



Midpeninsula Regional
Open Space District



BOND OVERSIGHT COMMITTEE – MEASURE AA **Sample Transaction Discussion Follow-up**

February 14, 2018

1. **Signatures:** *the Committee requested clarification on the signature process and asked for the name of the project manager on each project associated with selected sample transactions*

- **Old Process:** Project manager or his/her department manager signature or initials are required on each invoice to allow payment. Prior to March, 2017, invoices also required signatures or initials of the Assistant GM for amounts over \$15,000 and GM on invoices over \$25,000. In March 2016, the Board approved enhancements to the District's Accounts Payable Claims Process, which streamlined the invoice approval process. The Board's approval initiated a phased rollout, including updating required invoice stamp and training of staff, which became fully effective in September 2017.

Board Report for Signature Process Change – See Attachment 1

- **New Process:** The District process has been adjusted to require Purchase Order numbers on invoices over \$3,000, with ERP system authorization equivalent to the previous invoice authorization levels. This enables the District to process invoices with the project manager or department manager signature as verification of services rendered or goods received as a 'best practice' three-way match (purchase order – invoice – confirmation).

Each authorized signer has a sample signature form on file with Accounts Payable in the Finance Department. A delegate may be authorized to sign for the project manager in the absence of that project manager with advance notice via email to Accounts Payable of the delegation and effective period.

Signed Signature forms cannot be made public for security reasons, but Committee members may view the forms at the District Office. Sample Signature form – See Attachment 2

Project manager names for the selected sample non-land transactions – See Attachment 3

- **Future BOC Review Process Improvements:** Future Sample Transaction documentation will include additional information to ease review. Each invoice

selected by the Committee will be annotated to indicate the name and title associated with each District signature or initials.

The list of selected non-land transactions will include names of project managers for those projects associated with selected transactions.

2. **Retainage:** *The Committee wanted clarification on invoice processing and assurance that mistakes, if they occur, are properly corrected*

- **Process Overview:** Retainage is a portion of the agreed upon contract price deliberately withheld until the work is substantially complete to assure that contractor or subcontractor will satisfy its obligations and complete a construction project. Transactions are recorded at the full invoice amount, and checks are issued at 95% with payment going to the vendor and 5% to be held in a retention account which is disbursed when the contract is closed, including work, punch list, guarantees, and administrative paperwork. Most District contracts are not large enough to warrant retainage. However, the two largest MAA contracts in FY2016-17, O.C. Jones for the Mt. Umunhum Road and D-LINE Constructors for Summit Construction, both specified retainage.
- **Payment Corrections:** We have confirmed two instances of data entry error in processing invoices with retainage:
 - O.C. Jones Invoice 69993: The invoice amount was \$1,625,184.72. The net payable amount (95% of the invoice net of the 5% retainage) of \$1,543,925.49 was entered in the District's ERP system as the invoice amount on G/L date 6/8/17. No retainage was applied. On 10/3/17, a journal entry was made to record the retainage amount of \$81,259.24.

$$\$1,543,925.49 + \$81,259.24 = \$1,625,184.73 \text{ (one penny rounding)}$$

See Attachments #4 O.C. Jones Invoice 69993 & #5 Original and corrected Invoice entries in the ERP system

- D-LINE Invoice 1608-10: The invoice amount was \$1,058,681.95. The net payable amount (95% of the invoice net of the 5% retainage) of \$1,005,747.85 was entered as the invoice amount on G/L Date 6/28/17. The ERP system automatically applied the retainage of 5%, creating a payment to the vendor of \$955,460.46. The vendor reported the underpayment, and a subsequent payment entry was made on G/L Date 6/30/17 in the amount of \$52,934.10, also with retainage applied, resulting in a supplementary payment of \$50,287.39 to the vendor and \$2,646.71 to retention for total amount of \$1,005,747.85 directly paid to the vendor and \$52,934.10 paid to the retainage account.

Invoice: $\$1,005,747.85 + 52,934.10 = \$1,058,681.95$
 Payment 95%: $\$955,460.46 + \$50,287.39 = \$1,005,747.85$
 Retainage 5%: $\$50,287.39 + \$2,646.71 = \$52,934.10$

See Attachments #6 D-LINE Invoice 1608-10 & #7 Original and corrected Invoice entries in the ERP system

- **Process Improvements in Place:** The two invoices described occurred during staffing transitions, over seven months ago. Investigation of all O.C. Jones and D-LINE payments has confirmed that no other errors occurred. No overpayment to vendors occurred, and in both cases the payments were corrected by Accounts Payable upon discovery of the issue.
 - **Future BOC Review Process Improvements:**
 If accounting adjustments were made for a transaction, documentation for the adjusting entries will be included with original transaction information
3. **Auditor Statement:** *The Committee requested the Financial Auditor provide a statement of process followed*
- Auditor statement – See Attachment #8
4. **Invoice Corrections:** The Committee suggested Accountants Payable should note on invoice any corrections made when entering invoice (i.e. correcting project number).
- Staff appreciates the suggestion and will implement it.
5. **Supporting Documentation:** *The Committee requested additional documentation for future Sample Transactions.* For future reports to the BOC, staff will provide the following information to help make expenditure reviews easier:
- Each transaction or set of transactions will include a brief narrative as appropriate to anticipate reviewer questions such as:
 - Accounting method (i.e. retainage - policy and how applied)
 - Type of document, if not an invoice (i.e. Fee sheet)
 - Explanation for oddly-named transactions (i.e. “laundry site” and “streambed fee”)
 - Invoices indicating adjustments to amounts will include change orders as supporting documentation



Midpeninsula Regional
Open Space District

R-17-34
Meeting 17-08
March 22, 2017

AGENDA ITEM 4

AGENDA ITEM

Proposed Enhancement to District's Accounts Payable Claims Process

GENERAL MANAGER'S RECOMMENDATIONS

Approve the recommendations from the Action Plan and Budget Committee:

1. Authorize Accounts Payable staff to release payments over fifty thousand dollars (\$50,000) without holding for Board approval, but continue to provide the current claims report to the board for information.
2. Approve the revised Board Policy 1.03 – Board Agenda.

SUMMARY

The Board of Directors (Board) has directed staff to continuously evaluate and identify enhancements to operational efficiencies and improvements that streamline processes including alignment with the opportunities identified in the Financial and Operational Sustainability Model Study conducted in 2015. The current process of holding claims checks over \$50,000 is manual and prevents the District from enabling the New World System to process electronic transfers. Furthermore, the Board authorizes and commits to the expenditure at the beginning of the contracting process when a contract is approved.

The General Manager recommends that the Board remove the requirement for Accounts Payable staff to hold checks or payments over \$50,000 for which the Board provided prior approval through an adopted budget and authorization to enter under contract or agreement. To implement this streamlined claims procedure enhancement, the General Manager also proposes revising the Claims section of Board Policy 1.03 – Board Agenda. Additionally, a repeal of Resolution 14-12 is necessary to implement the streamlined process and is also being considered for Board approval at the March 22, 2017 Board meeting

MEASURE AA

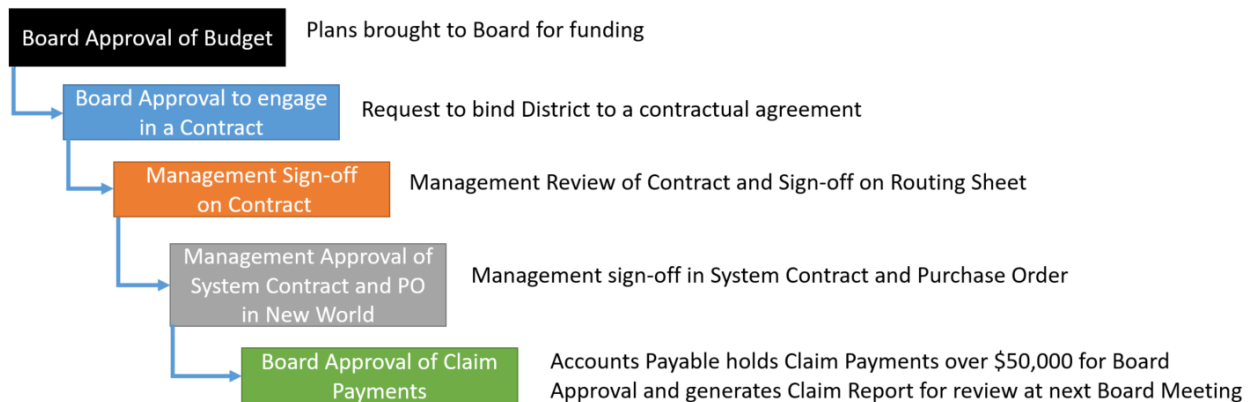
This is not a Measure AA project.

DISCUSSION

Accounts Payable staff holds all single claim payments exceeding \$50,000 until review and approval from the Board at the next regular meeting. The unintended consequences of holding these payments are: (1) creates additional processing steps for Accounts Payable staff, (2) delays payments to vendors, and (3) prevents implementation of efficient, system-wide electronic payments via the New World system.

Current Process to authorize Expenditures

1. Board approval of budget - The Board establishes the funding for the District's plans and sets the components of the District's fund balances including the constraints for specific purposes.
2. Board approval of purchases in excess of \$50,000 – If the cost of service, material, or other valuable consideration exceeds \$50,000, requester must present to the Board for approval, justification to bind the District under a contractual agreement.
3. Management sign-off on contract – The contract and supporting documentation routed for management approval.
4. System contract and purchase order management – Upon receipt of a fully authorized contract, generate and approve a New World system contract and purchase order.
5. Checks over \$50,000 held for Board approval – Accounts Payable staff holds payments in excess of \$50,000 or Board review and approval prior to mailing.



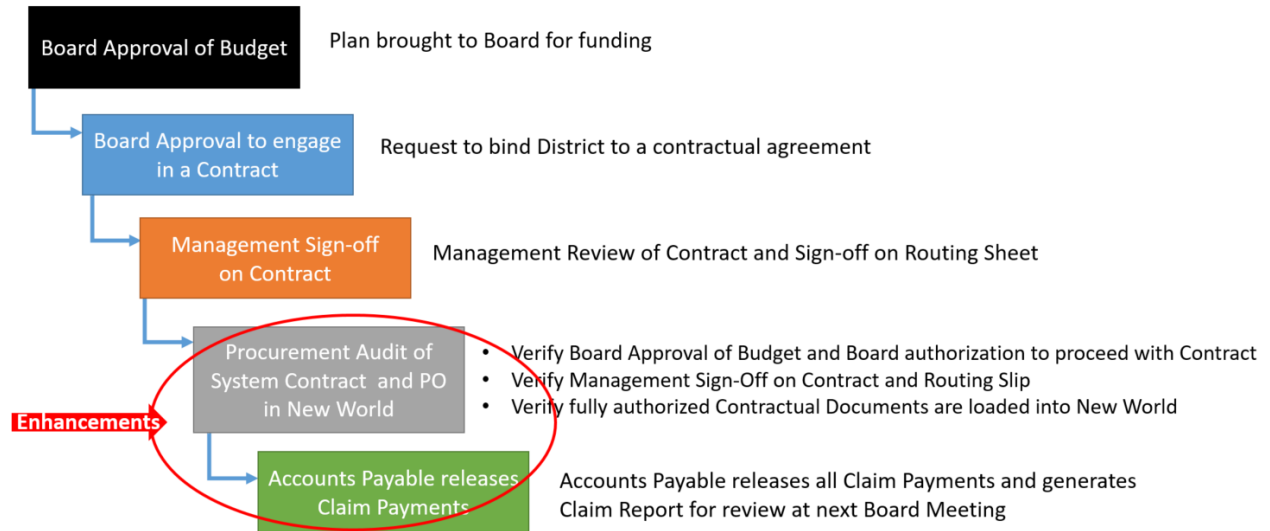
Proposed Process, including additional Controls

With the creation of the Procurement and Contract Specialist role, the District has the staff needed to set additional controls through auditing contractual documentation.

1. Board approval of budget – *No change to process*
2. Board approval of purchases in excess of \$50,000 – *No change to process*
3. Management sign-off on contract – *No change to process*

4. **Planned:** Procurement audit of fully authorized system contract and purchase order –
 - a. Verify Board approval of budget and Board authorization to proceed with contract
 - b. Verify management sign-off on contract routing slip
 - c. Verify fully authorized contractual documents are loaded into New World system

5. **Proposed:** Payments over \$50,000 – With added controls, Accounts Payable releases the checks without prior review from Board. Board provided with Claims report at next Board meeting.



Benefits to Enhanced Process:

1. Fewer invoice payment processing steps – By reducing the number of steps needed to process an invoice, staff can process an increased volume of invoices while also decreasing administration costs to process these invoices. Additionally, the reduced invoice approval cycle, from weeks to a few days, opens up opportunities to negotiate early payment discounts with vendors.

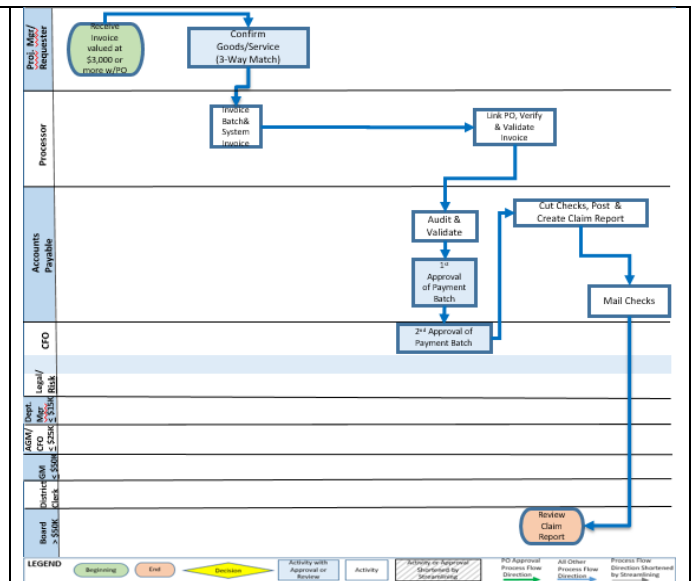
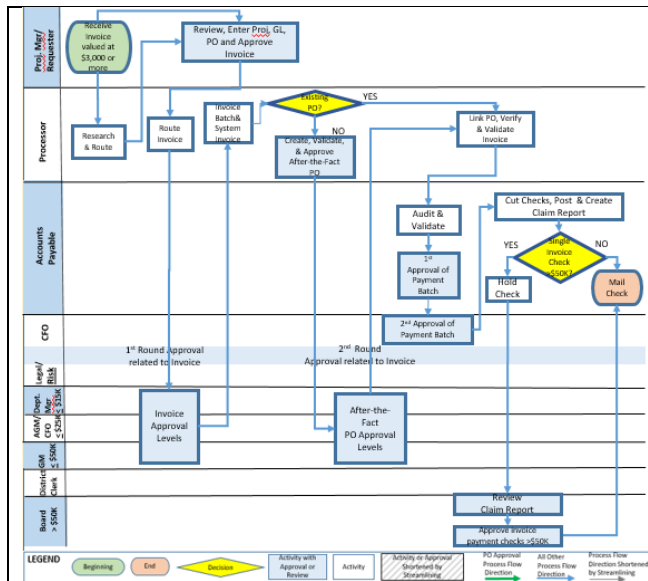
2. Supports electronic payment system – Eliminating payment holds for single claim payments over \$50,000 allows the District to fully utilize the New World accounts payable system and implement this more efficient and more secure method of vendor payment.

Enhanced Invoice processing Steps

If approved, the combined proposed enhancements streamline invoice-processing activities from fifteen steps and eight reviewers to nine steps and five reviewers.

Current Invoice Process

Enhanced Invoice Process



FISCAL IMPACT

There is no negative fiscal impact associated with the General Manager’s recommendations. These recommendations reduce administrative time to process and approve invoices for payment.

BOARD COMMITTEE REVIEW

The District’s Action Plan and Budget Committee held a meeting on February 21, 2017. The Committee voted to forward this Proposed Enhancement to District’s Accounts Payable Claims Process to the full Board of Directors for approval.

PUBLIC NOTICE

Public notice provided pursuant to the Brown Act. No additional notice is required.

CEQA COMPLIANCE

This item is not a project subject to the California Environmental Quality Act

NEXT STEPS

If approved by the Board, revise the District’s Board Policy 1.03 – Board Agenda and authorize Accounts Payable staff permission to release claim payments over fifty thousand dollars (\$50,000) without holding for Board Approval, but continue to provide the current claims report to the Board for information.

Attachments

1. Proposed revision to the District's Board Policy 1.03
2. Action Plan and Budget Committee draft minutes for February 21, 2017

Responsible Department Head:

Stefan Jaskulak, CFO/Director of Administrative Services

Prepared by:

Janine Ward, Procurement & Contract Specialist, Administrative Services

Contact person:

Stefan Jaskulak, CFO/Director of Administrative Services

Board Policy Manual

Board Agenda	Policy 1.03 Chapter 1 – Administration & Government
Effective Date:	Revised Date: 11/03/13 / 13/22/13 / 13/17
Prior Versions: <u>11/13/13</u>	

Agenda

All reports, ordinances, resolutions and other matters intended to be considered by the Board at its regular meeting shall be delivered to the District Clerk no later than 5:00 p.m. on the preceding Wednesday for material requiring typing or other preparation, and not later than 5:00 p.m. on the preceding Thursday for material requiring reproduction only.

Any Board member or Board appointed staff member may place a matter on the agenda for Board consideration. The District Clerk shall prepare the agenda according to the order of business as determined by the General Manager. A copy of the agenda and all available supporting materials shall be mailed by 5:00 p.m. on the Friday preceding each regular Board meeting or delivered by 7:00 p.m. on the Saturday preceding each regular Board meeting. Supplementary materials may be received by the District Clerk after that time, provided the matter refers to an already agendized item.

Agendas will be available with no charge upon request to public officials, newspapers in the District, and members of the public at the District office by 9:00 a.m. on the Monday preceding the regular meeting. Agendas will be posted in a location that is freely accessible to members of the public at least 72 hours before a regular meeting or at least 24 hours before a special meeting.

Supporting materials (reports, memoranda, resolutions, nonconfidential written communications to the Board, and other informational materials not previously published or distributed) may be obtained upon request by public agencies, newspapers in the District and members of the public at the District office by 9:00 a.m. on the Monday preceding the regular meeting, and 24 hours before a special meeting.

Written materials distributed during a public meeting by any person in connection with a matter subject to discussion or consideration shall be made available for inspection at the meeting if prepared by District staff or by a member of the Board, or immediately after the meeting if prepared by some other person.

Absent extraordinary circumstances, communications to the Board from members of the public shall be deemed nonconfidential. A memorandum from the General Manager explaining the justification for this decision “not to distribute materials to members of the public” shall accompany the written communications when sent to the Board. There will be no charge for the materials if available; otherwise the cost of reproduction will be charged.

No action or discussion shall be undertaken on any item not appearing on the posted agenda by the Board, provided that matters deemed to be of an urgent nature by a two-thirds vote of the Board, (or, if less than two-thirds of the Board members are present a unanimous vote of those members present) with an explanation stated as to the urgency, may be acted upon. (See also Government Code § 54954.2.)

Board Member Requests to Place Matters on the Agenda for Reconsideration

If the Board has previously voted on a matter, a Board member may place a request for reconsideration of the prior Board action on the agenda if that member voted on the prevailing side. A motion to reconsider may be made at the same meeting such action was taken, the next Regular Board meeting, or any intervening Board meeting. If the motion to reconsider is made and approved at the same meeting the action was taken, the matter may be reconsidered at that meeting, at the next Regular Meeting, or any intervening Board meeting, at the discretion of the Board of Directors. After a motion to reconsider has been made and approved by a majority of the Board, unless the matter is reconsidered at the same meeting Board action was taken, the District Clerk shall place the prior Board action on the Board agenda for reconsideration at the next Regular Meeting, an intervening Board meeting, or at the earliest feasible Board meeting if it is infeasible to agendaize the matter at the next Regular Meeting, unless otherwise directed by the Board. The reconsideration rules contained in this Section shall not limit the Board's inherent legislative authority to rescind, amend, repeal, or otherwise nullify a prior Board action at a subsequent Board meeting. The reconsideration rules in this Section are not applicable to Board-appointed employees or their designees who may agendaize matters for reconsideration, amendment, rescission, or repeal if deemed necessary to efficiently conduct District business or accomplish the District's mission. (Report R-08-130)

Order of Business

The order of business shall be determined by the General Manager for the purpose of preparing meeting agendas, using the following format, unless in the General Manager's opinion, a different order would be more appropriate:

1. Roll Call
2. Pledge of Allegiance (see Section 1.42)
3. Oral Communications
4. Special Orders of the Day
5. Adoption of Agenda
6. Adoption of Consent Calendar
7. Approval of Minutes (Consent Item)
8. Written Communications (Consent Item)
9. Claims (Consent Item)
- ~~9-10.~~ Unfinished Business
- ~~10.~~ Public Hearings/
11. Board Business
12. Informational Reports—Directors and Staff
- ~~13.~~ Revised Claims (Consent Item)
- ~~14.~~13. Closed Session

15-14. Adjournment

The order of business as set forth in the meeting agenda shall not be departed from except by consent of the majority of the Board.

Roll Call

Before proceeding with the business of the Board, the District Clerk or minute taker shall call the roll of the Board of Directors, and the names of those present shall be entered into the minutes.

Pledge of Allegiance

The Pledge of Allegiance shall be recited at the first meeting of July, and a special presentation shall be made at that time.

Oral Communications—Public

Members of the public may address the Board under the category Oral Communications during meetings on any matter not on the agenda concerning the affairs of the District. The presiding member of the Board may limit presentations of speakers under this section to three minutes. If the Oral Communications category exceeds fifteen minutes, the President, with the approval of the Board, may delay additional oral communications to a designated time later in the meeting. Members of the public may address the Board on any agenda item when that item is considered by the Board.

Absent extraordinary circumstances, the Board will not discuss oral communication items unless the communication relates to an item appearing on the agenda for that meeting. The Board may briefly respond, as questions for clarification, provide information resource references, request staff to report back at a future meeting, or place the item on the agenda of a future meeting.

A member of the public may request under oral communications that an item be removed from the consent calendar.

At beginning of each meeting, the President shall make a statement outlining the procedures for public comment.

A member of the public may address the Board on an item not on the agenda under Oral Communications. Each speaker will ordinarily be limited to 3 minutes. There shall be no action or discussion on items not appearing on the agenda. However, Board members may briefly respond to public questions, ask a question for clarification, refer the matter to staff, request staff to report back at a future meeting as an informational report or place the matter on a future agenda.

Special Orders of the Day

Any Board member or Board appointed staff member may schedule special presentations, introductions or other activities deemed appropriate to this category, which shall be placed on the agenda by the District Clerk.

Adoption of Agenda

The Board shall determine the order of business to be considered at regular meetings, including placement of items removed from the consent calendar, and shall adopt the agenda, with additions or deletions. Only items of an urgent nature may be added to the agenda at this time, provided that any action be taken pursuant to Section 1.30.

Adoption of Consent Calendar

The following items shall normally be included on the consent calendar: 1) approval of minutes; 2) written communications; 3) agenda items that the General Manager deems do not require Board discussion; and 4) revised claims. All items on the consent calendar shall be approved by one motion unless a request is made by a Board member to remove an item from the consent calendar for separate discussion. A member of the public may request under oral communications that the Board remove an item from the consent calendar for separate discussion.

Board members, the General Manager, and members of the public may request that an item be removed from the Consent Calendar during consideration of the Consent Calendar.

Board members may ask brief questions for clarification or make brief statements on an item without removing it from the Consent Calendar.

Board members may vote "no" on Consent Calendar items without pulling them from the Consent Calendar by asking that the minutes reflect a "no" vote on a specified agenda item.

Approval of Minutes (Consent Item)

Unless removed from the consent calendar by a member of the Board or the public, the minutes of the previous Board meeting(s) shall be approved without reading during the adoption of the consent calendar, provided that the District Clerk has previously furnished each member of the Board with a copy.

Written Communications (Consent Item)

The District Clerk is authorized to receive and open all mail addressed to the Board of Directors from members of the public. Any such written communication addressed to the Board shall be reproduced and distributed in the next regular mailing to the Board members and to members of the press who have requested supporting materials (see Section 1.30).

All written communications, unless they relate to an item on the agenda, must be received no later than 5:00 p.m. on the Tuesday the week preceding a Board meeting in order to be distributed with the agenda and supporting materials and considered by the Board at the forthcoming meeting. If, in the opinion of the General Manager, a written communication should not be distributed with the agenda and supporting materials without a draft response, which has yet to be prepared, the written communication may be distributed later, but no later

than at the forthcoming Board meeting. Written communications not directly related to an item on the agenda received after the 5:00 p.m. Tuesday deadline may be distributed with the agenda and supporting materials and considered by the Board at the forthcoming meeting if, in the opinion of the General Manager, time is of the essence for consideration of the written communication by the Board. Written communications directly related to an item on the agenda will be accepted for distribution up to 3:00 p.m. on the day of the meeting. Written communications directly related to an item on the agenda but received after 3:00 p.m. on the day of a meeting must be accompanied by thirty copies for distribution in order to be considered by the Board as written communication at the meeting.

Draft replies to written communications which have not been considered by the Board may be submitted with the written communication, provided such draft replies are labeled as follows: "Draft Response prepared by Staff." Any member of the Board may request that such written communication be placed on the agenda as an emergency item in accordance with Section 1.30 for consideration by the Board.

The Board shall consider the recommendation of the General Manager and determine whether a written communication shall be placed on the agenda in accordance with the procedures of Section 1.30, considered in connection with an item already on the agenda, and/or referred to a committee, a Director or staff for simple acknowledgement, response or draft response or shall determine that an adequate response has been made.

A written communication addressed to an individual Director may, at the discretion of the individual Director, be considered a personal letter, a written communication or may be relayed to the members of the Board as an informational item.

Members of the public may read written communications into the District's record during oral communications at a regular meeting and offer explanations of any such document. The presiding member of the Board may limit presentations of the speakers, including the reading of a written communication, to three minutes. Written communications received at a regular Board meeting shall be reproduced and distributed to absent Board members and to members of the press who have requested supporting materials no later than the next regular mailing to the Board. Written communications which are distributed to the Board at a time other than a regular mailing shall be distributed to members of the press who have requested supporting materials within two working days of when they are sent to the Board. Written communications accompanied by an extraordinary quantity of attachments may, at the discretion of the General Manager, be duplicated and distributed with some or all the attachments excluded. The General Manager shall note on the written communication or in an accompanying memorandum that the entire written communication, including attachments is available at the District office for public review. The General Manager shall determine the most appropriate method for presenting the attachments to the Board of Directors. Copies of the excluded attachments will be made available on the same basis as any other public record.

If a Board member represents the District before another agency or organization, the Board member shall represent the majority position of the Board.

When contacting another agency or organization in a personal capacity, Board members should indicate that his/her comments are given as an individual and not as an official representative of the District Board of Directors.

Revised Claims (Consent Calendar)

~~Public Resources Code § 5547, 5544.22, 5540, and 5549 as amended.~~

~~Claims against the District shall be paid for which an expenditure has prior approval by a majority of the Board and adopted in the District's budget. No claims against the District shall be paid unless the same shall be first approved by a majority of the Board at a meeting thereof.~~

Payment of employees' salaries and fringe benefits and other recurring claims may be authorized by the Board on an annual basis.

Unfinished Business

When a regular meeting is adjourned before the completion of the agenda, all unfinished items shall be listed under Unfinished Business on the next regular Board meeting agenda, at the discretion of the General Manager or unless otherwise designated by a majority of the Board.

Public Hearings

Any matter which, in the opinion of the Board of Directors, President, or General Manager requires notice to and response by members of the public may be placed on the agenda under this category.

During consideration of agenda items the following sequence is to be adhered to, unless specific exceptions are agreed to by the Board:

1. Presentation on agenda item;
2. Board and staff members may ask questions for clarification, followed by preliminary Board comments and discussion if any;
3. Public Comment period;
4. Board discussion and deliberations; additional comment from public only when requested by Board members and directed through the presiding officer;
5. Board action on agenda item.

Persons addressing the Board should be requested to state their name and address for the record.

Persons who are recognized should address the Board from the podium microphone prior to speaking, not speak from their seats.

The person recognized by the President should address the Board, not staff members or other audience members. There should not be a dialogue between audience members and staff, or between audience members. Public comments and questions should be directed through the President.

Only one person at a time should address the Board; other audience members should wait to be recognized before speaking. The President should discourage out-of-turn speaking by the public.

At the close of public comment, the President should indicate that the matter is now returned to the Board for deliberation and decision.

Board Business

These are business items being presented to the Board for consideration that do not fall under the category of Unfinished Business (see Section 1.49). Action in the form of an ordinance, resolution, motion or direction to staff may be required for items in this category.

Informational Reports—Directors and Staff

Informational, short reports by Directors and staff members on items of interest to the District may be given under this category. No action is expected but could occur at a regular meeting with a vote as required by Section 1.30.

Informational reports should be restricted to brief announcements or reports related to District business and shall generally be no more than three minutes per person. There shall be no action or discussion concerning Informational Reports.

Board members may refer a matter to staff, request staff to report back to the Board at a future meeting as an informational report or place the matter on a future agenda.

Informational reports of a personal nature that are unrelated to District business should not be shared during a public meeting.

Fees Charged for Special Mailings

Reasonable fees may be charged by the General Manager for reproducing and mailing materials on special projects.



Midpeninsula Regional
Open Space District

ACTION PLAN AND BUDGET COMMITTEE

Administrative Office
330 Distel Circle
Los Altos, CA 94022

February 21, 2017

DRAFT MINUTES

ROLL CALL

Director Kishimoto called the meeting to order at 2:32 p.m.

Members Present: Curt Riffle and Yoriko Kishimoto

Members Absent: Jed Cyr

Staff Present: General Manager Steve Abbors, Chief Financial Officer Stefan Jaskulak, General Counsel Sheryl Schaffner, District Clerk/Assistant to the General Manager Jennifer Woodworth; Procurement Specialist Janine Ward, Senior Accountant Andrew Taylor

ADOPTION OF AGENDA

Motion: Director Riffle moved, and Director Kishimoto seconded the motion to adopt the agenda.

VOTE: 2-0-0 (Director Cyr absent)

ORAL COMMUNICATIONS

No speakers present.

COMMITTEE BUSINESS

1. Selection of Committee Chair for Calendar Year 2017

Motion: Director Riffle moved, and Director Kishimoto seconded the motion to nominate Director Cyr as the Action Plan and Budget Committee Chair for calendar year 2017.

VOTE: 2-0-0 (Director Cyr absent)

2. Approve the April 19, 2016 Action Plan & Budget Committee Minutes.

Motion: Director Riffle moved, and Director Kishimoto seconded the motion to approve the Action Plan and Budget Committee minutes for April 19, 2016.

VOTE: 2-0-0 (Director Cyr absent)

3. Review Proposed Enhancement to District's Accounts Payable Claims Process (R-17-25)

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak provided the staff presentation summarizing the current process for authorizing expenditures and proposed changes to the process. Mr. Jaskulak described the various benefits to streamlining the invoice process, including using more efficient and secure electronic payments and decreasing administrative costs.

Director Riffle requested additional information regarding the proposed repeal of Resolution 14-12.

General Counsel Sheryl Schaffner explained repealing Resolution 14-12 is needed to align the District's current process with Board Policy 3.03 and Public Resources Code 5549, which allow the General Manager to enter into contracts up to \$50,000.

Director Riffle spoke in favor of streamlining the claims process and the additional enhancements proposed for the invoice process.

Director Kishimoto stated the Board would be able to ask questions regarding a contract's specifications and the recommended vendor when contracts over \$50,000 are approved by the Board of Directors.

Public comment opened at 3:07 p.m.

No speakers present.

Public comment closed at 3:07 p.m.

Motion: Director Riffle moved, and Director Kishimoto seconded the motion to recommend to the full Board of Directors, for review and approval the following actions:

1. Authorize Accounts Payable staff to release payments over fifty thousand dollars (\$50,000) without holding for Board approval, but continue to provide the current claims report to the board for information.
2. Recommend Board approval of the revised Board Policy 1.03 – Board Agenda.

VOTE: 2-0-0 (Director Cyr absent)

4. Revised Board Policy 3.06 – Initial and Continuing Disclosures Relating to Bond Issuances (R-17-26)

Chief Financial Officer/Director of Administrative Services Stefan Jaskulak provided the staff presentation describing the history of current Board Policy 3.06 *Initial and Continuing Disclosures Relating to Bond Issuances* and proposed policy revisions.

Ms. Schaffner stated the proposed revisions to policy enhance the District's ability to comply with legal requirements and removed redundant steps.

Director Kishimoto requested a summary of the substantive changes to the revised policy.

Mr. Jaskulak explained several redundancies and templates were removed that required communication between the finance and disclosure group because they are largely the same staff members.

Public comment opened at 3:19 p.m.

No speakers present.

Public comment closed at 3:19 p.m.

Motion: Director Riffle moved, and Director Kishimoto seconded the motion to recommend Board approval of revisions to Board Policy 3.06 for disclosures relating to District bond issuances.

VOTE: 2-0-0 (Director Cyr absent)

ADJOURNMENT

Director Kishimoto adjourned the meeting of the Action Plan and Budget Committee of the Midpeninsula Regional Open Space District at 3:24 p.m.

Jennifer Woodworth, MMC
District Clerk



MIDPENINSULA REGIONAL OPEN SPACE DISTRICT SAMPLE SIGNATURE SHEET

Employee Name: _____

Office Location: _____

Title: _____

Supervisor: _____

Department: _____

Phone: _____

Approval Authority: _____

Email: _____

Signature Samples

Please provide three (3) signature samples below:

Name: _____

Signature: _____

Initials _____

Name: _____

Signature: _____

Initials _____

Name: _____

Signature: _____

Initials _____

Attachment 3: Project Managers for each Sample Transaction

10 non-land expenditures with the highest dollar values						
Project	Payment Date	Vendor	Description	Amount	Project Manager	Department Manager
AA 23-006	06/08/2017	11716 - O.C. JONES & SONS, INC.	Mt Umunhum Rd Rehab Project	\$1,543,925.49	Zachary Alexander	Jason Lin
AA 23-004	06/28/2017	11709 - D-LINE CONSTRUCTORS, INC.	Mt Um Summit Public Access Construction Improvements - May/June	\$1,005,747.85	Matt Brunnings	Jason Lin
AA 23-004	06/30/2017	11709 - D-LINE CONSTRUCTORS, INC.	Mt Um Summit Public Access Improvements Construction	\$922,752.00	Matt Brunnings	Jason Lin
AA 23-004	03/29/2017	11709 - D-LINE CONSTRUCTORS, INC.	Mt Um Summit Public Access Improvements Construction	\$911,650.00	Matt Brunnings	Jason Lin
AA 23-004	04/24/2017	11709 - D-LINE CONSTRUCTORS, INC.	Mt Um Summit Public Access Improvements Construction	\$804,650.00	Matt Brunnings	Jason Lin
AA 23-006	12/15/2016	11716 - O.C. JONES & SONS, INC.	Mt Um Road Rehabilitation Contractor November 2016	\$803,310.00	Zachary Alexander	Jason Lin
AA 23-006	12/01/2016	11716 - O.C. JONES & SONS, INC.	Mt Um Road Rehabilitation Contractor	\$625,266.00	Zachary Alexander	Jason Lin
AA 23-004	02/23/2017	11709 - D-LINE CONSTRUCTORS, INC.	Mt Um Summit Public Access Improvements Construction	\$554,650.00	Matt Brunnings	Jason Lin
AA 23-004	10/17/2016	11709 - D-LINE CONSTRUCTORS, INC.	Mt Um Summit Public Access Improvements Construction	\$526,050.00	Matt Brunnings	Jason Lin
AA 23-006	02/09/2017	11716 - O.C. JONES & SONS, INC.	Mt Um Road Rehabilitation Contractor	\$524,050.00	Zachary Alexander	Jason Lin

6 assorted project expenditures not previously tested in prior BOC reviews						
Project	Date	Description	Vendor	Amount	Project Manager	Department Manager
AA 03-004	06/08/2017	Harkins Bridge	QUESTA ENGINEERING CORPORATION	\$11,298.20	Aaron Herbert	Jason Lin
AA 07-010	12/31/2016	Labor reimbursement Q1/Q2	N/A	\$10,035.44	N/A	Jason Lin
AA 20-001	01/20/2017	Cooperative Agreement with CalTrans – Hwy 17 Wildlife Crossing	CalTrans	\$30,000.00	Julie Andersen	Kirk Lenington
AA 21-005	06/30/2017	BCR Public Access Phase 1	HARRIS DESIGN	\$35,075.19	Bryan Apple	Jane Mark
AA 21-005	06/30/2017	BCR cultural evaluation 'laundry site'	PACIFIC LEGACY INC	\$17,904.29	Matt Baldzikowski	Kirk Lenington
AA 22-001	11/22/2016	Streambed Alteration Fee – Hendrys Creek Restoration	CALIFORNIA DEPT FISH AND WILDLIFE-NAPA OFFICE	\$4,198.00	Bryan Apple	Jane Mark

O.C. JONES & SONS, INC.

GENERAL ENGINEERING CONTRACTOR

INVOICE

MIDPENINSULA REGIONAL OPEN SPACE DISTF
330 DISTEL CIRCLE
LOST ALTOS, CA 94022-1404
Attention: ZACHARY ALEXANDER

INVOICE NO.: 69993
BILLING NO.: 6
DATE: 06/07/17
OCJ JOB NO.: 216515

JOB DESCRIPTION:
MOUNT UMUNHUM RD REHAB PROJECT

BILLED TO DATE THRU	5/31/17	\$4,302,763.02
PREVIOUS BILLED TO DATE		\$2,677,578.30

GROSS BILLING THIS INVOICE		\$1,625,184.72
RETENTION	5%	\$81,259.24

NET BILLING THIS INVOICE		\$1,543,925.49
=====		

If you have any questions regarding this billing, please contact:

Project Manager: Juan Hernandez
Project Administrator: Sushila Sharma

OWNER

=====

MAIN OFFICE ADDRESS
1520 FOURTH STREET
BERKELEY, CA 94710

TELEPHONE (510) 526-3424
FAX (510) 525-0457

17-18

O.C. JONES & SONS, INC.

1520 Fourth Street
Berkeley, CA 94710
Direct Line: (510) 809-3422
Direct Fax: (510) 809-3522
ssharma@ocjones.com

LETTER OF TRANSMITTAL

TO: MIDPENINSULA REGIONAL OPEN SPACE (650) 691-1200 SUBJECT: MOUNT UMUNHUM RD REHAB PROJECT
330 DISTEL CIRCLE OCJ Job No. 216515
LOST ALTOS, CA 94022-1404 zalexander@openspace.org

ATTN: ZACHARY ALEXANDER DATE: June 7, 2017

No. of Copies	WE SEND YOU THE FOLLOWING DOCUMENTS FOR ACTION OR USE AS INDICATED	For Your Files or Information	Sign & Return Both Copies for Our Signature	Returned Signed as Requested	For Approval or Action	For Your Review and Comment	Returned as Requested	See Note Below
1	MAY PROGRESS BILLING	XX			XX			XX

NOTES: Please let me know if you need any additional information in order to process our payment. Original to follow via mail. Thank you.

Date: 6/12/17
 Batch#: _____
 Vendor: _____
 PO: _____
 G/L Account: 30-35-325-8205.01
 Project: AA 23-6
 Approved by: [Signature]
Stephen E. Roberts

Sincerely,
O.C. JONES & SONS, INC.
Sushila Sharma

Project Administrator

O.C. JONES & SONS, INC.

Project: **MOUNT UMUNHUM RD REHAB PROJECT**
 General: **MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**
 OCJ Job **216515**

Date **06/07/17**
 Work Complete Thru **05/31/17**
 Progress Estimate No. **6**

ITEM NO.	DESCRIPTION	UNIT MEAS	ORIG QTY	REV QTY	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY	PREVIOUS AMOUNT	CURRENT QTY	CURRENT AMOUNT	TO DATE QTY	%	TO DATE AMOUNT
CONTRACT WORK													
1.0	MOBILIZATION	LS	1.00		492,000.00	492,000.00	0.95	467,400.00	0.05	24,600.00	1.00	100%	492,000.00
2.0	TRAFFIC CONTROL	LS	1.00		115,000.00	115,000.00	0.85	97,750.00	0.05	5,750.00	0.90	90%	103,500.00
3.0	POTHOLE UTILITIES	LS	1.00		25,000.00	25,000.00	0.90	22,500.00	0.10	2,500.00	1.00	100%	25,000.00
4.0	EROSION CONTROL & SWPPP	LS	1.00		50,000.00	50,000.00	0.90	45,000.00	0.10	5,000.00	1.00	100%	50,000.00
5.0	LAYOUT & STAKING	LS	1.00		30,000.00	30,000.00	1.00	30,000.00	0.00	0.00	1.00	100%	30,000.00
6.0	CLEANING & GRUBBING	LS	1.00		90,000.00	90,000.00	1.00	90,000.00	0.00	0.00	1.00	100%	90,000.00
7.0	TREE REMOVAL	EA	15.00		2,734.00	41,010.00	15.00	41,010.00	0.00	0.00	15.00	100%	41,010.00
8.0	STUMP REMOVAL	EA	3.00		1,600.00	4,800.00	3.00	4,800.00	0.00	0.00	3.00	100%	4,800.00
9.0	TREE ROOT REMOVAL	SF	2,750.00		4.00	11,000.00	2,750.00	11,000.00	0.00	0.00	2,750.00	100%	11,000.00
10.0	DEMOLITION	LS	1.00		100,000.00	100,000.00	1.00	100,000.00	0.00	0.00	1.00	100%	100,000.00
11.0	ROCK & BOULDER CLEARING	LF	2,700.00		15.00	40,500.00	2,700.00	40,500.00	0.00	0.00	2,700.00	100%	40,500.00
12.0	GRADING & EXCAVATION	CY	4,000.00		50.00	200,000.00	4,000.00	200,000.00	0.00	0.00	4,000.00	100%	200,000.00
13.0	DISPOSAL OF GRADED & EXCAVATED MATERIAL	CY	4,000.00		16.00	64,000.00	4,000.00	64,000.00	0.00	0.00	4,000.00	100%	64,000.00
14.0	SHALLOW PAVEMENT REPAIRS	SF	18,700.00		4.25	79,475.00		0.00	0.00	0.00			0.00
15.0	DEEP PAVEMENT REPAIRS	SF	13,000.00		5.90	76,700.00		0.00	0.00	0.00			0.00
16.0	INSTALL GABION WALL	LF	180.00		500.00	90,000.00	72.00	36,000.00	0.00	0.00	72.00	40%	36,000.00
17.0	INSTALL TYPE A DROP INLET STRUCTURE	EA	50.00		6,500.00	325,000.00	50.00	325,000.00	0.00	0.00	50.00	100%	325,000.00
18.0	INSTALL TYPE B DROP INLET STRUCTURE	EA	8.00		7,300.00	58,400.00	8.00	58,400.00	0.00	0.00	8.00	100%	58,400.00
19.0	INSTALL TYPE C DROP INLET STRUCTURE	EA	1.00		4,000.00	4,000.00	0.00	0.00	0.00	0.00	0.00		0.00
20.0	INSTALL 18" CMP PIPE EXTENSION AT INLETS	EA	6.00		2,300.00	13,800.00		0.00	0.00	0.00			0.00
21.0	INSTALL 12" CMP PIPE	LF	80.00		115.00	9,200.00	80.00	9,200.00	0.00	0.00	80.00	100%	9,200.00
22.0	INSTALL INELT STRUCTURE HIGH HEADWALL	EA	17.00		6,000.00	102,000.00	12.97	77,800.00	2.80	16,800.00	15.77	93%	94,600.00
23.0	INSTALL DOWN DRAIN	LS	1.00		10,000.00	10,000.00		0.00	0.50	5,000.00	0.50	50%	5,000.00
24.0	INSTALL PCC CURB	LF	200.00		100.00	20,000.00	200.00	20,000.00	0.00	0.00	200.00	100%	20,000.00
25.0	INSTALL PCC SWALE	LF	220.00		90.00	19,800.00		0.00	0.00	0.00			0.00
26.0	INSTALL ROCK DRAINAGE PROTECTION	SF	320.00		10.00	3,200.00		0.00	0.00	0.00			0.00
27.0	ROCK LINED DITCH	LF	180.00		20.00	3,600.00		0.00	0.00	0.00			0.00
28.0	INSTALL ROADEAY SUBDRAIN PIPING	LF	280.00		40.00	11,200.00	0.00	0.00	280.00	11,200.00	280.00	100%	11,200.00
29.0	INSTALL SUBDRAIN/EDGE DRAIN CLEANOUTS	EA	7.00		325.00	2,275.00	1.00	325.00	0.00	0.00	1.00	14%	325.00
30.0	INSTALL EDGE DRAIN	LF	250.00		35.00	8,750.00		0.00	250.00	8,750.00	250.00	100%	8,750.00

O.C. JONES & SONS, INC.

Project: **MOUNT UMUNHUM RD REHAB PROJECT**
 General: **MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**
 OCJ Job **216515**

Date **06/07/17**
 Work Complete Thru **05/31/17**
 Progress Estimate No. **6**

ITEM NO.	DESCRIPTION	UNIT MEAS	ORIG QTY	REV QTY	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY	PREVIOUS AMOUNT	CURRENT QTY	CURRENT AMOUNT	TO DATE QTY	%	TO DATE AMOUNT
31.0	CONNECT EDGE DRAIN TO INLET	EA	1.00		900.00	900.00		0.00	1.00	900.00	1.00	100%	900.00
32.0	REHABILITATION & RESURFACING: PULVERIZE & HMA RESURFACE	SF	500,000.00		2.38	1,190,000.00		0.00	618,819.21	1,472,789.72	618,819.21	124%	1,472,789.72
33.0	MISCELLANEOUS PAVING	SF	28,200.00		4.50	126,900.00		0.00	26,090.00	117,405.00	26,090.00	93%	117,405.00
34.0	INSTALL MOUNTABLE HMA BERM - TYPE E	LF	300.00		4.00	1,200.00		0.00	0.00	0.00			0.00
35.0	INSTALL HMA BERM - TYPE F	LF	18,400.00		2.40	44,160.00		0.00	0.00	0.00			0.00
36.0	INSTALL PRE-CAST CONCRETE BARRIERS & END SECTIONS	EA	520.00		830.00	431,600.00		0.00	0.00	0.00			0.00
37.0	INSTALL ROCK FENCE	LF	920.00		74.00	68,080.00	920.00	68,080.00	-615.00	-45,510.00	305.00	33%	22,570.00
38.0	SHOULDER BACKING	LF	14,500.00		1.90	27,550.00		0.00	0.00	0.00			0.00
39.0	PLACE BASE ROCK	SF	1,840.00		3.20	5,888.00		0.00	0.00	0.00			0.00
40.0	GUARDRAILS & END TERMINALS	SF	5,800.00		59.00	342,200.00	5,800.00	342,200.00	0.00	0.00	5,800.00	100%	342,200.00
41.0	INSTALL ROAD SIGNAGE	EA	52.00		265.00	13,780.00		0.00	0.00	0.00			0.00
42.0	INSTALL ROADSIDE PADDLES	EA	67.00		65.00	4,355.00		0.00	0.00	0.00			0.00
43.0	INSTALL ROAD STRIPING	LS	1.00		87,850.00	87,850.00		0.00	0.00	0.00			0.00
44.0	INSTALL CONDUIT	LS	600.00		40.00	24,000.00	600.00	24,000.00	0.00	0.00	600.00	100%	24,000.00
45.0	INSTALL PIPE GATE	EA	8.00		1,870.00	14,960.00	1.00	1,870.00	0.00	0.00	1.00	13%	1,870.00
46.0	PROVIDE & INSTALL SOLAR POWERED AUTOMATIC GATE SYSTEM	EA	3.00		22,675.00	68,025.00		0.00	0.00	0.00			0.00
47.0	PROVIDE AND INSTALL SOLAR POWERED LIGHT SYSTEM	EA	1.00		16,000.00	16,000.00		0.00	0.00	0.00			0.00
48.0	INSTALL DOUBLE CHIP SEAL	SF	500,000.00		0.43	215,000.00		0.00	0.00	0.00			0.00
49.0	INSTALL INLET STRUCTURE LOW HEADEALL	EA	41.00		5,600.00	229,600.00	41.00	229,600.00	0.00	0.00	41.00	100%	229,600.00
						0.00		0.00	0.00	0.00			0.00

SUBTOTAL CONTRACT WORK

5,012,758.00

2,406,435.00

1,625,184.72

4,031,619.72

CHANGE ORDERS

CCO #01	ADDN'L TREE REMOVAL-INC IN BID ITEM #7	EA	2.00		2,734.00	5,468.00	2.00	5,468.00	0.00	0.00	2.00	100%	5,468.00
CCO #02	ADDN'L EXV MATERIAL-INC IN BID ITEM #12	CY	2,037.00		50.00	101,875.00	2,037.50	101,875.00	0.00	0.00	2,037.50	100%	101,875.00
CCO #02	ADDN'L GRADING & DISPOSAL-INC IN BID ITEM #13	CY	1,303.00		16.00	20,848.00	1,303.00	20,848.00	0.00	0.00	1,303.00	100%	20,848.00
CCO #02	ADDN'L ROCK CLEARING-INC IN BID ITEM #11	LF	60.00		15.00	900.00	60.00	900.00	0.00	0.00	60.00	100%	900.00
CCO #03	MBGR INCREASED POST LENGTH	LS	1.00		11,299.17	11,299.17	1.00	11,299.17	0.00	0.00	1.00	100%	11,299.17

O.C. JONES & SONS, INC.

Project: **MOUNT UMUNHUM RD REHAB PROJECT**
 General: **MIDPENINSULA REGIONAL OPEN SPACE DISTRICT**
 OCJ Job **216515**

Date **06/07/17**
 Work Complete Thru **05/31/17**
 Progress Estimate No. **6**

ITEM NO.	DESCRIPTION	UNIT MEAS	ORIG QTY	REV QTY	UNIT PRICE	CONTRACT AMOUNT	PREVIOUS QTY	PREVIOUS AMOUNT	CURRENT QTY	CURRENT AMOUNT	TO DATE QTY	%	TO DATE AMOUNT
CCO #04	WINTER SUSPENSION	LS				0.00		0.00	0.00	0.00			0.00
CCO #05	ADDN'L EXC MATERIAL-INC IN BID ITEM #12	CY	1,750.00		50.00	87,500.00	1,750.00	87,500.00	0.00	0.00	1,750.00	100%	87,500.00
CCO #05	ADDN'L GRADING & DISPOSAL-INC IN BID ITEM #13	CY	1,750.00		16.00	28,000.00	1,750.00	28,000.00	0.00	0.00	1,750.00	100%	28,000.00
CCO #05	ADDN'L ROCK CLEARING-CLEARING IN BID ITEM #11	LF	300.00		15.00	4,500.00	300.00	4,500.00	0.00	0.00	300.00	100%	4,500.00
CCO #06	THAYER ROAD REPAIR	EA	1.00		3,000.00	3,000.00	1.00	3,000.00	0.00	0.00	1.00	100%	3,000.00
		LS	1.00		7,753.13	7,753.13	1.00	7,753.13	0.00	0.00	1.00	100%	7,753.13
						0.00		0.00	0.00	0.00			0.00
						0.00		0.00	0.00	0.00			0.00
						0.00		0.00	0.00	0.00			0.00

SUBTOTAL CHANGE ORDERS

271,143.30

271,143.30

0.00

271,143.30

TOTAL
RETENTION
NET AMOUNT OF ESTIMATE

5,283,901.30

2,677,578.30

1,625,184.72

4,302,763.02

133,878.91

81,259.24

215,138.15

2,543,699.38

1,543,925.49

4,087,624.87



O.C. JONES & SONS, INC.
GENERAL ENGINEERING CONTRACTOR
1520 FOURTH STREET
BERKELEY, CA 94710

OCJ# 69993

CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

NOTICE TO CLAIMANT: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

IDENTIFYING INFORMATION

Name of Claimant: O.C. JONES & SONS, INC.
Name of Customer: MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Job Location: HICKS RD & MT UMUNHUM RD
Owner: MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Through Date: May 31, 2017

CONDITIONAL WAIVER AND RELEASE

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Amount of Check: \$1,543,925.49
Check Payable to: O.C. JONES & SONS, INC.

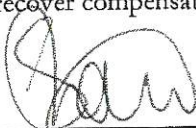
EXCEPTIONS

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.
- (3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:
Date(s) of waiver and release: 4/30/2017
- (4)

Contract rights, including (A) a right based on rescission, abandonment, or breach of contract, and (B) the right to recover compensation for work not compensated by the payment.

SIGNATURE

Claimant's Signature: 
Claimant's Title: Sushila Sharma, Project Administrator
Date of Signature: 06/07/17

Attachment 5: O.C. Jones Invoice 69993 invoice retainage correction

Accounts Payable Invoice Inquiry				
Invoice 69993 ▾				
Invoice Batch Batch Department: ADMIN - Admin Batch Date: 06/08/2017 Batch Number: 2017-00001425 Batch Description: Created by User: Warren Chan	Payment Information Bank Account: Wells Fargo Bank-General Payment Type: Check Payment Number: 75537 Payment Date: 07/12/2017 Manual Check Check Sort Code Check Code	Invoice Net Amount Invoice Amount: \$1,543,925.49 Discount Freight State Tax County Tax City/Local Tax Retainage Invoice Net Amount: \$1,543,925.49		
Invoice <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Status</td> <td style="text-align: center;">Paid</td> </tr> </table> Invoice Department: ADMIN - Admin Invoice Number: 69993 Invoice Description: Mt Umunhum Rd Rehab Project Invoice Date: 06/07/2017 Due Date: 07/07/2017 G/L Date: 06/08/2017	Status	Paid	Remittance Information Vendor: 11716 - O.C. JONES & SONS, INC. Contact Name: O.C. JONES & SONS, INC. Description: Address: 1520 FOURTH STREET BERKELEY, CA 94710 Email Address	
Status	Paid			

Original ERP entry for **O.C. Jones Invoice 69993** showing error: Net Billing amount entered as gross amount, no Retainage applied. Direct vendor payment was correct, but retainage was missing.

Accounts Payable Invoice Inquiry				
Invoice 69993 Retainage ▾				
Invoice Batch Batch Department: ADMIN - Admin Batch Date: 10/03/2017 Batch Number: 2018-00000447 Batch Description: Created by User: Debra Ledger	Payment Information Bank Account: Wells Fargo Bank-General Payment Type: Check Payment Number: 76253 Payment Date: 10/03/2017 Manual Check Check Sort Code Check Code	Invoice Net Amount Invoice Amount: \$81,259.24 Discount Freight State Tax County Tax City/Local Tax Retainage Invoice Net Amount: \$81,259.24		
Invoice <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Status</td> <td style="text-align: center;">Paid</td> </tr> </table> Invoice Department: ADMIN - Admin Invoice Number: 69993 Retainage Invoice Description: Release of Retainage on Invoice #69993, Acct#042-132673 Invoice Date: 10/03/2017 Due Date: 10/03/2017 G/L Date: 10/03/2017	Status	Paid	Remittance Information Vendor: 11716 - O.C. JONES & SONS, INC. Contact Name: O.C. JONES & SONS, INC. Description: Address: 1520 FOURTH STREET BERKELEY, CA 94710 Email Address	
Status	Paid			

Correction to **O.C. Jones Invoice 69993**, paying Retainage to retention account.

APPLICATION AND CERTIFICATE FOR PAYMENT

Invoice #: **1608-10**

To Owner: Midpeninsula Regional Open Space District
 330 Distel Circle
 Los Altos, CA 94022-1404

Project: 1608. Mt Umunhum Summit Project

Application No.: 10

Distribution to:

Owner

Architect

Contractor

Period To:

From Contractor: D-Line Constructors Inc. Via Architect:
 499 Embarcadero Post 3 Box 6
 Oakland, CA 94606

Project Nos: PO #2017-124

Contract For: PO #2017-124

Contract Date:

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract Continuation Sheet is attached.

1. Original Contract Sum	\$7,385,000.00
2. Net Change By Change Order	\$554,422.00
3. Contract Sum To Date	\$7,939,422.00
4. Total Completed and Stored To Date	\$5,610,231.95
5. Retainage:	
a. 5.00% of Completed Work	\$280,511.60
b. 0.00% of Stored Material	\$0.00
Total Retainage	\$280,511.60
6. Total Earned Less Retainage	\$5,329,720.35
7. Less Previous Certificates For Payments	\$4,323,972.50
8. Current Payment Due	\$1,005,747.85
9. Balance To Finish, Plus Retainage	\$2,609,701.65

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information, and belief, the work covered by this Application for Payment has been completed in accordance with the Contract Documents. That all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: D-Line Constructors Inc.

By: Kim Roberts Date: 6/28/17

State of: _____ County of: _____
 Subscribed and sworn to before me this _____ day of _____
 Notary Public:
 My Commission expires: _____

ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the above application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information, and belief, the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 1,005,747.85

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CHANGE ORDER SUMMARY	Additions	Deductions
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total Approved this Month	\$554,422.00	\$0.00
TOTALS	\$554,422.00	\$0.00
Net Changes By Change Order	\$554,422.00	

Catch: 6/28/17
 Description:
 PO#: 30-35-325-8205.01
 G/L Account: MAA 23-004
 Project#: [Signature]
 Approved By: [Signature]

CONTINUATION SHEET

Application and Certification for Payment, containing Contractor's signed certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use Column I on Contracts where variable retainage for line items may apply.

Application No. : 10
 Application Date : 06/07/17
 To:
 Architect's Project No.: PO #2017-124

Invoice #: 1608-10 Contract: 1608. Mt Umunhum Summit Project

A Item No.	B Description of Work	C Scheduled Value	D E Work Completed		F Materials Presently Stored (Not in D or E)	G Total Completed and Stored To Date (D+E+F)	H % (G / C)	I Balance To Finish (C-G)	Retainage
			From Previous Application (D+E)	This Period In Place					
Bill Group:	01 Admin & General Requirements								
1	Payment & Performance Bond	75,000.00	75,000.00	0.00	0.00	75,000.00	100.00%	0.00	
2	Detailing, Modeling & Engineering	80,000.00	80,000.00	0.00	0.00	80,000.00	100.00%	0.00	
3	Mobilization	250,000.00	250,000.00	0.00	0.00	250,000.00	100.00%	0.00	
4	General Conditions (7 Months)	770,000.00	627,550.00	50,050.00	0.00	677,600.00	88.00%	92,400.00	
5	Demobilization	75,000.00	0.00	0.00	0.00	0.00	0.00%	75,000.00	
	Admin & General Requirements Totals	1,250,000.00	1,032,550.00	50,050.00	0.00	1,082,600.00	86.61%	167,400.00	54,130.00
Bill Group:	02 Entire Site								
6	Temp Veg Protection Fence	50,000.00	50,000.00	0.00	0.00	50,000.00	100.00%	0.00	
7	SWPPP BMP's	90,000.00	90,000.00	0.00	0.00	90,000.00	100.00%	0.00	
8	Survey & Staking	90,000.00	90,000.00	0.00	0.00	90,000.00	100.00%	0.00	
9	Mass Grading & Off-haul to Thayer	450,000.00	450,000.00	0.00	0.00	450,000.00	100.00%	0.00	
10	Select, Procure & Import Stone Materials	150,000.00	150,000.00	0.00	0.00	150,000.00	100.00%	0.00	
11	Electrical Ductbank	250,000.00	175,000.00	37,500.00	0.00	212,500.00	85.00%	37,500.00	
12	Omega Type Fencing (Owner Furnished)	50,000.00	0.00	25,000.00	0.00	25,000.00	50.00%	25,000.00	
13	Restoration Fence	75,000.00	0.00	75,000.00	0.00	75,000.00	100.00%	0.00	
14	Asphalt Paving (Simultaneous, All Areas)	150,000.00	0.00	0.00	0.00	0.00	0.00%	150,000.00	
15	Anti-Graffiti Coating	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	
16	Striping, Signage, Wheelstops	40,000.00	0.00	0.00	0.00	0.00	0.00%	40,000.00	
	Entire Site Totals	1,445,000.00	1,005,000.00	137,500.00	0.00	1,142,500.00	79.07%	302,500.00	57,125.00
Bill Group:	03 East & West Summits								
17	Ceremonial & Stone Walls	150,000.00	150,000.00	0.00	0.00	150,000.00	100.00%	0.00	
18	Stone Steps	240,000.00	240,000.00	0.00	0.00	240,000.00	100.00%	0.00	
19	Boulder Placement	150,000.00	150,000.00	0.00	0.00	150,000.00	100.00%	0.00	

Approved by: [Signature]
 Project: [Project Name]
 Date: [Date]

CONTINUATION SHEET

Application and Certification for Payment, containing Contractor's signed certification is attached.
 In tabulations below, amounts are stated to the nearest dollar.
 Use Column I on Contracts where variable retainage for line items may apply.

Application No. : 10
 Application Date : 06/07/17
 To:
 Architect's Project No.: PO #2017-124

Invoice #: 1608-10 Contract: 1608. Mt Umunhum Summit Project

A Item No.	B Description of Work	C Scheduled Value	D E Work Completed		F Materials Presently Stored (Not in D or E)	G Total Completed and Stored To Date (D+E+F)	H % (G / C)	I Balance To Finish (C-G)	Retainage
			From Previous Application (D+E)	This Period In Place					
20	Bioretention & Drainage Improvements	100,000.00	100,000.00	0.00	0.00	100,000.00	100.00%	0.00	
21	Native Rock Mulch	60,000.00	60,000.00	0.00	0.00	60,000.00	100.00%	0.00	
22	Stabilized ADA Pathways	100,000.00	15,000.00	15,000.00	0.00	30,000.00	30.00%	70,000.00	
23	Ceremonial Surfacing	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	
24	Guardrail at Grade	80,000.00	10,000.00	10,000.00	0.00	20,000.00	25.00%	60,000.00	
25	Benches	54,000.00	0.00	0.00	0.00	0.00	0.00%	54,000.00	
26	Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
East & West Summits Totals		959,000.00	725,000.00	25,000.00	0.00	750,000.00	78.21%	209,000.00	37,500.00
Bill Group:	04 Summit Shelter								
27	Foundations & CIP Walls	200,000.00	200,000.00	0.00	0.00	200,000.00	100.00%	0.00	
28	Slab on Grade, Steps, Ramp	100,000.00	100,000.00	0.00	0.00	100,000.00	100.00%	0.00	
29	Structural Steel Framing	100,000.00	100,000.00	0.00	0.00	100,000.00	100.00%	0.00	
30	Stone Veneer	180,000.00	20,000.00	0.00	0.00	20,000.00	11.11%	160,000.00	
31	Timber Frame, Decking, Cladding, Sheeting	50,000.00	15,000.00	20,000.00	0.00	35,000.00	70.00%	15,000.00	
32	Standing Seam Metal Roof	42,000.00	0.00	0.00	0.00	0.00	0.00%	42,000.00	
33	Guard Rail & Handrail	100,000.00	15,000.00	0.00	0.00	15,000.00	15.00%	85,000.00	
34	Perforated Metal Panels	50,000.00	15,000.00	0.00	0.00	15,000.00	30.00%	35,000.00	
35	Compass Rose	25,000.00	0.00	25,000.00	0.00	25,000.00	100.00%	0.00	
36	CIP Benches	30,000.00	0.00	30,000.00	0.00	30,000.00	100.00%	0.00	
37	Paint & Stains	20,000.00	10,000.00	0.00	0.00	10,000.00	50.00%	10,000.00	
38	Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
Summit Shelter Totals		902,000.00	475,000.00	75,000.00	0.00	550,000.00	60.98%	352,000.00	27,500.00
Bill Group:	05 Turnaround Area Site Work								
39	CIP Seatwall	25,000.00	0.00	25,000.00	0.00	25,000.00	100.00%	0.00	
40	Boulder Placement	10,000.00	0.00	5,000.00	0.00	5,000.00	50.00%	5,000.00	
41	Guardrail at Turnaround at Seatwall	50,000.00	10,000.00	0.00	0.00	10,000.00	20.00%	40,000.00	
42	Curbs & Gutters	20,000.00	15,000.00	3,000.00	0.00	18,000.00	90.00%	2,000.00	

CONTINUATION SHEET

Application and Certification for Payment, containing

Application No. : 10

Contractor's signed certification is attached.

Application Date : 06/07/17

In tabulations below, amounts are stated to the nearest dollar.

To:

Use Column I on Contracts where variable retainage for line items may apply.

Architect's Project No.: PO #2017-124

Invoice #: 1608-10

Contract: 1608. Mt Umunhum Summit Project

A Item No.	B Description of Work	C Scheduled Value	D E Work Completed		F Materials Presently Stored (Not in D or E)	G Total Completed and Stored To Date (D+E+F)	H % (G / C)	I Balance To Finish (C-G)	Retainage
			From Previous Application (D+E)	This Period In Place					
43	Concrete Paving w/ Truncated Domes	80,000.00	0.00	32,000.00	0.00	32,000.00	40.00%	48,000.00	
44	Stone Paving	40,000.00	0.00	0.00	0.00	0.00	0.00%	40,000.00	
45	Bollards	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	
46	Call Box	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
47	Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
	Turnaround Area Site Work Totals	260,000.00	25,000.00	65,000.00	0.00	90,000.00	34.62%	170,000.00	4,500.00
Bill Group:	06 Parking Lot								
48	Install Vault Toilet	10,000.00	10,000.00	0.00	0.00	10,000.00	100.00%	0.00	
49	Bioretention & Drainage Improvements	100,000.00	90,000.00	10,000.00	0.00	100,000.00	100.00%	0.00	
50	Boulder Replacement	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
51	Curbs & Gutters	50,000.00	0.00	40,000.00	0.00	40,000.00	80.00%	10,000.00	
52	Permeable Paving	250,000.00	0.00	200,000.00	0.00	200,000.00	80.00%	50,000.00	
53	Concrete SOG with CMU Privacy Wall	50,000.00	0.00	40,000.00	0.00	40,000.00	80.00%	10,000.00	
54	Concrete Paving w/ Truncated Domes	70,000.00	0.00	59,500.00	0.00	59,500.00	85.00%	10,500.00	
55	Pipe Gate	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
56	Native Rock Mulch	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
57	Metal Beam Guardrail	30,000.00	0.00	0.00	0.00	0.00	0.00%	30,000.00	
58	Benches	6,000.00	0.00	0.00	0.00	0.00	0.00%	6,000.00	
59	Call Box	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
60	Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
	Parking Lot Totals	611,000.00	100,000.00	349,500.00	0.00	449,500.00	73.57%	161,500.00	22,475.00
Bill Group:	07 Road Construction								
61	Bioretention & Drainage Improvements	130,000.00	104,000.00	0.00	0.00	104,000.00	80.00%	26,000.00	
62	Pulverize Road in Place	25,000.00	0.00	0.00	0.00	0.00	0.00%	25,000.00	
63	Deep Pavement Repairs	6,000.00	6,000.00	0.00	0.00	6,000.00	100.00%	0.00	
64	Final Roadway Compaction	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	
65	Paved Ditch	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	

CONTINUATION SHEET

Application and Certification for Payment, containing Contractor's signed certification is attached.

Application No. : 10

In tabulations below, amounts are stated to the nearest dollar.

Application Date : 06/07/17

Use Column I on Contracts where variable retainage for line items may apply.

To:

Architect's Project No.: PO #2017-124

Invoice #: 1608-10

Contract: 1608. Mt Umunhum Summit Project

A Item No.	B Description of Work	C Scheduled Value	D E Work Completed		F Materials Presently Stored (Not in D or E)	G Total Completed and Stored To Date (D+E+F)	H % (G / C)	I Balance To Finish (C-G)	Retainage
			From Previous Application (D+E)	This Period In Place					
			66	Set Precast Barriers (Owner Furnished)					
67	AC Berm	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
68	Metal Beam Guardrail	40,000.00	0.00	0.00	0.00	0.00	0.00%	40,000.00	
69	Split Rail Fence	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	
70	Pipe Gate & Bollard	20,000.00	0.00	0.00	0.00	0.00	0.00%	20,000.00	
71	Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
Road Construction Totals		306,000.00	110,000.00	10,000.00	0.00	120,000.00	39.22%	186,000.00	6,000.00
Bill Group:	08 AP #1 - Upper Summit Stair								
72	AP #1 Excavation & Prep	89,000.00	89,000.00	0.00	0.00	89,000.00	100.00%	0.00	
73	AP #1 Concrete & Rebar	330,000.00	297,000.00	0.00	0.00	297,000.00	90.00%	33,000.00	
74	AP #1 Boulder Placement	30,000.00	0.00	15,000.00	0.00	15,000.00	50.00%	15,000.00	
75	AP #1 Handrail & Guardrail	60,000.00	15,000.00	0.00	0.00	15,000.00	25.00%	45,000.00	
76	AP #1 Timber Benches	6,000.00	0.00	0.00	0.00	0.00	0.00%	6,000.00	
77	AP #1 Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
AP #1 - Upper Summit Stair Totals		520,000.00	401,000.00	15,000.00	0.00	416,000.00	80.00%	104,000.00	20,800.00
Bill Group:	09 AP #2 - Lower Summit Stair								
78	AP #2 Excavation & Prep	91,000.00	91,000.00	0.00	0.00	91,000.00	100.00%	0.00	
79	AP #2 Concrete & Rebar	350,000.00	315,000.00	17,500.00	0.00	332,500.00	95.00%	17,500.00	
80	AP #2 Boulder Placement	15,000.00	0.00	7,500.00	0.00	7,500.00	50.00%	7,500.00	
81	AP #2 Handrail & Guardrail	60,000.00	15,000.00	0.00	0.00	15,000.00	25.00%	45,000.00	
82	AP #2 Timber Benches	9,000.00	0.00	0.00	0.00	0.00	0.00%	9,000.00	
83	AP #2 Stabilized Terrace Pathway	10,000.00	0.00	0.00	0.00	0.00	0.00%	10,000.00	
84	AP #2 Final Touch & Cleanup	5,000.00	0.00	0.00	0.00	0.00	0.00%	5,000.00	
AP #2 - Lower Summit Stair Totals		540,000.00	421,000.00	25,000.00	0.00	446,000.00	82.59%	94,000.00	22,300.00
Bill Group:	10 AP #3 - Trailhead Structure								
85	AP #3 Foundations & CIP Walls	90,000.00	90,000.00	0.00	0.00	90,000.00	100.00%	0.00	

CONTINUATION SHEET

Application and Certification for Payment, containing Contractor's signed certification is attached.

Application No. : 10

In tabulations below, amounts are stated to the nearest dollar.

Application Date : 06/07/17

Use Column I on Contracts where variable retainage for line items may apply.

To:

Architect's Project No.: PO #2017-124

Invoice #: 1608-10

Contract: 1608. Mt Umunhum Summit Project

A Item No.	B Description of Work	C Scheduled Value	D E Work Completed		F Materials Presently Stored (Not in D or E)	G Total Completed and Stored To Date (D+E+F)	% (G / C)	H Balance To Finish (C-G)	I Retainage
			From Previous Application (D+E)	This Period In Place					
104	Change Order 02 - Schedule	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	
	CO 02 - Schedule Totals	0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
Bill Group:	14 CO 03 - Gate Management								
105	Change Order 03 - Gate Management	80,003.00	0.00	80,003.00	0.00	80,003.00	100.00%	0.00	
	CO 03 - Gate Management Totals	80,003.00	0.00	80,003.00	0.00	80,003.00	100.00%	0.00	4,000.15
Bill Group:	15 CO 04 - Overtime Allowance								
106	Change Order 04 - Overtime Allowance	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	
	CO 04 - Overtime Allowance Totals	50,000.00	0.00	0.00	0.00	0.00	0.00%	50,000.00	0.00
Bill Group:	16 CO 05 - Misc. COR's								
107	Change Order 05 - Misc. COR's	424,419.00	0.00	201,628.95	0.00	201,628.95	47.51%	222,790.05	
	CO 05 - Misc. COR's Totals	424,419.00	0.00	201,628.95	0.00	201,628.95	47.51%	222,790.05	10,081.45
Grand Totals		7,939,422.00	4,551,550.00	1,058,681.95	0.00	5,610,231.95	70.66%	2,329,190.05	280,511.60

D-Line Constructors

499 Embarcadero, Office 8, Oakland, CA 94606

T 510 251 6400 | F 510 251 6401 | C 510 358 0630

CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

NOTICE: THIS DOCUMENT WAIVES THE CLAIMANT'S LIEN, STOP PAYMENT NOTICE, AND PAYMENT BOND RIGHTS EFFECTIVE ON RECEIPT OF PAYMENT. A PERSON SHOULD NOT RELY ON THIS DOCUMENT UNLESS SATISFIED THAT THE CLAIMANT HAS RECEIVED PAYMENT.

IDENTIFYING INFORMATION

Name of Claimant: D-Line Constructors, Inc.

Name of Customer: Midpeninsula Regional Open Space District

Job Location: Sierra Azul Open Space, Santa Clara County, Ca

Owner: Midpeninsula Regional Open Space District

Through Date: June 7, 2017

CONDITIONAL WAIVER AND RELEASE

This document waives and releases lien, stop payment notice, and payment bond rights the claimant has for labor and service provided, and equipment and material delivered, to the customer on this job through the Through Date of this document. Rights based upon labor or service provided, or equipment or material delivered, pursuant to a written change order that has been fully executed by the parties prior to the date that this document is signed by the claimant, are waived and released by this document, unless listed as an Exception below. This document is effective only on the claimant's receipt of payment from the financial institution on which the following check is drawn:

Maker of Check: Midpeninsula Regional Open Space District

Amount of Check: \$ 1,005,747.85

Check Payable to D-Line Constructors, Inc.

EXCEPTIONS

This document does not affect any of the following:

- (1) Retentions.
- (2) Extras for which the claimant has not received payment.

(3) The following progress payments for which the claimant has previously given a conditional waiver and release but has not received payment:

Date(s) of waiver and release:

Check payable to

Amount(s) of unpaid progress payments

(4) Contract rights, including (A) a right based on rescission, abandonment, or breach of contract, and (B) the right to recover compensation for work not compensated by the payment.

SIGNATURE

Claimant's Signature: Kim Roberto

Claimant's Title: Accountant

Date of Signature 10/28/17



Midpeninsula Regional
Open Space District

CHANGE ORDER NUMBER 3

<i>Project</i>	<u>Mount Umunhum Summit Project</u>	Contract No.	<u>2017-11</u>
<i>Contractor</i>	<u>D-Line Constructors</u>	Purchase Order No.	<u>n/a</u>
		Date of Issue	<u>6/5/17</u>

This change order is a change to the dollar amount of the contract.

Description of Change	Dollar Amount	
The ADDITIONAL CHARGE for the work itemized below:	\$ 80,003	00
The original Contract Sum was	\$ 7,385,000	00
Net change by previous Change Orders	\$ 0	00
The Contract Sum prior to this Change Order was	\$ 7,385,000	00
The Contract Sum will be increased by	\$ 80,003	00
The new Contract Sum including this Change Order will be	\$ 7,465,003	00
The Contract Time will be unchanged	0	days
The Final Completion Date as of the date of this Change Order	August 11	2017

Change Order 3 Line Items as follows:

Line item #	Description of Change	Dollar Amount	PCO #
1	Labor and Equipment to Maintain Gate Access	\$74,538.51	9
2	Roadway Delay Costs	\$5,464.61	14
	TOTAL:	\$80,003.12	

6/7 Billing
 74,538.51
 5,464.61
 \$80,003.12

Explanation and Conditions:

1. This change order represents a settlement negotiated in order to resolve disputed Proposed Change Orders ("PCOs"). District disputes D Line's entitlement to each of these respective PCOs, and the dollar amount claimed by D Line in each of the respective PCOs.
2. D Line submitted Proposed Change Order 9, sub-items A through I ("PCO 9A-I") and PCO 14 on March 22, 2017, related to site access and gate management on Mt Umunhum Road during the period August 22, 2016 through March 2017.



Midpeninsula Regional
Open Space District

3. D Line submitted a Proposed Change Order dated April 28, 2017 ("Change Order Request 28") and in a letter dated April 27, 2017, without claiming a specific change to the dollar amount of the Contract, related to its "40 lost working days due to inclement weather, as well as the additional days that D-Line worked during inclement weather has burdened D-Line with significant unforeseen costs, which include but are not limited to: loss in labor production, idle equipment costs, general and administrative expenses, SWPPP management, and acceleration costs due to overtime."
4. District and D Line agree that this Change Order resolves the disagreement regarding D Line's entitlement to a change order, and the dollar amount of each respective proposed change order, and is in lieu of any further efforts to quantify the disputed dollar amounts, for the following:
 - A. Proposed Change Orders for site access and gate management on Mt Umunhum Road (PCO 9A-I and PCO 14), and any other costs or delays related to operation of gates and other site access charges, from the contract start date up to the date of full execution of this Change Order.
 - B. Proposed Change Orders for costs incurred by D Line related to weather delays, loss in labor production, idle equipment costs, general and administrative expenses and overhead, SWPPP management, and acceleration costs associated with weather delays granted by District, from contract start date up to the date of full execution of this Change Order.
5. This change order does not constitute a waiver of provisions of the contract regarding changes to work. Additional work shall be approved in advance by the District in writing, in accordance with the procedure set out in the Article 7 of the General Conditions of the Contract and Division 1, General Specifications, Section 01300, 3.10 ("Change Procedures"):
6. By signing below, Contractor agrees that this Change Order constitutes full resolution, settlement, accord and satisfaction with respect to any and all pending or future Claims for cost and extensions of time that were asserted, or that could have been asserted, in connection with the PCOs covered by this Change Order.

Contractor

A handwritten signature in black ink, appearing to be "J. [unclear]", written over a horizontal line.

District Representative

Date: _____

Date: 6/5/2017



Midpeninsula Regional
Open Space District

CHANGE ORDER NUMBER 5

Project	<u>Mount Umunhum Summit Project</u>	Contract No.	<u>2017-11</u>
Contractor	<u>D-Line Constructors</u>	Purchase Order No.	<u>n/a</u>
		Date of Issue	<u>6/7/17</u>

Contractor is directed to, and hereby agrees to, proceed promptly with the specific changes to the Work attached hereto and incorporated herein, in conformity with the Contract Documents:

The ADDITIONAL CHARGE for the work itemized below is	\$ 424,419	
The original Contract Sum was	\$ 7,385,000	
Net change by previous Change Orders	\$ 130,003	
The Contract Sum prior to this Change Order was	\$ 7,515,003	
The Contract Sum will be increased by	\$ 424,419	
The new Contract Sum including this Change Order will be	\$ 7,939,422	
The Contract Time will be unchanged	0	days
The Substantial Completion Date as of the date of this Change Order	August 11	2017

Change Order 5 Line Items as follows:

Line item #	Description of Change	Amount	PCO #
1	Remove three (3) mounds of soil north of ceremonial circle	\$6,040.03	001
2	Pedestrian Pathway Paving Material	\$238,251.42	011
3	Added ADA Striping, Parking Lot	\$980.00	002.A
4	Added 6' Wheelstop, Parking Lot	\$275.00	002.B
5	Added Paving, Curb Ramp, Detectable Warning Surface	\$8,934.00	002.C
6	Added Piping per new detail 16/C-5.1	\$660.00	002.D
7	Added Rock Mulch at Vault Toilet	\$820.00	002.E
8	Added Painted Stripe on Stair Nosing	\$8,854.00	002.F
9	Shelter Changes per WARE Field Report and RFI 40	\$40,426.63	003.A
10	Shelter Changes per WARE Field Report and RFI 40	\$2,411.56	003.B
11	Removal and Hauling, Concrete Debris, January	\$5,156.66	005.A
12	Removal and Hauling, Concrete Debris, February	\$10,718.89	005.B

017 Billing
 6,040.03
 114,000.00
 0
 0
 6,700.00
 660.00
 0
 0
 40,426.63
 2,411.56
 5,156.66
 10,718.89



Midpeninsula Regional
Open Space District

017 Billing

13	Removal and Hauling, Concrete Debris, March	-	\$6,042.83	005.C	6,042.83	
14	Meyer Property Improvements	✓	-	\$9,364.26	006	9,364.26
15	Upper Stair Key install in CLSM	✓	-	\$5,337.65	007	5,337.65
16	Geotechnical Mitigation on hillside above Trailhead	✓		\$73,955.07	008	0
17	Removal of Petroleum soaked Concrete	✓	-	\$3,119.49	012	3,119.49
18	Increases area for Restoration Area amendment	✓	-	\$1,806.90	013	1,806.90
19	Unload and Stack Omega Fencing	✓	-	\$594.56	015	594.56
20	Increase Telecommunications Trench Width	✓	-	\$15,215.16	017	15,215.16
21	Delete Compass Rose from Summit Shelter	✓	-	(\$25,000.00)	018	(25,000.00)
22	Detectable Warning Paver, Product/Material Change	✓	-	(\$12,930.00)	019	(12,930)
23	Added Structural Steel at Metal Screen	✓	-	\$4,293.29	020	4,293.29
24	Paving Material Mock-ups	✓	-	\$14,218.64	021	14,218.64
25	Vault Toilet Install, Grading, Backfill	✓	-	\$16,861.71	023	16,861.71
26	Underdrains at Bioretention	✓	-	\$5,910.59	024	5,910.59
27	Replace flared end section and CMP pipe, RFI 56	✓	-	\$11,420.04	025	0
28	Grading changes at Slope below Turnaround	✓	-	\$1,122.01	028	1,122.01
29	Remove Placement of Concrete Barriers from Project	✓	-	(\$10,000.00)	030	(10,000.00)
30	Furnish Roadway Drainage Structure	✓	-	\$13,184.50	031	13,184.50
31	Credit for Deleted Guardrail East of Tower	✓	-	(\$13,500.00)	032	(13,500.00)
32	Landing Zone Grading Changes	✓	-	\$6,093.53	033	6,093.53
33	Adjust Catch Basin	✓	-	\$4,945.67	035	4,945.67
34	Additional Hardie trim board fascia at Shelters	✓	-	\$6,012.71	036	6,012.71
35	Relocation of Omega Fence material	✓	-	\$1,310.58	037	1,310.58
36	Standby time due to suspicious material	✓	-	\$2,556.16	038	2,556.16
37	Restoration Fencing, remove from scope	✓	-	(\$53,000.00)		(53,000.00)
38	Remedial work per RFI #078	✓		\$11,954.94	040	11,954.94
	TOTAL:			\$424,419		201,628.75

Contractor

Date: _____

District Representative

Date: 6/7/2017

Page 2 = 15,515.15

Page 2 of 2

Attachment 7: D-LINE Invoice 1608-10 invoice retainage corrections

Accounts Payable Invoice Inquiry			
Invoice 1608-10 ▾		Documents	Notes
Invoice Batch		Payment Information	
Batch Department	ADMIN - Admin	Bank Account	Wells Fargo Bank-General
Batch Date	06/28/2017	Payment Type	Check
Batch Number	2017-00001527	Payment Number	75381
Batch Description		Payment Date	06/28/2017
Created by User	Andrew Taylor	Manual Check	
		Check Sort Code	
		Check Code	
Invoice		Remittance Information	
Status	Paid	Vendor	11709 - D-LINE CONSTRUCTORS, INC.
Invoice Department	ADMIN - Admin	Contact Name	D-LINE CONSTRUCTORS, INC.
Invoice Number	1608-10	Description	
Invoice Description	Mt Um Summit Public Access Construction Improvements - May/June	Address	499 EMBARCADERO STE 3-6 OAKLAND, CA 94606-5130
Invoice Date	06/28/2017	Email Address	
Due Date	06/28/2017		
G/L Date	06/28/2017		
		Invoice Net Amount	
		Invoice Amount	\$1,005,747.85
		Discount	
		Freight	
		State Tax	
		County Tax	
		City/Local Tax	
		Retainage	\$50,287.39
		Invoice Net Amount	\$955,460.46

Original ERP entry for **D-LINE Invoice 1608-10** showing error: The Gross invoice amount was \$1,058,681.95. The Net Billing amount of \$1,005,747.85 was incorrectly entered as Gross invoice amount on G/L Date 6/28/17, with retainage of 5% applied.

Accounts Payable Invoice Inquiry			
Invoice CORR 1608-10 ▾		Documents	Notes
Invoice Batch		Payment Information	
Batch Department	ADMIN - Admin	Bank Account	Wells Fargo Bank-General
Batch Date	07/12/2017	Payment Type	Check
Batch Number	2018-00000059	Payment Number	75568
Batch Description		Payment Date	07/13/2017
Created by User	Andrew Taylor	Manual Check	
		Check Sort Code	
		Check Code	
Invoice		Remittance Information	
Status	Paid	Vendor	11709 - D-LINE CONSTRUCTORS, INC.
Invoice Department	ADMIN - Admin	Contact Name	D-LINE CONSTRUCTORS, INC.
Invoice Number	CORR 1608-10	Description	
Invoice Description	Mt Um Summit Public Access Improvements Construction	Address	499 EMBARCADERO STE 3-6 OAKLAND, CA 94606-5130
Invoice Date	06/30/2017	Email Address	
Due Date	07/12/2017		
G/L Date	06/30/2017		
		Invoice Net Amount	
		Invoice Amount	\$52,934.10
		Discount	
		Freight	
		State Tax	
		County Tax	
		City/Local Tax	
		Retainage	\$2,646.71
		Invoice Net Amount	\$50,287.39

Correction to D-LINE Invoice 1608-10, additional \$52,934.10 paid as gross invoice amount, with retainage applied, resulting in additional payments of \$50,287.39 directly to the vendor and \$2,646.71 on this invoice.



February 5, 2018

Midpeninsula Regional Open Space District
330 Distel Circle
Los Altos, CA 94022

The purpose of this letter is to confirm the services we provided the Midpeninsula Regional Open Space District (the “District”) for the fiscal years ending June 30, 2017 in relation to the District’s Measure AA bond. We audited the Measure AA bond and included a supplemental financial statement in the District’s annual audit report summarizing the bond expenditures and budget by project. The financial statement was presented in accordance with accounting principles generally accepted in the United States of America. The financial statement was subject to auditing procedures applied during our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America.

We provided an opinion on the following supplementary information in relation to the financial statements as a whole:

1. Program statement of cumulative expenditures from inception through June 30, 2017 by project.

Audit Objectives

The objective of our audit was the expression of an opinion as to whether the financial statements were fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. As a part of the audit, we performed the following procedures related specifically to Measure AA, following auditing standards and sampling methods set by auditing standards generally accepted in the United States of America:

1. We verified that the proceeds from the sale of the Measure AA Bonds were only used for the purposes set forth in the ballot proposition and not for any other purpose.
2. We verified that the bond was deposited in the District’s name and invested in accordance with applicable legal requirements.
3. We sampled contracts and verified compliance with California Public Contract Code/ Uniform Public Construction Cost Accounting bid requirements.
4. We verified that change orders were approved.



5. We verified that invoices paid for sampled contracts were within contract terms and that payments were valid, allowable and accurate.
6. We tested payments made to construction management companies and reviewed the terms of these contracts, as applicable.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and *Government Auditing Standards* of the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America.

In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Very truly yours,

Sheldon Chavan, CPA, Partner
Chavan & Associates, LLP
Certified Public Accountants