging Summary

On the March 2023 summary, accounts receivable outstanding greater than 90 days total is \$ 0.
Currently, accounts receivable total \$ \$3,399.

5. Cash Activity & Reconciliation to County

The District's accounting system is fully reconciled with the County statement.

6. Payroll Disbursement

All payroll disbursements were made to employees and trustees for their monthly stipends. All employees were paid per District salary and wage schedule and longevity policies.

7. Check Detail

This month, the District wrote General Fund checks numbers from 22521 to 22581. Last month's check number ended at 22520. All checks written were to vendors on account, retired employees, or reimbursements to current employees, per District policy. In March 2023, 61 checks written from the General Fund totaled \$ 209,082.46. In addition, the District wrote 1 check from the Capital Fund totaling \$ 3,588.49 (check number 1101).

8. Purchase Card Report and Bank Statement

All card purchases for the month were from commercial vendors and met the District purchase card policy. A copy of the purchase card bank statement is attached. Also, descriptions of all purchases from Amazon are included in the attached detailed purchase card transactions report.

Agenda Item 4B**SUBJECT: Status of FY 23-24 Draft Budget and Update on FY 22-23 Revenue and Expenditures****Status of FY 22-23 Revenue and Expenditures:**

District staff, including the District Manager, Finance Director, and departmental managers, review revenue and expenditure patterns by comparing the approved budget to actual results of each account category to determine how estimated year-end results will appear. The below table gives a summary of revenue and expense totals anticipated by June 30, 2023:

Components of Surplus (FY 22-23)	
General Fund:	
Over Realized Revenue:	\$ 20,278
Salary and Wage Savings:	\$ 21,536
Employee Benefit Savings:	\$ (17,735)
Conference & Training Savings:	\$ 19,095
Administration Savings:	\$ 183,385
Insurance Savings:	\$ 448
Computer & Hardware Savings:	\$ 18,689
Utility Savings:	\$ 16,990
Fleet Maintenance Savings:	\$ 9,407
Operations Savings:	\$ 12,241
Laboratory Savings:	\$ 13,244
Debt Service Savings:	\$ 11,906
Total:	<u>\$ 309,484</u>
Capital Fund:	
Use of R.E. Reserve less than budgeted:	\$ (1,134,670)
Capital Budget Savings:	\$ 1,693,602
Total:	<u>\$ 558,932</u>
All Fund Savings:	<u>\$ 868,416</u>

In the chart attached to this staff report, each revenue and expenditure account contains FY 21-22 actual activity, FY 22-23 approved budget, the estimate for actual revenue and expenditures for FY 22-23, and the budget request for FY 23-24.

The following revenue highlights are described below:

- Anticipated Program Revenue to increase by 6% from the prior year.
- Ad Valorem Property Taxes are expected to increase by 6% from FY 22-23.

- Excess ERAF is expected to remain unchanged from FY 22-23 to FY 23-24.
- Other Revenues are expected to come in less than anticipated, principally due to significant interest and VCJPA reimbursements reductions.
- The Real Property Acquisition Reserve was not used in the amount of \$1,134,670 for FY 22-23. However, the staff recommends that the excess of \$868,416 anticipated in FY 22-23 be used to increase the Real Property Acquisition Reserve to \$2,003,086 at June 30, 2023.

The following expenditure highlights from FY 22-23 are described below:

- **5000 Salaries & Wages** categories, expecting savings of \$ 21,536 mainly from unfilled seasonal employee positions.
- **5100 Employee Benefits** are expected to be over budget by \$17,735 due to present employees fully utilizing their health and dental benefits. Staff requests an FY 22-23 budget adjustment at the June 2023 Board of Trustees meeting.
- **5200 Training – Board & Staff** will yield a surplus of \$ 19,095 principally from savings in Board conferences and workshops.
- **5300 Administration** is anticipating \$183,385 in savings primarily from the HR Financial Consultant, Professional Services, Legal Services, and facility lease.
- **5450 Computer Hardware & Software** savings are expected at \$ 18,689. In part due to savings from the IT Consultant (Compu-Data).
- **5550 Utilities** savings are expected at \$ 16,990, principally from PG&E charges and mobile devices from Verizon.
- **5700 Operations** savings are expected to be \$ 12,241, principally from the helicopter and fuel accounts.
- **6000 Capital Improvements** savings are expected at \$ 1,693,602 due to the anticipated construction costs of the North Carolan property, savings on Lab Equipment, and MapVision expenses that will be re-budgeted next year.

Initial Presentation of FY 23-24 Budget

In preparing the proposed FY 23-24 budget, the Finance Director collaborated with the District Manager and operational department heads in the last several months to present the Board with a balanced budget. This would not have been possible without the cooperative efforts and expertise of staff and the support of our District manager.

Highlights of the proposed FY 22-23 budget include the following:

- Service Abatement Revenue is expected to increase by 6%
- Staff is proposing to increase the Special Benefit Assessment by 5%
- It is estimated that Property Tax Revenue will increase by 5.6%
- It is estimated that Other Tax revenue will remain unchanged.
- Interest and VCJPA misc. income will remain unchanged.
- Due to approved collective bargaining agreements, staff proposes increasing salaries by 6%.
- It is anticipated that Training – Board & Staff will increase by 6% due to general inflation.
- Insurance expenditures are expected to increase by 32% per VCJPA anticipated district billings.
- In Computer Hardware and Software, Staff is planning for a budget increase in IT hardware, software, license, and website hosting and a significant decrease in IT consulting services.

- Staff provides inflationary estimates averaging 6% over the prior year for most other expenditure categories.

The following Capital Improvements are also included in the proposed FY 23-24 budget:

Components of Capital Budget (FY 23-24):	
Improvements to North Carolan	\$ 2,365,698
Air Conditioning Units (Rollins Road)	\$ 70,000
Mapvision Software:	\$ 80,000
Fire Trailer:	\$ 14,000
Vehicle Leases:	\$ 69,928
Total:	\$ 2,599,626

The following chart describes the major components of the proposed FY 23-24 budget:

San Mateo County Mosquito and Vector Control District Major Components Of The Proposed FY 23-24 Budget	
RESOURCES:	
Program Revenue:	\$ 2,504,538
Property Tax Revenue:	\$ 3,591,855
Other Tax Revenue:	\$ 799,499
Other Revenue:	\$ 98,331
Use of Real Property Acquisiton Reserve	\$ 2,003,086
Total Resources;	\$ 8,997,309
Expenditures:	
Salaries & Wages	\$ 3,277,707
Employee Benefits	\$ 1,346,079
Training - Board and Staff	\$ 73,011
Administration	\$ 394,064
Insurance	\$ 188,516
Computer Hardware & Software:	\$ 102,816
Facility Maintenance	\$ 54,640
Utilities:	\$ 64,265
Fleet Maintenance	\$ 64,650
Operations:	\$ 284,821
Laboratory	\$ 95,653
Public Outreach	\$ 133,369
Debt Service	\$ 318,094
Capital Expenditures:	\$ 2,599,626
Total Expenditures:	\$ 8,997,309

A discussion of the recommended reserve levels is contained in the Staff report on recommended reserve levels for FY Ending June 30, 2023.

This report is a “snapshot” to date and the best estimate of where we will end this fiscal year. If any developments materially change these projections, we will bring them to your committee and the Board at the time they occur.

Attachment

cc: Brian Weber, District Manager

	ACTUAL		FY 22-23		To Date		Estimated		Bud to Est.		Request		% Inc. Budget		% Inc. Budget	
	Jul '21 - Jun 22	Budget	4/5/2023	FY 22-23	Variance	FY 23-24	To Budget	To Estimate								
5550 · UTILITIES																
5560 · Gas & Electricity - PG&E	\$ 21,707	\$ 30,511	\$ 18,485	\$ 22,171	\$ 8,340	\$ 23,501	-23.0%	6.0%								
5565 · Water	\$ 5,777	\$ 7,824	\$ 4,051	\$ 6,330	\$ 1,494	\$ 6,710	-14.2%	6.0%								
5570 · Phone - VOIP - Fusion/MegaPath	\$ 6,057	\$ 6,811	\$ 4,730	\$ 6,341	\$ 470	\$ 6,721	-1.3%	6.0%								
5575 · Phone - Land Line-AT&T/Comcast	\$ 4,985	\$ 5,522	\$ 3,077	\$ 4,291	\$ 1,231	\$ 4,548	-17.6%	6.0%								
5580 · Phone - Mobile Devices-Verizon	\$ 23,942	\$ 26,949	\$ 15,169	\$ 21,494	\$ 5,455	\$ 22,784	-15.5%	6.0%								
Total 5550 · UTILITIES	\$ 62,469	\$ 77,617	\$ 45,513	\$ 60,627	\$ 16,990	\$ 64,265	-17.2%	6.0%								
5600 · FLEET MAINTENANCE																
5610 · Garage Tools	\$ 8,389	\$ 8,500	\$ 8,448	\$ 8,500	\$ -	\$ 9,010	6.0%	6.0%								
5615 · Garage Repairs Outside	\$ 8,864	\$ 7,984	\$ 3,993	\$ 7,984	\$ -	\$ 8,500	6.5%	6.5%								
5620 · Auto, Hotsy, Plug, Boat, Traile	\$ 16,575	\$ 17,000	\$ 16,697	\$ 19,000	\$ (2,000)	\$ 20,140	18.5%	6.0%								
5630 · Ops Equipment & Repairs	\$ 10,322	\$ 15,000	\$ 10,742	\$ 15,000	\$ -	\$ 16,000	6.7%	6.7%								
5635 · Vehicle Accident Insur Claims	\$ 1,398	\$ 11,407	\$ -	\$ -	\$ 11,407	\$ 11,000	-3.6%									
Total 5600 · FLEET MAINTENANCE	\$ 45,547	\$ 59,891	\$ 39,880	\$ 50,484	\$ 9,407	\$ 64,650	7.9%	28.1%								
5700 · OPERATIONS																
5705 · Pesticides	\$ 155,863	\$ 135,313	\$ 88,554	\$ 135,313	\$ -	\$ 140,000	3.5%	3.5%								
5715 · Helicopter	\$ 29,717	\$ 38,508	\$ 17,267	\$ 21,267	\$ 17,241	\$ 45,000	16.9%	111.6%								
5720 · Safety Equipment	\$ 7,551	\$ 7,814	\$ 4,511	\$ 7,814	\$ -	\$ 8,283	6.0%	6.0%								
5725 · Apparel - Uniforms & Boots	\$ 12,875	\$ 14,432	\$ 9,066	\$ 14,432	\$ -	\$ 15,298	6.0%	6.0%								
5730 · Mosquito Fish	\$ 2,850	\$ 4,000	\$ 1,640	\$ 4,000	\$ -	\$ 4,240	6.0%	6.0%								
5735 · Fuel	\$ 66,577	\$ 62,000	\$ 48,960	\$ 67,000	\$ (5,000)	\$ 72,000	16.1%	7.5%								
Total 5700 · OPERATIONS	\$ 275,433	\$ 262,067	\$ 169,998	\$ 249,826	\$ 12,241	\$ 284,821	8.7%	14.0%								
5800 · LABORATORY																
5805 · Disease Surveillance	\$ 9,714	\$ 10,700	\$ 2,010	\$ 10,700	\$ -	\$ 11,342	6.0%	6.0%								
5810 · Sentinel Chicken Flocks/Supply	\$ 3,087	\$ 3,210	\$ 2,198	\$ 3,000	\$ 210	\$ 3,180	-0.9%	6.0%								
5815 · Mosquito Blood	\$ 3,696	\$ 4,173	\$ 2,910	\$ 4,276	\$ (103)	\$ 4,533	8.6%	6.0%								
5820 · Dry Ice	\$ 9,598	\$ 11,700	\$ 8,054	\$ 12,200	\$ (500)	\$ 13,000	11.1%	6.6%								
5825 · Lab Supplies	\$ 7,020	\$ 9,095	\$ 3,982	\$ 9,000	\$ 95	\$ 9,540	4.9%	6.0%								
5830 · Lab Biowaste Disposal	\$ 656	\$ 1,300	\$ 956	\$ 1,300	\$ -	\$ 1,378	6.0%	6.0%								
5835 · Lab Equip. Repair	\$ 1,572	\$ 2,000	\$ 948	\$ 948	\$ 1,052	\$ 2,000	0.0%	111.0%								
5840 · Lab Equip. Maintenance	\$ 2,615	\$ 3,000	\$ 1,035	\$ 3,000	\$ -	\$ 3,000	0.0%	0.0%								
5845 · Lab PCR Supplies	\$ 27,160	\$ 28,890	\$ 14,714	\$ 28,000	\$ 890	\$ 29,680	2.7%	6.0%								
5850 · Lab PCR Maintenance	\$ 9,804	\$ 11,600	\$ -	\$ -	\$ 11,600	\$ 18,000	55.2%									
Total 5800 · LABORATORY	\$ 74,922	\$ 85,668	\$ 36,807	\$ 72,424	\$ 13,244	\$ 95,653	11.7%	32.1%								
5900 · PUBLIC OUTREACH																
5910 · Media and Network	\$ 69,667	\$ 114,352	\$ 55,481	\$ 114,352	\$ -	\$ 121,213	6.0%	6.0%								
5920 · Promotion & Printing	\$ 9,277	\$ 11,468	\$ 13,795	\$ 11,468	\$ -	\$ 12,156	6.0%	6.0%								
Total 5900 · PUBLIC OUTREACH	\$ 78,944	\$ 125,820	\$ 69,276	\$ 125,820	\$ -	\$ 133,369										
6000 · CAPITAL IMPROVEMENTS																
6005 · Real Estate Acquisition	\$ 7,543,113		\$ -	\$ -	\$ -											
6010 · Building Improvements	\$ 83,061	\$ 1,787,554	\$ 116,744	\$ 158,971	\$ 1,628,583	\$ 2,435,698	36.3%	1432.2%								
6020 · Equipment - Operations & Admin	\$ 107,727	\$ 60,000	\$ 49,981	\$ 49,981	\$ 10,019	\$ 14,000	-76.7%	-72.0%								
6025 · Software	\$ -	\$ 110,000	\$ -	\$ 55,000	\$ 55,000	\$ 80,000	-27.3%	45.5%								
6030 · Vehicle Leases	\$ 45,153	\$ 50,000	\$ 31,868	\$ 50,000	\$ -	\$ 69,928	39.9%	39.9%								
6035 · Vehicle Purchases	\$ 33,978		\$ -	\$ -	\$ -											
Total 6000 · CAPITAL IMPROVEMENTS	\$ 7,813,031	\$ 2,007,554	\$ 198,593	\$ 313,952	\$ 1,693,602	\$ 2,599,626	29.5%	728.0%								
6500 · DEBT SERVICE																
6510 · Principal Payments	\$ -	\$ 210,000	\$ 207,169	\$ 207,169	\$ 2,831	\$ 213,177	1.5%	2.9%								
6520 · Interest Payments	\$ -	\$ 120,000	\$ 110,925	\$ 110,925	\$ 9,075	\$ 104,917	-12.6%	-5.4%								
Total 6500 · DEBT SERVICE	\$ -	\$ 330,000	\$ 318,094	\$ 318,094	\$ 11,906	\$ 318,094	-3.6%	0.0%								
Total Expense	\$ 12,610,011	\$ 7,814,326	\$ 4,290,186	\$ 5,831,518	\$ 1,982,808	\$ 8,997,308	15.1%	54.3%								
Net Ordinary Income	\$ (2,552,592)	\$ (1,134,670)	\$ (48,606)	\$ 868,416	\$ (2,003,086)	\$ (2,003,086)	76.5%	-330.7%								
Other Income/Expense																
Other Income																
Transfer (To)/From Reserves	\$ -	\$ 1,134,670	\$ -	\$ (868,416)	\$ -	\$ 2,003,086										
Total Other Income	\$ -	\$ 1,134,670	\$ -	\$ (868,416)	\$ -	\$ 2,003,086										
Net Other Income	\$ -	\$ 1,134,670	\$ -	\$ (868,416)	\$ 2,003,086	\$ 2,003,086										
Net Income	\$ (2,552,592)	\$ -	\$ (48,606)	\$ (0)	\$ 0	\$ 0										

Agenda Item 4C

SUBJECT: Recommend the Board approve the Preliminary Assessment Diagram and Engineers Report and State the Intention to Continue to Levy the North and West County Mosquito and Disease Control Assessment District

SUMMARY

In 2003, the District proposed to increase its service area by annexing the then unserved portions of northern and western San Mateo County. Accordingly, the District executed a Proposition 218-compliant mailed balloting in the winter of 2003. A tabulation of the returned ballots, weighted by their proposed assessment, showed 65% support. Hence, the assessment district was formed, and the annexation was completed. Each year, an Engineer's Report is prepared to establish the budget for the services that the proposed assessments would fund, determine the benefits received by property within the Annexation Area from the services by the District, and apportion the assessment to lots and parcels within the Annexation Area based on the relative benefit for each lot or property.

PROPOSED RATES AND ZONE OVERVIEW

The assessment is subject to an annual adjustment tied to the Consumer Price Index for the San Francisco Bay Area as of December of each succeeding year (the CPI), with a maximum yearly adjustment of up to 3% plus any other CPI adjustments for prior years that have not been levied. This year the Finance Committee is asked to consider a 5% increase in the Assessment. 3% would come from the annual allotment, and 2% from the "banked" or unused amount from prior years.

In 2017, the District analyzed service levels throughout the District boundaries. In particular, the District evaluated service levels regarding its core services, including surveillance, larviciding, and service requests. It confirmed that service levels and benefits are equivalent across all parcels (except as noted below and described as Zone B). Regarding service requests, the District will respond to any property located within the District, regardless of how remote, and provide mosquito control services appropriate to the situation. The evaluation found that in Zones A and B (in this case, "Zones" as they are known for internal District purposes), the District responds to an average of over 700 service calls per year. Also, as part of its integrated vector management (IVM) program, the District conducts over 1,000 site treatments annually in Zones A and B. Larvicide applications are generally applied throughout the District. The District's evaluation showed that some mountainous areas of the District located in rural mountainous San Mateo County do not receive the same service level for District surveillance services. These areas are described as Zone B and are indicated in the Assessment Diagram.

The estimated fiscal year 2022-23 cost of providing the District's services is \$1,554,301. This cost results in a proposed assessment rate of TWENTY DOLLARS AND SEVENTY-NINE CENTS (\$20.79) per single-family equivalent benefit unit for Zone A and TWENTY DOLLARS AND FORTY-ONE CENTS (\$20.41) for Zone B, for the fiscal year 2023-24. This is a 5% increase over the rate levied last year. The assessments are proposed to be levied annually.

The Assessment may be levied annually and adjusted up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. The change in the CPI in 2022 was 4.8818%; therefore, the maximum authorized assessment rate per single-family equivalent benefit unit for the Fiscal Year 2023-24 is \$24.54 for Zone A and \$24.09 for Zone B. The assessment will be levied at \$20.79 and \$20.41 for the fiscal year 2022-23. If the proposed assessments are approved and confirmed by the Board, the assessments may increase in future years by an amount equal to the annual change in the Bay Area Consumer Price Index, not to exceed 3% (three percent) per year without a further vote or balloting process. The District still has an additional 20.39% in reserve that it may apply in future years.

This is the first step of a two-step process. First, the Board expresses its intent to levy the tax and accept the preliminary Engineer's report. Then in June, the Board will adopt the final Engineer's report and direct the County Assessor to assess the levy. This two-step process gives the public notice of the Board's intention and an opportunity to be heard if they have any input. Each year, the board does this because there is no statutory obligation to hold a public hearing when the levy is imposed consistent with the formula approved by the balloted voter. But there is also an expectation among the public to have an opportunity to object, and the District desires to respect that expectation.

RECOMMENDATION

Recommend the Board approve the Preliminary Assessment Diagram and Engineers Report and State the Intention to Continue to Levy the North and West County Mosquito and Disease Control Assessment District.

REFERENCE MATERIALS ATTACHED

1. North and West County Mosquito and Disease Control Assessment District Preliminary Engineers Report
2. SMC MVCD M-020-23 Resolution for Preliminary Engineers Report



SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT

**NORTH AND WEST COUNTY MOSQUITO AND DISEASE CONTROL
ASSESSMENT DISTRICT**

PRELIMINARY ENGINEER'S REPORT

MAY 2023

PURSUANT TO THE GOVERNMENT CODE, HEALTH AND SAFETY CODE AND ARTICLE
XIIID OF THE CALIFORNIA CONSTITUTION

ENGINEER OF WORK:

SCIConsultingGroup

4745 MANGELS BLVD.
FAIRFIELD, CALIFORNIA 94534
PHONE 707.430.4300
FAX 707.430.4319
WWW.SCI-CG.COM

(THIS PAGE INTENTIONALLY LEFT BLANK)

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT

NAME OF GOVERNING BOARD

Atherton	Mason Brutschy
Belmont	Chuck Cotten
Brisbane	Carolyn Parker
Burlingame	Rena Gilligan
Colma	Laura Walsh
Daly City	Glenn R. Sylvester
East Palo Alto	Donna Rutherford, Secretary
Foster City	Paul Norton
Half Moon Bay	Kati Martin, President
Hillsborough	Dr. D Scott Smith
Menlo Park	Catherine Carlton
Millbrae	Muhammad Baluom
Pacifica	Peter DeJarnatt
Portola Valley	Raymond Williams
Redwood City	Kathryn Lion, Vice President
San Bruno	Robert Riechel
San Carlos	Ron Collins
San Mateo	Ed Degliantoni
San Mateo County – at Large	A. Desiree LaBeaud, MD, MS
South San Francisco	Michael Yoshida
Woodside	Paul Fregulia

DISTRICT MANAGER

Brian Weber

ENGINEER OF WORK

SCI Consulting Group

TABLE OF CONTENTS

INTRODUCTION.....	1
OVERVIEW	1
LEGAL ANALYSIS	4
GENERAL DESCRIPTION OF THE DISTRICT AND SERVICES	6
ABOUT THE DISTRICT	6
INTRODUCTION TO SERVICES.....	7
SUMMARY OF SERVICES.....	7
INTRODUCTION TO SURVEILLANCE AND MONITORING	9
LARVAL MOSQUITO SURVEILLANCE PROGRAM	9
ADULT MOSQUITO SURVEILLANCE PROGRAM.....	10
WEST NILE VIRUS SURVEILLANCE PROGRAM.....	10
INTRODUCTION TO TREATMENT AND CONTROL	10
CITIZENS’ REVIEW OF ENVIRONMENTAL SAFETY OF TREATMENT AND CONTROL APPROACHES	11
LARVAL MOSQUITO CONTROL PROGRAM.....	12
ADULT MOSQUITO CONTROL PROGRAM	12
SERVICE REQUESTS	12
ASSESSMENT STATEMENT	14
ESTIMATE OF COST.....	17
METHOD OF ASSESSMENT	18
DISCUSSION OF TOTAL BENEFIT	18
MOSQUITO AND VECTOR CONTROL IS A SPECIAL BENEFIT TO PROPERTIES	20
BENEFIT FACTORS.....	21
BENEFIT FINDING.....	24
GENERAL VS. SPECIAL BENEFIT	24
CALCULATING GENERAL BENEFIT	26
METHOD OF ASSESSMENT	30
ZONES OF BENEFIT	31
ASSESSMENT APPORTIONMENT	32
APPEALS AND INTERPRETATION	35
DURATION OF ASSESSMENT	36
ASSESSMENT DIAGRAM.....	37
ASSESSMENT ROLL	39

LIST OF FIGURES

TABLE 1 COST SUMMARY FOR FY 2023-24..... 14

TABLE 2 - BUDGET 17

TABLE 3 RESIDENTIAL ASSESSMENT FACTORS 33

TABLE 4 COMMERCIAL/INDUSTRIAL BENEFIT ASSESSMENT FACTORS 34

INTRODUCTION

OVERVIEW

The mosquito control program in San Mateo County is one of the oldest in the United States. In 1904, mosquitoes were breeding in diked reclaimed salt marshes along the San Francisco Bay and were biting residents, which affected the use and enjoyment of the land. These areas were uninhabitable without direct mosquito control efforts. Before 1904, various attempts were made to mitigate these pests, but at the time, efficient and effective control methods and approaches had not yet been developed. The funds collected by private subscription were insufficient to support required control.

A physical control plan was developed which included ditching, repair of existing dikes and tide gates, and filling of low areas. The funding for these physical control measures dwindled over time and several levees had broken, making mosquitos unbearably abundant. For example, the Peninsula Hotel, a famous resort in San Mateo, was closed in mid-season, and property values dropped to such an extent that action became necessary. An early iteration of the San Mateo County Mosquito and Vector Control District (“District”) formed in 1913 to address these issues and has been providing mosquito (and vector) control for more than a century, in the form of various governmental entities.

Initially, the District’s service area was not county-wide and served only about one third of the geographic area of the County. In the early 2000s, West Nile Virus had spread and there were several cases of West Nile Virus among County residents. Following a San Mateo County Health Services Agency report, a 2002-2003 Grand Jury Report recommended that to combat the threat of further cases of the disease, and to provide for sufficient monitoring, surveillance, treatment and public information, that the District be permitted to expand its programs throughout the entire county.

In 2003, the District proposed to increase its service area by annexing the then un-served portions of northern and western San Mateo County. Previously, neither the District, nor any other public agency, provided mosquito control and vector-borne disease protection and prevention services in the northern and western areas of San Mateo County that were outside of the District’s then-current (pre-2003) jurisdictional boundaries. In other words, the “baseline” level of services in northern and western San Mateo County was essentially zero.

The Local Agency Formation Commission approved the District’s application to annex the remainder of the County. However, this annexation was conditioned on a benefit assessment being levied in the newly annexed area that approximated the revenues in the original boundaries. Accordingly, the District executed a Proposition 218-compliant mailed balloting in the winter of 2003. A tabulation of the returned ballots weighted by their proposed assessment showed 65% support. Hence, the assessment district was formed, and the annexation completed. This report defines the benefit assessment district that provides funding for the services in the North and West areas (“Annexation Area”) of San Mateo County.

As used within this Report, the following terms are defined:

“Vector” means any animal capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury, including, but not limited to, mosquitoes, flies, mites, ticks, other arthropods, and small mammals and other vertebrates. (Health and Safety Code Section 2002(k).)

“Vector Control” shall mean any system of public improvements or services that is intended to provide for the surveillance, prevention, abatement, and control of vectors as defined in subdivision (k) of Section 2002 of the Health and Safety Code and a pest as defined in Section 5006 of the Food and Agricultural Code. (Government Code Section 53750(m).) The following is an outline of the primary components of the District’s Integrated Mosquito and Vector Management Program that are provided within the current boundaries and the Annexation Area:

- Surveillance
- Physical Control
- Vegetation Management
- Biological Control
- Chemical Control
- Other Non-Chemical Control/Trapping
- Public Education

The District operates under the Mosquito Abatement and Vector Control District Law of the State of California law (“Enabling Act”). Following are excerpts from the Enabling Act, codified in the Health and Safety Code, Section 2000, *et. seq* which serve to summarize the State Legislature’s findings and intent with regard to mosquito abatement and other vector control services:

2001. (a) *The Legislature finds and declares all of the following:*

(1) *California's climate and topography support a wide diversity of biological organisms.*

(2) *Most of these organisms are beneficial, but some are vectors of human disease pathogens or directly cause other human diseases such as hypersensitivity, envenomization, and secondary infections.*

(3) *Some of these diseases, such as mosquito borne viral encephalitis, can be fatal, especially in children and older individuals.*

(4) *California's connections to the wider national and international economies increase the transport of vectors and pathogens.*

(5) *Invasions of the United States by vectors such as the Asian tiger mosquito and by pathogens such as the West Nile virus underscore the vulnerability of humans to uncontrolled vectors and pathogens.*

(b) *The Legislature further finds and declares:*

(1) *Individual protection against the vector borne diseases is only partially effective.*

(2) *Adequate protection of human health against vector borne diseases is best achieved by organized public programs.*

(3) *The protection of Californians and their communities against the discomforts and economic effects of vector borne diseases is an essential public service that is vital to public health, safety, and welfare.*

(4) *Since 1915, mosquito abatement and vector control districts have protected Californians and their communities against the threats of vector borne diseases.*

(c) *In enacting this chapter, it is the intent of the Legislature to create and continue a broad statutory authority for a class of special districts with the power to conduct effective programs for the surveillance, prevention, abatement, and control of mosquitoes and other vectors.*

(d) *It is also the intent of the Legislature that mosquito abatement and vector control districts cooperate with other public agencies to protect the public health, safety, and welfare. Further, the Legislature encourages local communities and local officials to adapt the powers and procedures provided by this chapter to meet the diversity of their own local circumstances and responsibilities.*

This Engineer's Report ("Report") was prepared to determine the benefits received by property within the Annexation Area from the services by the District, and apportion the assessment to lots and parcels within the Annexation Area based on the relative benefit for each lot or parcel.

This Engineer's Report incorporates and is intended to be consistent with the benefit determinations, assessment apportion methodology and other provisions established by Resolution No. M-006-04 passed on October 8, 2003 and the other documents and reports that established the Assessment District.

LEGAL ANALYSIS

PROPOSITION 218

This assessment was formed consistent with Proposition 218, The Right to Vote on Taxes Act, which was approved by the voters of California on November 6, 1996, and is now Article XIII C and XIII D of the California Constitution. Proposition 218 provides for benefit assessments to be levied to fund the cost of providing services, improvements, as well as maintenance and operation expenses to a public improvement which benefits the assessed property.

Proposition 218 describes a number of substantive and procedural requirements that must be satisfied to levy assessments.

When Proposition 218 was initially approved in 1996, it allowed for certain types of assessments to be “grandfathered” in, and these were exempted from the property-owner balloting requirement. Specifically, Article XIII D of the California Constitution provides:

Sec. 5. Effective Date...Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article. Notwithstanding the foregoing, the following assessments existing on the effective date of this article shall be exempt from the procedures and approval process set forth in Section 4:

(a) Any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control...

Vector control was specifically “grandfathered in,” underscoring the fact that the drafters of Proposition 218 - and the voters who approved it - were satisfied that funding for vector control is an appropriate use of benefit assessments, and therefore confers special benefit to property.

Over the years, case law has helped define and shape the application of Proposition 218. The following is a summary of relevant case law.

SILICON VALLEY TAXPAYERS ASSOCIATION, INC. V SANTA CLARA COUNTY OPEN SPACE AUTHORITY

In July of 2008, the California Supreme Court issued its ruling on the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (“SVTA vs. SCCOSA”). This ruling is the most significant court case in further legally clarifying the substantive assessment requirements of Proposition 218. Several of the most important elements of the ruling included further emphasis that:

- Benefit assessments are for special benefits to property, not general benefits¹
- The services and/or improvements funded by assessments must be clearly defined
- Special benefits are directly received by and provide a direct advantage to property in the assessment district

This Engineer's Report, and the process used to establish this assessment are consistent with the SVTA vs. SCCOSA decision.

DAHMS V. DOWNTOWN POMONA PROPERTY

On June 8, 2009, the 4th Court of Appeal amended its original opinion upholding a benefit assessment for property in the downtown area of the City of Pomona. On July 22, 2009, the California Supreme Court denied review. On this date, Dahms became good law and binding precedent for assessments. In Dahms the court upheld an assessment that was 100% special benefit on the rationale that the services and improvements funded by the assessments were directly provided to property in the assessment district.

BONANDER V. TOWN OF TIBURON

In the December 31, 2009, the 1st District Court of Appeal overturned a benefit assessment approved by property owners to pay for placing overhead utility lines underground in an area of the Town of Tiburon. The Court invalidated the assessments on the grounds that the assessments had been apportioned to assessed property based on in part on relative costs within sub-areas of the assessment district instead of proportional special benefits.

BEUTZ V. COUNTY OF RIVERSIDE

On May 26, 2010 the 4th District Court of Appeals issued a decision on the Steven Beutz v. County of Riverside ("Beutz") appeal. This decision overturned an assessment for park maintenance in Wildomar, California, primarily because the general benefits associated with improvements and services was not explicitly calculated, quantified, and separated from the special benefits.

GOLDEN HILL NEIGHBORHOOD ASSOCIATION V. CITY OF SAN DIEGO

On September 22, 2011, the San Diego Court of Appeal issued a decision on the Golden Hill Neighborhood Association v. City of San Diego appeal. This decision overturned an assessment for street and landscaping maintenance in the Greater Golden Hill neighborhood of San Diego, California. The court described two primary reasons for its decision. First, like in Beutz, the court found the general benefits associated with services were not explicitly calculated, quantified, and separated from the special benefits. Second, the court found that the City had failed to record the basis for the assessment on its own parcels.

¹ Article XIII D, § 2, subdivision (d) of the California Constitution states defines "district" as "an area determined by an agency to contain all parcels which will receive a special benefit from the proposed public improvement or property-related service."

GENERAL DESCRIPTION OF THE DISTRICT AND SERVICES

ABOUT THE DISTRICT

The San Mateo County Mosquito and Vector Control District is an independent special district (not part of the County or any city) that controls and monitors physical property for disease-carrying insects such as mosquitoes and ticks, and other harmful pests such as yellow jackets. In addition, the District regularly tests for diseases carried by insects and small mammals and educates the public about how to protect themselves from diseases transmitted by insects and small mammals. The District also distributes printed material and brochures that describe what citizens can do to keep their homes and property free of rats, yellow jackets, mosquitoes, and other pests.

The first mosquito abatement district in San Mateo County was formed in 1913. Prior to the formation of this abatement district, high numbers of salt marsh mosquitoes were a significant problem in the County, and many areas in the County were considered to be nearly unlivable. The San Mateo County Mosquito and Vector Control District was formed in 1953 when the two original districts in the County merged. In 2003, the District annexed the cities of Brisbane, Colma, Daly City, South San Francisco and most parcels in San Bruno; and communities located west of I-280 such as Ano Nuevo, Half Moon Bay, El Granada, and Pacifica, and other unincorporated areas in San Mateo County generally located west of Interstate 280 (the “North and West County Areas”). In order to provide adequate service levels to the now annexed areas, the District looked to a benefit assessment funding source. The assessment was authorized by an assessment ballot proceeding conducted in 2003 and approved by a majority of the weighted ballots returned by property owners. These assessments were first levied by the Board of Trustees of the San Mateo County Mosquito and Vector Control District by Resolution No. M-006-04 passed on October 8, 2003. Today, the District is responsible for providing service to the entire county. In 2008, the District changed its name to the San Mateo County Mosquito and Vector Control District to reflect the fact that it would begin providing some additional vector control responsibilities formerly handled by San Mateo County Environmental Health Department.

The District is overseen by a Board of Trustees. The Board of Trustees oversees District funding, they establish district policies and procedures, and administer basic governance. The District is currently primarily funded in two ways. First Ad Valorem taxes and a special Mosquito Control Tax paid by properties within the original District boundaries. Second, the previously mentioned benefit assessment funds services in the North and West County areas.

INTRODUCTION TO SERVICES

Following is a description of the Services and level of service, for the Annexation Areas. As previously noted, there was previously no regular mosquito control services provided in the Annexation Areas. These Services are over and above the previous zero-level baseline level of service. The formula below describes the relationship between the final level of service, the previous baseline level of service, and the enhanced level of service funded by the assessment.

Final Level of Service	=	Baseline Level of Service	+	Enhanced Level of Service
-----------------------------------	---	--------------------------------------	---	--------------------------------------

In this case, prior to 2003, the baseline level of service was zero, and the final current level of service is precisely the enhanced level of service funded by the assessment.

SUMMARY OF SERVICES

The services provided within the Annexation Area are provided at generally the same service level as provided within the original District.

The assessment provides funding for projects and programs for the District's Integrated Mosquito and Vector Control Management Program (IMVMP), which is comprised of surveillance, physical control, vegetation management, biological control, chemical control and other nonchemical control/trapping designed to prevent, abate, control mosquitos and vectors. Such IMVMP projects and programs include, but are not limited to, source reduction, larvicide and adulticide applications, disease monitoring, public education, reporting, accountability, research and interagency cooperative activities (collectively "Services"). The cost of these services also includes capital costs comprised of equipment, capital improvements and facilities necessary and incidental to vector control programs and the ongoing operations and maintenance expenses associated with the capital facilities.

The following is an illustrative list of some of the Services provided by the District:

- Response, typically within 24 hours, to requests for service related to mosquito problems, as well as nesting yellow jackets, rats and other pestiferous or disease carrying organisms.
- Control of mosquito larvae in catch basins, ditches, drain lines, vaults, wastewater treatment plants, under buildings, residences, horse troughs, freshwater marshes, salt marshes, creeks and other sources.
- Survey and data analysis of mosquito larvae populations to assess public health risks and allocate control efforts.
- Monitor of mosquito populations using carbon dioxide baited traps, New Jersey light traps and Gravid traps.

- Use a new mosquito trapping program to capture *Aedes aegypti*. Those new traps include Ovi-cup and Autocidal Gravid Ovitrap (AGO) traps.
- Test and monitor for diseases carried and transmitted by mosquitoes and other arthropods, such as West Nile Virus, Encephalitis, Malaria, and Dog Heartworm.
- Deployment of sentinel chicken flocks (San Mateo, and East Palo Alto), virus tested mosquito pools, and blood analytical studies for State and local agencies.
- Surveillance and identification of ticks in parks, trails, and other locations frequented by the public.
- Testing for diseases carried and transmitted by ticks such as, Ehrlichiosis, Rocky Mountain Spotted Fever, and Babesiosis.
- Management and control of stinging insects including ground nesting yellow jackets, Africanized honey bees and wasps.
- Monitoring and/or control of other nuisance and potentially hazardous organisms and vectors such as ticks, mites, and fleas. (Only vectors found outside of structures are monitored and controlled.)
- Educating residents about the risks of diseases carried by insects and small mammals and how to better protect themselves and their pets through a dedicated Public Health Education and Outreach Officer.
- Testing for Hanta Virus, Arenavirus, Plague and other diseases carried by small mammals.
- Monitoring for new and emerging vectors such as the *Ae. Albopictus* (Asian tiger mosquito).
- Monitoring for a new significant vector, *Aedes aegypti*, an invasive species. This mosquito was detected in Menlo Park in 2013 but was eliminated from the District in the Summer 2015. It was last detected August 13, 2015 but could be reintroduced again at any time. It has now become established throughout the San Joaquin Valley and as far north as Sacramento.
- Enhanced testing with RT-PCR for detection of pathogens such as West Nile Virus
- Surveillance for rats and other domestic rodents and use of, baiting programs for control .

INTRODUCTION TO SURVEILLANCE AND MONITORING

Mosquitoes and other vectors most often breed in areas of standing water including catch basins, vaults, wastewater treatment plants, water under buildings, horse troughs, pools, ponds, artificial containers gutters, flood control devices, freshwater and saltwater marshes, and wetlands, as well as organic waste and debris.

Prior to the annexation in 2003, the District had no obligation to respond to service requests outside of its original boundaries, (except for 1 site in Daly City, which was served on a mutually approved contract.) Today, the District performs surveillance of adult mosquitoes in order to uncover new sites of larval development, as well as to determine allocation of control efforts, level of public health risk, population densities, and species composition. The District primarily uses New Jersey light traps, Gravid traps and Carbon Dioxide traps for this surveillance. In 2001, the District identified two new mosquito species to San Mateo County: the Asian Tiger Mosquito *Aedes albopictus* and *Coquillettidia perturbans*. In 2013 and 2014, the District discovered a new mosquito species in Menlo Park: the Yellow Fever Mosquito, *Aedes aegypti*. The Yellow Fever Mosquito is a very invasive mosquito posing a serious health risk with the ability to transmit Dengue fever, Chikungunya and Zika virus. *Aedes aegypti* and *Aedes albopictus* have currently been eliminated from the District but could be reintroduced at any time.

Additionally, the District monitors vector-borne diseases in efforts to prevent human cases. Four common mosquito-borne viruses occur in California: Western Equine Encephalitis, St. Louis encephalitis, and California Encephalitis and West Nile virus. All four are carried in birds and can be transferred to horses, small mammals, or humans through the bite of an infected mosquito. Zika virus disease is also caused by a virus transmitted primarily by *Aedes aegypti* mosquitoes. The Zika virus has been linked to unusually small heads and brain damage in newborns — called microcephaly — in children born to infected mothers, as well as blindness, deafness, seizures, and other congenital defects. There is no specific cure or vaccine for these diseases so the District regularly monitors flocks of sentinel chickens for viruses. Malaria, Lyme disease, occasionally, raccoon roundworms and small mammal-borne diseases such as plague, Hantavirus and arenavirus are also monitored.

Surveillance is conducted in a manner based upon equal spread of resources throughout the Annexation Area, focusing on areas of likely sources and proximity to human populations. Treatment strategies are based upon the results of the surveillance programs, and are specifically designed for individual areas.

LARVAL MOSQUITO SURVEILLANCE PROGRAM

The District will identify any insect submitted by residents in the Annexed Areas. Laboratory staff will identify the insect and provide information on its biology, public health significance, and control.

The District maintains a computerized database of mosquito breeding sources in the Annexation Area. These sites are checked regularly and treated as needed. New sources are added to the database on a continuous basis as they are uncovered. The computerized database software MapVision, allows the district to keep records of all service requests, the nature of these calls, location of treatment sites, testing sites and trap locations, etc. The district added a new position of IT Director in 2019 to assist with this and other computer programs the District uses.

Residents can call the District when experiencing problems with mosquitoes and other vectors. A vector control technician ordinarily will make a service call within one business day. For complaints regarding mosquitoes, the technician will determine the source of mosquito larvae and apply control.

ADULT MOSQUITO SURVEILLANCE PROGRAM

Laboratory and operational personnel monitor mosquito populations to assess the level of public health risk and the effectiveness of control measures.

Carbon dioxide traps are deployed in the Annexed Areas every two to three weeks, or more often if needed. Traps are collected the following day; their contents are identified and counted. This information is maintained in the computerized database and used to track long-term trends in mosquito density.

Laboratory personnel also monitor abnormal spring rainfall patterns. These are early seasonal environmental precursors for adult mosquito populations.

WEST NILE VIRUS SURVEILLANCE PROGRAM

The District maintains chickens in San Mateo and East Palo Alto to detect the presence of West Nile Virus and other Encephalitis viruses.

The District collects adult mosquitoes and historically submitted them to laboratories at the University of California at Davis to test for West Nile and other Encephalitis viruses. Over the years, the District has upgraded its laboratory equipment (including a RT-PCR) so that most genetic testing can be done in house. Laboratory staff will collect mosquitoes from the Annexation Area using specialized traps for this purpose. Mosquitoes must be collected alive, anesthetized, identified, and tested the same day.

The District participates in a statewide program to collect and test dead wild birds for West Nile Virus. Dead birds are picked up within 24 hours, packaged, and up until 2014, they were sent to the State Health Department for testing. The District's laboratory equipment now allows for in-house testing for viruses in dead wild birds. The District picks up the dead birds.

INTRODUCTION TO TREATMENT AND CONTROL

Strategically, the District addresses vectors through a comprehensive approach, which is based upon effective prevention of vectors. The District controls mosquitoes and other

vectors through an integrated mosquito and vector management program (IMVMP). This program focuses on controlling mosquitoes in their larval stage and preventing problems before the mosquito larvae develop into flying adults which have the ability to transmit diseases. Larval control has many benefits:

Less toxic: Often, mosquitofish and other environmentally safe approaches can be used. When needed, the bacterial agents or pesticides used to control the larval stage are much less toxic to the environment than those used in the past and are highly specific to mosquitoes.

Less pesticides: The bacterial agents or pesticides are applied to a smaller area than would be required for treatment of adult mosquitoes.

Less disease: Targeting immature mosquitoes kills them before adults emerge and are capable of transmitting disease.

The end result is a program that protects public health, is more cost effective than other methods, and has low impact on the environment. Currently, the District uses a number of biorational materials to control mosquito larvae. These materials have been shown to have minimal effects on non-target species and are regulated by the US EPA and the California Department of Pesticide Regulation. They are approved for use in aquatic habitats.

CITIZENS' REVIEW OF ENVIRONMENTAL SAFETY OF TREATMENT AND CONTROL APPROACHES

The District will hold annual community outreach (local community fairs and an Open House in April) to review the environmental safety of its treatment and control approaches and all District services. These outreach opportunities will be open to all property owners and members of the public and the Open House will be announced with a public notice prior to the programs. At the community outreach opportunities, the public will have the opportunity to review and respond to:

- the treatment and control approach used by the District;
- the environmental issues with each control approach;
- the mosquito and disease issues in their community; and
- other services or programs either currently provided or desired.

Any recommendations or comments from the public will be addressed by the District and will be provided to the Board of Trustees of the District for response or action as appropriate.

Furthermore, all products used by the District to treat or control mosquitoes and other vectors must be reviewed and approved by the San Mateo County Agricultural Commissioner to ensure they do not harm the environment.

LARVAL MOSQUITO CONTROL PROGRAM

Catch basins and storm drain systems are the largest sources of northern house mosquitoes in San Mateo County. These mosquitoes are an efficient vector of West Nile Virus and therefore a serious public health concern. To control the larval stage of the northern house mosquito in the Annexation Area, catch basins are inspected and those considered breeding sites treated with biorational pesticides.

The underground chambers housing equipment for utilities, sewers and water systems also hold water and are a significant breeding site for the northern house mosquitoes, *Culex pipiens*. These chambers, if found breeding mosquitoes, are treated with biorational pesticides.

The California Department of Public Health and San Mateo County Mosquito and Vector Control District monitors pesticide resistance levels to determine the efficacy of available larvicides for local mosquito populations.

Mosquito fish are also used to control mosquito larvae in standing pools of water and are made available by the District for residents to use in their backyard ornamental ponds.

ADULT MOSQUITO CONTROL PROGRAM

In the event of virus detection or human cases of diseases transmitted by mosquitoes or other vectors in major metropolitan areas, the District may institute widespread application of adulticide materials to interrupt the transmission cycle. In addition, an expanded and intensified larvicide program may be instituted to further reduce the adult populations of vector species. The University of California at Davis and San Mateo County Mosquito and Vector Control District monitors pesticide resistance levels to determine the efficacy of available adulticides for local mosquito populations.

Any additional descriptions and plans for the services will be filed with the District Manager of the San Mateo County Mosquito and Vector Control District and are incorporated herein by reference.

SERVICE REQUESTS

Prior to the annexation in 2003, the District did not respond to service requests outside of its original boundaries. When the assessment was approved, the District began responding to service requests within the Annexation Area, at the same level of service as the existing District jurisdiction. Any property owner, business or resident in the Annexation Area can contact the District to request vector control related service or inspection and a District field technician responds promptly to the particular property to evaluate the property and situation and to perform appropriate surveillance and control services. The District responds to all service requests in a timely manner, regardless of location, within San Mateo County.

Upon request, the District provides specific services directly to individual properties regarding non-mosquito vectors (rats, yellow jackets, and other pests) including education

and eradication strategies. For yellow jackets specifically, the District only provides service for ground nesting yellow jackets. At the time a nest is detected on the property the property owner can notify the district and request a nest removal. Aerial nesting yellow jackets and wasps are beneficial insects (wasps eat live insects); therefore, they are not considered a nuisance and do not warrant control. Bees generally are considered nonaggressive towards humans unless their nest is disturbed. Property owners can request service if rats and or mice are detected on their property. The District will have a technician conduct an inspection of the property including the exterior, and make recommendations for rodent exclusion and control measures, as well as what can be done to make the yard less attractive to rats and mice.

ASSESSMENT STATEMENT

WHEREAS, on October 8, 2003 the Board of Trustees of the San Mateo County Mosquito & Vector Control District, pursuant to the provisions of the California Health and Safety Code Section 2291.2, adopted its Resolution No. M-006-04 for the proposed improvements and changes in existing public improvements, more particularly therein described;

WHEREAS, the Board of Trustees held a Public Hearing on December 17, 2003 and approved an Engineer's Report presenting a diagram and an assessment of the estimated benefit of the services and improvements upon all assessable parcels within the assessable area;

WHEREAS, the Board contracted with the undersigned Engineer of Work to prepare and file a report presenting an estimate of costs of Services, a diagram for an assessment district and an assessment of the estimated costs of Services, and the special benefit conferred thereby, upon all assessable parcels within the North and West County Mosquito and Disease Control Assessment District;

NOW, THEREFORE, the undersigned, by virtue of the power vested in me under Article XIID of the California Constitution, the Government Code and the Health and Safety Code and the order of the Board of said San Mateo County Mosquito and Vector Control District, hereby make the following determination of an assessment to cover the portion of the estimated cost of said Services, and the costs and expenses incidental thereto to be paid by the North and West County Mosquito and Disease Control Assessment District.

The amount to be paid for said services and improvements and the expenses incidental thereto, to be paid by the San Mateo County Mosquito and Vector Control District for the fiscal year 2023-24 is generally as follows:

TABLE 1 COST SUMMARY FOR FY 2023-24

Vector & Disease Control Services	\$1,105,211
Capital Facilities	\$449,090
Incidentals	\$134,335
TOTAL DISTRICT BUDGET	\$1,688,636
Less:	
District Contribution	\$124,400
Net Amount To Assessments	\$1,813,036

An Assessment Diagram is hereto attached and made a part hereof showing the exterior boundaries of said District. The distinctive number of each parcel or lot of land in the said District is its Assessor Parcel Number appearing on the Assessment Roll.

I do hereby determine and apportion said net amount of the cost and expenses of said Services, including the costs and expenses incidental thereto, upon the parcels and lots of land within said North and West County Mosquito and Disease Control Assessment District, in accordance with the special benefits to be received by each parcel or lot, from the Services, and more particularly set forth in the Cost Estimate hereto attached and by reference made a part hereof.

Said assessment determination is made upon the parcels or lots of land within said District in proportion to the special benefits to be received by said parcels or lots of land, from said Services.

The assessment is subject to an annual adjustment tied to the Consumer Price Index for the San Francisco Bay Area as of December of each succeeding year (the CPI), with a maximum annual adjustment of up to 3% plus any other CPI adjustments for prior years that have not been levied. The assessment may be levied annually and may be adjusted by the maximum annual adjustment without any additional assessment ballot proceeding. (In the event that the Board opts not to adjust the assessment rate by the full annual change in the CPI, any percentage change in excess of that levied can be cumulatively reserved and can be added to the annual change in the CPI in subsequent years. The rate remained static at \$17.26 for 2011-12 through 2016-17, so the District accumulated 18.37% of "banked" CPI. For 2017-18, the assessment rate was adjusted by 5.15% to \$18.15 in Zone A and \$17.81 in Zone B. For 2018-19 the assessment rate was adjusted by the annual CPI of 2.94% resulting in a rate of \$18.68 in Zone A and \$18.33 in Zone B. There was no increase to the assessment in fiscal years 2019-20 and 20-21. For fiscal year 2022-23 the District increased the rate by 3.90% resulting in a rate of \$19.80 in Zone A and \$19.43 in Zone B.

For fiscal year 2023-24, the actual increase in effective CPI was 4.8818%, and the District will increase the rate by 5.00% (using a small amount of previously banked CPI) resulting in a rate of \$20.79 in Zone A and \$20.41 in Zone B. The District still has an additional 20.39% in reserve that it may apply in future years.

The District may finance the cost of acquiring or constructing capital facilities over time and pledge a portion of assessment revenues received in any fiscal year towards the repayment of the principal amount of such borrowed funds together with interest over the repayment period.

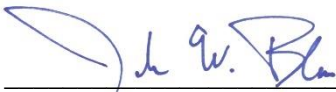
Each parcel or lot of land is described in the Assessment Roll by reference to its parcel number as shown on the Assessor's Maps of the County of San Mateo for the fiscal year 2023-24. For a more particular description of said property, reference is hereby made to the deeds and maps on file and of record in the office of the County Recorder of the County of San Mateo.

I hereby place opposite the Assessor Parcel Number for each parcel or lot within the Assessment Roll, the proposed amount of the assessment for the fiscal year 2023-24 for each parcel or lot of land within the said North and West County Mosquito and Disease Control Assessment District.

May 10, 2023



Engineer of Work

By 
John W. Bliss, License No. C052091

ESTIMATE OF COST

TABLE 2 - BUDGET

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT Mosquito and Disease Control District Estimate of Cost Fiscal Year 2023-24			<i>Total Budget</i>
Vector Control Services and Related Expenditures			
	Salaries and Wages		\$566,229
	Employee Benefits		\$232,538
	Supplies and Services		\$306,444
Capital Outlay			
	Including capital improvements and facilities and equipment ¹		\$449,090
Total District Services and Operation			\$1,554,301
Less:			
	Contributions from District and Other Sources		\$124,400
Net Assessment Cost of Vector Control, Capital Facilities, Operation			\$1,678,701
Incidental Costs			
	County Collection and Levy Administration		\$134,335
	Subtotal		\$134,335
Total Vector Control Services and Incidental Expenses			
(Net Amount to be Assessed)			\$1,813,036
Budget Allocation to Property			
	Total SFE Units	Assessment per SFE	Total Assessment ²
Zone A	84,930	\$20.79	\$1,765,695
Zone B	2,320	\$20.41	\$47,341
		Total	\$1,813,036

Notes:

1. Includes contribution to District Headquarters in Burlingame. (Primary financing obligations for Burlingame headquarters are substantially satisfied.) This capital outlay is a partial component of the overall district's capital outlay.
2. All assessments are rounded to lower even penny. Therefore, the budget amount may slightly differ from the assessment rate.

METHOD OF ASSESSMENT

This section of the Report includes an explanation of the benefits to be derived from the services provided to the District, and the methodology used to apportion the total assessment to properties within the North and West County Mosquito and Disease Control Assessment District.

The North and West County Mosquito and Disease Control Assessment District consists of all assessor parcels within the boundaries of the Annexation Area as defined by the approved boundary description for such District (boundary is coterminous with San Mateo County).

The method used for apportioning the assessment is based upon the proportional special benefits to be derived by the properties in the Annexation Area over and above general benefits conferred on real property in the assessment area or to the public at large. Special benefit is calculated for each parcel in the Annexation Area.

1. Identification of total benefit to the properties derived from the Services
2. Calculation of the proportion of these benefits that are special vs. general
3. Determination of the relative special benefit within different areas within the Annexation Area
4. Determination of the relative special benefit per property type and property characteristic
5. Calculation of the specific assessment for each individual parcel based upon special vs. general benefit; location, property type and property characteristics,

DISCUSSION OF TOTAL BENEFIT

Overview

In summary, the assessments can only be levied based on the special benefit to property. This special benefit is that benefit received by property over and above any general benefits from the Services. With reference to the engineering requirements for property related assessments, under Proposition 218 an engineer must determine and prepare a report evaluating the amount of special benefit received by property within the Annexation Area as a result of the improvements or services provided by a local agency. That special benefit is to be determined in relation to the total cost to that local entity of providing the service and/or improvements.

Proposition 218 Stipulates Vector Control as a Traditional Purpose Use of Assessments

It should also be noted that Proposition 218 includes a requirement that existing assessments in effect upon its effective date were required to be confirmed by either a majority vote of registered voters in the assessment area, or by weighted majority property owner approval using the new ballot proceeding requirements. However, certain assessments were excluded from these voter approval requirements. Of note is that in California Constitution Article XIID Section 5(a) this special exemption was granted to

assessments for sidewalks, streets, sewers, water, flood control, drainage systems and vector control. The Howard Jarvis Taxpayers Association explained this exemption in their Statement of Drafter's Intent:

*"This is the "traditional purposes" exception. These existing assessments do not need property owner approval to continue. However, future assessments for these traditional purposes are covered."*²

Therefore, the drafters of Proposition 218 acknowledged that vector control assessments were a "traditional" and therefore acknowledged and accepted use.

California Legislature Stipulates Vector Control can be Funded by Assessments

The Legislature also made a specific determination after Proposition 218 was enacted that vector control services constitute a proper subject for special assessment. Health and Safety Code section 2082, which was signed into law in 2002, provides that a district may levy special assessments consistent with the requirements of Article XIID of the California Constitution to finance vector control projects and programs. The intent of the Legislature to allow and authorize benefit assessments for vector control services after Proposition 218 is shown in the Assembly and Senate analysis the Mosquito Abatement and Vector Control District Law where it states that the law:

*Allows special benefit assessments to finance vector control projects and programs, consistent with Proposition 218.*³

Therefore, the State Legislature agreed unanimously that vector control services are a valuable and important public service that can be funded by benefit assessments. To be funded by assessments, vector control services must confer special benefit to property.

Vector Control in the Assessment District Satisfies the "Over and Above" Requirement

Proposition 218, as described in Article XIID of the California Constitution has confirmed that properties subject to assessments must:

"... receive a special benefit over and above the benefits conferred on the public at large..."

Mosquito Control in California began in a large part by control efforts in the cities of San Mateo, Burlingame and Hillsborough. These areas became uninhabitable without direct control efforts beyond those needed and provided throughout much of the state. Although early control methods were basic and crude, including oiling, ditching, draining and

² Howard Jarvis Taxpayers Association, "Statement of Drafter's Intent", January 1997.

³ Senate Bill 1588, Mosquito Abatement and Vector Control District Law, Legislative bill analysis

constructing levees throughout the bayside saltwater and freshwater marshes, they were absolutely necessary to those living in the District. In his, "Report on Mosquito Control in the Vicinity of San Mateo County 1904-1915," University of California Researcher Harold E. Woodworth explained:

"That year several of the levees had broken, due to lack of proper care, and mosquito were so thick that life was unbearable"

and

"Livery stables would not let their horse go to the station because of mosquitos collected under the roofs. People who had to go out to the marsh wore hats, tied ropes or strings around their wrists and ankles. In the middle of the summer, the mosquitoes migrated in to town in a dark cloud for three days. Everyone who was not held in one way or another left town."

In other words, mosquito control over and above that generally available in California is necessary, as discovered over 100 years ago, within the District.

Vector Control is a Direct Special Benefit to Property, Not a General Benefit

The District provides services that are direct special benefit to properties within the Annexation Area.

Mosquito control is narrowly applied based upon very local, property based attributes. First, mosquito populations and associated diseases are closely monitored based upon a rigorous surveillance program which includes mosquito traps located throughout the Annexation Area. Second, in Zone 1 and 2 alone, District staff react to about 700 mosquito-associated service requests per year from local property owners and travel to evaluate specific local situation. Based upon information acquired through the surveillance program and service requests, District staff develop and implement specific "surgical" control strategies on specific parcels. The District does not engage in widespread, general control unsupported by localized analysis and evaluation. The District does, however, make house calls and works directly with property owners to address mosquito issues specific to their unique property and land use.

Also, the District provides specific services directly to individual properties regarding non-mosquitoes vectors (rats, yellow jackets, and other pests) including education and eradication strategies.

MOSQUITO AND VECTOR CONTROL IS A SPECIAL BENEFIT TO PROPERTIES

As described below, this Engineer's Report concludes that mosquito and vector control is a special benefit that provides direct advantages to property in the Annexation Area. For example, the assessment provides for 1) surveillance throughout the Annexation Area to

measure and track the levels and sources of mosquitoes and other vectors impacting property in the area and the people who live and work on the property, 2) mosquito and mosquito source control, treatment and abatement throughout the Annexation Area such that all property in the area benefits from a comparable reduction of mosquito levels, 3) monitoring throughout the Annexation Area to evaluate the effectiveness of District treatment and control and to ensure that all properties are receiving the equivalent level of mosquito and vector reduction benefits within their zone, and 4) the properties in the Annexation Area are eligible for service requests which result in District staff directly visiting, inspecting and treating property. Moreover, the Services funded by the Assessments reduce the level of mosquitoes and vectors arriving at and negatively impacting properties within the Annexation Area.

The benefit factors below, when applied to property in the Annexation Area, confer special benefits to property and ultimately improve the safety, utility, functionality and usability of property in the Annexation Area. These are special benefits to property in the Annexation Area in much the same way that storm drainage, sewer service, water service, sidewalks and paved streets enhance the utility and functionality of each parcel of property served by these improvements, providing them with more utility of use and making them safer and more usable for occupants.

The following section, Benefit Factors, describes how the Services specially benefit properties in the Annexation Area. These benefits are particular and distinct from its effect on property in general or the public at large.

BENEFIT FACTORS

In order to allocate the assessments, the Engineer identified the types of special benefit arising from the Services and that are provided to property within the Annexation Area. These types of special benefit are as follows:

REDUCED MOSQUITO AND VECTOR POPULATIONS ON PROPERTY AND AS A RESULT, ENHANCED DESIRABILITY, UTILITY, USABILITY AND FUNCTIONALITY OF PROPERTY IN THE ANNEXATION AREA.

The assessments provide services for the control and abatement of nuisance and disease-carrying mosquitoes and other vectors. These Services materially reduce the number of vectors on properties throughout the Annexation Area. The lower mosquito and vector populations on property in the Annexation Area are a direct advantage to property and serve to increase the desirability and “usability” of property. Clearly, properties are more desirable and usable in areas with lower mosquito and vector populations and with a reduced risk of vector-borne disease. This is a special benefit to residential, commercial, agricultural, industrial and other types of properties because all such properties directly benefit from reduced mosquito and vector populations and properties with lower vector populations are more usable, functional and desirable.

Excessive mosquitoes and other vectors in the area can materially diminish the utility and usability of property. For example, prior to the commencement of mosquito control and abatement services, properties in many areas in the California were considered to be nearly

uninhabitable during the times of year when the mosquito populations were high.⁴ The prevention or reduction of such diminished utility and usability of property caused by mosquitoes is a clear and direct advantage and special benefit to property in the Annexation Area.

The State Legislature made the following finding on this issue:

“Excess numbers of mosquitoes and other vectors spread diseases of humans, livestock, and wildlife, reduce enjoyment of outdoor living spaces, both public and private, reduce property values, hinder outdoor work, reduce livestock productivity; and mosquitoes and other vectors can disperse or be transported long distances from their sources and are, therefore, a health risk and a public nuisance; and professional mosquito and vector control based on scientific research has made great advances in reducing mosquito and vector populations and the diseases they transmit.”⁵

Mosquitoes and other vectors emerge from sources throughout the Annexation Area, and with an average flight range of two miles, mosquitoes from known sources can reach all properties in the Annexation Area. These sources include standing water in rural areas, such as marshes, pools, wetlands, ponds, drainage ditches, drainage systems, tree holes and other removable sources such as old tires and containers. The sources of mosquitoes also include numerous locations throughout the urban areas in the Annexation Area. These sources include underground drainage systems, containers, unattended swimming pools, leaks in water pipes, tree holes, flower cups in cemeteries, ornamental ponds, over-watered landscaping and lawns and many other sources. By controlling mosquitoes at known and new sources, the Services materially reduce mosquito populations on property throughout the Annexation Area.

A recently increasing source of mosquitoes is unattended swimming pools:

⁴ Prior to the commencement of modern mosquito control services, areas in the State of California such as the San Mateo Peninsula, Napa County and areas in Marin and Sonoma Counties had such high mosquito populations that they were considered to be nearly unlivable during certain times of the year and were largely used for part-time vacation cottages that were occupied primarily during the months when the natural mosquito populations were lower.

⁵ Assembly Concurrent Resolution 52, chaptered April 1, 2003

“Anthropogenic landscape change historically has facilitated outbreaks of pathogens amplified by peri domestic vectors such as Cx. pipiens complex mosquitoes and associated commensals such as house sparrows. The recent widespread downturn in the housing market and increase in adjustable rate mortgages have combined to force a dramatic increase in home foreclosures and abandoned homes and produced urban landscapes dotted with an expanded number of new mosquito habitats. These new larval habitats may have contributed to the unexpected early season increase in WNV cases in Bakersfield during 2007 and subsequently have enabled invasion of urban areas by the highly competent rural vector Cx. tarsalis. These factors can increase the spectrum of competent avian hosts, the efficiency of enzootic amplification, and the risk for urban epidemics.”⁶

As noted above, the District’s IMVMP involves procedures to address swimming pools and other sources of mosquitos to prevent and avoid mosquitos from becoming adults and stinging humans and animals. The reliability of this service has enabled property owners throughout the Annexation Area to use and make full enjoyment of their property year-round in a way that was historically not possible without the service.

INCREASED SAFETY OF PROPERTY IN THE ANNEXATION AREA.

The assessment funds year-round proactive Services to control and abate mosquitoes and other vectors that otherwise would occupy properties throughout the Annexation Area. Mosquitoes and other vectors are transmitters of diseases, so the reduction of mosquito populations makes property in the Annexation Area safer for use and enjoyment. In absence of the assessment, these Services would not be provided, so the Services funded by the assessment make properties in the Annexation Area safer, which is a distinct special benefit to property in the Annexation Area.⁷ This is not a general benefit to property in the Annexation Area or the public at large because the Services are tangible mosquito and disease control services that are provided directly to the properties in the Annexation Area and the Services are over and above what otherwise would be provided by the District or any other agency.

This finding was confirmed in 2003 by the State Legislature:

⁶ Riesen William K. (2008). Delinquent Mortgages, Neglected Swimming Pools, and West Nile Virus, California. Emerging Infectious Diseases. Vol. 14(11).

⁷ . By reducing the risk of disease and increasing the safety of property, the proposed Services will materially increase the usefulness and desirability of certain properties in the Unprotected Areas.

“Mosquitoes and other vectors, including but not limited to, ticks, Africanized honey bees, rats, fleas, and flies, continue to be a source of human suffering, illness, death, and a public nuisance in California and around the world. Adequately funded mosquito and vector control, monitoring and public awareness programs are the best way to prevent outbreaks of West Nile Virus and other diseases borne by mosquitoes and other vectors.”⁸

Also, the Legislature, in Health and Safety Code Section 2001, finds that:

“The protection of Californians and their communities against the discomforts and economic effects of vector borne diseases is an essential public service that is vital to public health, safety, and welfare.”

BENEFIT FINDING

In summary, the special benefits described in this Report and the expansion and provision of Services to the Annexation Area directly benefits and protects the real properties in the Annexation Area in excess of the assessments for these properties. Therefore, the assessment engineer finds that the cumulative special benefits to property from the Services are reasonably equal to or greater than the assessment of \$20.79 per benefit unit.

GENERAL VS. SPECIAL BENEFIT

Article XIII C of the California Constitution requires any local agency proposing to increase or impose a benefit assessment to “separate the general benefits from the special benefits conferred on a parcel.” The rationale for separating special and general benefits is to ensure that property owners subject to the benefit assessment are not paying for general benefits. The assessment can fund the special benefits to property in the Annexation Area but cannot fund any general benefits. Accordingly, a separate estimate of the special and general benefit is given in this section.

In other words:

Total Benefit	=	General Benefit	+	Special Benefit
--------------------------	----------	----------------------------	----------	----------------------------

There is no widely-accepted or statutory formula for general benefit from vector control services. General benefits are benefits from improvements or services that are not special

⁸ Assembly Concurrent Resolution 52, chaptered April 1, 2003

in nature, are not “particular and distinct” and are not “over and above” benefits received by other properties. General benefits are conferred to properties located “in the district,⁹” but outside the narrowly-drawn Assessment District and to “the public at large.” SVTA vs. SCCOSA provides some clarification by indicating that general benefits provide “an indirect, derivative advantage” and are not necessarily proximate to the improvements and services funded by the assessments.

A formula to estimate the general benefit is listed below:

General Benefit	=	Benefit to real property outside of improvement district	+	Benefit to real property inside of improvement district	+	Benefit to public at large
------------------------	----------	---	----------	--	----------	-----------------------------------

Special benefit, on the other hand, is defined in the state constitution as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” The SVTA v. SCCOSA decision indicates that a special benefit is conferred to a property if it “receives a direct advantage from the improvement (e.g., proximity to a park).” In this assessment, the overwhelming proportion of the benefits conferred to property is special, since the advantages from the mosquito and disease protection funded by the Assessments are directly received by the properties in the Assessment District and are only minimally received by property outside the Assessment District or the public at large.

Proposition 218 twice uses the phrase “over and above” general benefits in describing special benefit. (Art. XIII D, sections 2(i) & 4(f).) Significantly, with the assessment, there were previously no mosquito related services being provided to the Annexation Area by any federal, state or local government agency. Consequently, there were previously no

⁹ SVTA vs. SCCOSA explains as follows:

OSA observes that Proposition 218’s definition of “special benefit” presents a paradox when considered with its definition of “district.” Section 2, subdivision (i) defines a “special benefit” as “a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large.” (Art. XIII D, § 2, subd. (i), italics added.) Section 2, subdivision (d) defines “district” as “an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service.” (Art. XIII D, § 2, subd. (d), italics added.) In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not “particular and distinct” and are not “over and above” the benefits received by other properties “located in the district.”

We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefiting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special.

mosquito control related general benefits being provided to the Service Area and any new and extended service provided by the District is over and above this zero baseline. Arguably, all of the Services funded by the assessment therefore are a special benefit because the Services particularly and distinctly benefit and protect the Service Area over and above the baseline benefits and service of zero.

Nevertheless, arguably some of the Services would benefit the public at large and properties outside the Annexation Area. In this report, the general benefit is conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.

(In the 2009 Dahms case, the court upheld an assessment that was 100% special benefit on the rationale that the services funded by the assessments were directly provided to property in the assessment district. Similar to the assessments in Pomona that were validated by Dahms, the Assessments described in this Engineer's Report fund mosquito, vector and disease control services directly provided to property in the Annexation Area. Moreover, as noted in this Report, the Services directly reduce mosquito and vector populations on all property in the Annexation Area. Therefore, Dahms establishes a basis for minimal or zero general benefits from the Assessments. However, in this report, out of an abundance of caution, the general benefit is more conservatively estimated and described, and then budgeted so that it is funded by sources other than the assessment.)

CALCULATING GENERAL BENEFIT

Consistent with footnote 9 of SVTA v. SCCOSA, and for the reasons described above, the District has determined that all parcels in the Annexation Area receive a shared direct advantage and special benefit from the Services. The Services directly and particularly serve and benefit each parcel, and are not a mere indirect, derivative advantage. As explained above, Proposition 218 relies on the concept of "over and above" in distinguishing special benefits from general benefits. As applied to an assessment proceeding concurrent with the annexation of new territory and extension of services to that territory, this concept means that the baseline general benefits are zero and that all vector control services, which provide direct advantage to property in the Annexation Area, are over and above the zero baseline and therefore are special.

Nevertheless, the Services may provide a degree of general benefit, in addition to the predominant special benefit. This section provides a conservative measure of the general benefits from the assessments.

BENEFIT TO PROPERTY OUTSIDE THE DISTRICT

Properties within the Assessment District receive almost all of the special benefits from the Services because the Services funded by the Assessments are provided directly to protect property within the Assessment District from mosquitoes and vector-borne disease. However, properties adjacent to, but just outside of, the boundaries may receive some benefit from the Services in the form of reduced mosquito populations on property outside the Annexation Area. Since this benefit is conferred to properties outside the district

boundaries, it contributes to the overall general benefit calculation and are not funded by the assessment.

A measure of this general benefit is the proportion of Services that affect properties outside of the Annexation Area. Each year, the District provides some of its Services in areas near the boundaries of the Annexation Area. By abating mosquito populations near the borders of the Annexation Area, the Services provide benefits in the form of reduced mosquito populations and reduced risk of disease transmission to properties just outside the Annexation Area – in this case including portions of San Francisco County and the original district. If mosquitoes were not controlled inside the Annexation Area, more of them would fly from the Annexation Area. Therefore, control of mosquitoes within the Annexation Area provides some benefit to properties outside the Annexation Area but within the normal flight range of mosquitoes, in the form of reduced mosquito populations and reduced vector-borne disease transmission. This is a measure of the general benefits to property outside the Annexation Area because this is a benefit from the Services that is not specially conferred upon property in the Annexation Area.

The mosquito potential outside the Annexation Area is based on studies of mosquito dispersion concentrations. Mosquitoes can travel up to two miles, on average, so this destination range is used – however, the concentration of mosquito population decays rapidly with increased distance. Based on studies of mosquito destinations, relative to parcels in the Annexation Area average concentration of mosquitoes from the Annexation Area on properties within two miles of the Annexation Area is calculated to be 6%.¹⁰ In other words, only the average effective concentration of an overall mosquito population is 6% within the evaluated 2 mile wide perimeter, just outside the Annexation Area. This relative vector population reduction factor within the destination range is combined with the number

Criteria:

Mosquitoes may fly up to 2 miles from their breeding source.

100,320 parcels within 2 miles of, but outside of the District, may receive some mosquito and disease protection benefit

6% portion of relative benefit that is received

85,403 Parcels in the Assessment District

Calculations:

Total Benefit = 100,320 parcels * 6% = 6,019 parcels equivalents

Percentage of overall parcel equivalents = 6,019 / (6,019+100,320) = 5.6%

¹⁰ Tietze, Noor S., Stephenson, Mike F., Sidhom, Nader T. and Binding, Paul L., “Mark-Recapture of *Culex Erythrothorax* in Santa Cruz County, California”, Journal of the American Mosquito Control Association, 19(2):134-138, 2003.

of parcels outside the Annexation Area and within the destination range to measure this general benefit and is calculated as follows

Therefore, for the overall benefits provided by the Services to the Annexation Area it is determined that 5.6% of the benefits would be received by the parcels within two miles of the Annexation Area boundaries. The engineer has rounded 5.6% up to 7.0% in order to be conservative in the calculation of special benefits.

BENEFIT TO PROPERTY *INSIDE* THE DISTRICT THAT IS *INDIRECT AND DERIVATIVE*

The “indirect and derivative” benefit includes general benefit to the properties within the Annexation Area, is particularly difficult to calculate. This benefit includes general benefit to properties within the District that is general in nature and cannot be reasonably associated with individual properties (as described in SVTA vs. SCCOSA). As explained above, all benefit within the Annexation Area is special because the mosquito and disease control services in the Annexation Area provides direct service and protection that is clearly “over and above” and “particular and distinct” when compared with the lack of such protection under pre-annexation conditions. Further the properties are within the Assessment District boundaries and this Engineer’s Report demonstrates the direct benefits received by individual properties from mosquito and disease control services.

In determining the Annexation Area boundaries, the District was careful to limit it to an area of parcels that directly receive the Services. All parcels directly benefit from the surveillance, monitoring and treatment that are provided on an equivalent basis throughout each zone in the Annexation Area in order to maintain the optimal level of protection against mosquitoes and reduced mosquito populations throughout the area. The surveillance and monitoring sites are spread on a balanced basis throughout the area. Mosquito control and treatment are provided as needed throughout the area based on the surveillance and monitoring results. The shared special benefit - reduced mosquito levels and reduced presence of vector-borne diseases - are received on an equivalent basis by all parcels in the Annexation Area. Furthermore, all parcels in the Assessment District directly benefit from the ability to request service from the District and to have a District field technician promptly respond directly to the parcel and address the owner’s or resident’s service need. The SVTA vs. SCCOSA decision indicates that the fact that a benefit is conferred throughout the assessment district area does not make the benefit general rather than special, so long as the assessment district is narrowly drawn and limited to the parcels directly receiving shared special benefits from the service. This concept is particularly applicable in situations involving a landowner-approved assessment-funded extension of a local government service to benefit lands previously not receiving that particular service.

It could be argued that certain activities provide general benefits within the Annexation Area. For example, if the District provided funding to mosquito research in West Africa, or helped fund a Countywide mailer on various public health goals that did not have a direct benefit to Annexation Area parcels, that could be considered a general benefit to properties within the Annexation Area. The District does not perform any such tasks.

The District therefore concludes that, other than the small general benefit to properties outside the Assessment District (discussed above) and to the public at large (discussed below), all of the benefits of the Services to the parcels within the Assessment District are special benefits and it is not possible or appropriate to separate any “indirect and derivative” general benefits from the benefits conferred on parcels in the Annexation Area.

BENEFIT TO THE PUBLIC AT LARGE

With the type and scope of Services provided to the Annexation Area, it is very difficult to calculate and quantify the scope of the general benefit conferred on the public at large. Because the Services directly serve and benefit all of the property in the Annexation Area, any general benefit conferred on the public at large is incidental to the specific benefit. Nevertheless, there is some indirect general benefit to the public at large.

The public at large uses the public highways and other regional facilities, and when traveling in and through the Annexation Area they benefit from the Services. A fair and appropriate measure of the general benefit to the public at large therefore is the amount of highway and other regional facilities area within the Annexation Area relative to the overall land area. An analysis of maps of the Annexation Area shows that approximately 1% of the land area in the Annexation Area is covered by highways and other regional facilities. This 1% therefore is a fair and appropriate measure of the general benefit to the public at large within the Annexation Area.

SUMMARY OF GENERAL BENEFITS

Using a sum of the measures of general benefit for the public at large and land outside the Annexation Area, we find that approximately 8.0% of the benefits conferred by the Mosquito and Disease Control Assessment may be general in nature and should be funded by sources other than the assessment.

General Benefit Calculation

7.0%	(Outside the Assessment District)
+ 0.0%	(Property within the Assessment District)
+ 1.0%	(Public at Large)
= 8.0%	(Total General Benefit)

The North and West County Mosquito and Disease Control Assessment District’s total budget for mosquito and vector abatement, disease control, and capital improvement is \$1,554,301. Of this total budget amount, the District will contribute \$124,400 which exceeds the 8% (\$123,344) minimum of the total budget from sources other than the Assessment District. This contribution shall fund any general benefits from the North and West County Mosquito and Disease Control Assessment District’s Services. Such contribution exceeds the estimated general benefits from the assessments.

METHOD OF ASSESSMENT

Proposition 218, as described in Article XIID of the California Constitution has confirmed that assessments must be based on the special benefit to property:

"No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel."

As previously discussed, the assessments fund comprehensive, year-round mosquito control and disease surveillance and control Services that clearly confer special benefits to properties in the Annexation Area. These benefits can partially be measured by the property owners, guests, employees, tenants, pets and animals who enjoy a more habitable, safer and more desirable place to live, work or visit. As noted, these benefits ultimately flow to the underlying property.

In apportioning assessments to determine the relative special benefit for each property it is necessary to determine the relative benefit received by each property in relation to a single family home, or, in other words, on the basis of Single Family Equivalents (SFE). This SFE methodology is commonly used to distribute assessments in proportion to estimated special benefit and is generally recognized as providing the basis for a fair and appropriate distribution of assessments. For the purposes of this Engineer's Report, all properties are designated a SFE value, which is each property's relative benefit in relation to a single family home on an average sized residential parcel. The "benchmark" property is the single family detached dwelling which is one Single Family Equivalent or one SFE.

In the process of determining the appropriate method of assessment, the Engineer considered various alternatives. For example, a fixed assessment amount per parcel for all residential improved property was considered but was determined to be inappropriate because agricultural lands, commercial property and other property also receive benefits from the assessments for the reasons described above. Likewise, an assessment exclusively for agricultural land was considered because the sources of mosquitoes and vectors are generally located on such property. However, other types of property, such as residential and commercial, also receive the special benefit factors listed above from reduced mosquito and vector populations that would otherwise fly or migrate to these properties and/or to the inhabited community areas. Furthermore, residential properties can and do generate their own populations of mosquito and vector organisms as described above.

A fixed or flat assessment was deemed to be inappropriate because larger properties receive a higher degree of benefit than other similarly used properties that are significantly smaller. (For two properties used for commercial purposes, there is clearly a higher benefit provided to a property that covers several acres in comparison to a smaller commercial property that is on a 0.25 acre site because the larger property generally has a larger coverage area and higher usage by employees, customers, tourists and guests that would benefit from reduced mosquito and vector populations as well as the reduced threat from diseases carried by

mosquitoes and other vectors. This benefit ultimately flows to the property. Larger parcels, therefore, receive an increased benefit from the assessments.

Therefore, the Engineer determined that the appropriate method of assessment should be based on the type and potential use of property, the relative size of the property and its location. This method is further described below.

ZONES OF BENEFIT

The boundaries of the Annexation Areas have been carefully drawn to include the properties in the Annexation Area that materially benefit from the Services. Such parcels are in areas with a material population of people, pets and livestock on the property. The current and future population of property is a conduit of benefit to property because people, pets and livestock are ultimately affected by mosquitoes and vector-borne diseases and the special benefit factors of desirability, utility, usability, livability and marketability are ultimately determined by the population and usage potential of property. The boundaries of the assessment areas have been narrowly drawn to include only properties that specially benefit from the mosquito control services.

The Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority decision indicates:

In a well-drawn district — limited to only parcels receiving special benefits from the improvement — every parcel within that district receives a shared special benefit. Under section 2, subdivision (i), these benefits can be construed as being general benefits since they are not “particular and distinct” and are not “over and above” the benefits received by other properties “located in the district.”

We do not believe that the voters intended to invalidate an assessment district that is narrowly drawn to include only properties directly benefitting from an improvement. Indeed, the ballot materials reflect otherwise. Thus, if an assessment district is narrowly drawn, the fact that a benefit is conferred throughout the district does not make it general rather than special. In that circumstance, the characterization of a benefit may depend on whether the parcel receives a direct advantage from the improvement (e.g., proximity to park) or receives an indirect, derivative advantage resulting from the overall public benefits of the improvement (e.g., general enhancement of the district’s property values).

In the assessment, the advantage that each parcel receives from the mosquito control services is direct, and the boundaries are narrowly drawn to include only parcels that benefit from the assessment. Therefore, the even spread of assessment throughout the narrowly drawn district is indeed consistent with the Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority decision.

Within the Annexation Area, zones of benefit are not justified or needed because the Services are provided relatively evenly across the entire area and for all parcels within the

assessment areas' boundaries, and the surveillance, monitoring and treatment are applied in such a manner as to attain a relatively even level of mosquito control throughout the area.

However, in efforts to continue to enforce the most conservative interpretation of Article XIID of the state constitution, in 2017, the District completed an analysis of service levels throughout the District boundaries. In particular, the District evaluated service levels in regards to its core services including surveillance, larvicide and service requests; and confirmed that service levels and benefits are essentially equivalent across all parcels (except as noted below and described as Zone B). Regarding service requests, the District will respond to any parcel located within the District, regardless of how remote, and provide mosquito control services appropriate to the situation. While conducting the evaluation, it did find that in Zones A and B (in this case, "Zones" as they are known for internal District purposes) the District responds to an average of over 700 service calls per year. As part of the Integrated Mosquito and Vector Management Program (IMVMP) the District conducts over 1,000 site treatments per year in Zones A and B. Larvicide applications generally are applied throughout the District.

The District's evaluation showed that some mountainous areas of the District located in rural mountainous San Mateo County do not receive the same service level for District surveillance services. These areas are described as Zone B, and are indicated in the Assessment Diagram.

The District uses mosquito traps to collect and then quantify species, quantities, concentrations, viral loads, etc. of mosquitoes. The selection of the locations of these traps requires a multi-attribute evaluation, with trap locations changing seasonally and when high concentrations of mosquitoes are identified. The District places mosquito traps at 2 mile radii, primarily throughout the more populated areas of the County, as part of this routine adult trapping program. Zone B parcels largely fall outside of the 2 mile radii of these routine adult mosquito traps and they do not typically receive the same level of routine surveillance as compared to the areas outside Zone B.

The Zone B parcels therefore will be subject to a reduced assessment, commensurate with the different benefit level. (If in the future, the routine adult mosquito trapping service is extended into part or all of Zone B, the Zone B boundaries will be modified accordingly.)

The District analyzed its overall level of effort and determined that 1.85% of its resources is allocated to routine adult mosquito trapping. Therefore, Zone B Parcels will be subjected to a 1.85% assessment reduction.

ASSESSMENT APPORTIONMENT

The special benefits derived from the North and West County Mosquito and Disease Control Assessment District are conferred on property and are not based on a specific property owner's occupancy of property or the property owner's demographic status such as age or number of dependents. However, it is ultimately people who do or could use the property and who enjoy the special benefits described above. Therefore, the opportunity to use and

enjoy the region within the Annexation Area without the excessive nuisance, diminished “livability” or the potential health hazards brought by mosquitoes, vectors, and the diseases they carry is a special benefit to properties in the Annexation Area. This benefit is related to the number of people who potentially live on, work at, visit or otherwise use the property because people ultimately determine the value of the benefits by choosing to live, work and/or recreate in the area, and by choosing to purchase property in the area.

RESIDENTIAL PROPERTIES

All improved residential properties that represent a single residential dwelling unit are assigned one Single Family Equivalent or 1.0 SFE. Traditional houses, zero-lot line houses, and townhomes are included in this category.

Properties with more than one residential unit are designated as multi-family residential properties. These properties, along with condominiums, benefit from the services and improvements in proportion to the number of dwelling units that occupy each property, the average number of people who reside in each property, and the average size of each property in relation to a single family home in San Mateo County. This Report analyzed San Mateo County population density factors from the 2000 US Census as well as average dwelling unit size for each property type. After determining the Population Density Factor and Square Footage Factor for each property type, an SFE rate is generated for each residential property structure, as indicated in Table 3 below.

The SFE factor of 0.32 per dwelling unit for multifamily residential properties applies to such properties with 20 or fewer units. Properties in excess of 20 units typically offer on-site management, monitoring and other control services that tend to offset some of the benefits provided by the mosquito abatement district. Therefore, the benefit for properties in excess of 20 units is determined to be 0.32 SFE per unit for the first 20 units and 0.10 SFE per each additional unit in excess of 20 dwelling units.

TABLE 3 RESIDENTIAL ASSESSMENT FACTORS

	<i>Total Population</i>	<i>Occupied Households</i>	<i>Persons per Household</i>	<i>Pop. Density Equivalent</i>	<i>SqFt Factor</i>	<i>Proposed Rate</i>
Single Family Res	444,691	147,465	3.02	1.00		1.00
Condominium	64,797	22,179	2.92	0.97	0.70	0.68
Multi-Family Resid	180,497	81,209	2.22	0.74	0.43	0.32
Mobile Home on S	6,108	2,851	2.14	0.71	0.30	0.21

Source: 2000 Census, San Mateo County and property dwelling size information from the San Mateo County Assessor

COMMERCIAL/INDUSTRIAL PROPERTIES

The commercial and industrial properties are generally open and operated for more limited times, relative to residential properties. Therefore, the relative hours of operation can be used as a measure of benefits, since residents and employees also provide a measure of the relative benefit to property. Since commercial and industrial properties are typically open

and occupied by employees approximately one-half the time of residential properties, it is reasonable to assume that commercial land uses receive one-half of the special benefit on a land area basis relative to single family residential property.

The average size of a single family home with 1.0 SFE factor in San Mateo County is 0.20 acres. Therefore, a commercial property with 0.20 acres receives one-half the relative benefit, or a 0.50 SFE factor.

The SFE values for various commercial and industrial land uses are further defined by using average employee densities because the special benefit factors described previously are also related to the average number of people who work at commercial/industrial properties.

To determine employee density factors, this Report utilizes the findings from the San Diego Association of Governments Traffic Generators Study (the "SANDAG Study") because these findings were approved by the State Legislature which determined the SANDAG Study to be a good representation of the average number of employees per acre of land area for commercial and industrial properties. As determined by the SANDAG Study, the average number of employees per acre for commercial and industrial property is 24. As presented in Table 4, the SFE factors for other types of businesses are determined relative to their typical employee density in relation to the average of 24 employees per acre of commercial property.

Commercial and industrial properties in excess of 5 acres generally involve uses that are more land intensive relative to building areas and number of employees (lower coverage ratios). As a result, the benefit factors for commercial and industrial property land area in excess of 5 acres is determined to be the SFE rate per fifth acre for the first 5 acres and the relevant SFE rate per each additional acre over 5 acres. Institutional properties that are used for residential, commercial or industrial purposes are also assessed at the appropriate residential, commercial or industrial rate.

Table 4 below lists the benefit assessment factors for business properties.

TABLE 4 COMMERCIAL/INDUSTRIAL BENEFIT ASSESSMENT FACTORS

<i>Type of Commercial/Industrial Land Use</i>	<i>Average Employees Per Acre ¹</i>	<i>SFE Units per Fraction Acre ²</i>	<i>SFE Units per Acre After 5</i>
Commercial	24	0.500	0.500
Office	68	1.420	1.420
Shopping Center	24	0.500	0.500
Industrial	24	0.500	0.500
Self Storage or Parking Lot	1	0.021	
Golf Course	0.80	0.033	
Cemeteries	0.10	0.004	
Agriculture	0.05	0.002	

* SFE rate shown is for the first 5 acres of parcel size. Additional acreage is benefited at the rate

1. Source: San Diego Association of Governments Traffic Generators Study.
2. The SFE factors for commercial and industrial parcels indicated above are applied to each fifth acre of land area or portion thereof. (Therefore, the minimum assessment for any assessable parcel in these categories is the SFE Units listed herein.)

VACANT PROPERTIES

The benefit to vacant properties is determined to be proportional to the corresponding benefits for similar type developed properties. However, vacant properties are assessed at a lower rate due to the lack of active benefits. A measure of the benefits accruing to the underlying land is the average value of land in relation to improvements for developed property. An analysis was conducted by the Engineer of the assessed valuation data from the County of San Mateo found that 50% of the assessed value of improved properties is classified as land value. It is reasonable to assume, therefore, that approximately 50% of the benefits are related to the underlying land and 50% are related to the day-to-day use of the property. Using this ratio, the SFE factor for vacant parcels is 0.50 per parcel.

OTHER PROPERTIES

Article XIID stipulates that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. All properties that are specially benefited are assessed. Public right-of-way parcels, well, reservoir or other water rights parcels that cannot be developed into other improved uses, limited access open space parcels, watershed parcels and common area parcels typically do not generate employees, residents, customers or guests. Moreover, many of these parcels have limited economic value and, therefore, do not benefit from specific enhancement of property value. Such parcels are, therefore, not specially benefited and are not assessed.

Other publicly owned property that is used for purposes similar to private residential, commercial, industrial or institutional uses is benefited and assessed at the same rate as such privately owned property.

Certain parcels such as, church parcels and properties used for educational purposes, typically generate employees on a less consistent basis than other non-residential parcels. Many of these parcels also provide some degree of on-site amenities that serve to offset some of the benefits from the San Mateo County Mosquito and Vector Control District. In addition, the District maintains reciprocal use arrangements with many educational properties that allow for the public, recreational use of these properties. Such public use tends to reduce the use and wear of District facilities. Therefore, these parcels receive minimal benefit and are assessed an SFE factor of 1.

APPEALS AND INTERPRETATION

Any property owner who feels that the assessment levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of assessment,

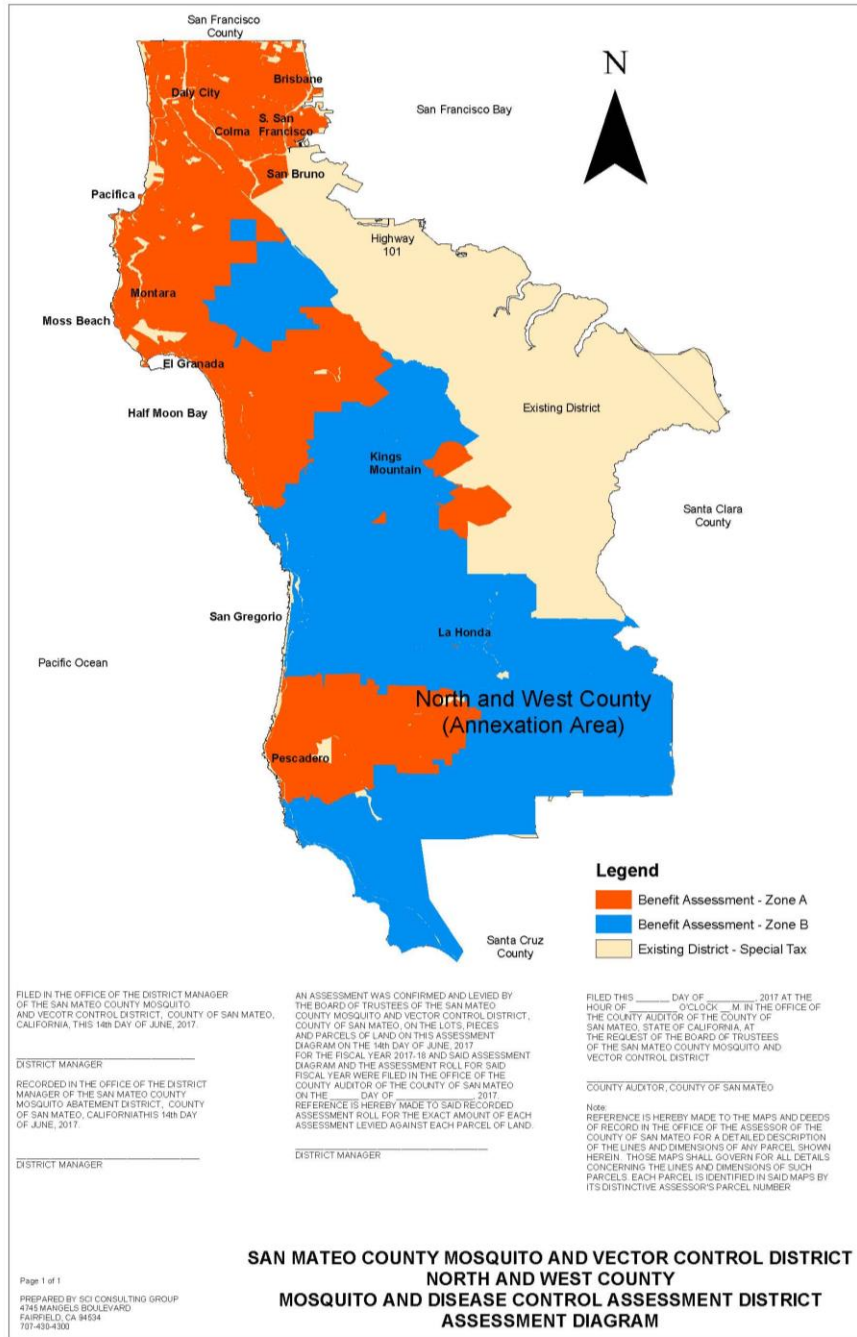
may file a written appeal with the District Manager of the San Mateo County Mosquito and Vector Control District or his or her designee. Any such appeal is limited to correction of an assessment during the then current Fiscal Year or, if before July 1, the upcoming fiscal year. Upon the filing of any such appeal, the District Manager or his or her designee will promptly review the appeal and any information provided by the property owner. If the District Manager or his or her designee finds that the assessment should be modified, the appropriate changes shall be made to the assessment roll. If any such changes are approved after the assessment roll has been filed with the County of San Mateo for collection, the District Manager or his or her designee is authorized to refund to the property owner the amount of any approved reduction. Any dispute over the decision of the District Manager, or his or her designee, shall be referred to the Board of Trustees. The decision of the Board of Trustees shall be final.

DURATION OF ASSESSMENT

It is proposed that the Assessment be levied for fiscal year 2020-21 and every year thereafter, so long as mosquitoes remain in existence and the San Mateo County Mosquito and Vector Control District requires funding from the Assessment for its Services in the Annexation Area. As noted previously, if the Assessment and the duration of the Assessment are approved by property owners in an assessment ballot proceeding, the Assessment can be levied annually after the San Mateo County Mosquito and Vector Control District Board of Trustees approves an annually updated Engineer's Report, budget for the Assessment, Services to be provided, and other specifics of the Assessment.

ASSESSMENT DIAGRAM

The North and West County Mosquito and Disease Control Assessment District include all properties within the boundaries of the Annexation Area. The boundaries of the North and West County Mosquito and Disease Control Assessment District are displayed on the following Assessment Diagram. Zone A parcels are shown in orange and Zone B parcels are shown in blue.



ASSESSMENT ROLL

Reference is hereby made to the Assessment Roll in and for said assessment proceedings on file in the office of the District Manager of the District, as said Assessment Roll is too voluminous to be bound with this Engineer's Report.



RESOLUTION M-020-23

A RESOLUTION OF INTENTION TO LEVY ASSESSMENTS, PRELIMINARILY APPROVING THE ENGINEER'S REPORT, FOR THE NORTH AND WEST COUNTY MOSQUITO AND DISEASE CONTROL ASSESSMENT DISTRICT FY 2023-24

WHEREAS, the San Mateo County Mosquito and Vector Control District (formerly known as the San Mateo County Mosquito Abatement District) (“District”) was established in 1953 as a special district of the State of California covering certain portions of San Mateo County; and

WHEREAS, the mission of the District is to protect the public health by controlling mosquitoes and other disease carrying insects and monitoring and testing for diseases transmitted by insects and rodents; and

WHEREAS, the District’s previous jurisdictional boundaries include the cities and communities of Atherton, Belmont, Burlingame, Foster City, Hillsborough, Menlo Park, Millbrae, Portola Valley, Redwood City, San Carlos, San Mateo, Woodside, Burlingame Hills, East Palo Alto, Emerald Lake, Fair Oaks, Ladera, Los Trancos Woods, the Highlands of San Mateo, Redwood Shores, certain parcels in San Bruno, and other unincorporated areas in San Mateo County generally located east of Interstate 280; and

WHEREAS, in 2003, the District annexed the cities of Brisbane, Colma, Daly City, South San Francisco and most parcels in San Bruno; and communities located west of I-280 such as Ano Nuevo, Half Moon Bay, El Granada, and Pacifica, and other unincorporated areas in San Mateo County generally located west of Interstate 280 (the “North and West County Areas”); and

WHEREAS, an Engineer’s Report (“Report”) has been submitted to the District Board (“Board”) by SCI Consulting Group, Inc. (formerly Shilts Consultants, Inc.), in which an assessment is proposed to fund the cost of providing services in the North and West County Areas. This proposed assessment shall be described as the “North and West County Mosquito and Disease Control Assessment District” hereinafter the (“Assessment District”) of the San Mateo County Mosquito and Vector Control District.

NOW, THEREFORE, BE IT RESOLVED, that SCI Consulting Group., the Engineer of Work, prepared Report in accordance with Article XIID of the California Constitution and the Health and Safety Code. This Report has been made, filed with the Board and duly considered by the Board and is hereby deemed sufficient and preliminarily approved. Report shall stand as the Engineer's Report for all subsequent proceedings under and pursuant to the foregoing resolution.

BE IT FURTHER RESOLVED that Board intends to continue to levy and collect annual assessments within the Assessment District to fund the cost of providing mosquito and disease control services and the proposed projects and services set forth in the engineer's report. Within Assessment District, the proposed projects and services are generally described as mosquito and vector control services such as surveillance, source reduction, larvicide and adulticide applications, disease monitoring, public education, reporting, accountability, research and interagency cooperative activities.

BE IT FURTHER RESOLVED that Assessment District consists of the lots and parcels shown on the assessment diagram of the Assessment District, on file with the San Mateo County Mosquito and Vector Control District Manager, and reference is hereby made to such diagram for further particulars.

BE IT FURTHER RESOLVED that reference is hereby made to the Report for a full and detailed description of the proposed projects and services, the boundaries of the Assessment District and the proposed assessments upon assessable lots and parcels of land within the Assessment District.

BE IT FURTHER RESOLVED that the estimated fiscal year 2023-24 cost of providing the District's services is \$1,554,301. This cost results in a proposed assessment rate of TWENTY DOLLARS AND SEVENTY-NINE CENTS (\$20.79) per single-family equivalent benefit unit for Zone A, and TWENTY DOLLARS AND FORTY-ONE CENTS (\$20.41) for Zone B, for fiscal year 2023-24. This is a 5% increase over the rate that was levied last year. The assessments are proposed to be levied annually.

BE IT FURTHER RESOLVED that the Assessment may be levied annually and may be adjusted by up to the maximum annual CPI adjustment without any additional assessment ballot proceeding. The change in the CPI in 2022 was 4.8818% therefore, the maximum authorized assessment rate per single-family equivalent benefit unit for Fiscal Year 2023-24 is \$24.54 for Zone A and \$24.09 for Zone B. The assessment will be levied at the rate of \$20.79 and \$20.41, respectively, for fiscal year 2023-24. If the proposed assessments are approved and confirmed by the Board, the assessments may increase in future years by an amount equal to the annual change in the Bay Area Consumer Price Index, not to exceed 3% (three percent) per year without a further vote or balloting process. The District still has an additional 20.39% in reserve that it may apply in future years.

The foregoing resolution was duly passed by the Board of Trustees of the San Mateo County Mosquito and Vector Control District at a regular meeting by the following vote on a roll call:

	Yes	No	Abstain	Absent
Mason Brutschy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chuck Cotten	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carolyn Parker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rena Gilligan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laura Walsh	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Glenn R. Sylvester	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Rutherford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paul Norton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kati Martin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dr. D. Scott Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Catherine Carlton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Muhammed Baluom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Peter DeJarnatt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Raymond Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kathryn Lion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Robert Riechel	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Collins	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Degliantoni	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A. Desiree LaBeaud,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Michael Yoshida	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paul Fregulia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vote Totals:				

APPROVED AND DATED this 10th day of May 2023 after its passage.

ATTEST:

APPROVED:

Secretary

President

STAFF REPORT

DATE: May 1, 2023
TO: Finance Committee
FROM: Richard Arrow, Finance Director
SUBJECT: Recommended Reserve Levels for FY Ending 6/30/2023

Summary:

Prior to the close of each fiscal year, the Board of Trustees discuss reserve balances within the General and Capital Project funds and determine the amount of Fund Balance to be allocated to each reserve. The current reserves and balances authorized by the Board as of June 30, 2022, are as follows:

➤ Pension Rate Stabilization Reserve Fund	\$ 125,133
➤ Public Health Emergency Reserve Fund	\$ 800,000
➤ Natural Disaster Emergency Reserve Fund	\$ 650,000
➤ Real Property Acquisition Reserve Fund	\$ 1,134,670
➤ Capital Projects & Equipment Replacement Reserve Fund	\$ 884,533
➤ Debt Service Repayment Reserve	\$ 1,000,000

Discussion:

The purpose of each of the above reserve funds is as follows:

Pension Rate Stabilization Reserve

This reserve provides funding for the District to protect against future fluctuations in the required employer contribution toward employee pensions, as witnessed this year. Following the economic downturn of 2008, the District's Employer Contribution rate for employee pensions increased. This rate was brought down dramatically by the Board's action to pay down its unfunded liability through prepayment allocations. Additional increases may occur due to changes in the assumed rate set by SamCERA, an economic downturn, or other factors. This reserve was created in 2015 to set aside available funds to pay for future pension costs if needed. Funding may be provided at the end of the year from budget surpluses from prior fiscal years.

Public Health Emergency Reserve

The purpose of the Public Health Emergency Reserve Funds is to accumulate sufficient financial reserves necessary to meet the requirements within the California Mosquito-Borne Virus Surveillance and Response Plan when we reach Level 2 (Emergency Planning) or Level 3 (Epidemic Conditions relative to the California Invasive Aedes Response Plan) or to respond to any other vector-borne disease outbreak as determined by the Board of Trustees.

Natural Disaster Emergency Reserve

The Natural Disaster Emergency Reserve Funds aims to accumulate sufficient financial reserves to ensure the District has the means to continue operating after a Natural Disaster. A natural disaster is defined in the policy as a major adverse event resulting from natural processes of the Earth; examples include but are not limited to wildfires, floods, earthquakes, tsunamis, and other disasters. This reserve fund will facilitate rebuilding the damaged structures due to natural disasters. Immediate repair of the District's buildings and infrastructure will allow the District's essential services to be maintained after natural disasters, including fires, floods, and earthquakes.

Real Property Acquisition Reserve

The Real Property Acquisition Reserve Fund aims to accumulate funds to acquire real property. Safe, reliable, and up-to-date real estate assets are essential for the District to provide services to protect public health and safeguard District equipment from hazards, including fire, flood, theft, earthquake, and other loss. The Real Property Acquisition Reserve Fund allows the District to acquire real estate to meet the needs outlined in the District's Real Estate Needs Assessment, as approved by the Board of Trustees in 2019.

Capital Projects & Equipment Replacement Reserve

The purpose of the Capital Project and Equipment Replacement Reserve Funds is to accumulate sufficient financial reserves necessary to ensure timely replacement and upgrade of the District's buildings, structures, vehicles, mobile equipment, laboratory equipment, operational equipment, administrative equipment (CPUs, PC's, laptops, etc.) and appurtenances thereto. Safe, reliable, and up-to-date vehicles and equipment in good working order are essential for the District to meet its mission of providing public health services promptly and professionally. The Capital Projects & Equipment Replacement Reserve Fund will allow for replacement and upgrades to buildings, structures, and operational, administrative, and laboratory equipment if lost due to a disaster. In addition, this reserve provides for upgrading and replacing buildings, structures, vehicles, and other District equipment as needed.

Debt Service Repayment Reserve

The purpose of the Debt Service Repayment Reserve Fund is to accumulate funds and allow for the prepayment of balances of District issued debt in connection with acquiring real property. This reserve fund shall be reviewed and updated by the Board of Trustees regularly.

Decision Point for the Finance Committee

1. Does the Finance Committee propose to recommend changes to the allocation of District Fund Balance among reserve funds?

Recommendations:

1. Adding the FY 22-23 General Fund anticipated excess of \$ 886,416 to the Real Property Acquisition Reserve for a Reserve balance of \$ 2,003,086 to finance future construction costs at 1415 North Carolan.
2. Have the Policy Committee review the balance recommendations at a joint Finance meeting in June

Materials Attached:

1. Proposed Allocation of Reserve Balances
2. District Policy 6120 District Reserves

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT
 ESTIMATED RESERVE BALANCES FOR FY 22-23

RESERVE FUND NAME	Type	Target Levels	Approved 6/30/2022 Balance	FY 22-23 Additions	FY 22-23 Deletions	Estimated General Fund 6/30/2023 Reserve Balances	Estimated Capital Fund 6/30/2023 Reserve Balance
Inventory and Prepaids	Nonspendable	NA	\$ 179,502	\$ -	\$ -	\$ 179,502	
Pension Rate Stabilization Reserve	Restricted	\$100,000	\$ 125,133	\$ -	\$ -	\$ 125,133	
Public Health Emergency Reserve	Committed	\$500,000 to \$1,000,000	\$ 800,000	\$ -	\$ -	\$ 800,000	
Natural Disaster Emergency Reserve Fund	Assigned	\$500,000 to \$1,000,000	\$ 650,000	\$ -	\$ -	\$ 650,000	
Real Property Acquisition Reserve	Assigned	\$100,000 to \$5,000,000	\$ 1,134,670	\$ 868,416		\$ 2,003,086	
Debt Service Repayment Reserve	Assigned	\$50,000 to \$ 2,300,000	\$ 1,000,000		\$ -	\$ 1,000,000	
Capital Asset & Equipment Replacement Reserve Fund	Assigned	\$500,000 to \$1,000,000	\$ 844,533			\$ -	\$ 844,533
		60% of Operational Expenditures, Not Including Capital					
Working Capital (Basic Liquidity)	Unassigned		\$ 3,131,806			\$ 3,131,806	
Uncommitted	Unassigned		\$ 3,397,004			\$ 3,397,004	
Total			\$ 11,262,648	\$ 868,416	\$ -	\$ 11,286,531	\$ 844,533



POLICIES AND PROCEDURES

TITLE: **District Reserve Fund and Working Capital Policy**

NUMBER: **6120**

OVERVIEW

The District recognizes the importance of adopting policies for the management of its financial reserves. Formalizing written financial policies for designation of reserve funds is a critical element of sound fiscal management and a cornerstone of long-term financial planning.

This policy provides for the prudent accumulation and management of reserve funds to facilitate the attainment of long term program and financial goals. This Reserve Fund Policy was developed to identify how each of the reserve categories will be managed and that are consistent with the District's mission statement and philosophy of the Board of Trustees.

OBJECTIVES

- To assure continued operation and solvency of the District, allowing it to carry out its stated mission.
- To maintain and enhance the sound fiscal condition of the District, maintain its ability to obtain credit and maintain a high bond rating.
- To maintain sufficient financial flexibility to be able to adapt to change, and to permit an orderly adjustment to unanticipated events.
- To maintain a diversified and stable long-term financial plan.
- To accumulate and maintain an amount equal to the stated target fund level for each specific reserve fund created by the District.
- To provide for periodic review of financial reserve funds to make appropriate changes, additions and/or deletions.
- To clearly define how financial reserves will be accumulated and put to use.

RESERVE FUND POLICY

In order to achieve the objectives of this Policy, the Board of Trustees shall adhere to the following guidelines:

- ✓ Reserve funds may be established from time to time by the Board of Trustees as an important component of sound financial management to meet both short and long-term financial objectives, and to ensure prudent financial management practices.
- ✓ Reserve funds may be designated by the Board of Trustees as “restricted reserve funds” or “non-restricted reserve funds.”
- ✓ Restricted reserve funds shall be segregated, and limited in use to specific and designated purpose(s) as defined and established by the Board of Trustees. As of January 2011, under GASB Statement 54 under the Government Accounting Standards Board the restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. These constraints may be imposed by grantors, bondholders, or higher levels of government, through constitutional provisions, or by enabling legislation.
- ✓ “Nonrestricted” reserve funds may be classified as “Committed Reserve Funds” , “Assigned Reserve Funds” or ”Unassigned Reserve Funds” and thus shall have no reference to specific accounting assets. These funds do not require the physical segregation of funds, but maybe segregated if desirable.
- ✓ Committed Reserve Funds are subject to internal constraints. These constraints are imposed by the District itself, using its highest level of decision-making authority (i.e. Board of Trustees).
- ✓ Committed Reserve Funds cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.
- ✓ Assigned Reserve Funds are those that the District intends to use for a specific purpose. This intent can be expressed by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority
- ✓ Unassigned fund balance includes all balances that have not been assigned to other funds and are not restricted, committed, or assigned to specific purposes.
- ✓ All investment earnings from restricted and non-restricted reserve funds shall be credited to the District General Fund, unless otherwise stated herein.
- ✓ The Board of Trustee approval shall be required prior to the expenditure of restricted and committed reserve funds.

- ✓ If the Board of Trustees finds that the funds in a committed reserve are no longer required for the purpose for which it was established, the Board of Trustees may, by a four-fifths vote of the total membership of the board of trustees, discontinue the committed reserve or transfer the funds that are no longer required from the committed reserve to the uncommitted balance in the District's general fund.

RESERVE FUNDS

The Board of Trustees hereby establishes and designates the following reserve funds:

- **Working Capital (Basic Liquidity)** Attachment 1. *
- **Public Health Emergency Reserve Fund** Attachment 2.
- **Natural Disaster Emergency Reserve Fund** Attachment 3.
- **Capital Project and Equipment Replacement Reserve Fund** Attachment 4.
- **Pension Rate Stabilization Reserve Fund** Attachment 5.
- **Real Property Acquisition Reserve Fund** Attachment 6.
- **Debt Service Repayment Reserve Fund** Attachment 7

* Not a reserve pursuant to GAAP **Real Property Acquisition Reserve Fund**

TARGET FUND LEVELS

The Board of Trustees shall establish a stated target fund level for each designated reserve fund. See Attachment 7 for a summary of the District’s established target funds and the designated target level for each fund.

ANNUAL EVALUATIONS

The District Manager and Finance Director shall review and analyze each reserve fund balance and activity for presentation to the Board of Trustees (through the Finance Committee), as part of the annual budget. Upon any significant change to expenditures from a designated reserve fund, or for any other reason that it is determined that a reserve balance target needs to be revised, then a recommendation from the Finance Director and District Manager will be made.

Original Issue Date:	March 12, 2014
Board Approval	October 11, 2017
Board Approval	October 10, 2018
Board Approval	November 14, 2018
Board Review and Amendment	September 2019
Board Review and Amendment	June 2021

ATTACHMENT 1

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT WORKING CAPITAL (GENERAL LIQUIDITY)

Fund Purpose:

The Working Capital (General Liquidity) is necessary because the District receives the majority of its funding from the property taxes and benefit assessment collected by the County of San Mateo. These revenues are not transmitted to the District until January, six months into the fiscal year. Therefore, it is imperative that the District have an operating fund to fulfill its general operating costs. The Working General provides the District with funds to cover general operating costs from the beginning of the fiscal year on July 1 until the first receipt of tax revenue in January. The seasons for vector mosquitoes in San Mateo County extend throughout the year and the delay in receiving funding could inhibit the District's ability to provide services and protect public health. This liquidity will preserve credit worthiness, ensure adequate financial resources are available for timely payment of District obligations, and provide liquidity throughout the fiscal year.

Policy:

In order to achieve the objectives of this policy the Board of Trustees shall adhere to the following guidelines:

1. The balance shall be known as the "Working Capital – General Liquidity."
2. This Working Capital /General Liquidity shall be designated as "unassigned fund balance".
3. The Working Capital/ General Liquidity may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.
4. This policy shall be reviewed on an annual basis by the Finance Committee and the Board for long-term adequacy and use restrictions.

Target Fund Level:

The target level for Working Capital (General Liquidity) is to maintain a minimum General Fund balance for operations equal to 60% of annual budgeted expenditures, as of July 1st of each fiscal year. This target fund level was established based upon the following general guidelines:

1. At the beginning of each fiscal year, the District shall have a balance in the Working General Fund equal to approximately sixty percent of budgeted expenditures for the fiscal year.
2. For the purpose of this policy, budgeted expenditures shall include all expenditures associated with the following:
 - a. Salaries and Employees Benefits
 - b. Services and Supplies

ATTACHMENT 2

SAN MATEO COUNTY
MOSQUITO AND VECTOR CONTROL DISTRICT
PUBLIC HEALTH EMERGENCY RESERVE FUND

Fund Purpose:

The purpose of the Public Health Emergency Reserve Funds is to accumulate sufficient financial reserves necessary to meet the requirements within the California Mosquito-Borne Virus Surveillance and Response Plan when we reach Level 2 (Emergency Planning) or Level 3 (Epidemic Conditions relative to the California Invasive Aedes Response Plan), or any other vector-borne disease response plan distributed by state or federal public health agencies that may apply to the District.. The California Health and Safety Code Section 2070 provide the Board of Trustees authorization to include a restricted reserve for public health emergencies. The District's Restricted Public Health Emergency Reserve Fund may only be spent when an increased threat to public health is threatened, as defined in one of the Response Plans described above.

Policy:

In order to achieve the objectives of this policy the Board of Trustees shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Public Health Emergency Reserve Fund."
2. The Public Health Emergency Reserve Fund shall be designated as a committed reserve fund.
3. The Public Health Emergency Reserve Fund shall be expended solely for the purpose of responding to and maintaining District entomological operations during a public health emergency as defined within the California Mosquito-borne Virus Surveillance and Response Plan, the Invasive Aedes Response Plan, or any other vector-borne disease response plan distributed by state or federal public health agencies that may apply to the District.
4. Authorization by the Board of Trustees is required prior to expenditure of Public Health Emergency Reserve Funds. The Board of Trustees can hold a special Board Meeting to provide this authorization to the District Manager to approve the expenditure of these funds for required essential services in response to a public health emergency.
5. If expenditures from this designated reserve fund are subsequently recovered, either partially or fully, from FEMA, OES, State, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Public Health Emergency Reserve Fund.
6. All investment earnings from the Public Health Emergency Reserve Fund shall be credited to the District's General Fund.
7. The Public Health Emergency Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.
8. This policy shall be reviewed on an annual basis by the Finance Committee and District Board for long-term adequacy and use restriction.

Target Fund Level:

The target level for the Public Health Emergency Fund shall be equal to a minimum of \$500,000 to a maximum of \$1,000,000 as of July 1 of each fiscal year unless otherwise directed by the Board of Trustees at a public meeting.

ATTACHMENT 3

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT NATURAL DISASTER EMERGENCY RESERVE FUND

Fund Purpose:

The purpose of the Natural Disaster Emergency Reserve Funds is to accumulate sufficient financial reserves necessary to ensure a timely response by the District to natural disasters. A natural disaster is a major adverse event resulting from natural processes of the Earth; examples include but not limited to wildfires, floods, earthquakes, tsunamis, and other disasters. This reserve fund will facilitate rebuilding of the damaged structures due to the natural disasters. Immediate repair of the District's buildings and infrastructure will allow the District's essential services to be maintained after natural disasters, including fires, floods and earthquakes.

Policy:

In order to achieve the objectives of this policy the Board of Trustees shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Natural Disaster Emergency Reserve Fund."
2. The Natural Disaster Emergency Reserve Fund shall be designated as an assigned reserve fund.
3. The Natural Disaster Emergency Reserve Fund shall be expended solely for the purpose of repairing damaged buildings and furnishings.
4. The District Manager is authorized to approve the expenditure of Natural Disaster Emergency Reserve Funds without prior approval of the Board of Trustees, for purposes of restoration and/or maintenance of essential service levels in response to a natural disaster. However, a detailed report of fund expenditures will be made to the Board of Trustees for ratification.
5. If expenditures from this designated reserve fund are subsequently recovered, either partially or fully, from FEMA, OES, State, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Natural Disaster Emergency Reserve Fund.
6. All investment earnings from the Natural Disaster Emergency Reserve Fund shall be credited to the District's General Fund.
7. Health and Safety Code 2071(d) states if the Board of Trustees finds that the funds in a restricted reserve are no longer required for the purpose for which the restricted reserve was established, the Board of Trustees may, by a four-fifths vote of the total membership of the Board of Trustees, discontinue the restricted reserve or transfer the funds that are no longer required from the restricted reserve to the District's General Fund.
8. The Natural Disaster Emergency Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.
9. This policy shall be reviewed on an annual basis by the Finance Committee and Board of Directors for long-term adequacy and use restriction.

Target Fund Level:

The target level for the Natural Disaster Emergency Reserve Fund shall be equal to a minimum of \$500,000 to a maximum of \$1,000,000 as of July 1 of each fiscal year unless otherwise directed by the Board of Trustees at a public meeting.

ATTACHMENT 4

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT CAPITAL PROJECT AND EQUIPMENT REPLACEMENT RESERVE FUND

Fund Purpose:

The purpose of the Capital Project and Equipment Replacement Reserve Funds is to accumulate sufficient financial reserves necessary to ensure a timely replacement and upgrade of the District's buildings, structures, vehicles, mobile equipment, laboratory equipment, operational equipment, administrative equipment (CPU's, PC's, laptops, etc.) and appurtenances thereto. Safe, reliable and up-to-date vehicles and equipment, in good working order, are essential for the District to meet its mission of providing public health services in a timely and professional manner. The Capital Project and Equipment Replacement Reserve Fund will allow for replacing and upgrades to buildings, structures, vehicles, operational, administrative, and laboratory equipment if lost due to a disaster. In addition, due to the need for depreciation and replacement of buildings, structures, vehicles and other District equipment it is desirable for the District to set aside funds on an on-going basis for this purpose.

Policy:

In order to achieve the objectives of this policy the Board of Trustees shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Capital Project and Equipment Replacement Reserve Fund."
2. The Capital Project and Equipment Replacement Reserve Fund shall be designated as an assigned reserve fund.
3. The initial procurement for new vehicles and/or equipment (not replacement of existing) shall be paid for from the District's General Fund not by the Capital Project and Equipment Replacement Reserve Fund.
4. Each adopted budget of the District shall contain an allocation in the sum of \$50,000 for the replacement and/or upgrade of existing vehicles (outright purchase or lease) and District equipment.
5. In any one (1) fiscal year, whenever the total actual expenditures for replacement and/or upgrade of existing vehicles and District equipment is less than said \$50,000 allocation, the remaining balance shall be transferred to the Capital Project and Equipment Replacement Reserve Fund.
6. In any one (1) fiscal year, whenever the total actual expenditures for replacement and/or upgrade of existing vehicles and District equipment exceed said \$50,000 allocation, the necessary balance to accomplish the procurement(s) shall be provided by the Capital Project and Equipment Replacement Reserve Fund.
7. Funds transferred from the Capital Project and Equipment Replacement Reserve Fund shall be expended solely for the purpose of replacement and upgrade of existing District buildings, structures, vehicles and District equipment.
8. The District Manager is authorized to approve the expenditure of Capital Project and Equipment Replacement Reserve Funds, without prior approval of the Board of Trustees, in accordance with approved budget authorizations.

9. Upon expenditure of any Capital Project and Equipment Replacement Reserve Funds, the District Manager shall notify the Board of Directors at the earliest possible opportunity.
10. If expenditures from this designated reserve fund are subsequently recovered, either partially or fully, from FEMA, OES, State, insurance and/or any other sources, said revenue shall be utilized solely for the purpose of refunding the Capital Project and Equipment Replacement Reserve Fund.
11. All investment earnings from the Capital Project and Equipment Replacement Reserve Fund shall be credited to the District's General Fund.
12. The allocation amount shall be reviewed annually by the Finance Committee and Board of Trustees for appropriate vehicle and equipment retention schedules, depreciation schedules, and acquisition costs.
13. The Capital Project and Equipment Replacement Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.

Target Fund Level:

The target level for the Capital Project and Equipment Replacement Reserve Fund shall be equal to a minimum of \$500,000 to a maximum of \$1,000,000 as of July 1 of each fiscal year unless otherwise directed by the Board of Trustees at a public meeting.

ATTACHMENT 5

SAN MATEO COUNTY
MOSQUITO AND VECTOR CONTROL DISTRICT
PENSION RATE STABILIZATION RESERVE FUND

Fund Purpose:

This reserve provides funding for the District to protect against future fluctuations in the employer contribution toward employee pensions as witnessed in past years. Over the past few years the District's Employer Contribution for employee pensions has increased and additional increases may occur in the future as a result of changes in the assumed rate set by SamCERA, an economic downturn or other factors. This reserve is created to set aside funds, as available, to pay future pension costs if needed. Funding may be provided at the end of the year from budget surpluses from prior fiscal years.

Policy: The District Board created this reserve to address future increase in its District's Unfunded Actuarially Accrued Liability (UAAL) resulting in increases to the employer contribution rate. In order to achieve the purpose of this policy, the Board of Trustees shall adhere to the following guidelines:

1. This reserve fund shall be known as the "Pension Rate Stabilization Reserve Fund."
2. The Pension Rate Stabilization Reserve Fund shall be designated as a committed reserve fund.
3. The Pension Rate Stabilization Reserve Fund shall be expended solely for the purpose of paying the Employer share of contributions to the San Mateo County Employee Retirement Association.
4. Expenditure of the Pension Rate Stabilization Reserve Fund requires prior approval of the Board of Trustees.
5. All investment earnings from the Pension Rate Stabilization Reserve Fund shall be credited to the Fund itself.
6. The Pension Rate Stabilization Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.
7. This policy shall be reviewed on an annual basis by the Finance Committee and Board of Directors for long-term adequacy and use restriction.

ATTACHMENT 6

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT REAL PROPERTY ACQUISITION RESERVE FUND

Fund Purpose:

The purpose of the Real Property Acquisition Reserve Fund is to accumulate funds to acquire real property. Safe, reliable and up-to-date real estate assets are essential for the District to meet its mission of providing services to protect public health, and safeguard of District equipment from hazards including fire, flood, theft, earthquake and other loss. The Real Property Acquisition Reserve Fund will allow the District to acquire real estate to meet the needs outlined in the District's Real Estate Needs Assessment, as approved by the Board of Trustees in 2019. This Reserve Fund, and the Needs Assessment it is based on, shall be reviewed and updated by the Board on a regular basis.

Policy:

In order to achieve the objectives of this policy the Board of Trustees shall adhere to the following guidelines:

- 1) This reserve fund shall be known as the "Real Property Acquisition Reserve Fund"
- 2) The Real Property Acquisition Reserve Fund shall be expended solely for the purpose of acquiring, District real estate as determined by the Board of Trustees.
- 3) The Real Property Acquisition Reserve Fund shall be designated as a assigned fund as of June 30, 2019 and a **committed** reserve fund in FY 2019-20
- 4) Authorization by the Board of Trustees is required prior to expenditure of Real Property Acquisition Reserve Funds.
- 5) All investment earnings from the Real Property Acquisition Reserve Fund shall be credited to the District's General Fund.
- 6) The Real Property Acquisition Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.
- 7) This policy shall be reviewed on an annual basis by the Finance Committee and District Board for long-term adequacy and use restriction.

Target Fund Level:

The target level for the Real Property Acquisition Reserve Fund shall be equal to a minimum of \$100,000 to a maximum of \$5,000,000 as of July 1 of each fiscal year unless otherwise directed by the Board of Trustees at a public meeting.

ATTACHMENT 7

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT DEBT SERVICE REPAYMENT RESERVE FUND

Fund Purpose:

The purpose of the Debt Service Repayment Reserve Fund is to accumulate funds and allow for the prepayment of balances of District issued debt in connection with the acquisition of real property. This reserve fund shall be reviewed and updated by the Board of Trustees on a regular basis.

Policy:

In order to achieve the objectives of this policy the Board of Trustees shall adhere to the following guidelines:

- 1) This reserve fund shall be known as the “Debt Service Repayment Reserve Fund.”
- 2) The Debt Service Repayment Reserve Fund shall be expended solely for the purpose of retiring District debt obligations in connection with financed real property obligations as approved by the Board of Trustees.
- 3) The Debt Service Repayment Reserve Fund shall be designated as an assigned fund as defined by the Governmental Accounting Standards Board
- 4) Authorization by the Board of Trustees is required prior to expenditure of the Debt Service Repayment Reserve Funds.
- 5) All investment earnings from the Debt Service Repayment Reserve Fund shall be credited to the District’s General Fund.
- 6) The Debt Service Repayment Reserve Fund may be invested in financial institutions and instruments which maintain the highest level of liquidity, such as checking, savings, and LAIF.
- 7) This policy shall be reviewed on an annual basis by the Finance Committee and District Board for long-term adequacy and use restriction.

Target Fund Level:

The target level for the Debt Service Repayment Reserve Fund shall be equal to a minimum of \$ 50,000 to a maximum of \$2,300,000 as of July 1 of each fiscal year unless otherwise directed by the Board of Trustees at a public meeting.

ATTACHMENT 8

SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT SUMMARY OF RESERVE FUND TARGET LEVELS

RESERVE FUND NAME	Type	TARGET LEVEL (As of July 1 of each year)
Working Capital General Liquidity *	Uncommitted	\$ 2,500,000 \$4,000,000 ¹ (60% of annual Operational Expenditures not including capital)
Public Health Emergency Reserve Fund	Committed	\$ 500,000 to \$ 1,000,000
Natural Disaster Emergency Reserve Fund	Assigned	\$ 500,000 to \$1,000,000
Capital Project and Equipment Replacement Reserve Fund	Assigned	\$ 500,000 to \$1,000,000
Pension Rate Stabilization Reserve Fund	Committed	\$ \$100,000
Real Property Acquisition Reserve Fund	Committed ²	\$ 100,000 to \$5,000,000

¹ Not a reserve pursuant to GAAP

² The Real Property Acquisition Reserve Fund is an Assigned Fund in Fiscal year 2018-19, and a committed in Fiscal year 2019-20

AGENDA ITEM 4E

SUBJECT: Joint Powers Agreement of Fire Risk Management Services

BACKGROUND:

The Fire Districts Association of California Employment Benefits Association (FDAC EBA) and Fire Agencies Self Insurance System (FASIS) will consolidate, effective July 1, 2023, to form Fire Risk Management Services (FRMS). FRMS is a multi-line risk pool providing eligible fire districts and public agencies that provide emergency services employee benefits coverage and workers' compensation to eligible fire districts in California.

DISCUSSION:

The FDAC EBA and FASIS Consolidation Advisory Committee has met regularly over the past twelve months to work toward streamlining the financial and administrative services via a consolidation of the two programs. At the Special Board of Directors Meeting on February 22, 2023, the FASIS and FDAC EBA Boards unanimously approved the FRMS Amended and Restated Joint Powers Agreement (JPA), effective July 1, 2023.

In accordance with the Joint Powers Agreement: Creating the FDAC Fire Benefits Authority, Article 14:

"This Joint Powers Agreement may be amended by an amendment in writing signed by two-thirds of the Agencies then parties to this Agreement."

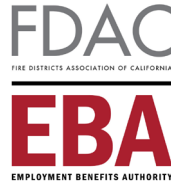
Attached is the Amended and Restated Joint Powers Agreement of the Fire Risk Management Services. The Agreement requires approval under Section 31: Execution in Counterparts and must be received in our office **no later than June 20, 2023**. Signatories to the Agreement will require approval from their respective governing bodies. To aid in this endeavor, attached are sample resolutions for use by either 1) members of FDAC EBA only; or 2) members of both FASIS and FDAC EBA. The sample resolutions allow for approval of the Agreement and authorize the designated executive officer to execute, thus enabling participation in FRMS, effective July 1, 2023.

RECOMMENDATION

Staff recommends that the Finance Committee recommends the Board of Trustees approve the below resolution authorizing participation in the Fire Risk Management Services and approve the amended and restated JPA agreement of fire risk management Services.

ATTACHMENTS:

1. Amended and Restated Joint Powers Agreement of Fire Risk Management Services
2. FRMS FAQ's
3. Resolution Authorizing Participation in Fire Risk Management Services – EBA



TO: FDAC EBA Member Districts
FROM: Carmen Berry, FDAC EBA Executive Director
DATE: March 2, 2023
SUBJECT: **AMENDED AND RESTATED JOINT POWERS AGREEMENT OF FIRE RISK MANAGEMENT SERVICES (formerly FDAC Employee Benefits Authority)**

The Fire Districts Association of California Employment Benefits Association (FDAC EBA) and Fire Agencies Self Insurance System (FASIS) will consolidate, effective July 1, 2023, to form Fire Risk Management Services (FRMS). FRMS is a multi-line risk pool providing eligible fire districts and public agencies that provide emergency services employee benefits coverage and workers' compensation to eligible fire districts in California.

The FDAC EBA and FASIS Consolidation Advisory Committee has met regularly over the past twelve months to work toward streamlining the financial and administrative services via a consolidation of the two programs. At the Special Board of Directors Meeting on February 22, 2023, the FASIS and FDAC EBA Boards unanimously approved the FRMS Amended and Restated Joint Powers Agreement (JPA), effective July 1, 2023.

In accordance with the Joint Powers Agreement: Creating the FDAC Fire Benefits Authority, Article 14:

“This Joint Powers Agreement may be amended by an amendment in writing signed by two-thirds of the Agencies then parties to this Agreement.”

Attached is the Amended and Restated Joint Powers Agreement of the Fire Risk Management Services. The Agreement requires approval under Section 31: Execution in Counterparts and must be received in our office **no later than June 20, 2023**. Signatories to the Agreement will require approval from their respective governing bodies. To aid in this endeavor, attached are sample resolutions for use by either 1) members of FDAC EBA only; or 2) members of both FASIS and FDAC EBA. The sample resolutions allow for approval of the Agreement and authorize the designated executive officer to execute, thus enabling participation in FRMS, effective July 1, 2023.

Upon approval from your district's governing body, the Agreement under Section 31 (page 20) must be executed using one of the following options:

1. Original Signature: print Section 31 (page 20) of the Agreement, sign and return via USPS.
2. Electronic Signature - Email: print Section 31 (page 20) of the Agreement, sign, scan, and return via email.
3. Electronic Signature - Acrobat Sign: electronically access the [Agreement](#), sign, and submit.

When utilizing options #1 or #2 above, please submit the executed Agreement via USPS, email, or fax to:

Melissa Feltz, FDAC EBA Coordinator
c/o SMA
808 R Street, Suite 209
Sacramento, CA 95811
FAX: (916) 231-2141
mfeltz@firebenefits.org

Your attention to this important matter is appreciated. If you have any questions or require additional information, please contact Melissa Feltz at (916) 231-2143 or mfeltz@firebenefits.org.

Attachments:

1. Amended and Restated Joint Powers Agreement of Fire Risk Management Services
2. Sample Resolution Authorizing Participation in Fire Risk Management Services – FASIS
3. Sample Resolution Authorizing Participation in Fire Risk Management Services – FASIS & FDAC EBA

**AMENDED AND RESTATED JOINT POWERS AGREEMENT
OF FIRE RISK MANAGEMENT SERVICES
(Formerly Fire Agencies Self Insurance System (FASIS))**

This Amended and Restated Joint Powers Agreement of Fire Risk Management Services (“FRMS”) (“Agreement”), formerly known as the Fire Agencies Self Insurance System (“FASIS”) is made and entered into by and among the public agencies organized and existing under the laws of the State of California who have or may hereafter execute this Joint Powers Agreement (the “Members”) pursuant to the authority conferred by Government Code Section 6500 et seq.

RECITALS

WHEREAS, each of the Members who have executed this Agreement is a “public agency” as that term is defined in Section 6500 of the California Government Code; and

WHEREAS, California Government Code Section 6500 et seq. provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, California Labor Code Section 3700 (c) authorizes public agencies, including members of a pooling arrangement under a joint powers authority, to fund and self-insure for their Worker’s Compensation claims liability; and

WHEREAS, California Government Code Section 990.4 provides that a local public agency may self-insure, purchase insurance through an authorized carrier, purchase insurance through a surplus lines broker, or any combination of these; and

WHEREAS, California Government Code Sections 989 and 990 authorize a local public agency to self-insure itself and its employees against tort and inverse condemnation liability; and

WHEREAS, California Government Code Section 990.8 provides that two or more local public agencies may, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4; and

WHEREAS, California Government Code Section 990.6 provides that the cost of such insurance or self-insurance is an authorized and appropriate expenditure of public funds; and

WHEREAS, California Government Code Sections 53200, 53201(a), 53202, 53202.2, 65205, 53205.1, 53205.16, 53206, 53208 and Health and Safety Code Section 13800 et seq. provide that a local public agency may provide for any health and welfare benefits for the benefit of its existing and retired officers, employees, and members of its legislative body, which health and welfare benefits include, but are not limited to medical, hospital surgical, disability, legal expense, dental, vision, life, and income protection insurance or benefits, whether provided on an insurance basis, self-funded basis, or some combination of insurance and self-funding; and

WHEREAS, Government Code Section 53202 states that in providing such health and welfare benefits, a public agency may approve self-funded plans or may contract with one or more admitted insurers, health service organizations or legal service organizations for such plans of health and welfare benefits as the public agency determines to be in the best interest of the public agency and its existing and retired officers, employees and legislative body; and

WHEREAS, Government Code Section 53205 provides that the legislative body of a public agency may expend public agency funds for the premiums, dues or other charges for health and welfare benefits of its existing and retired officers, employees, and members of its legislative body; and

WHEREAS, each of the Members which are parties to this Agreement desire to join together with other Members in order to collectively establish, operate, manage, administer and fund programs of insurance and/or self-insurance for workers' compensation benefits, employment benefits, general liability, property damage, and other coverages to be determined; and

WHEREAS, each of the Members which are parties to this Agreement find it to be to its mutual advantage and in the public benefit to utilize any power common to them, and all those powers available to a Joint Powers Authority pursuant to the Joint Powers Act at Government Code Section 6500 et seq. (the "Act"), to fulfill the purposes of this Agreement specified in Section 3 hereof, including establishing pools for self-insured losses and purchasing excess or re-insurance and administrative services in connection with the Joint Protection Programs (the "Coverage Programs") for the collective benefit of the Members; and

WHEREAS, certain Members have previously executed that certain Amended Joint Powers Agreement of FASIS dated October 13, 2005 (the "FASIS JPA"), which agreement such Members desire to amend and restate by this Agreement; and

WHEREAS, this Amendment and Restatement is intended to allow members of Fire Districts Association of California Employment Benefits Authority ("FDAC EBA") to join FRMS and share in consolidated administration and governance of programs by amending and restating its existing Joint Powers Agreement to this Agreement; and

WHEREAS, the governing body of each Member has determined that it in the best interests of the Member, and in the public interest, to execute this Agreement and participate in FRMS as a Member;

WHEREAS, it is to the mutual advantage of and in the best interest of the parties to this Joint Powers Agreement to continue and expand this Joint Powers Authority for the purposes stated.

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

SECTION 1: **DEFINITIONS**

The following definitions shall apply to the provisions of this Agreement:

1. “Act” means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code, as amended.
2. “Administrator” shall mean the employee or third-party contractor who is appointed by the Board of Directors to manage the business and affairs of FRMS under the policy direction of the Board of Directors.
3. “Assessment” means an amount additional to a Member’s initial contribution or annual contribution, which the Board of Directors determines, in accordance with this Agreement and/or the Bylaws, that a Member or Former Member owes on account of its participation in a Coverage Program for a given Program year.
4. “Board of Directors” or “Board” shall mean the governing body of FRMS.
5. “Bylaws” means the Bylaws of FRMS adopted by the Board of Directors, as they may be amended from time to time.
6. “Claim” shall mean a demand made by or against a Member or Former Member which is or may be covered by one of the Coverage Programs approved by the Board of Directors.
7. “Contribution” shall mean the amount determined by the Board of Directors to be the appropriate sum of money which a Member must pay at the commencement of or during a Program Year in exchange for the benefits provided by a Coverage Program.
8. “Coverage Program” shall mean the specific type of Joint Protection Program as set forth in the terms, conditions and exclusions of the Coverage Documents for insured or self-insured losses, and the purchasing of excess or re-insurance and administrative services with respect to such losses. On the effective date, FRMS will operate two (2) Coverage Programs, the Workers’ Compensation Coverage Program for workers’ compensation claims, and the Employment Benefits Coverage Program for claims related to medical, hospital surgical, disability, legal expense, dental, vision, life, and income protection insurance or benefits. FRMS may add additional programs later.
9. “Coverage Documents” shall mean the Declarations, Memorandum of Coverages, Coverage Agreements, Endorsements, Policies of Insurance or any other documents that provide the terms, conditions, limits and exclusions of coverage afforded by a Coverage Program.

10. "District" shall mean a special district and political subdivision of the State of California as defined in Government Code Section 56000 et seq.
11. "Duly Constituted Board Meeting" shall mean any meeting of the Board of Directors noticed and held pursuant to the Ralph M. Brown Act and at which a quorum is determined to be present at the beginning of said meeting.
12. "Estimated Contribution" shall mean the amount which the Board of Directors estimates will be the appropriate contribution for a Member's participation in a Coverage Program for a Program Year.
13. "Excess or Re-Insurance" shall mean that insurance that may be purchased on behalf of FRMS and/or the Members to protect the funds of the Members or Former Members against catastrophic losses or an unusual frequency of losses in a particular Coverage Program during a Program Year in excess of any self-insured retention maintained by FRMS for that Coverage Program.
14. "Fiscal Year" shall mean that period of 12 months which is established by the Board of Directors as the fiscal year of FRMS.
15. "Former Member" shall mean a Member which was a signatory to this Agreement (or the prior FASIS Agreement) but which has withdrawn from, or been involuntarily terminated from participation in FMRS.
16. "Joint Protection Program" shall mean a Coverage Program offered by FRMS, separate and distinct from other Coverage Programs, wherein Members shall jointly pool their losses and claims, jointly purchase excess or re-insurance and administrative and other services including claims adjusting, data processing, risk management consulting and brokerage, loss prevention, legal, accounting and auditing and related services.
17. "Member" shall mean a public agency which has signed this Agreement, which qualifies as a Member under the provisions of this Agreement and the Bylaws, and which has been approved for membership by the Board of Directors.
18. "Memorandum of Coverage" shall mean a document issued by FRMS for each Coverage Program specifying the coverages and limits provided to the Members participating in that Coverage Program.
19. "Pooling" shall mean group self-insurance as permitted by Government Code Section 990.8, Labor Code Section 3700 and Government Code Section 53202.
20. "Program Year" shall mean a 12-month period of time determined by the Board of Directors, during which a particular Coverage Program is in effect.

21. "Retained Earnings" shall mean an account reflecting the accumulated earnings of a Coverage Program after payment of all losses, expenses and obligations of that Coverage Program.
22. "Risk Management" shall mean the process of identifying, evaluating, reducing, transferring and eliminating risks. Risk Management includes, but is not limited to, various methods of funding claims payments, purchasing insurance, legal defense of claims, controlling losses, and determining self-insurance retention levels and the amount of reserves for potential claims.

SECTION 2:
FRMS AS SUCCESSOR TO AND EXPANSION OF FASIS

FASIS was originally formed on July 1, 1984, pursuant to the provisions of Government Code Section 6500 et seq. as a joint powers authority to provide a program of pooling of self-insured workers' compensation losses of its members, which members were defined as California fire protection districts formed and operating under the provisions of California Health and Safety Code Section 13800 et seq. and California community services districts providing fire suppression and emergency services formed and operating under the provisions of California Government Code Section 61000, et seq. FASIS has continued to provide this self-insurance program up to the effective date of this Agreement.

As of the effective date of this Agreement, the Fire Agencies Self Insurance System shall be known as Fire Risk Management Services, referred to herein as FRMS. Pursuant to Government Code Sections 6506 and 6507, from its inception, FRMS has, is, and shall be a public entity separate and independent from the Members which is governed exclusively by its Board of Directors ("Board").

FDAC EBA was originally formed on July 1, 2005, pursuant to the provisions of Government Code Section 6500 et seq. as a joint powers authority to provide employment benefits programs including medical, hospital surgical, disability, legal expense, dental, vision, life, and income protection insurance or benefits, whether provided on an insurance basis, self-funded basis, or some combination of insurance and self-funding, to any California public agency including special districts, cities, and joint powers authorities which were formed with the power to provide fire suppression and emergency services. FDAC EBA has continued to provide this employment benefits program up to the effective date of this Agreement.

This Agreement is being amended and restated in part to allow members of Fire Districts Association of California Employment Benefits Authority ("FDAC EBA") to join FRMS and share in consolidated administration and governance of programs. Accordingly, as of the effective date of this Agreement, the membership of FRMS shall consist of the members of FASIS, as well as the members of FDAC EBA that have approved this Agreement. Future membership in FRMS is open to public agencies throughout California that meet the membership requirements specified herein and in the Bylaws and are approved for membership by the Board of Directors.

SECTION 3: PURPOSE

This Agreement is entered into by the Members pursuant to Government Code Sections 989, 990, 990.4, 990.6, 990.8, 52200 et seq., 6500 et seq. and Labor Code Section 3700, et seq., in order to provide, subject to the Coverage Documents, workers' compensation and employment benefits coverages, and/or coverages for other risks which the Board of Directors may determine.

Additional purposes of this Agreement are: (1) to reduce the amount and frequency of losses, and to decrease the costs incurred by Members in the handling and litigation of claims; (2) to expand the breadth and reduce the costs of health and welfare benefits including, but are not limited to medical, hospital, surgical, disability, legal expense, dental, vision, life, and income protection insurance or benefits, whether provided on an insurance basis, self-funded basis, or some combination of insurance and self-funding. These purposes shall be accomplished through the exercise of the powers of the Members jointly in the creation of a separate public entity, Fire Risk Management Services ("FMRS") to establish and administer Coverage Programs as set forth herein and in the Bylaws.

It is also the purpose of this Agreement to provide for the inclusion at subsequent dates of such additional Members organized and existing as California public agencies as may desire to become parties to this Agreement and Members of FRMS, subject to approval by the Board of Directors.

SECTION 4: MEMBERSHIP

Each Member which is a party to this Agreement must be a public agency which is duly organized and existing under the laws of the State of California with the power to provide at least one of the following services: (1) fire suppression services, (2) emergency medical services, including emergency disease response, prevention and control services; (3) hazardous material response services (4) medical transport and/or ambulance services, including emergency transportation services (5) rescue services; (6) any other emergency response services provided pursuant to the California Emergency Services Act (Government Code Section 8550 et seq.). "Emergency" is defined as any condition of disaster or of extreme peril to the safety of persons and/or property caused by such conditions as air pollution, fire, flood, hazardous material incident, storm, epidemic, riot, drought, plant or animal infestations or disease, earthquake, terrorism, or sudden and severe energy shortage. Each Member must be approved for participation in the Authority in the manner provided in the Bylaws of the Authority.

There shall be two (2) classes of Membership: (1) Voting Members; and (2) Non-voting Members. Voting Members shall be public agencies organized as a fire protection district formed and operating pursuant to the terms of California Health and Safety Code Section 13800 et seq. All other Members shall be Non-voting Members.

The rights and obligations of Voting Members shall be as described in the Bylaws.

SECTION 5:
PARTIES TO AGREEMENT

Each Member which has signed this Agreement certifies that it intends to and does contract with FRMS, and with all other parties who have signed this Agreement, and, in addition, with such other parties which may later be added as a party to and may sign this Agreement. Each party to this Agreement, which has or may hereafter sign this Agreement, also certifies that the withdrawal of any party from this Agreement by voluntary withdrawal, involuntary termination, or otherwise, shall not affect this Agreement nor such party's intent to contract with the other remaining parties to this Agreement.

SECTION 6:
TERM OF AGREEMENT

This Agreement shall become effective as to existing Members of FASIS on the later of July 1, 2023, or the date on which the last of two-thirds of such Members have executed this Agreement ("effective date"). This Agreement shall become effective as to existing Members of FDAC EBA on the later of July 1, 2023 or the date on which two-thirds of its members have executed this Agreement.

This Agreement shall become effective as to each new Member upon: (1) approval of its membership by the Board of Directors of the FRMS; (2) execution of this Agreement by the new Member and by FRMS; and (3) by payment by the new Member of its initial contribution for participation in one of the Coverage Programs offered by the FRMS.

SECTION 7:
POWERS OF FRMS

FRMS shall have all the powers common to its Members and all additional powers set forth in the Joint Powers Authority Act, and is hereby authorized to do all acts necessary for the exercise of said common powers, including, but not limited to, any or all of the following:

- (1) to make and enter into contracts, including the power to accept the assignment of contracts or other obligations which relate to the purposes of FRMS, or which were entered into by a Member or Former Member prior to joining FRMS, and to acquire assets, incur liabilities, and resolve and make claims;
- (2) to accept an assignment from the FDAC EBA of all its assets, obligations and liabilities (including claims and contracts in existence at the time of consolidation) in order to benefit the Members and Former Members participating in the FDAC EBA employment benefits coverage program; provided, that except for the fair and equitable allocation of administrative and overhead expenses, funds from such assignment shall not be commingled and shall be separately accounted for as provided in this Agreement and the Bylaws;

- (3) to incur debts, liabilities or other obligations; including those which are not debts, liabilities or other obligations of the Members or Former Members, or any of them;
- (4) to charge and collect Contributions and Assessments from Members or Former Members for participation in a Coverage Program;
- (5) to employ agents and employees and/or to contract for services from third-party consultants;
- (6) to receive grants and donations of property, funds, services, and other forms of assistance from persons, firms, corporations and government entities;
- (7) to acquire, hold, lease or dispose of property, funds, contributions, donations, and any other forms of assistance from persons, firms, corporations and government entities;
- (8) to acquire property by gift, grant, exchange, devise, or purchase;
- (9) to hold, lease, convey, sell, encumber, or dispose of property;
- (10) to sue and to be sued in its own name;
- (11) to issue or caused to be issue bonded and other indebtedness, and pledge any property or revenues as security to the extent permitted by law by Articles 2 and 4 of the Act or otherwise, including, but not limited to, bonds or other evidences of indebtedness issued on behalf of FRMS or its Members;
- (12) to obtain in its own name all necessary permits, licenses, opinions and rulings;
- (13) whenever necessary to facilitate the exercise of its powers, to form and administer nonprofit corporations to perform one or more of the functions which FRMS is empowered to perform, or to perform any other proper corporate function, and to enter into agreements with such nonprofit corporations;
- (14) to exercise all powers necessary and proper to carry out the terms and provisions of this Agreement (including the provision of all other appropriate ancillary coverages for the benefit of Members or Former Members, or otherwise authorized by law or the Act; and
- (15) to exercise all powers and perform all acts as otherwise provided in the Bylaws.

Said powers shall be exercised pursuant to the terms hereof, and in the manner provided by law and in accordance with Section 6509 of the Act. The foregoing powers shall be subject to the restrictions upon the manner of exercising such powers pertaining to the Member or Former Member designated in the Bylaws.

SECTION 8:
BOARD OF DIRECTORS

All powers of FRMS shall be exercised by, and its property controlled and its affairs conducted by and through its Board of Directors. Said Board of Directors is hereby designated as the agency to administer and execute this Agreement pursuant to Government Code Section 6506.

The Board of Directors shall be composed of no more than fifteen (15) and no less than eleven (11) individuals, each of whom is elected by a majority vote of Voting Members participating in a Coverage Program, as specified in the Bylaws. Each member of the Board of Directors shall have one vote. The terms for Directors, procedures for electing Directors, and the composition of the Board of Directors shall be as set forth in the Bylaws. The Board of Directors shall have the authority to conduct all business and govern all affairs of this Joint Powers Authority under the provisions hereof and pursuant to law and shall have such powers and functions as are provided for herein, in the Bylaws, or by law.

SECTION 9:
POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall have such powers as provided in this Agreement and the Bylaws and such additional powers as necessary or appropriate to fulfill the purposes of this Agreement and the Bylaws, including, but not limited to the following:

- (a) Exercise all powers and conduct all business of this Joint Powers Authority.
- (b) Determine the details of and select the Coverage Programs to be offered by FRMS;
- (c) Provide for and develop various services including, but not limited to, financial administration, insurance consulting and brokerage services; claims adjustment services, loss control and risk management services; accountancy, auditing and actuarial services; and legal and legislative advocacy services, either through its own employees or contracts with third parties.
- (d) Appoint and provide policy direction to the Administrator, appoint committees, appoint staff, and employ such persons as the Board of Directors deems necessary for the administration of this Joint Powers Authority.
- (e) Determine and purchase all necessary insurance coverage, including Excess insurance, Re-insurance, liability insurance, director's and officer's liability insurance, and such other insurance as FRMS may deem necessary or proper to carry out the Coverage Programs offered by the Authority, and to protect the employees of FRMS and the employees of the Members.
- (f) Fix and collect Contributions and Assessments from participating Members in consideration for participation in the Coverage Programs offered by FRMS.

- (g) Deposit all funds received in appropriate separate bank accounts in the name of Fire Risk Management Services.
- (h) Invest funds on hand in any manner authorized by law for the investment of funds of a public agency.
- (i) Direct the payment, adjustment, compromise, settlement and defense of all claims as provided for in the Coverage Documents involving a Member during their period of membership in and participation in a Coverage Program.
- (j) Expend funds of FRMS only for the purpose of carrying out the provisions of the Agreement and the Bylaws as they now exist or may hereafter be amended.
- (k) Obtain a fidelity bond in such amount as the Board of Directors may determine for any person or persons who have charge of or the authority to expend funds of the FRMS.
- (l) Acquire property by gift, grant, exchange, devise, or purchase; or hold, lease, convey, sell, encumber, or dispose of all property necessary or appropriate to carry out the powers and operations of FRMS.
- (m) Establish policies and procedures for the operation of FRMS.
- (n) Enter into any and all contracts or agreements necessary or appropriate to carry out the purposes and functions of FRMS.
- (o) To prepare the annual operating budget of FRMS for each fiscal year.
- (p) To engage, retain and discharge agents, representatives, firms or other organizations as the Board of Directors deems necessary for the administration of FRMS.
- (q) To exercise general supervisory power and policy control over the Executive Director.
- (r) To transact any other business which is within the powers of the Board of Directors.
- (s) Elect officers of FRMS.

SECTION 10: OFFICERS

The officers of FRMS shall consist of the President, Vice President, Secretary, Treasurer, Assistant Treasurer, and Administrator. The position of Treasurer shall be filled by a person who either is the treasurer of a Member, a certified public accountant, or one of the officers, employees, or contracted consultants of FRMS. The Treasurer shall have no vote unless the Treasurer is also a Director.

The Treasurer shall serve at the discretion of the President. The Treasurer shall be the depository of and have custody of all the funds of FRMS, from whatever source. The Treasurer shall comply with the duties and responsibilities of the office as set forth in subdivisions (a) to (d), inclusive, of Section 6505.5 of the Government Code. The Board shall require the Treasurer to file with FRMS an official bond in the amount to be fixed by the Board. FRMS shall pay the cost of bond premiums required by this section.

In lieu of the designation of a treasurer and auditor as set forth in Government Code Section 6505.5, FRMS elects to appoint the Treasurer of FRMS to said positions under the provision of Government Code Section 6505.6. FRMS further elects to be governed by and incorporates herein all other provisions contained within Government Code Section 6505.6, including but not limited to the requirement that the Treasurer shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505. The treasurer, or the treasurer's designee, shall maintain or cause to be maintained all accounting or other financial records FRMS and shall file all financial reports required of FRMS and shall perform such other duties as the Board may specify.

All offices shall be filled and have the powers and responsibilities as prescribed in the Bylaws.

SECTION 11:
RESTRICTIONS ON POWER

Such powers enumerated in Section 8 hereof are subject to the restrictions upon the manner of exercising power by the California public agency which is a Member and which is named in the Bylaws, pursuant to California Government Code Section 6509.

SECTION 12:
COMPLIANCE WITH THE BROWN ACT

All meetings of the Board, including regular, adjourned regular and special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code section 54950 et seq.

SECTION 13:
BYLAWS

The Board shall promulgate Bylaws to govern day-to-day operations of FRMS. The Board may amend the Bylaws from time to time as provided for in the Bylaws. The initial Bylaws of FRMS, a copy of which is attached hereto and marked Exhibit A, are hereby adopted as the initial Bylaws of FRMS. Each party to this Agreement by the execution hereof agrees to be bound by and to comply with all the terms and conditions of this Agreement and of said Bylaws as they now exist or may hereafter be amended, and agrees that any violation of the Bylaws shall be a violation of this Agreement. FRMS shall operate and conduct its business and affairs pursuant to the terms of

this Agreement and said Bylaws. In the event any provisions of the Bylaws conflict with a provision of this Agreement, the provision contained in this Agreement shall control.

SECTION 14:
COVERAGE PROGRAMS

FRMS shall maintain such types and levels of coverage for Coverage Programs as determined by the Board of Directors. The coverage afforded under one or more Coverage Programs may include protection for workers' compensation liability, employment health and welfare benefits, and any other risks which the Board of Directors may determine to be advisable. More than one type of coverage may be afforded under a single Coverage Program. FRMS shall describe the coverage and operation of each Coverage Program in writing utilizing documents such as Memorandums of Coverage, Master Program Documents, or other written policies and procedures.

The Board of Directors may arrange for purchase of Excess or Re-insurance. FRMS shall not be liable to any Member or to any other person or organization if such excess or re-insurance policies are terminated, cancelled or non-renewed without prior notice to one or more Members, or if there is a reduction in the type or amounts of coverage afforded under a Coverage Program by reason of any change in coverage in a succeeding excess or re-insurance policy, even if such reduction occur without prior notice to one or more Members.

SECTION 15:
IMPLEMENTATION OF THE COVERAGE PROGRAMS

The Board of Directors shall establish the coverage afforded by each Coverage Program, the amount of Contributions and Assessments, the precise cost allocation plans and formulas, provide for the handling of Claims, and specify the amounts and types of Excess or Re-insurance to be obtained. The Contributions and Assessments for each Coverage Program shall be determined by the Board of Directors as set forth herein, in the Bylaws, or in the controlling documents for each Coverage Program.

SECTION 16:
ACCOUNTS AND RECORDS

- (a) **Annual Budget.** FRMS shall, pursuant to the Bylaws, annually adopt an operating budget, including budgets for each Coverage Program.
- (b) **Funds and Accounts.** FRMS shall establish and maintain such funds and accounts as required by the Board of Directors and as required by generally accepted accounting principles, including separate funds and accounts for each Coverage Program. Books and records of FRMS shall be open to any inspection at all reasonable times by authorized representatives of Members, or as otherwise required by law.
- (c) **Investments.** Subject to the applicable provisions of any indenture or resolution providing for the investment of moneys held thereunder, FRMS shall have the power to

invest any money in the treasury that is not required for the immediate necessities of FRMS, as the Board determines advisable, in the same manner as local agencies pursuant to Government Code Section 53601 et seq. as such provisions may be amended or supplemented.

- (d) **No Commingling.** The funds, reserves, and accounts of each Coverage Program shall not be commingled and shall be accounted for separately; provided, however, that administration and overhead expenses of FRMS not related to a specific Coverage Program may be fairly and equitably allocated among Coverage Programs as determined by the Board of Directors. Investments and cash accounts may be combined for administrative convenience, but separate accounting shall be made for balances of individual funds and Coverage Program revenues and expenses.
- (e) **Annual Audit.** The Board shall provide for a certified, annual audit of the accounts and records of FRMS, in the manner prescribed in the Bylaws.

SECTION 17:
SERVICES PROVIDED BY FRMS

FRMS may provide, in the discretion of the Board of Directors, the following services in connection with this Agreement:

- (a) To provide or procure coverage, including but not limited to self-insurance funds and commercial insurance, as well as Excess or Re-insurance and umbrella insurance, by negotiation, bid or purchase;
- (b) To assist Members in obtaining insurance coverage for risks not included within the coverages of FRMS;
- (c) To assist risk managers with the implementation of risk management functions as they relate to risks covered by the Coverage Programs offered by FRMS;
- (d) To provide loss control and safety consulting services to Members;
- (e) To provide claims adjusting and subrogation services for Claims covered by the Coverage Programs;
- (f) To provide loss analysis and control through the use of statistical analysis, data processing, and record and file retention services, in order to identify high exposure operations and to evaluate proper levels of self-insured retention and deductibles;
- (g) To conduct risk management and claims audits relating to the participation of Members in the Coverage Programs;
- (h) To provide such other services as deemed appropriate by the Board of Directors.

SECTION 18:
RESPONSIBILITIES OF MEMBERS

Members or Former Members shall have the following responsibilities, which shall survive the withdrawal from, or involuntary termination of participation in a Coverage Program, or membership in FRMS:

- (a) Each Member shall designate an individual to be responsible for the risk management functions within that Member and to serve as a liaison between the Member and FRMS as to risk management.
- (b) Each Member shall consider all recommendations of FRMS concerning unsafe practices and/or hazard mitigation, and each Member participating in the Workers' Compensation Coverage Program shall implement and maintain an injury and illness prevention program as required by the California Labor Code within ninety (90) days of inception into program.
- (c) Each benefits program Member shall maintain its own set of records, including a loss log, in all categories of risk covered by each Coverage Program in which it participates to assure accuracy of FRMS' loss reporting system, unless it is deemed no longer necessary by the Board of Directors;
- (d) Each Member participating in the Workers' Compensation Program shall report job-related accidents or illnesses to the appropriate claims administrator as soon as practicable after notification of the accident or illness, and no later than 48 hours after notification, shall use the format specified by the claims administrator when making job-related accident reports, and make any other required notifications to government agencies, including Cal-OSHA, when required;
- (e) Each Member shall pay its Contribution, and any adjustments thereto, and any Assessments within the specified time period set forth in the invoice, or as otherwise set forth in the Bylaws. After withdrawal or termination, each Former Member or its successor shall promptly pay to FRMS its share of any additional Contributions, adjustments or Assessments, if any, as required of it by the Board of Directors;
- (f) Each Member or Former Member shall provide FRMS with such other information or assistance as may be necessary for FRMS to carry out the Coverage Programs in which the Member or Former Member participates or has participated;
- (g) Each Member or Former Member shall in any and all ways cooperate with and assist FRMS and any insurer of FRMS, in all matters relating to this Agreement and covered Claims;
- (h) Each Member or Former Member shall comply with all Bylaws, rules, regulations and operating policies and procedures adopted by the Board of Directors.

**SECTION 19:
NEW MEMBERS**

FRMS shall allow entry into its Coverage Programs of new Members, only upon approval of the Board of Directors, with any conditions or limitations that the Board deems appropriate. In order to become a Member and remain a Member, any public agency must participate in at least one Coverage Program, pay the Contributions required for such participation, and shall be authorized to exercise the common powers set forth in this Agreement.

**SECTION 20:
WITHDRAWAL**

Any Member may voluntarily withdraw from this Agreement only at the end of any applicable Program Year and only if:

- (a) The Member has been a party to this Amended and Restated Agreement for not less than three (3) full Program Years as of the date of the proposed withdrawal;
- (b) The Member submits at least 90 (ninety) days signed written withdrawal notification in accordance with the Bylaws;
- (c) In order to withdraw from the Agreement, the Member must have completed the three (3) full Program Year participation requirement for each Coverage Program in which the Member participated at the time of withdrawal.

Any Member may voluntarily withdraw from any particular Coverage Program only at the end of any applicable Program Year and only if:

- (a) The Member has participated in a Coverage Program for at least three (3) full Program Years;
- (b) The Member is a participant in another Coverage Program; and
- (c) The Member submits at least ninety (90) days signed written withdrawal notification in accordance with the Bylaws.

In the event that the three (3) year participation requirement for any Coverage Program has not been met, for each Coverage Program the withdrawing Member participated in at the time of withdrawal for less than three (3) years, such withdrawing Member shall be obligated to pay all Contributions and Assessments as if that Member had remained in such Coverage Program for the required three (3) full years.

In the event the notice of withdrawal is not provided as required above, any such withdrawing Member shall, with respect to each Coverage Program the Member participated in, be obligated to pay any and all Contributions and Assessments for the next full Program Year.

A Member may not withdraw as a party to this Agreement until it has withdrawn from all of the Coverage Programs of FRMS as provided herein and in the Bylaws.

SECTION 21:
EXPULSION

FRMS shall have the right to expel any Member's participation in a Coverage Program, or expel a Member from FRMS, for violation of the terms of this Agreement, the Bylaws, or any other rule, regulation or operational policy adopted by the Board of Directors of FRMS, in the manner provided for in the Bylaws.

The participation of any Member of FRMS, including participation in any of FRMS' Coverage Programs, may be expelled in the discretion of the Board of Directors whenever such Member is dissolved, consolidated, merged or annexed. Any such expulsion shall not relieve the Member or Former Member of its membership responsibilities specified in this Agreement.

SECTION 22:
EFFECT OF WITHDRAWAL OR EXPULSION

The withdrawal from or expulsion of any Member from this Agreement shall not be construed as a completion of the purpose of the Agreement, nor shall it terminate this Agreement. Any Member that withdraws or is expelled after the effective date of this Amended and Restated Agreement shall not be entitled to payment, return or refund of any Contribution, Assessment, consideration, or other property paid or donated by the Member to FRMS, or to any return of any loss reserve contribution, or to any distribution of assets.

The withdrawal from or expulsion of any Member from any Coverage Program shall not terminate its responsibilities to pay its unpaid Contributions, adjustments, or Assessments to such Coverage Program. The Board of Directors shall determine the final amount due from the Member or Former Member by way of Contributions or Assessments, if any, or any credit due on account thereof, to the Member or Former Member for the period of its participation. Such determination shall not be made until all Claims or other unpaid liabilities of that Coverage Program have been finally resolved.

SECTION 23:
TERMINATION OF FRMS AND DISTRIBUTION

This Agreement may be terminated at any time with the written consent of two-thirds of the then participating Members; provided, however, that FRMS and this Agreement shall continue to exist for the purpose of disposing of all claims, distribution of all assets, and all other functions necessary to wind up the affairs of the Authority.

The Board of Directors is vested with all powers of FRMS for the purposes of winding up and dissolving the business affairs of FRMS. These powers include the power to require Members or Former Members who were signatories to this Agreement at the time the subject Claims were

incurred, to pay any Assessments in accordance with loss allocation formulas for final disposition of all Claims and losses covered by this Agreement or the Bylaws.

Upon termination of a Coverage Program, all net assets of such Coverage Program other shall be distributed only among Members that are participating in such Coverage Program at the time of termination, in accordance with and proportionate to their Contributions, adjustments, and Assessments paid less claims or losses paid during the period of that Member's participation in the Coverage Program. The Board of Directors shall determine the distribution in the manner specified in the Bylaws.

Upon termination of this Agreement, all net assets of FRMS, other than the net assets of any Coverage Program distributed as provided above, shall be distributed only among Members in good standing at the time of such termination in accordance with and proportionate to each such Member's contributions made and claims or losses paid, as permitted by Government Code Section 6512.2. The Board of Directors shall determine such distribution in the manner specified in the Bylaws.

In lieu of terminating this Agreement, the Board may, with the written consent of two-thirds of the Voting Members, elect to assign and transfer all rights, assets, liabilities and obligations of FRMS to a successor joint powers authority created under the Act.

SECTION 24: AMENDMENTS

This Joint Powers Agreement may be amended by an amendment in writing signed by two-thirds of the Members then parties to this Agreement. Upon signature of any amendment by two-thirds of the then participating Members, any Member failing or refusing to sign such amendment may be involuntarily terminated as a party to this Agreement as provided in the Bylaws.

SECTION 25: ENFORCEMENT

FRMS is hereby granted authority to enforce this Agreement. In the event action is instituted to enforce any term of this Agreement or any term of the Bylaws against any Member which has signed this Agreement, the Member agrees to pay such sums as the court may fix as attorney fees and costs in said action.

SECTION 26: NON-LIABILITY OF MEMBER AGENCIES

Pursuant to Government Code Section 6508.1, the debts, liabilities and obligations of the FRMS shall not be the debts, liabilities or obligations of the Members which are parties to the Agreement. Nothing in the Joint Powers Agreement or in the Bylaws adopted pursuant thereto shall be construed as imposing liability upon any Member, or any officer, employee or member of the legislative body thereof, for the payment of any Claims incurred in any of the Coverage Programs

offered by FRMS to its Members, the sole recourse of claimants being against funds of those insurance programs and/or self-funded programs administered by the FRMS for the payment of such benefits.

SECTION 27:
NON-LIABILITY OF DIRECTORS, OFFICERS, ADMINISTRATOR,
AGENTS AND EMPLOYEES

The Board of Directors, officers, Administrator, agents, and employees of FRMS shall not be liable to FRMS, to any Member or Former Member, or to any other person for any actual or alleged breach of duty, mistake of judgment, neglect, error, misstatement, misleading statement, or any other act or omission in the performance of their duties hereunder; for any action taken or omitted by any director, officer, administrator, agent, or employee, or independent contractor; for loss incurred through the investment or failure to invest funds; or loss attributable to any failure or omission to procure or maintain insurance; except in the event of fraud, gross negligence, or intentional misconduct of such director, officer, administrator, agent, or employee. No director, officer, administrator, agent, or employee, including former directors, officers, administrators, agents or employees, shall be liable for any action taken or omitted by any other director, officer, administrator, agent, or employee.

SECTION 28:
INDEMNIFICATION OF BOARD OF DIRECTORS, OFFICERS, AND EMPLOYEES

As a public entity, FRMS shall defend and shall indemnify and hold harmless its directors, officers, and employees, including former directors, officers and employees, from any and all claims, demands, causes of action, liability, losses and damages arising out of the performance of their duties as such directors, officers and employees of FRMS, except in the event of fraud, gross negligence, corruption, malice or intentional misconduct, and the funds of FRMS shall be used for such purposes. FRMS may purchase conventional insurance to protect FRMS, and its Members and Former Members, against any such acts or omissions by its directors, officers and employees, including former directors, officers and employees.

SECTION 29:
ADMINISTRATION OF PREEXISTING OBLIGATIONS

- (a) All liabilities and obligations of FASIS existing prior to the effective date of this Amended and Restated Agreement will be administered under the terms and conditions of the FASIS Agreement as it existed prior to the effective date.
- (b) All assets of FRMS existing prior to the effective date shall be reserved by FRMS for the sole purpose of administering the preexisting obligations under the FASIS Agreement.
- (c) The Board shall appoint a committee made up of representatives of Members that were Members of FASIS prior to the effective date to make recommendations to the Board regarding the administration of the preexisting obligations under the FASIS Agreement.

As to specific agenda items relating to such matters, only Directors representing Members who were members of FASIS prior to the effective date may vote, and as to such items, a quorum shall be determined solely by reference to the number of Directors that represent members of FASIS prior to the effective date.

- (d) In the event that FDAC EBA assigns its rights, assets, liabilities and obligations to FRMS, any assets of FDAC EBA that are assigned to FRMS shall be used exclusively for the purpose of administering the obligations of FDAC EBA. In the event of such assignment, the Board shall appoint a committee made up of representatives of Members that were Members of FDAC EBA prior to the effective date to make recommendations to the Board regarding the administration of FDAC EBA's obligations. As to specific agenda items relating to such matters, only Directors representing Members who were members of FDAC EBA prior to the effective date may vote, and as to such items, a quorum shall be determined solely by reference to the number of Directors that represent members of FDAC EBA prior to the effective date.

**SECTION 30:
MISCELLANEOUS PROVISIONS**

- (a) This Agreement shall bind and inure to the heirs, devisees, assignees and successors in interest of the Authority and to the successors in interest of each Member in the same manner as if such parties had been expressly named herein.
- (b) This Agreement shall be governed by the law of the state of California. This Agreement together with the documents incorporated into the Agreement by reference constitute the entire Agreement between the parties regarding its subject matter. There are no oral understandings or agreements not set forth in writing herein.
- (c) If any provisions in this Agreement are held by any court to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall nevertheless continue in full force and effect.
- (d) No person or organization or entity shall be entitled to assert the rights of any Member or Former Member under any Coverage Document or Coverage Program. No Member or Former Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third-party beneficiary of any Member or Former Member shall have any right, claim or title to any part, share, interest, fund, contribution or asset of FRMS.

SECTION 31:
EXECUTION IN COUNTERPARTS

This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

(Agency Name)

Date: _____

By: _____
Name/Title



History

- Following years of informal discussions, an Advisory Committee comprised of Board Members from FDAC EBA and FASIS began meeting in 2019 to identify the most cost-effective method to merge the programs.
- The goal of the merger is to increase efficiencies, enhance member services, and provide overall administrative and fiscal savings.
- FRMS builds upon the combined 55 years of experience across approximately 210 CA fire districts under FDAC EBA and FASIS.

Purpose

- Fire Risk Management Services (FRMS), effective July 1, 2023.
- FRMS will provide streamlined services to the fire service community by offering a multi-line risk-pool providing employee benefits and workers' compensation to eligible CA fire agencies.
- FRMS will become the "one-stop shop" for insurance coverage programs for the CA fire service community.
- FRMS will draw on its combined 55 years of experience to continue to provide stable rates, broad coverage, expanded benefits and services, and excellent customer service to its members.

Member Services

- FRMS will provide comprehensive and cost-effective coverage programs to members of the CA fire service, retirees, and their families through a responsive risk pool. Coverage and Service Offerings include:
 - Workers' Compensation
 - Employee Benefits
- FRMS is a member-driven, member-directed risk sharing pool.
- FRMS provides a viable alternative to the commercial insurance market.
- FRMS works collaboratively to develop effective risk management programs to reduce losses.
- FRMS supports mental and physical health and wellness for firefighters and their families through life-long support and education.
- FRMS partners with the Fire Districts Association of California, California Fire Chiefs Association, and other allied entities.



FAQ

1. [What if a district is currently enrolled in one program but wants to enroll in another? What is required?](#)

WC program is limited to fire and existing community services districts only. EB program is open to public agencies providing emergency services. If eligibility aligns, members may be considered in either program following existing established underwriting guidelines.

2. [Will other program offerings be added to the employee health benefits and workers' compensation programs?](#)

Ancillary programs that serve to benefit the greater membership will regularly be reviewed by staff and presented to the FRMS Board for consideration. The Boards have previously established as a long-term goal, an intent to add a property & liability coverage program.

3. [Will we see cost reductions from this merger / consolidation?](#)

By streamlining and sharing services previously delivered and administered by multiple service providers (program administration, legal counsel, financial and claim auditors, etc.), members of FRMS will recognize a reduction in administrative and overhead costs.

From: [Melissa Feltz](#)
Cc: [Carmen Berry \(cberry@firebenefits.org\)](#); [Brock, Stacey](#); [Jobe, Jennifer](#)
Subject: IMPORTANT: Approval of FRMS (formerly FDAC EBA) Joint Powers Agreement
Date: Wednesday, April 26, 2023 3:02:39 PM
Attachments: [FRMS Facts FAQ.pdf](#)
[FRMS Joint Powers Agreement & Approval Memo.pdf](#)
[FASIS-EBA Sample Resolution to Participate in FRMS.docx](#)
[EBA Sample Resolution to Participate in FRMS.docx](#)

You don't often get email from mfeltz@firebenefits.org. [Learn why this is important](#)

****Please disregard if you have submitted your district's executed FRMS Joint Powers Agreement****

Good Afternoon, FDAC EBA Members,

The Fire Districts Association of California Employment Benefits Association (FDAC EBA) and Fire Agencies Self Insurance System (FASIS) will consolidate, effective July 1, 2023, as Fire Risk Management Services (FRMS). FRMS is a multi-line risk pool providing workers' compensation to eligible fire districts and employee benefits coverages to eligible fire districts and municipalities in California.

Attached is a memorandum from Carmen Berry, FDAC EBA Executive Director, providing information regarding the necessary written approval of the Amended and Restated JPA. Also attached are sample resolutions for use in obtaining authorization from your district's governing body to execute the Agreement for participation in FRMS, effective July 1, 2023. As noted in the memorandum, execution of the Agreement is due no later than June 20, 2023.

Please note your agency's approval of the Amended and Restated Joint Powers Agreement is required in order for the agency to continue participation in the benefits program. After reviewing the attached, if you have any questions or require additional information, please let us know.

Thank you kindly,

Melissa Feltz

Account Coordinator
FDAC Employee Benefits Association
808 R Street, Suite 209
Sacramento, CA 95811
P: 916-231-2143
mfeltz@firebenefits.org
<https://firebenefits.org/>

Resolution _____

RESOLUTION OF THE SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT AUTHORIZING PARTICIPATION IN AND APPROVING THE AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT OF THE FIRE RISK MANAGEMENT SERVICES JOINT POWERS AUTHORITY

WHEREAS, the Fire Agencies Self Insurance System (FASIS) was formed in 1984 for the purpose of jointly funding losses and providing risk management services to reduce such losses by and among California fire protection and community services districts; and

WHEREAS, the FDAC Employment Benefits Authority (FDAC EBA) was formed in 2005 to establish, operate, manage, and administer health and welfare benefit programs for the benefit of the existing and retired officers, employees and members of the legislative body of the California public agencies who are members of FDAC EBA; and

WHEREAS, following the exploration and in-depth analysis of a strategic partnership, the Board of Directors of FASIS and FDAC EBA directed the merger of the two programs, effective July 1, 2023, to provide comprehensive and cost-effective coverage programs through a responsive risk pool for fire service agencies; and

WHEREAS, FASIS and FDAC EBA have agreed that FASIS will change its name to Fire Risk Management Services (FRMS) and adopt an amended and restated joint exercise of powers agreement, and that FDAC EBA will assign its rights and liabilities to FRMS and adopt the same agreement as its own; and

WHEREAS, the amended and restated agreement allows FRMS to operate the programs previously operated by both FDAC EBA and FASIS, and admit members that would have been eligible to join either FDAC EBA or FASIS in the past; and

WHEREAS, San Mateo County Mosquito and Vector Control District is currently a member of FDAC EBA, and the Board of Trustees of San Mateo County Mosquito and Vector Control District finds it in the best interest of San Mateo County Mosquito and Vector Control District to continue participating in and obtaining coverage and risk management services from FRMS; and

WHEREAS, FRMS requires the San Mateo County Mosquito and Vector Control District to pass a resolution expressing the desire and commitment of the San Mateo County Mosquito and Vector Control District to approve the amended and restated joint exercise of powers agreement of FRMS and continue participation in FRMS, which requires a new three-year minimum participation period.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of San Mateo County Mosquito and Vector Control District approves the Amended and Restated Joint Exercise of Powers

Agreement for FRMS, as presented; and

BE IT FURTHER RESOLVED that the San Mateo County Mosquito and Vector Control District authorizes the District Manager to sign the Amended and Restated Joint Exercise of Powers Agreement that shall enable the San Mateo County Mosquito and Vector Control District to continue participating in the joint self-insurance and risk management programs provided by FRMS.

THIS RESOLUTION DULY PASSED this _____ day of _____, 2023.

AYES:

NOES:

ABSENT:

ABSTAIN:

Attest: _____

Agenda Item 4F

SUBJECT: Consider recommending the Board approve having the Operations Director purchase 3,200 gallons of BVA 2 larvicide oil from Azelis Solutions for \$37,738.96.

BACKGROUND AND STATUS

The Operations Director proposes to buy 3,200 gallons of BVA 2 mosquito larvicide oil (BVA). BVA is a highly refined oil used primarily to control immature mosquitoes. When applied evenly over the water surface, it rapidly interrupts the air-water interface and suffocates the larvae and pupae. This quick action makes it an effective larvicide for the seasonal Jeep program that targets larvae in underground storm drains. This purchase will last approximately 18 months and be stored in the district’s large holding tanks onsite.

BVA is sold by two distributors Azelis Solutions and Target Specialty Products. The table below summarizes their quotes. Using Adapco, the district can split the shipping cost with another district at a prorated savings of \$7,500 in freight costs.

<u>Vendor</u>	<u>Unit price per GL</u>	<u>Shipping Cost</u>	<u>Total cost with shipping cost and tax</u>
Adapco	\$8.62 @ 3,200 gal	\$7,500	\$37,738.96
Target	\$9.25 @ 3,000 gal	\$14,100	\$44,522.33

This purchase was budgeted and accounted for in the FY 22-23 approved budget.

RECOMMENDATION

Recommend the Board approve having the Operations Director purchase 3,200 gallons of BVA 2 mosquito larvicide oil from Adapco for \$37,738.96, with an additional \$2,261.04 added in the event of increased delivery charges for a total recommended amount of \$40,000.

REFERENCE MATERIALS ATTACHED:

1. Azelis Solutions Bid
2. Target Specialty Bid
3. Azelis Solutions Pesticide PO
4. Target Specialty Products PO



Agricultural &
Environmental
Solutions

Innovation
through
formulation



Date: April 17, 2023
Quotation #: 041723-1
Valid through: June 30, 2023
Prepared by: Dennis Candito

ADAPCO, LLC d/b/a/ Azelis Agricultural & Environmental Solutions is pleased to provide the following quotation to:

SAN MATEO COUNTY MVCD
BURLINGAME CA

For a split tanker load of BVA 2 Larvicide Oil.

Comments or special instructions:

Applicable sales tax will be added to invoice, and is based on the Tax Rate at the delivery location at the time of delivery. Prices quoted include CDPR Pesticide Mil Tax assessment.

Bulk Oil volume is determined by weight, not by meter. Therefore, the actual gallons you receive and are invoiced for will not be the exact amount ordered. The actual volume received may be more or less than the amount ordered. The district will be invoiced for the actual volume delivered as determined by the manufacturer's shipping documents.

Item Description	Qty	Pkg Size	Unit Price/ Unit	Estimated Subtotal
BVA 2 LARVOIL	3,200	BULK GAL.	\$ 8.62 GL	\$ 27,584.00
ESTIMATED TAX	9.625%			\$ 2,654.96
			Subtotal	\$ 30,238.96
			Estimated Freight*	\$ 7,500.00
			Estimated Total**	\$ 37,738.96

* ESTIMATED FREIGHT is based on San Mateo County MVCD splitting a full tanker load with another district. ESTIMATED FREIGHT is an estimate of freight cost based on recent and similar shipments. Actual freight cost may be more or less than what is estimated because actual tanker rates are not available until time of shipment.

Freight will be Prepaid & Added to Invoice. Payment Terms Net 30 days.

** ESTIMATED TOTAL is based on San Mateo County MVCD splitting a full tanker load with another district. If San Mateo County MVCD does not split the load with another district, then the estimated total would be doubled.

Please visit our website at www.azelisaes-us.com to view Labels, request SDS, and get other product information.

Should you have any questions or immediate needs, please contact me at 877-875-6353.

Thank you for the opportunity to serve you.

Best regards,

Dennis Candito [electronic signature]

Dennis Candito
Key Account Representative

Azelis Agricultural & Environmental Solutions

Email: Dennis.Candito@azelis.com

Direct: 877-875-6353



TARGET

SPECIALTY PRODUCTS

524 Galveston St
 West Sacramento, CA
 95691
 916-374-9900
 800-533-0816
 FAX 916-374-0900

Quotation

Contact: Casey Stevenson
 Customer: San Mateo MVCD
 Address: 1351 Rollins Rd
 City, State: Burlingame, CA
 Zip: 94010

Quotation #:
 Date: 4/28/2023
 Customer ID:

PO #	TSP Order #	Sales Rep	FOB	Ship Via	Terms	Shipping Date
		J. Camacho			Net 30	

Item #	Quantity	Description	UOM	Unit Price	Total
I512442	3000	BVA 2 Larvacide Oil (BULK)	Gallon	\$9.25	\$27,750.00

Subtotal \$27,750.00
 Shipping \$14,100.00
 Taxes \$2,672.33
 Misc
 Balance \$44,522.33

Special Notes and Instructions
 This quote is valid for 90 days. Free shipping on orders greater than \$700.
 The prices quoted do not include any sales tax. Sale tax will be added at time of invoicing.

Quote Prepared By:

Joe Camacho

Vector Specialist

916-291-3173

Sales Representative

joe.camacho@target-specialty.com



**SAN MATEO COUNTY
MOSQUITO & VECTOR
CONTROL DISTRICT**

Protecting public health since 1916

1351 Rollins Rd
Burlingame CA 94010
Phone (650) 344-8592
Fax (650) 344-3843
www.smcvmcd.org

PURCHASE REQUISITION / PURCHASE ORDER

Requested by: Casey Stevenson Signature: _____

Request Date: April 27, 2023

VENDOR: Azelis Solutions
ATTN: Dennis Candito

877-875-6533

SHIP TO San Mateo County Mosquito and
Vector Control District
1351 Rollins Road
Burlingame, CA 94010
Phone: (650) 344-8592

DEPARTMENT	ACCOUNT CODE / FUND
OPERATIONS	5111A10P - Pesticides: Altosid, BVA, Larvicides - (GENERAL FUND)

QTY	UNIT	DESCRIPTION	UNIT PRICE	LINE TOTAL
3200	Gallons	BVA2 Larvicide oil	\$ 8.62	\$ 27,584.00
1	Freight	Estimated Tanker Freight Cost	\$ 9,761.04	\$ 9,761.04

Business Purpose for Requesting Purchase Order			
3,200 Gallons of BVA2 mineral Oil primarily used for District's seasonal Catch Basin Program		SUBTOTAL	\$ 37,345.04
		SALES TAX	2,654.96
		Shipping / Freight	
		Other	
		TOTAL	\$ 40,000.00

Instructions:

1. A Purchase Requisition Form will be required for all purchases over \$1,000.
2. Per District Policy 6030 – Expense Authorization, informal bidding is required for requests between \$1,000 and \$7,500. For requests over \$7,500, formal bidding shall be required (will need an RFP). Attach relevant supporting documentation to each request.

_____	_____	_____	_____
Department Manager Approval	Date	District Manager Approval	Date
FINANCE APPROVAL and PURCHASE ORDER #			
_____	_____	_____	_____
Finance Director Approval	Date	Purchase Order Number	



**SAN MATEO COUNTY
MOSQUITO & VECTOR
CONTROL DISTRICT**

Protecting public health since 1916

1351 Rollins Rd
Burlingame CA 94010
Phone (650) 344-8592
Fax (650) 344-3843
www.smcvc.org

PURCHASE REQUISITION / PURCHASE ORDER

Requested by: Casey Stevenson Signature: _____

Request Date: April 28, 2023

VENDOR: Target Specialty Products
ATTN: Joe Camacho

916-291-3173

SHIP TO San Mateo County Mosquito and
Vector Control District
1351 Rollins Road
Burlingame, CA 94010
Phone: (650) 344-8592

DEPARTMENT	ACCOUNT CODE / FUND
OPERATIONS	5111A10P · Pesticides: Altosid, BVA, Larvicides - (GENERAL FUND)

QTY	UNIT	DESCRIPTION	UNIT PRICE	LINE TOTAL
3000		BVA2 Larvicide oil	\$ 9.25	\$ 27,750.00
1	Shipping	Freight cost	\$ 14,100.00	\$ 14,100.00

Business Purpose for Requesting Purchase Order			
3,000 Gallons of BVA2 mineral Oil primarily used for District's seasonal Catch Basin Program		SUBTOTAL	\$ 41,850.00
		SALES TAX	2,672.33
		Shipping / Freight	
		Other	
		TOTAL	\$ 44,522.33

Instructions:

- A Purchase Requisition Form will be required for all purchases over \$1,000.
- Per District Policy 6030 – Expense Authorization, informal bidding is required for requests between \$1,000 and \$7,500. For requests over \$7,500, formal bidding shall be required (will need an RFP). Attach relevant supporting documentation to each request.

_____	_____
Department Manager Approval	District Manager Approval
Date	Date

FINANCE APPROVAL and PURCHASE ORDER #	
_____	_____
Finance Director Approval	Purchase Order Number
Date	

Agenda Item 4G

SUBJECT: Purchase of iPad Air tablets

BACKGROUND AND STATUS

To improve operational efficiency, District staff is recommending replacing our field deployed iPads that field and laboratory staff use to do their jobs daily. The iPads are beginning to meet the end of their useful life and should be upgraded in preparation for the recently approved 3rd generation of Mapvision software. These devices have a faster processor and can connect to the new 5G broadband internet previously unavailable on the old iPads. Both these features will allow our data entry to go more smoothly and reliably. The purchase of these devices was budgeted and available in the current FY 22/23 budget.

The staff has opted to purchase the devices outright to give more replacement flexibility and allow for softer device rollouts.

Comparable quotes were obtained through Apple, CDW, and Verizon.

RECOMMENDATION

Staff recommends that the Board approve the purchase of thirteen new 5G capable iPads from Verizon Wireless in the amount of \$9,440.21.

REFERENCE MATERIALS ATTACHED

1. CDW Cart
2. Apple Quote
3. Verizon Quote



Shipping Address

Edit

Matt Nienhuis
San Mateo County Mosquito and
San Mateo County Mosquito and
Burlingame, CA 94010



Shipping Method

Edit

UPS Ground (2-3 days)
Monday, May 1, 2023 (Ground) \$19.99
Ship all items together



Billing & Payment

**\$831.00 per device
after tax and fees**

Order Summary

Subtotal	\$9,788.87
Shipping	\$19.99
<u>Recycle Fee</u>	\$52.00
Sales Tax	\$942.18

Order Total **\$10,803.04**

Review Your Order

Apple Inc. Price Quote

Customer:	VECTOR CONTROL DISTRICT SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT Phone: (650) 608-0479 email: mnienhuis@smcmvcd.org	Apple Inc:	Ritz Sherman One Apple Park Way Cupertino, CA 95014 email: ritz@apple.com
------------------	--	-------------------	--

Apple Quote: 2211928344

Quote Date: Monday, March 27, 2023

Quote Valid Until: Wednesday, April 26, 2023

Quote Comments:
Please reference Apple Quote number on your Purchase Order.

#	Product Description	Part Number	Item Price	Qty	Unit Discounted Price	Extended Discounted Price
1	10.9-inch iPad Air Wi-Fi + Cellular 64GB – Space Gray Part Number MM6R3LL/A	MM6R3LL/A	\$699.00	21	\$0.00	\$14,679.00

Subtotal	\$14,679.00
– Additional Tax	\$0.00
– Estimated Tax	\$1,412.85
– Total Tax	\$1,412.85
Total Recycle/eWaste fee	\$84.00
Total	\$16,175.85

*In most cases Extended discounted Total price does not include Sales Tax
*If applicable, eWaste/Recycling Fees are included. Standard shipping is complimentary

Total amount per device \$770.28

Purchasing with a PO – In order for Apple to accept Purchase Orders your organization must have an Apple Customer Number. Apple identifies our customer’s purchasing accounts by the Bill-To address on POs with each address needing it’s own matching account.

If you already have a Apple Customer number, please visit ecommerce.apple.com to place your order. To maintain a secure environment, all new users must register for access to the store at myaccess.apple.com. This is a simple process.

Steps to become an online Purchaser or Proposer:

1. Log in to myaccess.apple.com by clicking on "Sign In" and providing your Apple ID and password. (If you do not have an Apple ID for business, you can create one on this page by clicking "Sign Up" and following the steps on that screen.)
2. Click "Request Access".
3. Select the "Apple Online Store" and click "Next".
4. Select the location to which the access is being requested and click "Next". (You can search by your customer number)
5. Select a role from the drop down menu, (only the purchaser role can place orders using a PO#, please register as a purchaser) enter your manager's name and email address. Click "Next". (The manager you list cannot be yourself.)
6. Confirm the information then click "Submit."
7. Close the confirmation page. Your request will be processed shortly. Once the access request is completed, you can log into the Apple Online Store at any time by visiting ecommerce.apple.com.

Note: Prior to making your first online purchase, Apple will validate your employment with your company/agency. This validation is initiated when you complete the registration process and takes approximately one business day.

If you DO NOT have an Apple Customer number, please email GovernmentSSO@apple.com ASAP and request instruction for setting one up. They will reply with next steps. Once completed (process takes 5-7 days) you will get a "Welcome to Apple" email with your customer number inside.

Need help? Please ensure you are using the most current version of your web browser and have cleared your cache and cookies. If you encounter any registration issues, please send an email to myaccess.support@apple.com.

If you have the ability to purchase with a procurement card, you can go to the site below and purchase directly from there without needing to sign up for an account. (Products purchased here are ineligible for Apple's Device Enrollment Program, a.k.a. "DEP")<http://www.apple.com/r/store/government/>

Opportunity ID:
<https://ecommerce.apple.com>
Fax:

[Terms & Use](#) | [Privacy Policy](#) | [Return Policy](#)
Copyright © 2016 Apple Inc. All rights reserved.

Hi MATTHEW NIENHUIS,

SAN MATEO COUNTY MOSQUITO ABAT, 1351 ROLLINS RD, BURLINGAME, CA 94010-2409.

Let us help you do business. Please review your quote here, if you have any questions to get clarified feel free to connect with your Verizon sales executive.

Raul Meneses | 4158286316 | Raul.memeses@verizonwireless.com

This quotation is based on the terms and conditions of the State of California CALNET Contract #C4-CVD-19-001-03, Addenda and Attachments can be found on the <http://www.verizon.com/cawireless> site for your review.

Quote ID	Created on	Expires on
23247522-Q-6832485	04/27/2023	06/25/2023

Quote summary

All amounts in below summary without taxes or accessory cost over 24 months

Number of lines	Avg Cost/Line per month	Total cost per month
13	\$37.99	\$493.87

Quote overview

With applicable discounts

Plans & features (Due monthly)	Devices (Due today)
\$493.87	\$8,449.87

Quote details

Plans & features

Mobile Broadband Unlimited Plus DTL 25GB - \$37.99/month

Qty: 13 x \$37.99 \$493.87

Added features:

- Decline Device Protection

Qty: 13 x \$0.00 \$0.00

Due monthly (Subsidy - 2 year) \$493.87

Total due monthly for plans & features \$493.87

*Decline equipment protection: Verizon will not be protecting your device. In the event of lost, theft, damage or post warranty defects, the cost to replace each device could be in excess of \$1000. The cost to repair your smartphone's cracked screen maybe be in excess of \$100 per repair.

Devices & accessories

Apple iPad Air 2022 64GB in Space Gray - MM6R3LL/A

Retail price \$749.99

Promotion(s) applied:

- Corporate Discount

-\$100.00

Net price (2 yr contract) \$649.99

Due today
Qty: 13 x \$649.99 \$8,449.87

Total due today for device(s) \$8,449.87

Total charges by account

Account	Due monthly	Due today
271667168-2	\$493.87	\$9,440.21

Sales tax

CA eWaste Fee \$52.00

CA STATE ASSOCIATED ADMIN FEE 0.00

CA state sales tax \$585.00

CA local sales tax \$353.34

Total due today with tax \$9,440.21

Total amount per device \$726.17

Device Payment Tax 0.00

Additional fees for usage and overages may apply. Offers & Coverage vary by service & equipment. See Verizonwireless.com for coverage map. Equipment and accessories are subject to availability while supplies last. Additional charges, taxes, fees and surcharges apply.

Important customer information

Prices referenced in this document are for estimating purposes only. Actual prices will be based on current equipment, calling plan and feature charges available at purchase, device tax due at the time of purchase and are subject to change without notice. Equipment and accessories are subject to availability while supplies last.

Activation/upgrade fee/line up to \$40; restocking fee per device up to \$50. Subject to business agreement, Calling Plan & credit approval. Either an Offer Recovery Fee or up to \$650 Early Termination Fee may apply. If applicable, your line's Offer Recovery Fee will be the sum of device discounts plus device credits you receive. Offers & coverage, varying by svc, not available everywhere; see vzw.com. Monthly charges are shown before taxes, and Verizon Wireless surcharges/line (including 29.0% Fed. Univ. Svc., \$1.95 Administrative and \$0.21 Regulatory Charges).

PURSUANT TO THE TERMS OF THE CALNET- C4-CVD-19-001-03 CONTRACT, PURCHASES UNDER THAT CONTRACT ARE ASSESSED A CALIFORNIA STATE ASSOCIATED ADMINISTRATIVE FEE (SAAF).

Legal Disclaimer

Any discrepancy between this quote and the contracted price, the price in the contract referenced above prevails.

Why Verizon

The network businesses rely on

If your network is down, you're down. Our award-winning network delivers the speed, reliability, coverage and performance that you need to succeed.

Superior Coverage

Our 4GLTE network covers 327 million people. That's over 99% of the U.S. population.

5G innovation

Veriozn 5G Ultra Wideband is the fastest 5G in the world¹, with ultra-low lag and Massive capacity.²

Trusted security

Managing over 500,000 security network and hosting devices gives us valuable insights into the digital landscape.

Performance

Verizon is the most awarded brand for Wireless Network Quality according to J.D Power.³

Massive capacity

We obsess over the details, analyzing millions of gigabytes of data every day.

Easy integration

We've certified 900+ machine-to-machine (M2M) chipsets, modules and devices.

1 Global claim from May 2020, based on Opensignal independent analysis of mobile measurements recorded during the period January 31 – April 30, 2020 © 2020 Opensignal Limited.

2 5G Ultra Wideband (UWB) available only in parts of select cities. 5G UWB access requires a 5G capable device with select voice/data & 5G UWB plans. 5G Nationwide available in 2,700+ cities.

3 Verizon received the highest number of awards in network quality for the 25th time as compared to all other brands in the J.D. Power 2003-2020 Volume 1 and 2 U.S. Wireless Network Quality Performance Studies. Network Quality measures customers' satisfaction with their network performance with wireless carriers. For J.D. Power 2020 award information, visit [jdpower.com/awards](https://www.jdpower.com/awards) for more details.

Agenda Item 4H

SUBJECT: Consider recommending the Board approve the Vector Control Services Agreement to provide the City of San Mateo Rodent Control Services along residential waterways

BACKGROUND AND STATUS

In the Summer of 2015, the District took over the control of roof rats, particularly along waterways in the City of San Mateo. In June 2015, the district implemented a rodent control program in eight San Mateo waterways. This program is run from June to October and has been done regularly each summer starting in June. The City of San Mateo would reimburse the District for this work, not to exceed \$24,617.60 annually. This rate would cover the cost of materials and labor for placing and monitoring 314 bait stations and control blocks along channels that run through residential San Mateo. The term of the agreement is from June 1st, 2023, to May 31st, 2026. The rate was calculated by taking the staff time, and materials cost and adding 6% over the contract's life, divided by the years to present as a fixed annual price. The agreement has been reviewed by District Counsel as to form.

RECOMMENDATION

Finance Committee recommends that the Board approve the Vector Control Services Agreement to provide the City of San Mateo with Rodent Control Services along residential waterways for \$24,617.60 annually.

REFERENCE MATERIALS ATTACHED:

1. San Mateo County Vector Control Services Agreement for Rodent Control Services

**VECTOR CONTROL SERVICES AGREEMENT
BY AND BETWEEN
THE CITY OF SAN MATEO AND
THE SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT**

THIS VECTOR CONTROL SERVICES AGREEMENT is made and entered into as of the ____ day of _____, _____, by and between the CITY OF SAN MATEO, a municipal corporation existing under the laws of the State of California (“City”) and the SAN MATEO COUNTY MOSQUITO AND VECTOR CONTROL DISTRICT, an independent special district existing under the laws of the State of California (“District”), with reference to the following facts and intentions:

RECITALS

WHEREAS, City desires to obtain certain rodent control services more particularly described herein; and

WHEREAS, District has the qualifications and experience to provide such rodent control services; and

WHEREAS, City desires to engage District to provide these rodent control services and District has offered to provide the services on the following terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of their mutual covenants, the parties hereto agree as follows:

1. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are hereby incorporated into this Agreement as if set forth herein in full.

2. Project Coordination.

A. City. City shall assign Steve Camilleri, Public Works Supervisor to represent City for all purposes under this Agreement and be designated as the Project Manager. The Project Manager shall supervise the progress and execution of this Agreement.

B. District. District shall assign Brian Weber, District Manager, to have overall responsibility for the progress and execution of this Agreement for District.

3. Scope and Performance of Services

A. Scope of Services. Subject to the provision of pertinent information regarding its requirements for the work and such policy direction and approvals as City, through

its staff, may determine from time to time, District shall perform the services set out in the “Scope of Work” attached hereto as Exhibit A and incorporated herein by reference.

B. Time of Performance. The services of District are to commence no sooner than June 1, 2023 and be completed no later than May 31, 2026. District shall perform its services in accordance with the “Schedule of Performance” attached hereto as Exhibit B, and incorporated herein by reference. Any changes to these dates in either this Section 3 or Exhibit B must be approved in writing by the Project Manager.

C. Standard of Quality. City relies upon the professional ability of District as a material inducement to entering into this Agreement. All work performed by District under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in District's field of expertise.

4. Compensation and Method of Payment.

A. Compensation. The compensation to be paid to District, including both payment for professional services and reimbursable expenses, shall be at the rate and schedules attached hereto as Exhibit B, and incorporated herein by reference. However, in no event shall the amount the City pays the District in a year exceed twenty-four thousand six hundred seventeen dollars and sixty cents (\$24,617.60).

B. Timing of Payment. District shall submit itemized monthly statements for work performed. City shall make payment, in full, within thirty (30) days after approval of the invoice by the Project Manager.

C. Changes in Compensation. District shall not undertake any work that will incur costs in excess of the amount set forth in Paragraph 4(A) without prior written amendment to this Agreement.

D. Litigation Support. District agrees to testify at City’s request if litigation is brought against City in connection with District’s work product. Unless the action is brought by District or is based upon District’s negligence, City shall compensate District for the preparation, travel and the testimony at District’s standard hourly rates at the time of actual testimony.

5. Amendment to Scope of Work. City shall have the right to amend the Scope of Work within the Agreement by written notification to the District. In such event, the compensation and time of performance shall be subject to renegotiation upon written demand of either party to the Agreement. District shall not commence any work exceeding the Scope of Work without prior written authorization from the City.

6. Term. This Agreement shall commence upon its execution and shall continue in full force and effect until completed, amended, or otherwise terminated as provided herein.

7. Inspection. District shall furnish City with every reasonable opportunity for City to ascertain that the services of District are being performed in accordance with the requirements and intentions of this Agreement. All work done and all materials furnished, if any, shall be subject to the Project Manager's inspection and approval. The inspection of such work shall not relieve District of any of its obligations to fulfill the Agreement as prescribed.

8. Ownership of Documents. Title to all plans, specifications, maps, estimates, reports, manuscripts, drawings, descriptions and other final work products compiled by the District under this Agreement shall be vested in City. District may retain copies of the above-described information but agrees not to disclose or discuss any information gathered, discussed or generated in any way through this Agreement without the written permission of City during the term of this Agreement, unless required by law or released by City to the public.

9. Employment of Other Districts, Specialists or Experts. District will not employ or otherwise incur an obligation to pay other consultants, specialists, or experts for services in connection with this Agreement without the prior written approval of the City.

10. Conflict of Interest.

A. District covenants and represents that neither it, nor any officer or member of its Board, has, or shall acquire any investment, income, business entity, interest in real property, or other interest, directly or indirectly, which would conflict in any manner with the interests of City, hinder District's performance of services under this Agreement, or be affected in any manner or degree by performance of District's services hereunder. District further covenants that in the performance of the Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City. District agrees to at all times avoid conflicts of interest, or the appearance of any conflicts of interest, with the interests of the City in the performance of the Agreement.

B. District is not a designated employee within the meaning of the Political Reform Act because District:

(1) will conduct research and arrive at conclusions with respect to its rendition of information, advice, recommendation, or counsel independent of the control and direction of the City or of any City official, other than normal contract monitoring; and

(2) possesses no authority with respect to any City decision beyond the rendition of information, advice, recommendation, or counsel. (2 Cal. Code Regs. § 18700(a)(2).)

11. Indemnity. To the fullest extent permitted by law, District hereby agrees to defend (by counsel reasonably satisfactory to the City), indemnify, and hold harmless the City, its officers, agents, employees, volunteers, and servants, from and against any and all claims, demands, damages, costs, liabilities, or obligations brought on account of or arising out of any acts, errors, or omissions of District, its officers, employees, agents, and subcontractors undertaken pursuant to this Agreement excepting liabilities due to the sole negligence or willful misconduct of City.

To the fullest extent permitted by law, City hereby agrees to defend (by counsel reasonably satisfactory to the District), indemnify, and hold harmless the District, its officers, agents, employees, volunteers, and servants, from and against any and all claims, demands, damages, costs, liabilities, or obligations brought on account of or arising out of any acts, errors, or omissions of City, its officers, employees, agents, and subcontractors undertaken pursuant to this Agreement excepting liabilities due to the sole negligence or willful misconduct of District.

The Parties' duty to indemnify and hold harmless, as set forth herein, shall include the duty to defend as set forth in California Civil Code § 2778. This indemnification obligation is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for the Parties under Worker's Compensation, disability or other employee benefit acts or the terms, applicability or limitations of any insurance held or provided by the Parties and shall continue to bind the parties after termination/completion of this agreement.

12. District Not an Agent of City. District, its officers, employees and agents shall not have any power to bind or commit City to any decision.

13. Independent Contractor. It is expressly agreed that District, in the performance of the work and services agreed to be performed by District, shall act as and be an independent contractor and not an agent or employee of City; and as an independent contractor, District shall obtain no rights to retirement benefits or other benefits which accrue to City's employees, and District hereby expressly waives any claim it may have to any such rights.

14. Compliance with Laws.

A. General. District shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations. District represents and warrants to City that it has and shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals which are legally required for District to practice its profession.

B. Workers' Compensation. District certifies that it is aware of the provisions of the California Labor Code which require every employee to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and District certifies that it will comply with such provisions before commencing performance of the Agreement and at all times in the performance of the Agreement.

C. Prevailing Wage. District and District's subcontractors (if any) shall, to the extent required by the California Labor Code, pay not less than the latest prevailing wage rates to workers and professionals as determined by the Director of Industrial Relations of the State of California pursuant to California Labor Code, Part 7, Chapter 1, Article 2. Copies of the applicable wage determination are on file at the City's Public Works Department office.

D. Injury and Illness Prevention Program. District certifies that it is aware of and has complied with the provisions of California Labor Code § 6401.7, which requires every employer to adopt a written injury and illness prevention program.

E. City Not Responsible. City is not responsible or liable for District's failure to comply with any and all of its requirements under this section and Agreement.

F. Waiver of Subrogation. District and District's insurance company agree to waive all rights of subrogation against City, its elected or appointed officials, officers, agents, employees, and volunteers for losses paid under District's workers' compensation insurance policy which arise from the work performed by District for City.

15. Confidential Information. All data, documents, discussions or other information developed or received by or for District in performance of this Agreement are confidential and not to be disclosed to any person except as authorized by City, or as required by law.

16. Assignment; Subcontractors; Employees

A. Assignment. District shall not assign, delegate, transfer, or convey its duties, responsibilities, or interests in this Agreement or any right, title, obligation, or interest in or to the same or any part thereof without City's prior written consent. Any assignment without such approval shall be void and, at City's option, shall immediately cause this Agreement to terminate.

B. Subcontractors; Employees. District shall be responsible for employing or engaging all persons necessary to perform the services of District hereunder. No subcontractor of District shall be recognized by City as such; rather, all subcontractors are deemed to be employees of the District, and District agrees to be responsible for their performance. District shall give its personal attention to the fulfillment of the provisions of this Agreement by all of its employees and subcontractors, if any, and shall keep the work under its control. If any employee or subcontractor of District fails or refuses to carry out the provisions of this Agreement or appears to be incompetent or to act in a disorderly or improper manner, it shall be discharged immediately from the work under this Agreement on demand of the Project Manager.

17. Insurance. The Parties acknowledge that they are each self-insured and hereby acknowledge the sufficiency of such insurance for the purposes of this Agreement.

18. Termination of Agreement; Default.

A. This Agreement and all obligations hereunder may be terminated at any time, with or without cause, by City upon five (5) days' written notice to District.

B. If District fails to perform any of its obligations under this Agreement within the time and in the manner herein provided or otherwise violate any of the terms of this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice. In such event, District shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total fees specified in the Agreement as the services satisfactorily rendered hereunder by District bear to the total services otherwise required to be performed for such total fee; provided, however, that the City shall deduct from such amount the

amount of damages, if any, sustained by City by virtue of the breach of the Agreement by District.

C. In the event this Agreement is terminated by City without cause, District shall be entitled to any compensation owing to it hereunder up to the time of such termination, it being understood that any payments are full compensation for services rendered prior to the time of payment.

D. Upon termination of this Agreement with or without cause, District shall turn over to the Project Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by District or its subcontractors, if any, or given to District or its subcontractors, if any, in connection with this Agreement. Such materials shall become the permanent property of the City. District, however, shall not be liable for the City's use of incomplete materials nor for the City's use of complete documents if used for other than the project contemplated by this Agreement.

19. Suspension. City shall have the authority to suspend this Agreement and the services contemplated herein, wholly or in part, for such period as it deems necessary due to unfavorable conditions or to the failure on the part of the District to perform any provision of this Agreement. District will be paid for satisfactory Services performed through the date of temporary suspension.

20. Merger; Amendment. This Agreement constitutes the complete and exclusive statement of the agreement between the City and District and shall supersede all prior negotiations, representations, or agreements, either written or oral. This document may be amended only by written instrument, signed by both the City and District. All provisions of this Agreement are expressly made conditions.

21. Interpretation. This Agreement shall be interpreted as though it was a product of a joint drafting effort and no provisions shall be interpreted against a party on the ground that said party was solely or primarily responsible for drafting the language to be interpreted.

22. Litigation Costs. If either party becomes involved in litigation arising out of this Agreement or the performance thereof, the court in such litigation shall award reasonable costs and expenses, including attorneys' fees, to the prevailing party. In awarding attorneys' fees, the court will not be bound by any court fee schedule, but shall, if it is in the interest of justice to do so, award the full amount of costs, expenses, and attorneys' fees paid or incurred in good faith.

23. Time of the Essence. Time is of the essence of this Agreement.

24. Written Notification. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be in writing and either served personally or sent by prepaid, first class mail. Any such notice, demand, etc. shall be addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address. Notice shall be deemed communicated within seventy-two (72) hours from the time of mailing if mailed as provided in this section.

If to City: Steve Camilleri
Public Works
Supervisor
City of San Mateo
1949 Pacific Blvd.
San Mateo, CA 94403

If to District: Brian Weber
District Manager
San Mateo County Mosquito and Vector Control District
1351 Rollins Road
Burlingame, CA 94010

25. District's Books and Records.

A. District shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements charged to the City and all documents and records which demonstrate performance under this Agreement for a minimum period of three (3) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

B. Any records or documents required to be maintained pursuant to this Agreement shall be made available for inspection or audit, at any time during regular business hours, upon written request by the City Attorney, City Auditor, City Manager, or a designated representative of any of these officers. Copies of such documents shall be provided to the City for inspection when it is practical to do so. Otherwise, unless an alternative is mutually agreed upon, the records shall be available at District's address indicated for receipt of notices in this Agreement.

C. The City may, by written request by any of the above-named officers, require that custody of the records be given to the City and that the records and documents be maintained in the City Manager's office.

26. Agreement Binding. The terms, covenants, and conditions of this Agreement shall apply to, and shall bind, the heirs, successors, executors, administrators, assigns, and subcontractors of both parties.

27. Equal Employment Opportunity. District is an equal opportunity employer and agrees to comply with all applicable state and federal regulations governing equal employment opportunity. District will not discriminate against any employee or applicant for employment because of race, age, sex, creed, color, sexual orientation, marital status or national origin. District will take affirmative action to ensure that applicants are treated during such employment without regard to race, age, sex, creed, color, sexual orientation, marital status, or national origin. Such action shall include, but shall not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; lay-offs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. District

further agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

28. City Not Obligated to Third Parties. City shall not be obligated or liable for payment hereunder to any party other than District.

29. Waiver. The waiver by either party of any breach or violation of any term, covenant, or condition of this Agreement or of any provisions of any ordinance or law shall not be deemed to be a waiver of such term, covenant, condition, ordinance or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance or law or of any subsequent breach or violation of the same or of any other term, condition, ordinance, or law. The subsequent acceptance by either party of any fee or other money which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, covenant, or condition of this Agreement or of any applicable law or ordinance.

30. Severability. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

31. Exhibits. The following exhibits are attached to this Agreement and incorporated herein by this reference:

- A. Exhibit A: Scope of Work
- B. Exhibit B: Schedule of Performance and Compensation

32. Execution. This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

33. Applicable Law; Venue. This Agreement shall be construed and interpreted according to California law. In the event that suit shall be brought by either party hereunder, the parties agree that trial of such action shall be held exclusively in a state court in the County of San Mateo, California.

34. Authority. Each individual executing this Agreement on behalf of one of the parties represents that he or she is duly authorized to sign and deliver the Agreement on behalf of such party and that this Agreement is binding on such party in accordance with its terms.

IN WITNESS WHEREOF, the City and District have executed this Agreement as of the date first above written.

CITY OF SAN MATEO

SAN MATEO COUNTY MOSQUITO
AND VECTOR CONTROL DISTRICT

By: _____
Public Works Supervisor

By: _____
General Manager

Date:

Date:

APPROVED AS TO FORM:

By: _____
General Counsel

ATTEST:

ATTEST:

By: _____

By: _____
Board Secretary

EXHIBIT A

Scope of Work

Purpose: To provide rodent control treatment along specific natural drainage creeks, waterfronts, recreational areas and various City facilities for an initial period of one year, with an option for City to extend agreement by written amendment for up to three (1) additional one year terms.

WORK SCHEDULE AND TYPE OF TREATMENT

Protective Bait Stations

Installing, a total of 314 protective bait stations in June of each year, each containing 3-4 - .52 oz bait block, along natural drainage creeks and areas in the locations indicated on maps available for inspection at the Office of the San Mateo County Mosquito & Vector Control District and the City of San Mateo.

Conducting three follow-up inspections per year of the above installed bait stations at thirty (30) day intervals beginning with the month of June to replace as necessary, consumed or deteriorated bait and to correct any deficiencies concerning the bait stations. For the purpose of this contract, a deficiency includes, but is not limited, to vandalism, missing or damaged bait stations.

Removing all installed bait stations thirty (30) days after final inspection and obliterating colored dots marking location of bait stations.

MATERIALS AND EQUIPMENT

All tools, labor, materials and equipment necessary to carry out this program are to be provided by the Contractor.

Rodenticide

Bromethalin a nerve toxin will be the primary rodenticide used. Bromadiolone and Diphacinone, an anticoagulant, shall serve as the secondary rodenticide. Fastrac (Bromethalin) should use 3-4 blocks per station and each block weighs .52 oz and contains .01% of Bromethalin per unit weight

1208604v1 80078/0012

Manufacturer: Manufacturer: Bell Labs Inc., 3699 Kinsman Blvd, Madison, WI. 53704
Telephone number 1-608-241-0202

Local Distributors: Vesperis 408-216-2333

Target Specialty Products: 800-352-3870

Bait Station

The protective bait station shall be tamper-proof and in compliance with all state, federal, and local laws. The tamper-proof station should be a Protecta bait station or similar design, requiring a key for entry.

Caution Statement

A cautionary statement shall be painted on the side of each protective bait container that shall read:

**Caution: Bromodiolone/Diphacinone/Bromethalin Rat
Bait Do Not Disturb
San Mateo County Mosquito and Vector Control
650-344-8592**

Statement lettering shall be in red enamel paint and of letters not less than one-half (1/2) inch line height.

Anchors

Duckbill anchors shall be secured to the bait station and driven a minimum of 12 inches into compact earth.

Stake

Metal stakes not less than twelve (12) inches in length, will be required, one (1) per bait station, to aid in securing the bait blocks and containers.

METHOD OF BAIT INSTALLATION

Bait containers, tie-wires, stakes, and .52 oz. bait blocks

All protective bait stations shall be installed at approximately equally spaced intervals. The location for installation of the bait stations may be seen on map available for inspection at the Office of the San Mateo County Mosquito & Vector Control District.

The exact installation site shall be selected by, and shall be entirely dependent upon, the San Mateo County Mosquito and Vector Control District technician's observation of the conditions existing at each site. All bait stations must be located a safe distance above the water line and every effort must be made to take advantage of natural vegetation, etc., so as to provide the greatest possible concealment from children. Under no circumstances shall bait stations be installed or placed in areas where children are known to play. In areas where it is obvious that children do not play, the bait stations must still be adequately concealed, so as not to be conspicuous to the ordinary child. Each bait station location will have a specific site number, latitude/longitude location that allows it to be viewed in the district's mapping database Mapvision. Each inspection or bait replacement can be entered in real time and will create a time stamped record in the district's database. The San Mateo County Mosquito and Vector Control District technician (SMCMVCD) will not deface private improvements and will be required to exercise his/her judgment in a prudent manner regarding the location of bait stations, etc.

BAIT INSPECTION, REPLACEMENT, REINSTALLATION AND REMOVAL

Inspections shall be made at thirty (30) day intervals as specified in WORK AND SCHEDULE AND TYPE OF TREATMENT to determine the condition of the bait and to service and maintain the bait as required. If City desires additional work to be done by SMCMVCD), the City will request such additional work by written change order.

The following symbols shall be used to record the above items on the maps provided. This information is essential and must be recorded by the individual who performs the work at the time the work is performed.

Work will be recorded in the SMCMVCD data management system(Mapvision) that will provide for proper reporting and analysis. Icons will be produced for the control program as follows:

Blue · - 1-50% bait consumed-bait not replaced

Green · - 51-100% bait consumed-bait replaced

Bait replacement shall be made to all bait blocks which are found to be consumed or deteriorated at the equivalent of one-half (1/2) or more of their original weight. Bait which is judged to be no longer palatable to rodents shall also be replaced. City will be charged a flat rate, regardless of bait replaced or man hours spent. Old bait taken from bait containers shall be removed from the treatment area by San Mateo County Mosquito and Vector Control and disposed of in a manner consistent with instructions on the label and in accordance with state and local regulations.

Thirty (30) days after final inspection, SMCMVCD) will remove all bait stations and obliterate all colored dots marking the location of the bait stations.

RECORD OF WORK TO BE SUBMITTED

SMCMVCD) must maintain, while carrying out this program, a record (made in the field at time of work performed) of the items listed below:

Phase of work and dates performed.

Number of bait stations installed.

Number of bait stations inspected and bait blocks replaced

Number of bait stations removed (October).

CORRECTION OF DEFICIENCIES

The Field Supervisor will inspect work for consistency and accuracy and information will be stored in a database management system to look for patterns and areas of concern. All deficiencies must be corrected within five (5) days.

LICENSES

All San Mateo County Mosquito and Vector Control District employees are certified (California Department of Public Health Vector Control Technicians). This guarantees extensive training in the field of vector control and all technicians are required to keep their license -up to date through the satisfaction of continuing education requirements.

NOTICES AND COMPLIANCE WITH THE LAW

San Mateo County Mosquito and Vector Control shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. San Mateo County Mosquito and Vector Control shall be liable for all violations of the law in connection with work furnished by SMCMVCD.

PUBLIC SAFETY AND CONVENIENCE

SMCMVCD) shall at all times conduct his/her work so as to insure the least possible obstruction to traffic and inconvenience to the general public and the residents in the vicinity of the work, and to ensure the protection of persons and property.

AMOUNT AND METHOD OF PAYMENT

In full consideration of the work to be performed by SMCMVCD), and subject to the provisions of this agreement, the City of San Mateo shall pay SMCMVCD in the manner described below. Invoices shall itemize the work performed according to attached SCHEDULE OF PROPOSED ITEMS.

Invoices shall be sent to:

**City of San Mateo
1949 Pacific Blvd.
San Mateo, CA 94403
Attn: Steve Camilleri**

The total payment for services of SMCMVCD under this Agreement shall not exceed the costs as itemized in Agreement. City shall have the right to withhold payment if the City determines that the quality of work performed is unacceptable to the City of San Mateo.

The amount of work done under this contract shall not exceed \$24,617.60 per year

EXHIBIT B

Schedule of Performance and Annual Fee Schedule

		Month	Quantity	Unit	Unit Price	Total Price
Item 1	Installation of protective bait stations	June	314	3-4 .52 oz. block	\$19.60	\$6,154.40
	- 1st Inspection	July	314	bait station	\$ 19.60	\$6,154.40
	- 2nd Inspection	August	314	bait station	\$19.60	\$6,154.40
	- 3rd Inspection	September	314	bait station	\$19.60	\$6,154.40
Item 2	Bait Replacement			.52 oz block		No additional charge
Item 3	Reinstallation			bait station		no additional charge
Item 4	Removal of all installed bait stations	October				no additional charge
	Total Annual Charges					\$24,617.60

Agenda Item 4I

SUBJECT: Consider recommending the Board approve the Agreement for Contractor Services with Ag Air Inc.

BACKGROUND AND STATUS

The district has contracted with a Helicopter service company for over 25 years to apply bio-rational mosquito larvicide to control *Culex erythrorhax* mosquitoes in sensitive areas. Juvenile mosquito control applications begin in late June or early July and occur monthly, with the last treatment in October. The three sites include Mills Field in Millbrae and San Bruno, Searsville Lake on Stanford property, Annex Lake in Portola Valley, and Sharp Park in Pacifica. The property owners reimburse the district for the cost of the Helicopter, the mosquito control products, and the district staff hours spent to help with treatments.

Alpine Air, the previous company used by the district to conduct these treatments, permanently shut down its Aerial Application Division. The new company filling the void left by Alpine Air is Ag-Air Inc. Many other Bay Area Mosquito and Vector Control Districts that used Alpine in the past are now using Alpine Air. The agreement with Ag Air Inc. will not exceed \$45,000 annually and has been reviewed by Counsel. Competitive bidding is not required because this is a specialized service and a service not provided by other contractors in the area.

RECOMMENDATION

The Finance Committee recommends that the Board approve the Agreement for Contractor Services with Ag Air Inc. to conduct helicopter mosquito control applications not to exceed \$45,000 annually.

REFERENCE MATERIALS ATTACHED:

1. Agreement For Contractor Services with Ag Air Inc.
2. Certificate of Insurance from Ag Air Inc.

**AGREEMENT FOR
CONTRACTOR SERVICES**

This Agreement for Contractor Services (“**Agreement**”) is entered into and effective this day 10TH of May 2023 by and between the San Mateo County Mosquito and Vector Control District, a California Special District herein after referred to as “**District**” and Ag-Air Incorporated, a Contractor, herein after referred to as “**Contractor**”

RECITALS

A. District has determined that it is necessary and appropriate to engage a Contractor to provide and carry out Aerial Mosquito Control Applications from a helicopter in San Mateo County as more fully described herein; and

B. Contractor has represented itself as being fully qualified and available to perform the professional contract services necessary to complete the work in a timely manner.

C. District desires to contract with Contractor and Contractor is willing to perform the contract services described herein, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for good and sufficient mutual consideration set forth herein, the Parties agree as follows:

ARTICLE 1 - SCOPE OF SERVICES

- 1.1. **Scope of Services.** Contractor agrees to provide the services set forth in **Exhibit A, Scope of Services**, which is attached hereto and incorporated herein. In addition to the Basic Services, District may elect to have Contractor perform additional services that are beyond the current scope of the project, but within the expertise of Contractor. Such Additional Services shall be mutually agreed to in advance and specified in a writing, which shall also specify the basis for the Contractor’s fee for such additional services. Basic Services and Additional Services are referenced collectively as “**Services.**” The provisions in the body of this Agreement will take precedence over any conflicting or inconsistent terms in Exhibit A.
- 1.2. **Compliance with Law.** Contractor will perform the Services in compliance with all applicable federal, state and local laws, codes, ordinances, rules, regulations, and orders.
- 1.3. **Professional Competence.** District has relied upon the professional training and ability of Contractor to perform the services described in Exhibit A “Scope of Services” as a material inducement to enter into this Agreement. Contractor shall therefore provide properly skilled, professional, licensed, and technical personnel to perform all services under this Agreement. All work performed by Contractor under this Agreement shall be in accordance with applicable legal requirements and shall meet the standard of quality ordinarily to be expected of competent professionals in Contractor's field of expertise. Application, handling and storage of pesticides by Contractor shall be in strict conformity with all applicable Federal, State and Local laws, regulations, and requirements.

Contractor shall at all times be properly licensed and certified by appropriate agencies for the application, handling and storage of pesticides under this Agreement and for the operation of aircraft used in such application.

- 1.4. **Labor and Materials.** Contractor shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and services necessary for the successful completion of the Services, provided however that District shall provide the pesticides. Contractor shall give its attention and supervision to the fulfillment of the provisions of this Agreement by its employees and subcontractors, if applicable, and shall be responsible for the timely performance of the Services required by this Agreement.
- 1.5. **Review of Service.** Contractor shall furnish District with reasonable opportunities from time to time to ascertain whether the Services of Contractor are being performed in accordance with this Agreement. All work done and materials furnished shall be subject to final review and approval by District; Contractor is not providing final approval or review, which is solely District's function and role. District review and approval of such work and Services shall not, however, relieve Contractor of any of its obligations under this Agreement.
- 1.6. **Contract Administration.**
 - A. *District.* The District Manager or his/her designee shall represent the District in all matters relating to the administration of this Agreement. The District Manager or his/her designee shall have the authority to act on the District's behalf to review and approve all products submitted by Contractor and may execute all necessary documents to authorize Contractor to perform Additional Services as provided for herein.
 - B. *Contractor.* Contractor shall assign Brent Alger overall responsibility for the progress and execution of this Agreement for Contractor. Contractor shall not change or replace Contractor's Representative without the prior written consent of District to such change.
- 1.7. **Independent Contractor.** Contractor is an independent contractor and will have control over its work and the means and methods by which the Services are performed. Contractor is not an employee of District, which has no employees, and neither Contractor nor its employees or subcontractors is entitled to any health, retirement, or other such employee benefits from District. Contractor warrants that it will not represent itself as an employee of District. Except and only to the extent authorized under this Agreement, if at all, Contractor is not authorized to act as an agent of District and shall not have any power to bind or commit the District to any decision or action.
- 1.8. **Confidentiality.** Contractor agrees to maintain in confidence and not disclose to any person, public entity, or private entity, without District's prior written consent, any trade secret or confidential information, knowledge or data relating to the products, process, or operation of District, including any data, information, technology, or material developed or obtained by Contractor during the performance of the Services.
- 1.9. **Ownership of Work Product.** Except as may otherwise be specified in Exhibit A, Scope of Services, all property rights, including copyrights, in any reports, studies, plans, specifications, drawings, diagrams, or other material prepared on behalf of District pursuant to this Agreement, whether complete or incomplete, (collectively, "**Work Product**") will be and remain the sole property of District. All Work Product not already provided to District during the Term, as defined below, will be delivered to District

immediately upon completion of the Services, expiration of the Term, or termination of this Agreement, whichever occurs first. District and its agents, employees, representatives, and assigns, may use the Work Product in whole or in part, or in modified form, for any purposes District may deem appropriate without payment of any additional compensation to Contractor.

- 1.10. **Documentation.** Contractor will keep and maintain full and complete documentation and accounting records, employee time sheets, and correspondence pertaining to the performance of the Services, including Contractor costs to perform the Services, and Contractor will make such documents available for review and/or audit by District or District's authorized representatives during normal business hours for at least four years following completion of the Services, expiration of the Term, or termination of this Agreement, whichever occurs first.
- 1.11. **Testimony.** Contractor agrees to testify at District's request if litigation is brought against District in connection with the Services. Unless the action is brought by Contractor or is based upon Contractor's alleged negligence or malfeasance, District will compensate Contractor for its preparation and testimony at an hourly rate not to exceed Contractor's hourly rates for this Agreement, as set forth in Section 2.1, Compensation, and the exhibits incorporated therein.

ARTICLE 2 - COMPENSATION

- 2.1. **Compensation.** District will compensate Contractor for all Services fully performed in compliance with this Agreement to District's satisfaction, as further specified in **Exhibit B, Compensation**, and accompanying **Exhibit B-1, Rate Schedule**, both of which are attached hereto and incorporated herein. Compensation for the Services will not exceed thirty-nine thousand dollars (\$45,000) without prior written authorization by District's General Manager. Contractor will promptly notify District in writing when the total amount it has invoiced meets or exceeds 90 percent of the Cost Ceiling. Payment by District under this Agreement shall not be deemed a waiver of unsatisfactory work, even if such defects were known to District at the time of payment.
- 2.2. **No Overtime or Premium Pay.** Contractor shall receive no premium or enhanced pay for work normally understood as overtime, i.e., hours that exceed forty (40) hours per work week, or work performed during non-standard business hours, such as in the evenings or on weekends. Contractor shall not receive a premium or enhanced pay for work performed on a recognized holiday. Contractor shall not receive paid time off for days not worked, whether it is in the form of sick leave, administrative leave, or for any other form of absence.
- 2.3. **Invoices and Payment.** Contractor must submit monthly invoices in a form satisfactory to District on or before the tenth day of each month for Services provided during the preceding calendar month. Each invoice must include, at a minimum, for each day that Services were provided: (a) the date that Services were provided; (b) a description of the Services provided; (c) the name, title/position, and hourly rate for each individual or subcontractor providing the Services; (d) the total time spent by each such individual or subcontractor providing the Services; (e) and itemized reimbursements as authorized in Section 3 of Exhibit B. The invoice must specify the starting and ending dates of the billing month covered by the invoice, the total amount due under the invoice, and the total amount billed to date, including all past invoices. Contractor must submit time and cost records as specified in Exhibit B, or as requested by District, to substantiate its costs

to perform the Services, including receipts for reimbursements and subcontractor invoices. District reserves the right to withhold amounts in dispute based on Services not performed to District's satisfaction, damage caused by unexcused delay in Contractor performance of Services, or other material default of this Agreement. Within 30 days after receipt of an invoice submitted in compliance with this Section 2.3, District will pay Contractor the amount due under the invoice, excepting only any disputed amounts, if any. Contractor will not stop or delay performance of the Services under this Agreement because of payment disputes with District, but must comply with the dispute resolution procedures set forth in Section 7.13, Dispute Resolution.

- 2.4. **Final Payment.** District will not release the final payment to Contractor until the Services have been fully completed to District's satisfaction, and District has received all Work Product and deliverables required pursuant to this Agreement. Contractor will diligently continue and complete performance of the Services if the Services are not complete before Contractor total invoices exceed the amount of the Cost Ceiling.

ARTICLE 3 - TIME OF PERFORMANCE

- 3.1. **Time.** Time is of the essence in the performance of all requirements of this Agreement. Unless terminated early pursuant to Section 3.2, Termination, this Agreement will remain in full force and effect until the Services are completed, which must be no later than June 1st, 2024 (the "**Term**"). Contractor will diligently prosecute performance of the Services to ensure completion within the Term and in accordance with any milestones or schedule for completion as may be set forth or incorporated in Exhibit A, Scope of Services. Notwithstanding the foregoing, if the Services are not fully completed to District's satisfaction prior to expiration of the Term, District, acting in its sole discretion, may unilaterally elect to extend the Term to allow for completion of Services, by giving written notice to Contractor prior to expiration of the Term.
- 3.2. **Termination.** Notwithstanding the foregoing, District may elect to terminate this Agreement before expiration of the Term as follows:
- A. *Termination for Convenience.* District may terminate this Agreement for convenience by giving seven business days written notice to Contractor. The notice of termination may include the effective date of the termination and instructions for submitting all Work Product to District. If District elects to terminate the Agreement without cause, it will pay Contractor for Services that District determines have been satisfactorily provided up to the effective date of the termination, but District may withhold final payment in part or in whole pending delivery to District of all required Work Product.
- B. *Termination for Cause.* If Contractor breaches this Agreement by failing to timely or satisfactorily perform any of its obligations or otherwise violates the terms of this Agreement, District may notify Contractor in writing of the breach, specifying the time within which the breach must be remedied. If Contractor fails to remedy or fails to take reasonable steps to remedy the breach as specified in the written notice, District may terminate this Agreement immediately, by delivering written notice of termination to Contractor. The notice of termination may include the effective date of termination and instructions for submitting all Work Product to District. Contractor will be entitled to payment for all Services that District determines have been satisfactorily completed up to the effective date of

termination, except that District may deduct from final payment the total amount of any costs District incurred because of Contractor's breach.

C. District may also terminate this Agreement with cause, effective immediately upon written notice of such termination to Contractor, based upon the occurrence of any of the following events: (1) cessation of Contractor to be licensed, as required; (2) failure of Contractor to substantially comply with any applicable federal, state or local law or regulation; (3) filing by or against Contractor of any petition under any law for the relief of debtors; and (4) filing of a criminal complaint against Contractor for any crime, other than minor traffic offenses. If this Agreement is terminated by District for cause and it is later determined that the termination was wrongful, such termination automatically shall be converted to and treated as a termination for convenience as provided for herein.

3.3. **Other Remedies.** Nothing in this Article 3 will be deemed to limit District's rights or remedies under this Agreement.

3.4. **Survival.** The following provisions will survive expiration of the Term or termination of this Agreement: Section 1.8, Confidentiality; Section 1.9, Ownership of Work Product; Section 1.10, Documentation; Section 1.11, Testimony; Section 5.1, Indemnification; Article 6, Notices; and all provisions in Article 7, Miscellaneous, that relate to dispute resolution, litigation, and construction or interpretation of the Agreement.

ARTICLE 4 - DESIGNATED REPRESENTATIVES

4.1. **District's Representative.** District's General Manager is District's primary representative for this Agreement, with responsibility and authority for administering and interpreting the terms and conditions of this Agreement, for matters relating to Contractor's performance under this Agreement, and for coordination between the Parties.

4.2. **Contractor Representative.** Contractor designates and District hereby approves Brent Alger as Contractor's primary representative for this Agreement, with immediate responsibility for the performance of the Services and for all matters relating to performance under this Agreement, including coordination between the Parties. Any change in Contractor's designated representative is subject to prior written approval by District's General Manager.

ARTICLE 5 - INDEMNIFICATION AND INSURANCE

5.1. **Indemnification.** The terms and conditions set forth in subsection 5.1.A, Non-Design Professional, below, are applicable to this Agreement only if Contractor is not a "design professional" as that term is defined in and used in Civil Code section 2782.8. The terms and conditions set forth in subsection 5.1.B, Design Professional, below, are applicable to this Agreement only if Contractor is a "design professional" as that term is defined in and used in Civil Code section 2782.8.

A. *Non-Design Professional.* Contractor will, to the full extent permitted by law, indemnify, hold harmless, and defend with counsel acceptable to District at Contractor's sole expense, District, its Member Agencies, and their respective governing bodies, officials, officers, employees, agents, and volunteers (collectively, "**Indemnified Parties**"), from and against all liability, demands, loss, damage, claims, settlements, expenses, and costs (including, without limitation, attorney fees, expert witness fees, investigation costs, all legal costs and fees) (collectively, "**Liability**") of every nature arising out of or in connection

with Contractor's performance of the Services and acts or omissions with respect to this Agreement, excepting only such Liability caused by the sole active negligence or sole willful misconduct of any one or more of the Indemnified Parties. This indemnification obligation is not limited by any limitation on the amount or type of damages payable under Workers' Compensation, disability, or other employee benefit acts or by insurance requirements or coverage limits, and will survive expiration or early termination of this Agreement. This paragraph does not apply to this Agreement if the Services are design professional services provided by a licensed architect, landscape architect, engineer, or land surveyor.

- B. *Design Professional.* To the full extent permitted by law, and subject to the limitations set forth in Civil Code section 2782.8, Contractor will indemnify, hold harmless, and defend with counsel acceptable to District at Contractor's sole expense, District, its Member Agencies, and their respective governing bodies, officials, officers, employees, agents, and volunteers (collectively, "**Indemnified Parties**"), from and against all liability, demands, loss, damage, claims, settlements, expenses, and costs (including, without limitation, attorney fees, expert witness fees, investigation costs, all legal costs and fees) (collectively, "**Liability**") of every nature which arises out of, or pertains or relates to the negligence, recklessness, or willful misconduct of Contractor in performance of the Services, except such Liability caused by the active negligence, sole negligence, or willful misconduct of any one or more of the Indemnified Parties. This indemnification obligation is not limited by any limitation on the amount or type of damages payable under Workers' Compensation, disability, or other employee benefit acts or by insurance requirements or coverage limits, and will survive expiration or early termination of this Agreement. This paragraph applies to this Agreement only if the Services are design professional services provided by a licensed architect, landscape architect, engineer, or land surveyor.
- C. *District Liability.* The District has no liability or responsibility for any accident, loss, or damage to any work performed under this Agreement whether prior to its completion or acceptance or otherwise. No member of the District and no other officer, elected official, employee or agent of the District shall be personally liable to Contractor or otherwise in the event of any default or breach of the District, or for any amount which may become due to Contractor or any successor in interest, for any obligations directly or indirectly incurred under the terms of this Agreement.

5.2. **Health and Safety.** Contractor may perform part of the Services at sites which contain unknown working conditions and contaminated materials. Contractor is solely responsible for the health and safety of Contractor's employees, agents, and subcontractors during the performance of the Services.

5.3. **Insurance.**

- A. Contractor must procure, provide, and maintain at all times during the Term of this Agreement, and for such additional periods as described herein, the insurance coverage as specified in the attached **Exhibit C, Insurance** which is attached hereto and incorporated by this reference as though set forth in full.
- B. *Additional Coverage.* Any insurance coverage carried by Contractor that is broader than or in excess of the specified minimum insurance requirements or

limits specified above, including but not limited to any umbrella or excess insurance, will be available to the Additional Insureds for any covered liability. The requirements for coverage and limits will be the greater of: (1) the minimum coverage and limits specified in this Agreement; or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured.

- C. *Material Breach.* If Contractor fails to maintain insurance coverage or provided insurance documentation which is required pursuant to this Agreement, it will be deemed a material breach of this Agreement. District, at its sole option, may terminate this Agreement and obtain damages from Contractor resulting from said breach. Alternatively, District may elect to purchase the required insurance coverage, and without further notice to Contractor, may deduct from payment due to Contractor any premium costs incurred by District for such insurance. These remedies are in addition to any other remedies available to District for breach of this Agreement.
- D. *Subcontractors.* Before a subcontractor may perform Services pursuant to this Agreement, Contractor must submit evidence, including certificates of insurance and endorsements, that (1) the subcontractor is covered under Contractor's required policies, as specified above; or (2) the subcontractor has insurance coverage that meets or exceeds the minimum insurance requirements set forth in this Section 5.3.

ARTICLE 6 - NOTICES

All notices or other communications hereunder must be in writing and personally delivered, transmitted electronically (including facsimile), or sent via a reputable overnight courier. Notice will be deemed received and effective as follows: (1) if personally delivered, on the date of delivery to the address of the person specified to receive such notice; (2) if transmitted electronically or by facsimile, on the date upon which the submission is received provided it is before 5:00 P.M. Pacific Time on a business day, otherwise the next business day; or (3) if delivered by an overnight courier for next business day delivery, on the date of delivery to the address of the person specified to receive the notice. Notice of change of address will be given by written notice in the manner described in this Article 6. Notice delivered as specified will be deemed effective, even if the intended recipient rejects or refuses to accept the notice, or delivery cannot be made because the recipient failed to give notice of a changed address as required herein. Unless changed in the manner specified herein, the addresses for notices given pursuant to this Agreement is as follows:

If to DISTRICT: DISTRICT
 Attn: District Manager
 Brian Weber

 1351 Rollins Road
 Burlingame, CA 94010
 Phone: 650-344-8592
 Facsimile:
 Email: bweber@smcmvcd.org

If to CONTRACTOR: Ag Air Inc.
 Attn: Brent Alger

5420 Dodds Road
Oakdale, CA, 95361

Phone: 209.988.2567

Facsimile: 209.848.2834

Email Brent Alger <agairspraying@gmail.com>

ARTICLE 7 - MISCELLANEOUS

- 7.1. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms and conditions between the Parties regarding the Services specified herein, and supersedes all prior oral or written understandings or agreements between the Parties.
- 7.2. **Amendment.** This Agreement may only be modified by a written amendment duly authorized and executed by both Parties, except for the limited exception set forth in Section 3.1, Time, for District's discretionary, unilateral extension of the Term.
- 7.3. **Assignment and Successors.** The Services are deemed unique and Contractor will not assign, transfer, subcontract or otherwise substitute its rights or obligations under this Agreement, in whole or in part hereunder without the prior written consent of District. This Agreement is binding on the heirs, successors, and permitted assigns of the Parties.
- 7.4. **Interest of Contractor.** Contractor represents and warrants to District that it presently has no interests, and covenants that it shall not acquire any interests, direct or indirect, financial or otherwise, which would conflict with the performance of the services to be provided by Contractor under this Agreement. Contractor further covenants that, in the performance of this Agreement, no subcontractor or employee having such an interest shall be employed by Contractor. Contractor certifies that no one who has or will have any financial interest under this Agreement is: (a) an officer or employee of District, or (b). an officer or employee of the applicant and any of its contractors.
- 7.5. **Undue Influence.** Contractor declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of District in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement or financial inducement. No officer or employee of District will receive compensation, directly or indirectly, from Contractor, or from any officer, employee or agent of Contractor, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling District to any and all remedies at law or in equity.
- 7.6. **Statement of Economic Interest.** If District determines Contractor comes within the definition of Contractor under the Political Reform Act (Gov't Code § 87100), Contractor shall complete and file and shall require any other person doing work under this Agreement to complete and file a "Statement of Economic Interest" with the District disclosing Contractor and/or other such person's financial interests.
- 7.7. **Nonexclusive Agreement.** Contractor understands that this is not an exclusive Agreement and that District shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by Contractor as District desires.
- 7.8. **Severability.** All parts of this Agreement shall in all cases be construed according to their plain meaning and shall not be construed in favor or against either of the parties. If any

provision of this Agreement is determined to be illegal, invalid, or unenforceable, the remaining provisions will continue in full force and effect, provided that the remainder of this Agreement can be reasonably interpreted to give effect to the intentions of the Parties.

- 7.9. **Counterparts.** This Agreement may be signed in counterparts and, when fully signed, such counterparts will have the same effect as if signed in one document.
- 7.10. **Choice of Law and Venue.** This Agreement and all matters relating to it will be governed by the laws of the State of California without reference to its choice of laws principles, and venue will be in a court of competent jurisdiction in San Mateo County, California, and no other place.
- 7.11. **Waiver.** No failure on the part of either Party to exercise any right or remedy hereunder will operate as a waiver of any other right or remedy that Party may have hereunder. No waiver of a breach, failure of any condition, or any right or remedy provided under this Agreement will be binding upon the waiving Party unless such waiver is in a writing signed by an authorized representative of the waiving Party. No waiver of a breach, failure of any condition, or any right or remedy, will constitute a continuing waiver or a waiver of any other breach, failure of any condition, or right or remedy, whether past or future, similar or dissimilar, unless and only to the extent specified in the signed, written waiver.
- 7.12. **Force Majeure.** If either Party is delayed, hindered in, or prevented from performing any duty required under this Agreement due to an unforeseen event outside that Party's control, including strikes, lockouts, power outage, riots, insurrection, war, fire, major earthquake, or other catastrophic event ("**Force Majeure Event**"), performance of that duty will be excused for the period during which and to the extent the Force Majeure Event delays, hinders, or prevents performance of that duty. Delay or failure to perform resulting from a lack of funds or from circumstances within a Party's control do not constitute Force Majeure Events.
- 7.13. **Dispute Resolution.** The Parties will attempt to resolve any disputes arising from or pertaining to this Agreement by informal negotiations, conducted in face-to-face meetings of the principal representatives of the Parties if possible. If the Parties are unable to resolve a dispute in whole or in part through informal negotiations, the Parties will seek to resolve the matters remaining in dispute through mediation with a qualified, neutral mediator that is acceptable to each Party, and at a mutually agreed-upon date, time, and location. Sufficiently in advance of the mediation to allow meaningful time for review, the Parties will provide each other and the mediator any documents or information that are reasonably necessary to resolve the matter to be mediated, subject to limitations applicable to confidential and privileged documents and information. The Parties will share the cost of the mediation equally, but each Party will bear its own costs to prepare for and participate in the mediation, including its own legal costs.
- 7.14. **Attorney's Fees.** If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this Agreement, the prevailing Party will be entitled to recover from the other party its costs and expenses incurred in connection therewith, including without limitation, reasonable attorneys' fees and the costs and expenses of litigation, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that Party may be entitled.

- 7.15. **Interpretation.** In the event this Agreement is ever construed in any dispute between the Parties, it and each of its provisions will be deemed to have been prepared jointly by the Parties. The rule of construction to the effect that ambiguities are to be resolved against the drafting Party will not be employed in interpreting this Agreement.
- 7.16. **Provisions Deemed Included.** Every provision required by Laws to be included in this Agreement will be deemed included, and the Agreement will be construed and enforced as though such any such required provision was fully set forth herein.
- 7.17. **Headings.** The headings in this Agreement are included for convenience only and will not affect the construction of any provision in this Agreement nor affect any of the rights or obligations of the Parties.
- 7.18. **Authority.** Each individual executing this Agreement on behalf of a Party represents that he or she is duly authorized to sign and deliver the Agreement on behalf of that Party and that this Agreement is binding on such Party in accordance with its terms. The Agreement must be executed on behalf of Contractor as specified below, and upon request by District, Contractor must promptly provide written evidence to District's reasonable satisfaction, that the individual(s) executing this Agreement on behalf of Contractor is/are fully authorized to bind Contractor to this Agreement.
- A. *Corporation.* If Contractor is a corporation, pursuant to Corporations Code section 313, the Agreement must be executed by two officers of the corporation as follows:
- (1) One signature by the chairperson, president, or any vice-president,
- and
- (2) One signature by the secretary, any assistant secretary, chief financial officer, or any assistant treasurer.
- B. *Limited Liability Company.* If Contractor is a limited liability company ("LLC"), the Agreement must be executed by the chief executive of the LLC, or Contractor must attach a resolution of the LLC evidencing the authority of the signatory to bind the LLC.
- C. *Partnership.* If Contractor is a partnership, the Agreement must be signed by the managing partner or a partner authorized to execute agreements of this type on behalf of the partnership.
- D. *Sole Proprietorship.* If Contractor is a sole proprietorship, the Agreement must be signed by the owner.
- 7.19. **Compliance with Laws.**
- A. *Legal Responsibilities.* Contractor shall keep itself informed of local, state and federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Contractor shall at all times observe and comply with all such laws and regulations. Any corrections or updates to Contractor's services that may become necessary as a result of a change in said laws and regulations shall be made at Contractor's expense.
- B. *Licenses.* At all times during the term of this Agreement, Contractor shall have in full force and effect, all licenses and permits required by law for the performance of services described in this Agreement. Permits and/or licenses shall be obtained and maintained by Contractor without additional compensation throughout the term of this Agreement.

- C. *Labor Conditions.* District is a public entity in the state of California, and therefore, District and Contractor are subject to the provisions of the Government Code and the Labor Code of the state of California, including, but not limited to, the provisions which (a) require every employee to be insured against liability for workers compensation or to take self-insurance and (b) require every employer to adopt a written injury and illness prevention program. All provisions of law applicable to public contracts and/or this Agreement are incorporated herein by this reference and are made a part of this Agreement to the same extent as if they were fully stated in the Agreement and shall be complied with by Contractor. Contractor certifies that it will comply with such provisions before commencing performance of the Agreement and at all times in the performance of the Agreement.
- D. *Labor Requirements.* Contractor shall abide by all federal and California laws and regulations regarding wages, including, without limitation, the Fair Labor Standards Act and the California Labor Code, which, in part, require Contractor to pay the general prevailing wage rates.
- E. *Discrimination.* No person shall be excluded from employment in the performance of this Agreement on the grounds of race, creed, color, sex, age, marital status, sexual orientation, or place of national origin. Contractor shall comply with all local, state, and federal laws relating to equal employment opportunity rights.
- F. *District Not Responsible.* The District and its officers and employees shall not be liable at law or in equity occasioned by failure of the Contractor to comply with this Section.

IN WITNESS WHEREOF, the Parties have executed this Agreement as follows.

SAN MATEO COUNTY
MOSQUITO AND VECTOR CONTROL DISTRICT

By: _____
Brian Weber, District Manager

Date _____

Approved As To Form

By: _____
Alexandra M. Barnhill, General Counsel

AG Air Inc.

By:

Date

Brent Alger, Owner

By:

Date

Name and Title

*See Section 7.14, Authority, regarding Contractor's signature requirements.

EXHIBIT A
SCOPE OF SERVICES

District will work with Contractor to schedule application services on an as needed basis. Upon identifying an agreed upon time and place for application, District will inform Contractor in writing that they may proceed and Contractor may thereafter commence work on the time and at the place agreed upon.

Contractor will safely and legally perform mosquito larvicide applications via manned aircraft at locations and within aquatic habitats designated by the District. The Contractor will calibrate the aircraft pesticide application equipment to apply the designated mosquito larvicide materials in application rates designated by the District and in compliance with product labeling.

Contractor will perform application preparation, including mapping of sites and habitat to be treated, as required for each application.

The Contractor will provide the District with post application statistics, application coverage, and mapping as required.

The contractor will report applications to the San Mateo County Agricultural Departments as appropriate.

II. TIMELINE & OTHER CONSIDERATIONS

1. The District will work with the Contractor to schedule application services on an as-needed basis.
2. The District will provide mosquito larvicide material at the loading site prior to the commencement of the application.
3. The District will provide application material, "blank" material if applicable, to calibrate the aircraft pesticide application system prior to the first application using a specific material.
4. The District will provide accurate site descriptions and locations prior to applications to allow for efficient planning.

EXHIBIT B COMPENSATION

District will compensate Contractor for Services satisfactorily performed in compliance with the Agreement based on Contractor's approved hourly rates, as set forth in **Summary of Compensation**, as specified below, up to the Cost Ceiling (as defined in Section 2.1 of the Agreement). Contractor is responsible for prudent management of its time and resources to provide the Services on a cost-effective basis. Compensation will be solely based on the following costs, all of which count toward the Cost Ceiling:

Summary of Compensation

1. The hourly rate for a Jet Ranger helicopter and pilot combined is 1,750 per hour from start-up to shut down. This rate will include "Ferry Time," the time needed to fly to and from the Contractor's shop and to and from the application site. If aerial application work is performed for more than one district/customer on a given day, Ferry time will be split between each district/customer.
 - a. There will be a two-hour minimum rate per job. The two-hour minimum rate can be split between districts/customers.
 - b. All flight time will be rounded to the nearest tenth of an hour (6 minutes). Example: 4 hours 8 minutes will be rounded down and billed at 4.1 hours.
 - c. A single \$200 setup fee will be billed to the District per day. If liquid or granular application equipment needs to be changed on the helicopter at the district's request, an additional \$200 setup fee will apply.
 - d. There will be a \$600 ground crew charge per vehicle per day. This includes up to two ground employees per vehicle. This charge will be split between District and other districts/customers that Contractor will be flying for on the same day.
 - e. A \$2.75 per mile charge for each mile driven for the application job will apply and be billed to the District. This charge will be split between the different district customers Contractor will be flying for on the same day.
 - f. Overnight stays will be billed at \$150 per ground employee, \$500 per pilot in addition to reimbursement of actual hotel room expenses. Hotel accommodation and costs will be approved by both Contractor and District in writing prior to incurring the expense.
2. Contractor will require notice and kml or other compatible imagery files of areas to be treated. Notice and imagery will be provided to Contractor as much in advance as possible.

3. Contractor will provide detailed billing and application logs to District within two weeks of job completion. This will include the following:
 - a. Detailed and clear billing matching the descriptions for the entire job.
 - b. Google Earth printout of application areas on the bill.
 - c. Google earth kml or another compatible file of the application.
4. Contractor will not be held responsible for not completing a job when flying conditions are not consistent with best practices in the industry including but not limited to, FAA flight restrictions, weather, mechanical issues, helicopter or pilot availability.
5. The total maximum amount authorized under this Agreement, including expenses and reimbursable costs, shall not exceed \$45,000. Unless amended by written agreement between Contractor and District.

EXHIBIT B-1

Rate Schedule

Pursuant to Section 1 of Exhibit B, Compensation, Contractor will be compensated based on the following hourly rates, which may not be modified, except by a written amendment as specified in Section 7.2, Amendment, of the Agreement. These rates will be split between Contractor’s customers, where applicable.

Title/Position/Service:	Hourly Rate:
<u>Helicopter and Pilot</u>	<u>\$1,750</u>
<u>Ground Crew Charge</u>	<u>\$600 per vehicle per day</u>
<u>Per Day Set Up Fee</u>	<u>\$200 per day</u>
<u>Equipment change</u>	<u>\$200 per change, if needed</u>
<u>Mileage driven</u>	<u>\$2.75 per mile</u>
<u>Litigation Prep and Appearance Fee</u>	<u>\$300 an hour</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

EXHIBIT C

INSURANCE REQUIREMENTS

Prior to the beginning of and throughout the duration of the Work, Contractor will maintain insurance in conformance with the requirements set forth below. Contractor will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Contractor agrees to amend, supplement or endorse the existing coverage to do so. Contractor acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to District in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to District.

Contractor shall provide the following types and amounts of insurance:

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy form CG 00 01 or the exact equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$2,000,000 per occurrence.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the exact equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Contractor owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Contractor or Contractor’s employees will use personal autos in any way on this project, Contractor shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer’s liability limits no less than \$1,000,000 per accident or disease.

Excess or Umbrella Liability Insurance (Over Primary) if used to meet limit requirements, shall provide coverage at least as broad as specified for the underlying coverages. Any such coverage provided under an umbrella liability policy shall include a drop down provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary but covered by the umbrella. Coverage shall be provided on a “pay on behalf” basis, with defense costs payable in addition to policy limits. Policy shall contain a provision obligating insurer at the time insured’s liability is determined, not requiring actual payment by the insured first. There shall be no cross liability exclusion precluding coverage for claims or suits by one insured against another. Coverage shall be applicable to District for injury to employees of Contractor, subcontractors or others involved in the Work. The scope of coverage provided is subject to approval of District following receipt of proof of insurance as required herein. Limits are subject to review but in no event less than \$1,000,000 per occurrence.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the contractor and “Covered Professional Services” as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must “pay on behalf of” the insured and must include a provision establishing the insurer’s duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A- or better and a minimum financial size VII.

General conditions pertaining to provision of insurance coverage by Contractor. Contractor and District agree to the following with respect to insurance provided by Contractor:

1. Contractor agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds District, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Contractor also agrees to require all contractors and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Contractor, or Contractor's employees or agents, from waiving the right of subrogation prior to a loss. Contractor agrees to waive subrogation rights against District regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the District or its operations limits the application of such insurance coverage.
4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to District and approved of in writing.
5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, modification and additional requirements by the District, as the need arises. Contractor shall not make any reductions in scope of coverage (e.g., elimination of contractual liability or reduction of discovery period) that may affect District's protection without District's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Contractor's general liability policy, shall be delivered to District at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, District has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by District shall be charged to and promptly paid by Contractor or deducted from sums due Contractor, at District option.
8. Certificate(s) are to reflect that the insurer will provide 30 (thirty) days notice to District of any cancellation of coverage. Contractor agrees to require its insurer to modify such certificates to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, or that any party will "endeavor" (as opposed to being required) to comply with the requirements of the certificate.
9. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Contractor or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to District.
10. Contractor agrees to ensure that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Contractor, provide the same minimum insurance coverage required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all

agreements with subcontractors and others engaged in the project will be submitted to District for review.

11. Contractor agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to District. If Contractor's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the District. At that time the District shall review options with the Contractor, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.
12. The District reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Contractor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Contractor, the District will negotiate additional compensation proportional to the increased benefit to District.
13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.
14. Contractor acknowledges and agrees that any actual or alleged failure on the part of District to inform Contractor of non-compliance with any insurance requirement in no way imposes any additional obligations on District nor does it waive any rights hereunder in this or any other regard.
15. Contractor will renew the required coverage annually as long as District or its employees or agents face an exposure from operations of any type pursuant to this Agreement. This obligation applies whether or not the Agreement is canceled or terminated for any reason. Termination of this obligation is not effective until District executes a written statement to that effect.
16. Contractor shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contractor's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to District within five days of the expiration of the coverages.
17. The provisions of any workers' compensation or similar act will not limit the obligations of Contractor under this Agreement. Contractor expressly agrees not to use any statutory immunity defenses under such laws with respect to District, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

21. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge District or Contractor for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to District. It is not the intent of District to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against District for payment of premiums or other amounts with respect thereto.
22. Contractor agrees to provide immediate notice to District of any claim or loss against Contractor arising out of the work performed under this agreement. District assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve District.

