



Play Up. Live Up.

**TEHACHAPI VALLEY
RECREATION AND PARKS DISTRICT
490 WEST D STREET, TEHACHAPI, CA 93561**

**REGULAR BOARD MEETING
TUESDAY, JUNE 18, 2013, 5:30 P.M.**

BOARD OF DIRECTORS

GAYLE STEWART, CHAIRPERSON
PAUL PRESS, VICE-CHAIRPERSON
PAULETTE RUSH, SECRETARY
NICK CYR, DIRECTOR
BRIAN DUHART, DIRECTOR

A G E N D A

1. FLAG SALUTE

2. ROLL CALL

3. PUBLIC COMMENTS

The Tehachapi Valley Recreation and Parks District Board of Directors welcome public comments on any items within the subject matter jurisdiction of the District. We respectfully request that this public forum be utilized in a positive and constructive manner. Items addressed during Public Comment section are generally matters not included on the posted agenda and therefore the Board will take no action at this meeting. Such items, however, may be added to future meeting's agenda. Speakers are limited to two (2) minutes. Please state your name or organization represented, if any, before making presentation. Thank you!

4. CONSENT CALENDAR

All items listed on the Consent Calendar shall be considered routine and will be enacted by one vote. There will be no separate discussion of these items unless a member of the Board or a member of the audience request specific items to be removed from the Consent Calendar for separate action.

- A. Clerk Declaration of Posting of Agenda 72 Hours in Advance of Meeting (Page 3)
- B. Approval of Minutes from the Regular Board Meeting held May 21, 2013 (Pages 4-7)
- C. Approval of Financial Reports (Pages 8-16)

5. CORRESPONDENCE: None

6. MAINTENANCE FOREMAN REPORT (Page 17)

7. RECREATION SUPERVISOR REPORT (Page 18)

8. DISTRICT MANAGER REPORT (Page 19)

9. AGENDA ITEMS

- A. Adoption of the "Sylvia "Sandy" Chavez Children's Scholarship Fund" - Discussion/Approval, Resolution #22-13 (Page 20-21)
- B. Adoption of the "Walter A. Dye Teen Scholarship Fund" - Discussion/Approval, Resolution #23-13 (Page 22-23)
- C. Award of Bid for Annual Audit - Discussion/Approval, Resolution #24-13 (Pages 24-46)
- D. Award of Bid for the Ceiling and Interior Demolition and Abatement of the Dye Natatorium Facility - Discussion/Approval, Resolution #25-13 (Page 47-58)
- E. FY 2013/2014 Draft Budget - Discussion

10. REPORTS OF STANDING COMMITTEES

- A. Personnel and Personnel Policies
- B. Budget and Finance
- C. Program and Program Policy
- D. Park and Facility Improvement and Development

11. BOARD OF DIRECTORS' TIME

Opportunity for the Board to comment on items not listed on the agenda.

12. OTHER BUSINESS

13. ADJOURNMENT

Adjourn to the next Regular Meeting of the Board of Directors of the Tehachapi Valley Recreation and Parks District scheduled on July 16, 2013.



CERTIFICATE OF POSTING AGENDA

I, the Clerk of the Tehachapi Valley Recreation and Parks District Board of Directors hereby certify that a copy of the June 18, 2013, Regular Board Meeting Agenda was posted at the following public places within the District on Friday, June 14, 2013, at 12:00 P.M. approximately:

- TVRPD District Office, 490 West D Street, Tehachapi, California 93561
- The TVRPD Web site at www.tvrpd.org

The agenda and related documents were also provided to the Tehachapi Valley Recreation and Parks District Board of directors on the 14th day of June 2013.

Dated this 14th day of June 2013

Carrie Champlin
Clerk of the Board of Directors

**MINUTES OF THE REGULAR BOARD MEETING
OF THE TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT
490 WEST D STREET, TEHACHAPI, CALIFORNIA 93561
TUESDAY MAY 21, 2013, 5:30 P.M.**

CALL TO ORDER: Board Meeting Convened By Chairperson Stewart at 5:30 P.M.

BOARD MEMBERS:

Gayle Stewart, Chairperson
Paul Press, Vice-Chairperson
Paulette Rush, Secretary
Nick Cyr, Director
Brian Duhart, Director

ALSO PRESENT:

Laura Lynn Wyatt, GHCSO Board President
Greg Garrett, City of Tehachapi Manager
Debbie Williams
Glenn Baumann
Sandy Chavez
LeAnn Williams
Mike Walsh
Mr. & Mrs. Pousson
Mary Moreno
Pat Gracey
Matt Martz, Tehachapi News

1. FLAG SALUTE: Secretary Rush led the Flag Salute.

2. ROLL CALL: Director Cyr was absent.

3. PUBLIC COMMENTS

Mr. Ken Pousson offered to volunteer his time to the District. District Manager Young thanked Mr. Pousson and stated that he is working on the policy manual which will include policy and procedure for volunteer efforts. District Manager Young stated that the District is very interested and he would like to meet with him.

4. CONSENT CALENDAR

A. Secretary Declaration of Posting of Agenda 72 hours in Advance of Meeting Held

Declaration by the Clerk of the Board of Directors that the agenda was posted at least 72 hours in advance of meeting. BOARD APPROVED SECRETARY DECLARATION.

Duhart - Rush : Ayes: Stewart; Press; Rush; Duhart.

Noes: None. Motion carried.

Absent: Director Cyr.

B. Approval of Minutes from the Regular Board Meeting held April 16, 2013.

Request by Clerk of the Board of Directors to approve the minutes from the April 16, 2013 Regular Board Meeting. BOARD APPROVES MINUTES.

Duhart - Rush : Ayes: Stewart; Press; Rush; Duhart.

Noes: None. Motion carried.

Absent: Director Cyr.

C. Approval of Financial Reports.

Request by Clerk of the Board of Directors to approve the Financial Reports.
BOARD APPROVED FINANCIAL REPORTS.

Duhart - Rush : Ayes: Stewart; Press; Rush; Duhart.

Noes: None. Motion carried.

Absent: Director Cyr.

5. CORRESPONDENCE

- District Manager Matt Young introduced two new staff members: LeAnn Williams, Recreation Supervisor and Mike Walsh, Maintenance Foreman.
- District Manager Matt Young gave an update regarding the Memorial Day rededication of the Veteran's Memorial at Central Park.
- District Manager Matt Young gave a report regarding the out of service permit for a well head at Morris Park.
- District Manager Matt Young reported on a lands tour with GHCSO.

6. PROGRAM REPORT

Program Coordinator Sandy Chavez and Recreation Supervisor LeAnn Williams gave the report.

Programs in Session Report:

- T-Ball, Lil Warriors Soccer Academy and Spring Volleyball are close to being finished.
- Men's Basketball in progress.

Event Report:

- Cinco de Mayo was very successful with approximately 350 attendees.

New Events and Programs:

- Music in the Park will hold its first concert at Meadowbrook Park June 22, 2013. Five concerts will be held at Central Park.
- Movies in the Park will be held at Meadowbrook Park on July 13, July 27, and August 9.
- Play-Well TEKnologies Summer Camp will be held at West Park Activity Center July 15-19, 2013.

7. DISTRICT MANAGER REPORT

District Manager Young gave the report.

- Master Plan update: Ad Hoc Committee will reconvene with MIG on June 18, 2013.
- Policy Manual update. District Manager Young thanked Debbie Williams for work on the policy manual.
- Computer and Server update.
- Recommendation to close the Dye Natatorium Facility until phase one and two repairs are complete. Summer programming is cancelled.

- Benefits through CalChoice was approved May 1, 2013.
 - CalPERS workshop was attended by Matt Young and Carrie Champlin.
 - CPRS meeting was cancelled for the month of May. TVPRD will host the meeting in June.
 - District Manager Young will write a reoccurring article for the paper titled "Parks for Life".
- All Reports Received and Filed.*

8. AGENDA ITEMS

A. Approval of Revised Policy Manual, Chapter 4: Personnel Policy and Procedure, Resolution #21-13.

District Manager Young gave a brief explanation of the contents of Chapter 4.

It was recommended that the board approve the revised Policy Manual, Chapter 4: Personnel Policy and Procedure, Resolution #21-13.

BOARD APPROVES THE REVISED POLICY MANUAL, CHAPTER 4: PERSONNEL POLICY AND PROCEEDURE, RESOLUTION #21-13.

Press - Rush : Ayes: Stewart; Press; Rush; Duhart.

Noes: None. Motion carried.

Absent: Director Cyr.

B. Utility Vehicle Lease-to-Own Discussion/Approval.

It was recommended that Agenda Item B be tabled until the next board meeting.

Duhart - Rush : Ayes: Stewart; Press; Rush; Duhart.

Noes: None. Motion carried.

Absent: Director Cyr.

C. Master Plan Update and MIG Invoice Payment.

There was a brief discussion regarding the approval of payment.

D. Review of 2013/14 Proposed Budget.

There was a brief discussion regarding the upcoming budget.

9. REPORTS OF STANDING COMMITTEES: None.

10. BOARD OF DIRECTORS TIME

Director Duhart complimented the staff on their work at Central Park. Director Duhart also stated that

Secretary Rush stated that she really likes the changes that she has seen in the District and is excited to see where we are in a year.

Chairperson Stewart stated that she enjoyed the GHCSO lands tour. Chairperson Stewart also stated that Meadowbrook Park is looking great. Chairperson Stewart also thanked District Manager Young for his work with Pat Gracey to accomplish the rededication of the Veteran's Memorial at Central Park.

11. OTHER BUSINESS:

District Manager Young gave an update on the Veteran's Memorial at Central Park and thanked Pat Gracey for meeting with the TVRPD staff.

12. ADJOURNMENT

Having no further business the meeting was adjourned at 6:30 P.M. to the Regular Board meeting of the Directors of Tehachapi Valley Recreation and Parks District scheduled on June 18, 2013.

Rush - Duhart : Ayes: Stewart; Press; Rush; Duhart.

Noes: None. Motion carried.

Absent: Director Cyr.

Respectfully Submitted,

Carrie Champlin, Clerk of the Board

Tehachapi Valley Recreation & Parks
District
Financials
May 2013

Prepared without audit by Better Ledger Inc

Tehachapi Valley Recreation and Park District

Balance Sheet

As of May 31, 2013

| | Total |
|---------------------------------------------------------|----------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1000 Cash in County Treasury Special Revenue Fund | |
| 1001 Cash in County Treasury-General Fund | 337,379.22 |
| 1003 Cash in County Treasury-Quimby | 69,698.56 |
| Total 1000 Cash in County Treasury Special Revenue Fund | 407,077.78 |
| *1004 Check BOTS 4470 | 132,830.47 |
| 1005 County Treasury Capital Projects Fund | 442,387.26 |
| 1050 Cash Box-Events | 600.00 |
| 1051 Change Fund | 800.00 |
| 1100 Petty Cash Fund | 200.00 |
| Total Bank Accounts | \$983,895.51 |
| Accounts Receivable | |
| 1200 Accounts Receivable | 3,570.00 |
| Total Accounts Receivable | \$3,570.00 |
| Other current assets | |
| 1070 Prepaid Expenses | 8,494.20 |
| Total Other current assets | \$8,494.20 |
| Total Current Assets | \$995,959.71 |
| Fixed Assets | |
| 1150 Land | 166,734.76 |
| 1161 Building | 556,453.52 |
| 1162 Improvements | 1,446,433.41 |
| 1163 Equipment | 531,918.17 |
| 1164 Swimming Pool & Building | 265,383.67 |
| 1165 Lake | 412,294.78 |
| 1170 Accumulated Depreciation | -2,238,610.00 |
| Total Fixed Assets | \$1,140,608.31 |
| TOTAL ASSETS | \$2,136,568.02 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 Accounts Payable | 28,116.36 |
| Total Accounts Payable | \$28,116.36 |
| Credit Cards | |
| 2010 Cardmember Services Payable | 7,036.22 |

*Bank of the Sierra

| | |
|---------------------------------------------|----------------|
| 2014 Home Depot Payable | 507.71 |
| Total Credit Cards | \$7,543.93 |
| Other Current Liabilities | |
| 2021 Accrued Salaries & Wages | 18,419.09 |
| 2022 Accrued Vacation | 0.00 |
| 2022.2 Accrued Vacation Other Employees | 4,799.07 |
| Total 2022 Accrued Vacation | 4,799.07 |
| 2023 Accrued Employer PR Taxes | 2,076.67 |
| 2210 Payroll Liabilities | |
| 2211 CalPERS Payable | 791.48 |
| 2250 Payroll Tax Liabilities | 3,159.76 |
| Total 2210 Payroll Liabilities | 3,951.24 |
| 2260 Veterans Memorial Fund Payable | 400.00 |
| Total Other Current Liabilities | \$29,646.07 |
| Total Current Liabilities | \$65,306.36 |
| Long-Term Liabilities | |
| 2300 Capital Lease - John Deere | 1,074.53 |
| Total Long-Term Liabilities | \$1,074.53 |
| Total Liabilities | \$66,380.89 |
| Equity | |
| 3010 Net Investment In Capital Assets | |
| 3012 Investment in Fixed Assets | 1,132,680.57 |
| 3014 Needed for Debt | -1,074.53 |
| Total 3010 Net Investment In Capital Assets | 1,131,606.04 |
| 3020 Restricted Funds | |
| 3022 Capital Projects | 427,925.19 |
| 3024 Master Plan | 39,257.00 |
| Total 3020 Restricted Funds | 467,182.19 |
| 3030 Unrestricted Funds | 383,378.29 |
| 3110 Retained Earnings | -476.00 |
| Net Income | 88,496.61 |
| Total Equity | \$2,070,187.13 |
| TOTAL LIABILITIES AND EQUITY | \$2,136,568.02 |

Wednesday, Jun 12, 2013 03:42:08 AM PDT GMT-7 - Accrual Basis

Tehachapi Valley Recreation and Park District Profit & Loss

May 2013

| | Total | |
|-----------------------------------|-------------|--------------------------|
| | May2013 | Jul2012 - May 2013 (YTD) |
| Income | | |
| 4010 Property Taxes | 21,906.28 | 743,477.56 |
| 4020 Interest Income | 773.49 | 2,239.73 |
| 4030 Adult Program Revenues | 2,537.00 | 35,367.68 |
| 4050 Facility Revenue | 10,363.60 | 110,087.02 |
| 4170 Master Plan - Funding Income | | 35,000.00 |
| 4200 Contracted Classes Revenues | 1,567.50 | 20,187.24 |
| 4210 Events Revenues | 3,685.00 | 22,980.27 |
| 4300 Youth Program Revenues | 2,076.84 | 114,642.85 |
| Total Income | \$42,909.71 | \$1,083,982.35 |
| Cost of Goods Sold | | |
| 5001 Adult Program Costs | | 1,495.26 |
| 5004 Contracted Classes Costs | 2,075.46 | 14,071.32 |
| 5005 Events Costs | 3,396.35 | 14,107.03 |
| 5008 Youth Program Costs | 1,508.18 | 35,435.76 |
| Total Cost of Goods Sold | \$6,979.99 | \$65,109.37 |
| Gross Profit | \$35,929.72 | \$1,018,872.98 |
| Expenses | | |
| 6000 Employee Costs | 64,347.39 | 440,848.59 |
| 7010 Advertising & Marketing | 3,733.49 | 22,624.53 |
| 7020 Bank Service Charges | 461.40 | 3,096.45 |
| 7025 Cash Short/Over | | -230.04 |
| 7030 Dues & Subscriptions | 360.00 | 1,305.00 |
| 7035 Equipment Rents & Leases | 658.25 | 1,971.56 |
| 7050 Insurance | 1,334.42 | 13,270.81 |
| 7056 Interest Expense | | 155.91 |
| 7060 Licenses & Fees | 500.00 | 1,235.00 |
| 7070 Maintenance | 5,905.22 | 76,898.40 |
| 7080 Master Plan Expenses | | 48,747.89 |
| 7085 Misc Prior Year Adjustments | | 3,539.65 |
| 7090 Office Supplies | 1,696.16 | 10,430.77 |
| 7110 Payroll Preparation Service | 322.00 | 6,325.11 |
| 7120 Professional Development | 35.95 | 4,000.12 |
| 7150 Professional Fees | 5,268.11 | 89,430.26 |
| 7160 Property Tax Collection Fee | | 10,142.99 |
| 7180 Security | 72.00 | 1,369.18 |
| 7210 Telephone | 1,648.02 | 12,175.73 |
| 7250 Utilities | 7,368.84 | 108,900.57 |
| Total Expenses | \$93,711.25 | \$856,238.48 |

| | | |
|-------------------------------------|---------------|---------------|
| Net Operating Income | \$ -57,781.53 | \$162,634.50 |
| Other Income | | |
| 8040 TVRPD Development Fee Revenues | 2,137.00 | 12,822.00 |
| Total Other Income | \$2,137.00 | \$12,822.00 |
| Other Expenses | | |
| 8505 Quimby Expense | | 86,959.89 |
| Total Other Expenses | \$0.00 | \$86,959.89 |
| Net Other Income | \$2,137.00 | \$ -74,137.89 |
| Net Income | \$ -55,644.53 | \$88,496.61 |

Wednesday, Jun 12, 2013 03:42:49 AM PDT GMT-7 -Accrual Basis

Tehachapi Valley Recreation and Park District

Statement of Cash Flows

July 2012 - May 2013

| | Total |
|-------------------------------------------------------------------------|---------------------|
| <hr/> | |
| OPERATING ACTIVITIES | |
| Net Income | 88,496.61 |
| Adjustments to reconcile Net Income to Net Cash provided by operations: | |
| 1200 Accounts Receivable | -3,570.00 |
| 1040 Taxes Receivable | 226.58 |
| 1070 Prepaid Expenses | 3,651.80 |
| 1085 Interest Receivable | 2,701.18 |
| 2000 Accounts Payable | -1,316.47 |
| 2010 Cardmember Services Payable | 6,958.05 |
| 2014 Home Depot Payable | 507.71 |
| 2021 Accrued Salaries & Wages | -4,774.46 |
| 2022 Accrued Vacation | -37,443.64 |
| 2022.2 Accrued Vacation:Accrued Vacation Other Employees | 4,799.07 |
| 2023 Accrued Employer PR Taxes | 697.21 |
| 2211 Payroll Liabilities:CalPERS Payable | 791.48 |
| 2250 Payroll Liabilities:Payroll Tax Liabilities | 3,159.76 |
| 2260 Veterans Memorial Fund Payable | 400.00 |
| | <hr/> |
| Net cash provided by operating activities | \$65,284.88 |
| INVESTING ACTIVITIES | |
| 1163 Equipment | -7,927.74 |
| | <hr/> |
| Net cash provided by investing activities | \$ -7,927.74 |
| FINANCING ACTIVITIES | |
| 3030 Unrestricted Funds | -16,797.91 |
| 3110 Retained Earnings | 16,797.91 |
| | <hr/> |
| Net cash provided by financing activities | \$0.00 |
| | <hr/> |
| Net cash increase for period | \$57,357.14 |
| Cash at beginning of period | 926,538.37 |
| Cash at end of period | <u>\$983,895.51</u> |

Wednesday, Jun 12, 2013 03:43:40 AM PDT GMT-7

Tehachapi Valley Recreation and Park District

Budget vs. Actuals: Budget - FY13 P&L

July 2012 • May 2013

| | Total | | | |
|----------------------------------------|-----------------------|-----------------------|--------------------|-----------------|
| | Actual | Budget | Remaining | %of Budget |
| Income | | | | |
| 4010 Property Taxes | 743,477.56 | 732,272.00 | -11,205.56 | 101.53 % |
| 4020 Interest Income | 2,239.73 | 2,500.00 | 260.27 | 89.59 % |
| 4030 Adult Program Revenues | 35,367.68 | 29,360.00 | -6,007.68 | 120.46 % |
| 4050 Facility Revenue | 110,087.02 | 113,890.00 | 3,802.98 | 96.66 % |
| 4110 Miscellaneous Income (deleted) | | 40,000.00 | 40,000.00 | |
| 4170 Master Plan - Funding Income | 35,000.00 | 35,000.00 | 0.00 | 100.00 % |
| 4200 Contracted Classes Revenues | 20,187.24 | 23,000.00 | 2,812.76 | 87.77 % |
| 4210 Events Revenues | 22,980.27 | 23,200.00 | 219.73 | 99.05 % |
| 4300 Youth Program Revenues | 114,642.85 | 147,410.00 | 32,767.15 | 77.77 % |
| Total Income | \$1,083,982.35 | \$1,146,632.00 | \$62,649.65 | 94.54% |
| Cost of Goods Sold | | | | |
| 5001 Adult Program Costs | 1,495.26 | 1,333.00 | -162.26 | 112.17 % |
| 5004 Contracted Classes Costs | 14,071.32 | 15,345.00 | 1,273.68 | 91.70 % |
| 5005 Events Costs | 14,107.03 | 10,664.00 | -3,443.03 | 132.29 % |
| 5008 Youth Program Costs | 35,435.76 | 29,490.00 | -5,945.76 | 120.16 % |
| Total Cost of Goods Sold | \$65,109.37 | \$56,832.00 | \$-8,277.37 | 114.56 % |
| Gross Profit | \$1,018,872.98 | \$1,089,800.00 | \$70,927.02 | 93.49 % |
| Expenses | | | | |
| 6000 Employee Costs | | | | |
| 6010 Salaries & Wages | | | | |
| 6012 Administrative Wages | 82,574.02 | 125,768.00 | 43,193.98 | 65.66 % |
| 6013 Adult Program Wages | 21,070.72 | 7,300.00 | -13,770.72 | 288.64 % |
| 6014 Maintenance Wages | 101,995.68 | 121,891.00 | 19,895.32 | 83.68 % |
| 6015 Gym Supervisor | 10,744.30 | 15,000.00 | 4,255.70 | 71.63 % |
| 6016 Recreation Supervisor | 1,807.69 | 22,500.00 | 20,692.31 | 8.03 % |
| 6017 Recreation Coordinator | 27,877.37 | 27,000.00 | -877.37 | 103.25 % |
| 6019 Youth Program Wages | 67,106.91 | 111,308.00 | 44,201.09 | 60.29 % |
| Total 6010 Salaries & Wages | 313,176.69 | 430,767.00 | 117,590.31 | 72.70 % |
| 6050 Benefits | | | | |
| 6051 Employee Group Insurance (Med.) | 41,151.95 | 89,340.00 | 48,188.05 | 46.06 % |
| 6053 Employee Grp. Ins. (Vision) | 560.18 | 1,900.00 | 1,339.82 | 29.48 % |
| 6055 Employee Retirement-PERS | 26,371.42 | 15,000.00 | -11,371.42 | 175.81 % |
| 6057 EPS & Dental | 1,324.37 | 3,000.00 | 1,675.63 | 44.15 % |
| 6058 Employer Tax Expense | 40,241.54 | 43,500.00 | 3,258.46 | 92.51 % |
| 6060 Reimbursed Employee Expenses | 2,121.45 | | -2,121.45 | |
| 6090 Worker's Compensation Insurance | 15,900.99 | 15,000.00 | -900.99 | 106.01 % |
| Total 6050 Benefits | 127,671.90 | 167,740.00 | 40,068.10 | 76.11 % |
| Total 6000 Employee Costs | 440,848.59 | 598,507.00 | 157,658.41 | 73.66 % |

| | | | | |
|----------------------------------|--------------|----------------|--------------|----------|
| 7010 Advertising & Marketing | 22,624.53 | 8,000.00 | -14,624.53 | 282.81 % |
| 7020 Bank Service Charges | 3,096.45 | 2,700.00 | -396.45 | 114.68 % |
| 7025 Cash Short/Over | -230.04 | 0.00 | 230.04 | |
| 7030 Dues & Subscriptions | 1,305.00 | 2,200.00 | 895.00 | 59.32 % |
| 7035 Equipment Rents & Leases | 1,971.56 | 3,700.00 | 1,728.44 | 53.29 % |
| 7050 Insurance | | | | |
| 7051 Auto Insurance | 2,771.12 | 0.00 | -2,771.12 | |
| 7052 HUB Insurance | -314.00 | 0.00 | 314.00 | |
| 7053 Property Insurance | 7,544.13 | 0.00 | -7,544.13 | |
| 7055 Liability Insurance | 3,269.56 | 19,000.00 | 15,730.44 | 17.21 % |
| Total 7050 Insurance | 13,270.81 | 19,000.00 | 5,729.19 | 69.85 % |
| 7056 Interest Expense | 155.91 | | -155.91 | |
| 7060 Licenses & Fees | 1,235.00 | 2,500.00 | 1,265.00 | 49.40 % |
| 7070 Maintenance | | | | |
| 7072 Building Maintenance | 8,144.08 | 7,400.00 | -744.08 | 110.06 % |
| 7074 Equipment Maintenance | 7,427.99 | 6,000.00 | -1,427.99 | 123.80 % |
| 7075 Fuel | 13,043.53 | 16,000.00 | 2,956.47 | 81.52 % |
| 7076 Janitorial Supplies | 11,822.53 | 7,500.00 | -4,322.53 | 157.63 % |
| 7078 Materials & Supplies | 35,556.70 | 57,600.00 | 22,043.30 | 61.73 % |
| 7079 Fleet Maintenance | 903.57 | 5,000.00 | 4,096.43 | 18.07 % |
| Total 7070 Maintenance | 76,898.40 | 99,500.00 | 22,601.60 | 77.28 % |
| 7080 Master Plan Expenses | | 102,047.00 | 102,047.00 | |
| 7081 Master Plan-County | 39,290.10 | | -39,290.10 | |
| 7082 Master Plan-TPRPD | 9,457.79 | | -9,457.79 | |
| Total 7080 Master Plan Expenses | 48,747.89 | 102,047.00 | 53,299.11 | 47.77 % |
| 7085 Misc Prior Year Adjustments | 3,539.65 | 0.00 | -3,539.65 | |
| 7090 Office Supplies | 10,430.77 | 10,000.00 | -430.77 | 104.31 % |
| 7110 Payroll Preparation Service | 6,325.11 | 5,600.00 | -725.11 | 112.95 % |
| 7120 Professional Development | 4,000.12 | 3,500.00 | -500.12 | 114.29 % |
| 7150 Professional Fees | | | | |
| 7151 Annual Audit | 6,250.00 | 0.00 | -6,250.00 | |
| 7152 Accounting | 10,727.31 | 7,800.00 | -2,927.31 | 137.53 % |
| 7155 Legal | 16,327.13 | 22,000.00 | 5,672.87 | 74.21 % |
| 7158 Intrim District Manager | 56,125.82 | 42,000.00 | -14,125.82 | 133.63 % |
| Total 7150 Professional Fees | 89,430.26 | 71,800.00 | -17,630.26 | 124.55 % |
| 7160 Property Tax Collection Fee | 10,142.99 | 7,500.00 | -2,642.99 | 135.24 % |
| 7170 Publications & Legal | | 1,000.00 | 1,000.00 | |
| 7180 Security | 1,369.18 | 1,200.00 | -169.18 | 114.10 % |
| 7210 Telephone | 12,175.73 | 7,800.00 | -4,375.73 | 156.10 % |
| 7250 Utilities | | | | |
| 7252 Bectric Service | 57,801.18 | 56,542.00 | -1,259.18 | 102.23 % |
| 7254 Gas Service | 20,418.20 | 18,140.00 | -2,278.20 | 112.56 % |
| 7256 Sanitation Services | 15,857.50 | 0.00 | -15,857.50 | |
| 7258 Water Service | 14,823.69 | 8,200.00 | -6,623.69 | 180.78 % |
| Total 7250 Utilities | 108,900.57 | 82,882.00 | -26,018.57 | 131.39 % |
| Total Expenses | \$856,238.48 | \$1,029,436.00 | \$173,197.52 | 83.18 % |

| | | | | |
|-------------------------------------|---------------|-------------|----------------|----------|
| Net Operating Income | \$162,634.50 | \$60,364.00 | \$ -102,270.50 | 269.42 % |
| Other Income | | | | |
| 8040 TVRPD Development Fee Revenues | 12,822.00 | 0.00 | -12,822.00 | |
| Total Other Income | \$12,822.00 | \$0.00 | \$ -12,822.00 | 0.00% |
| Other Expenses | | | | |
| 8505 Quimby Expense | 86,959.89 | 0.00 | -86,959.89 | |
| Total Other Expenses | \$86,959.89 | \$0.00 | \$ -86,959.89 | 0.00% |
| Net Other Income | \$ -74,137.89 | \$0.00 | \$74,137.89 | 0.00% |
| Net Income | \$88,496.61 | \$60,364.00 | \$ -28,132.61 | 146.60 % |

Wednesday, Jun 12, 2013 03:45:14 PM PDT GMT-7 -Accrual Basis



Play Up. Live Up.

AGENDA ITEM 6

TVRPD Board Meeting
490 West D Street
Tehachapi, CA 93561

Regular Board Meeting
June 18, 2013

Maintenance Foreman Report

Overview

Job posting: Custodian

Facilities report

1. Central Park
 - Repair restroom faucet
 - Outlets changed to GFCI
 - IPM : Gophers
2. West Park/West Park Activity Center
 - Water main repair by City
3. Ollie Mountain Skate Park
 - Skate ramp repairs
4. Morris Property - Nothing to report
5. Brite Lake
 - Repair John Deere mower
 - Repair RV electrical hook-ups
 - Repair clogged shower drain
6. Meadowbrook/Meadowbrook Dog Park – Nothing to report
7. Dye Natatorium
 - Repair security lights
 - New foam roofing complete
 - Mold remediation
8. Office
 - Convert room to storage room



AGENDA ITEM 7

TVRPD Board Meeting
490 West D Street
Tehachapi, CA 93561

Regular Board Meeting
June 18, 2013

Recreation Supervisor Report

1. Recreation Coordinator search
2. Programs in progress
 - Adventure Camp
3. Upcoming events/programs
 - Music in the Park
 - Saturday, June 22nd Meadowbrook
 - Cruise-in
 - BBQ and Beer Garden
 - Zave
 - 4th of July Bun Run 5K
 - 4th of July Children's Parade
4. Marketing
 - Summer brochure is out
 - Famer's Market
 - Chili Cook-off
 - 1st Draft of Fall Brochure
 - July 1st release date
 - Banners
5. RecTrac Upgrade
 - June 26th, 2013
6. WebTrac
 - Schedule to go Live July 1st 2013



TVRPD Board Meeting
490 West D Street
Tehachapi, CA 93561

Regular Board Meeting
June 18, 2013

District Manager Report

- TVRPD Master Plan Update
- Veterans Memorial Update and July 4 Plaque Unveiling
- Solicitation of Bids for Meadowbrook Master Site Plan
- Retirement of Sand Chavez, TVRPD Recreation Coordinator

**THE BOARD OF DIRECTORS OF THE
TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT**

IN THE MATTER OF

**ESTABLISHING THE SYLVIA "SANDY" CHAVEZ CHILDREN'S SCHOLARSHIP
FUND TO AID PROGRAMMING COSTS FOR UNDERPRIVILEGED YOUTH**

I, Carrie Champlin, Clerk of the Board of Directors of the Tehachapi Valley Recreation and Parks District, of the County of Kern, State of California, so hereby certify that the following resolution proposed by Director _____ and seconded by Director _____ was duly passed and adopted by said Board of Directors at an official meeting thereof this 18th day of June 2013 by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Clerk of the Board of Directors
of the Tehachapi Valley Recreation
and Parks District

RESOLUTION NO. 22-13

WHEREAS the Tehachapi Valley Recreation and Parks District (TVRPD) provides sports and activity programming to local youth; and

WHEREAS TVRPD charges fees for participation in said programs; and

WHEREAS occasionally families are unable to afford said fees, precluding their child(ren) from participating in TVRPD programming; and

WHEREAS it is the goal of TVRPD to enable as many children as possible to participate in said programming; and

WHEREAS the TVRPD Board of Directors recognizes the valuable contributions made by employee Sylvia Sandra Chavez during her tenure; and

WHEREAS the TVRPD desires to provide scholarship aid to local children ages 12 and under to enable them to participate in TVRPD programs;

NOW, THEREFORE, BE IT RESOLVED THAT the TVRPD Board of Directors elects to establish the Sylvia "Sandy" Chavez Children's Scholarship Fund to commence in the fiscal year 2014/2015 in the amount of \$2,500.00; and

BE IT FURTHER RESOLVED THAT the board hereby authorizes the staff of Tehachapi Valley Recreation and Parks District to take such action as may be necessary to carry the plan into execution.

**THE BOARD OF DIRECTORS OF THE
TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT**

IN THE MATTER OF

**ESTABLISHING THE WALTER A. DYE TEEN SCHOLARSHIP FUND TO AID
PROGRAMMING COSTS FOR UNDERPRIVILEGED YOUTH**

I, Carrie Champlin, Clerk of the Board of Directors of the Tehachapi Valley Recreation and Parks District, of the County of Kern, State of California, so hereby certify that the following resolution proposed by Director _____ and seconded by Director _____ was duly passed and adopted by said Board of Directors at an official meeting thereof this 18th day of June 2013 by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Clerk of the Board of Directors
of the Tehachapi Valley Recreation
and Parks District

RESOLUTION NO. 23-13

WHEREAS the Tehachapi Valley Recreation and Parks District (TVRPD) provides sports and activity programming to local youth; and

WHEREAS TVRPD charges fees for participation in said programs; and

WHEREAS occasionally families are unable to afford said fees, precluding their child(ren) from participating in TVRPD programming; and

WHEREAS it is the goal of TVRPD to enable as many children as possible to participate in said programming; and

WHEREAS the TVRPD Board of Directors recognizes the valuable contributions made by employee Walter A. Dye during his tenure; and

WHEREAS the TVRPD desires to provide scholarship aid to local children ages 13 to 18 to enable them to participate in TVRPD programs;

NOW, THEREFORE, BE IT RESOLVED THAT the TVRPD Board of Directors elects to establish the Walter A. Dye Teen Scholarship Fund to commence in the fiscal year 2014/2015 in the amount of \$2,500.00; and

BE IT FURTHER RESOLVED THAT the board hereby authorizes the staff of Tehachapi Valley Recreation and Parks District to take such action as may be necessary to carry the plan into execution.

**THE BOARD OF DIRECTORS OF THE
TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT**

IN THE MATTER OF

**ENTERING A PROFESSIONAL AGREEMENT WITH FISHER, KEATHLEY & ROSS,
LLP.**

I, Carrie Champlin, Clerk of the Board of Directors of the Tehachapi Valley Recreation and Parks District, of the County of Kern, State of California, so hereby certify that the following resolution proposed by Director _____ and seconded by Director _____ was duly passed and adopted by said Board of Directors at an official meeting thereof this 18th day of June 2013 by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Clerk of the Board of Directors
of the Tehachapi Valley Recreation
and Parks District

RESOLUTION NO. 24-13

WHEREAS, the Tehachapi Valley Recreation and Parks District (TVRPD) is a legally constituted public agency formed pursuant to the Public Resources Code, State of California; and

WHEREAS, Fisher, Keathley & Ross, LLP is a certified public accountancy agency; and

WHEREAS, TVRPD is required to have an annual audit of the financial statements of government activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the district as of and for the year ended June 30, 2013; June 30, 2014; and June 30, 2015; and

WHEREAS, the Engagement Letter and Audit Contract provided by Fisher, Keathley & Ross, LLP and reviewed and approved by counsel meets the criteria required to fulfill the needs of TVRPD; and

WHEREAS, whereas the fee for services as described in said contract will not exceed \$12,850.00 for FY2013-14; and \$13,450.00 for FY2014-15 to complete the audit as described in the scope of work.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors approve execution of said contract between TVRPD and Fisher, Keathley & Ross, LLP.



**TEHACHAPI VALLEY
RECREATION & PARKS
DISTRICT**

**PROPOSAL TO PROVIDE
CPA SERVICES**

Presented by
FISHER, KEATHLEY & ROSS, LLP
CERTIFIED PUBLIC ACCOUNTANTS
May 10, 2013



Play Up. Live Up.





Proposal to Provide CPA Services

TEHACHAPI VALLEY RECREATION & PARKS DISTRICT



Play Up. Live Up.

SECTION

- 1 EXECUTIVE SUMMARY /
FIRM PROFILE**
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- 3 LICENSE TO PRACTICE IN
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- 4 FIRM QUALIFICATIONS AND
EXPERIENCE**
- 5 PARTNER, SUPERVISORY, AND
STAFF QUALIFICATIONS AND
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- 7 SPECIFIC AUDIT APPROACH**
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REVIEW REPORT**
- 10 REFERENCES**

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EXECUTIVE SUMMARY / FIRM PROFILE

May 10, 2013

Board of Directors
Tehachapi Valley Recreation & Parks District
490 West D Street
Tehachapi, California 93561

Dear Board of Directors:

On behalf of Fisher, Keathley & Ross, LLP, I am pleased to present our proposal to provide audit services for Tehachapi Valley Recreation & Parks District (the "District"). As you indicated in your request for proposal, our engagements will provide the following service:

Performance of an annual audit in accordance with Government Auditing Standards using the guidance OMB Circular A-133 and A-122 with respect to the single audit act of 1984.

We will perform the audit in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act of 1984 as amended; and the provisions of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The financial statements will be prepared in accordance with generally accepted accounting principles (GAAP basis).

The following pages include additional information on our firm, our approach to the examination, and our cost proposal. We appreciate the opportunity to be of service to Tehachapi Valley Recreation & Parks District and believe that we can supply the services you require in a professional and timely manner. Thank you for the opportunity to submit this proposal.

I, Thomas Maxwell, hereby certify that I am entitled to represent the firm and am authorized to sign an agreement with Tehachapi Valley Recreation & Parks District.



Thomas R. Maxwell, CPA
Partner at Fisher Keathley & Ross, LLP
4260 Truxtun Avenue, Suite 140
P.O. Box 10599, Bakersfield, CA 93389-0599
(661) 635-3180 / Fax (661) 635-3190



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EXECUTIVE SUMMARY / FIRM PROFILE

Fisher, Keathley & Ross, LLP (FKR) is a premiere accounting firm of the California central valley, committed to providing superior service to our clients. Our commitment is to deliver the performance our clients expect from us by being attentive to their needs, drawing on our depth of resources to meet their challenges, and employing our expertise to find the right solutions.

National Roots with a Bakersfield Home

FKR is a full-service office with personnel experienced in all the primary public accounting service disciplines, including tax, audit, and consulting. FKR was created after the international public accounting firm, Price Waterhouse, decided to close their Bakersfield office. The firm's founders, Mike Fisher and Alan Keathley, purchased a substantial portion of Price Waterhouse's Bakersfield practice in 1990. Price Waterhouse is one of the most respected accounting firms in the world and today's FKR maintains many of the cultural traditions which existed when the firm was established.

The firm's current professional staff includes over 90 years of combined CPA level experience in rendering accounting, auditing, tax, and consulting services to clients in diversified business activities. The firm has enjoyed steady and controlled growth for its entire existence and we believe this indicates the quality and personal service provided to our clients.

The FKR People

The people of FKR are a unique group of highly qualified professionals with the proper combination of talent and experience to be considered one of the leading CPA firms in Kern County. We envision that each of our roles in the firm is to strive toward personal, as well professional growth. To that end, we have directed our continuing education requirements to match our client's needs. We pursue activities within the community to develop and augment our relationships with other community leaders and to obtain exposure to the intricacies of the business environment in which we all participate.

The firm typically experiences a very low turnover rate for staff. We believe that being a member of the FKR team is a sought after position that once obtained is not a position easily given up. Our staff are all well-rounded and not only have an expert grasp on accounting/tax rules and regulations, but also have excellent



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EXECUTIVE SUMMARY / FIRM PROFILE

communication skills and other intangible qualities our clients appreciate. In an attestation environment, the firm to client relationship is very important and we want to work with you to achieve successful engagement completion.

Industries we serve:

| | |
|----------------------------------|----------------------------|
| Agribusiness | Law |
| Charitable Organizations | Litigation Support |
| Construction Contractors | Medical Service |
| Credit Unions | Oil & Gas |
| Commodity Merchants | Pension Plans |
| Electronic Communication | Petroleum Service Industry |
| Environmental Clean-up | Professional Corporations |
| Franchises | Real Estate |
| Health Education | Retail Chain Stores |
| Health and Welfare Benefit Plans | Special Districts |
| Land Development | |



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STATEMENT OF INDEPENDENCE

In accordance with the request for proposal, we hereby certify that Fisher, Keathley & Ross, LLP and the Company's staff are independent from Tehachapi Valley Recreation & Parks District (TVRPD) and those charged with governance of Tehachapi Valley Recreation & Parks District. We also certify that firm personnel annually sign-off on their independence from the firm's clients and any conflicts are handled using applicable regulatory guidance. Should any conflicts become known, the engagement partner or another firm representative would discuss the matter with those charged with governance immediately.



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LICENSE TO PRACTICE IN CALIFORNIA

In accordance with the request for proposal, we hereby certify that Fisher, Keathley & Ross, LLP is registered/ licensed to practice in California. We also certify that all key professional staff that would be assigned to this engagement are also properly registered/ licensed to practice in California.



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FIRM QUALIFICATIONS & EXPERIENCE

We believe that we are the best qualified to serve as your independent auditors.

UNIQUE SIZE OF THE FIRM FKR is a firm of approximately one dozen professionals. We are not the largest firm in town, nor do we strive to be. We like our size because it's the "sweet spot" where clients receive the same level of service and knowledge as the largest of regional or national firms, but receive the personal attention of our *staff* from the top down. Our staff has been "cherry-picked" from the pool of accounting students and exudes a quality you will not find with a larger CPA firm. You can expect the faces from the firm to remain constant and for staff assigned to your account to be knowledgeable about your account. Your experience with the firm will be one where you are the most important client because, at our size, all our clients are the most important and receive the same diligence and level of service you expect. We think our clients will back us up on this, so ask them when you verify our references because the proof is in the results.

RESPONSIVE INNOVATIVE SOLUTIONS Since our firm is based in Bakersfield with a full complement of professionals, TVRPD can be assured of timely, responsive service. We feel that ongoing "face to face" dialogue regarding the auditing process, as well as other professional services, is a necessity for providing superior service. As such, key individuals assigned to this engagement are committed to maintaining contact with TVRPD's Executive Committee, Board of Directors, and management.

ACCESS TO AUDIT INDUSTRY SPECIALISTS As members of the American Institute of Certified Public Accountants, we have the ability to utilize its technical staff and resources in order to resolve potentially complex accounting and auditing issues through its Technical Information Services Group in New York.

QUALITY CONTROL Firms that wish to be members of Private Companies Practice Section of the American Institute of Certified Public Accountants' (AICPA) Division of CPA Firms are required to have periodic reviews of adherence to quality control standards and procedures by a peer review team.

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PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE

THOMAS MAXWELL. CPA (Engagement Partner)

Thomas Maxwell comes from a long-standing Bakersfield family and is a graduate of Garces Memorial High School. He graduated with honors from the University of San Diego, receiving his Bachelor of Arts in Accounting. After completing an audit internship for Ernst & Young, LLP in San Diego, Thomas returned to Bakersfield to be close to family; starting his career working for CBIZ, Mayer Hoffman McCann P.C. in their audit department and later for J.W. Kemp, CPA as a tax executive.

Thomas joined Fisher, Keathley & Ross LLP in 2006, where he currently practices in the areas of tax compliance, planning, attestation, and litigation support. His extensive tax experience includes the areas of: agriculture, construction, manufacturing, retail sales, medical entities, petroleum, trusts, non-profits and high net worth individuals. Thomas is also a specialist in communications with the Internal Revenue Service and Franchise Tax Board. In addition, Thomas is proficient in entity structures and tax planning, helping clients by harnessing his knowledge of the Internal Revenue Code with his "think outside the box" approach.

Thomas's attestation experience includes audits of public and private entities in the land development, banking, agricultural, medical entities and benefit plans. In addition, Thomas has extensive experience providing attestation services for governmental entities including school districts, cities, quasi-governments, tribes and special districts. Thomas has extensive experience with Sarbanes Oxley engagements, including risk assessment and outsourced internal audit services. Thomas is the firm champion of information technology implementation and has implemented point of sale systems and developed automated control systems for small and mid-sized companies.

Thomas is active in the community, formerly serving on the CaiCPA Bakersfield Chapter Board of Directors and related committees. Thomas is a member of CSUB's Accounting Advisory Group, which is active in advising the university on improving their program, including compliance with state licensing requirements. In addition, Thomas serves on the Board of Directors and is CFO of Socks On, an organization whose mission is to find a cure for Myotonic Muscular Dystrophy.

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PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE

TERESA J. ANTONGIOVANNI, CPA (Engagement Manager)

Tess Antongiovanni joined Fisher, Keathley & Ross, LLP in January of 1996 and has concentrated on audit and tax engagements with the firm. Her non-audit and non-tax experiences include budgets, operational analysis, and annual assurance services.

Her accounting career began with Bakersfield Cellular as their Fixed Asset Accountant. She was responsible for the fixed asset and inventory cost systems, maintenance of documentation regarding lease agreements, and compliance with taxing authorities. She was also responsible for closings and support for financial statement preparation.

Tess graduated from San Diego State University obtaining a Bachelor of Science degree in Business Administration (Accounting). She is a Certified Public Accountant in the state of California.

Tess is active in community and professional organizations including the Junior League of Bakersfield, The California Society of CPAs, and The American Institute of Certified Public Accountants.



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PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE

CRYSTAL M. SAMPSON, CPA (Engagement Staff)

Crystal M. Sampson is a Tehachapi resident. She graduated from Tehachapi High School at the top of her class and then went on to attend Bakersfield College where she graduated with honors and obtained an Associate of Arts, Business Administration degree with an Accounting concentration. Crystal then transferred to California State University, Bakersfield and graduated magna cum laude with a Bachelor of Science, Accounting degree. Throughout college, Crystal was inducted into several honor societies.

Crystal joined Fisher, Keathley & Ross, LLP as an intern in June of 2009 and became a permanent hire in December 2009 after graduation. She then obtained her CPA license in November of 2011. Crystal currently practices taxation and attestation and her areas of experience include government, non-profit, private, and public accounting.

Crystal's tax experience includes the preparation of various tax forms serving high net worth individuals as well as businesses in the construction, agribusiness, medical, petroleum, and retail industries. Her attestation experience includes the performance of: compilations, reviews, agreed-upon procedure engagements, and audits. Attestation clients served are comprised of agribusinesses, credit unions, small businesses, retail businesses, health and welfare benefit plans, pension plans, non-profit organizations, and special districts, which consists of utility districts, health care districts, and parks and recreation districts. Crystal also has experience on Sarbanes-Oxley engagements, which involves providing outsourced internal audit services. Additional services she provides includes mapping significant business processes, assessing design effectiveness for existing internal controls/ designing an internal control structure, and testing effectiveness of internal controls.

Crystal is active in the Tehachapi community as well as in various professional organizations. She currently serves on the Board of Directors for the Greater Tehachapi Economic Development Council and is a member of the Tehachapi Tourism Commission Finance Committee. Crystal is also a member of the California Society of CPAs (CaiCPA) and as a member of the Bakersfield Chapter of CaiCPA, Crystal regularly participates in the Young Emerging Professional networking events.



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SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

Experience specific to non-profit entities, governmental entities, and special districts:

Notable non-profit entities, governmental entities, and special districts that FKR has performed services for include:

- Bakersfield Association of Retired Citizens
- Bakersfield Art Foundation
- Bakersfield Californian Foundation
- Bakersfield Community House
- Buller Clinical Foundation
- Buttonwillow Community Foundation
- First Presbyterian Church
- Garden Pathways
- Goodwill Industries of South Central California
- Greater Bakersfield Convention & Visitor's Bureau
- Junior Achievement
- Lake Foundation
- Pacific Health Education Center
- Tejon Castac Water District
- Tejon Ranch Public Facilities Financing Authority



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SPECIFIC AUDIT APPROACH

Audit Philosophy

We believe that a successful professional relationship is founded in the establishment of mutual respect and confidence between the auditee and accountant. An open line of communication permits early identification and resolution of accounting, reporting, and other issues. We will work closely with management as a team in conducting our engagement.

Our audit will be performed in order to form an opinion on the basic financial statements. Along with this responsibility, we believe it's important to provide additional benefits, as appropriate. Some of these additional benefits include striving to strengthen the District's internal controls and making recommendations to improve operating efficiencies. In addition to these benefits, we believe there will be other intangibles the firm will offer.

Overview

Our audit will be designed to allow us to render an opinion on the financial statements of TVRPD; and issue reports on internal control over financial reporting and compliance with major programs report on internal control systems of TVRPD. If during our audits anything comes to our attention which would indicate that our report would be other than unqualified, we will fully discuss the reasons with appropriate personnel before proceeding further.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of assets and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and banks. We will request written representation from your attorneys as part of the engagement. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

An audit is based primarily on the selective testing of accounting records and related data; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. As required by the Single Audit Act of 1984, our audit will include tests of transactions related to federal assistance programs for compliance with applicable laws and regulations. However, because we will not perform a detailed examination of all transactions,



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SPECIFIC AUDIT APPROACH

there is a risk that material errors, irregularities, or illegal acts, including fraud or defalcations, may exist and not be detected by us. We will advise you, however, of any matters of that nature that come to our attention, and will include such matters in the reports required for a Single Audit.

Our audit approach relies on these procedures and is characterized by the following distinct phases:

Preliminary Planning and Pre-Engagement Procedures

During this phase, we come to an understanding about the objectives, scope of work, timing, and your service expectations. We believe that proper planning is the key to successful completion of an audit. Planning is the key to both an effective and efficient audit for both the auditor and client. Once preliminary procedures are complete, we should be well into control testing, assessing risk, and developing an audit strategy. During preliminary planning, we will meet with management to ensure that our audit planning is tailored to your particular operations and financial reporting requirements.

Assess Risk

We assess audit risk through gaining an understanding of your control environment and the identification of specific risk factors and their relationship to accounts. Once our understanding has been established, we identify potential errors using analytical and substantive procedures. Potential errors are particular misstatements related to the completeness, validity and recording of transactions, and the valuation and presentation of these items in the financial statements.

Develop Audit Plan

In developing our audit plan, we separate potential errors where risks are identified from those with no such risk. For each potential error where a specific risk has been identified, we determine whether to rely on controls and perform a basic level of substantive testing or perform focused substantive tests. If effective controls exist and we can test them efficiently, we perform a basic level of substantive testing. If we rely on controls that mitigate specific risk, we test them every year.



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SPECIFIC AUDIT APPROACH

Perform the Audit

When we decide to rely on controls, we test control procedures and monitoring activities. We always perform substantive tests consisting of analytical procedures, test of detail, and, in some cases, a combination of both. To ensure our audit scope is sufficient and financial statements are not materially misstated, we consider both quantitative and qualitative factors in evaluating misstatements. We also perform a financial statement review to determine consistency with information obtained in the audit.

Conclude and Report

To conclude the audit, we perform a subsequent events review, obtain management representations and summarize our findings. Finally, we issue our reports on the financial statements, internal control systems, and issue a comprehensive management letter reporting on our observations and recommendations for the improvement of the internal control structure and other operating and administrative matters, which will enhance TVRPD's operations. We also plan to meet with you to discuss your business and our comments subsequent to the audit.

Comprehensive Management Letter

In preparing the management letter, particular emphasis will be placed on providing meaningful business advice in connection with the audit. Our management reports will address business issues that can translate into bottom-line results as well as internal control structure matters.

Benefits of Audit Approach

An effective audit of financial statements requires an in-depth knowledge of the client's operations, procedures, and personnel. Obtaining this in-depth knowledge requires continuing exposure to clients. Our audit approach utilizes the most efficient resources available, resulting in minimized time and employee interruption in performing certain audit tests. As our audit approach focuses on identified risk areas, more of our time is spent on areas of concern to you. This helps us detect subtle adverse trends or trouble areas and participate effectively in the long-term development of the TVRPD's procedures, systems, and controls.



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SPECIFIC AUDIT APPROACH

Audit Organization and Work Plan

We plan to begin pre-engagement procedures in June 2013 upon acceptance of our audit proposal, completion of a pre-audit meeting, and development of a joint audit strategy between our audit team and Tehachapi Valley Recreation & Parks District's management and staff.

Planning will include an in-depth review of board minutes, operating procedures, policy manuals, audit guides, collection policy and practice, personnel policies, and financial reports. We will also review any pertinent agreements, federal award program contracts, and grant or loan documents. Planning will also include determining specific areas for testing based on preliminary account balances and a risk assessment based knowledge of TVRPD and the information reviewed.

As soon as TVRPD's books are closed and ready for examination, and all necessary schedules, reports, and financial documents are available for our use, we will perform fieldwork. We can prepare an expected document request list for your review, but the documents requested are expected to be similar to those provided to the predecessor auditor. There will also be various requests of staff as we perform our fieldwork; however we anticipate that additional requests will be minimal and will not substantially deter staff from their regular duties.

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SPECIFIC AUDIT APPROACH

Proposed Time Schedule and Hours

Estimated work schedule is as follows:

| Date | Description |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mid June | Engagement planning meeting in which the document request list is prepared and given to TVRPD staff to start preparing for year-end engagement procedures. Type A and B federal programs selected for testing and program directors are contacted to determine what procedures need to be performed to complete the A-133 Single Audit. |
| Mid July | Single Audit and control related procedures performed, including internal control documentation, update, and assessment. Other preliminary procedures performed, where appropriate. These procedures include review of items such as budgets and Board of Directors' Minutes to date. We will also update the understanding of the District at this time. |
| August | Planning and preliminary analysis of year-end numbers including risk assessment to determine if overall audit strategy needs to be adjusted. Complete any remaining testing of internal controls and Single Audit compliance testing. |
| September | Perform year-end audit fieldwork including analytical and substantive account balance testing. At the conclusion of fieldwork, have an end-of fieldwork closing meeting to "game-plan" for completion of the engagement by establishing an understanding of the engagement's progress and determine what remains for successful completion of the engagement. Preparation of Audited Financial Statements and tax returns. Submit to client for review and sign-off. |
| October | Exit interview with management. |
| | Presentation to the Board of Directors or others charged with governance (as requested). |

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COST PROPOSAL

Our fees for these services will be based on the actual time spent at our standard hourly rates, with a maximum fee cap. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Invoices for these fees will be rendered each month as work progresses and are payable upon presentation.

We propose to perform the audits of the financial statements of the Tehachapi Valley Recreation & Parks District as follows :

| | |
|-------------------------------|----------|
| TVRPD Audit FYE June 30, 2013 | \$12,250 |
|-------------------------------|----------|

This quote encompasses the reports listed in our cover letter included at the beginning of this proposal.

This quote also includes anticipated assistance with GAAP accounting and your preparation of the financial statements (including preparation of cash flow statements for all funds) related footnotes and supplemental schedules under the GASB 34 reporting model.

Our quote is based on the assumption that significant issues, including those involving federal awards, will not be present in the audit. Should we encounter such items, the engagement partner will discuss with you before incurring additional costs. Our hourly rates for additional professional services are as follows:

| | |
|------------------|--------|
| Partner | \$ 225 |
| Manager | 170 |
| Staff Accountant | 115 |

Our estimates for the subsequent two years are as follows:

| | |
|---------------------|----------|
| 2013-14 fiscal year | \$12,850 |
| 2014-15 fiscal year | \$13,450 |



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EXTERNAL QUALITY CONTROL REVIEW REPORT

Fisher, Keathley & Ross, LLP's most recent Peer Review report covered the period ended December 31, 2010 and is attached for your review. The most recent Peer Review report did include a review of specific government engagements .

Based on the review, the firm received a clean opinion.



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REFERENCES

Abel Guzman, Vice President & Controller
Tejon Ranch Company
4436 Lebec Road
Lebec, CA 93243
661-248-3000

- Services provided for: Tejon Castac Water District
Services include: Financial and Compliance Audits
Dates of service: 2006 to present
- Services provided for: Tejon Ranch Public Facilities Financing Authority
Services include: Financial and Compliance Audits
Dates of service: 2006 to present

Jeff Mihal, Chief Financial Officer
Managed Care Systems, LLC
4550 California Avenue, Suite 500
Bakersfield, CA 93309
661-716-7237

- Services provided for: Golden Empire Managed Care, Inc.
Services include: Financial Audit
Dates of service: 2000 to present

Tony Schoen, Chief Financial Officer
Rain For Rent
5101 Office Park Drive
Bakersfield, CA 93309
661-399-9124

- Services provided for: Western Oilfields Supply Company Voluntary Employee Benefit Association
Services include: Financial and Compliance Audits
Dates of service: 1995 to present
- Services provided for: Western Oilfields Supply Company Profit Sharing Plan
Services include: Financial and Compliance Audits
Dates of service: 1992 to present



System Review Report

To the Partners of
Fisher, Keathley & Ross, LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Fisher, Keathley & Ross, LLP (the firm) in effect for the year ended December 31, 2010. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based upon our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Fisher, Keathley & Ross, LLP in effect for the year ended December 31, 2010, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Fisher, Keathley & Ross, LLP has received a peer review rating of *pass*.

Weaver and Tidwell, LLP
WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
April 26, 2011

**THE BOARD OF DIRECTORS OF THE
TEHACHAPI VALLEY RECREATION AND PARKS DISTRICT**

IN THE MATTER OF

**AWARD OF BID TO DRESSER SERVICES, INC. FOR DYE NATATORIUM
CEILING AND INTERIOR DEMOLITION AND ABATEMENT**

I, Carrie Champlin, Clerk of the Board of Directors of the Tehachapi Valley Recreation and Parks District, of the County of Kern, State of California, so hereby certify that the following resolution proposed by Director _____ and seconded by Director _____ was duly passed and adopted by said Board of Directors at an official meeting thereof this 18th day of June 2013 by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Carrie Champlin, Clerk of the Board of Directors
of the Tehachapi Valley Recreation and Parks District

RESOLUTION NO. 25-13

WHEREAS, the Tehachapi Valley Recreation and Parks District (TVRPD) is the owner in fee of certain real property commonly known as Dye Natatorium;

WHEREAS, it has been determined that the ceiling of the Dye Natatorium is in need of repair as a result of water damage from the roof leaking; and

WHEREAS, bids were received from companies that can perform the required repairs needed for the ceiling of the Dye Natatorium.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors accepts the bid from Dresser Services, Inc. for the ceiling and interior demolition and abatement of the Dye Natatorium in the amount not to exceed \$46,906.00;

AND BE IT FINALLY RESOLVED THAT staff be authorized to pay for the indicated job upon the satisfactory completion of said job by Dresser Services Inc. who was awarded the bid.

DRESSER SERVICES INC.

PO Box 378

Office (661) 589-8655

Bakersfield, CA 93302

Fax (661) 589-8658

Matt Young
Tehachapi Parks & Recreation
490 West D Street
Tehachapi, CA 93561

6/13/2013

Project:

Dye Natatorium
400 S. Snyder St
Tehachapi, CA 93561

SHOWER & OFFICE AREA

Abatement

- Mobilize equipment
- Install critical barriers and set up negative air machines.
- Remove damaged plaster ceiling (approx 1320 sq') from locker/shower rooms, lobby, restrooms as well as T-bar ceiling from office. Dispose of same in accordance with OSHA regulation.
- Clean mold from structural deck framing.
- Dry framing using HEPA filtered air machines along with air movers.
- Seal Structural deck framing with mold resistant sealer to prevent mold growth.
- Clean and remove all debris and critical barriers from site.
- Demobilize

Construction Management

Dresser Services proposes to provide construction management services to the Tehachapi Parks & Recreation district (TVRPD) for the reconstruction of the Dye Natatorium mold abatement project. All work outlined below will be contracted with TVRPD and managed by Dresser Services. Management activities to include scheduling of licensed subcontractors, scheduling city inspections, single point of contact for all construction related questions and billing approval for your processing.

DRESSER SERVICES INC.

PO Box 378

Office (661) 589-8655

Bakersfield, CA 93302

Fax (661) 589-8658

Electrical

Pre Abatement

- Disconnect and remove existing lighting as well as any electrical to radiant heaters.

Post Abatement

- Install new "J" boxes where recessed lights were located.
- Supply and install seven (7) 4' fluorescent lights.
- Supply and install eight (8) fluorescent drum fixtures.

Insulation

- Install R-30 FSK at ceiling wired in place

Sheetrock & Plaster

- Install 5/8" gyp board and veneer plaster over existing framing in shower/locker rooms, bathrooms, lobby and office.
- Finish to a level 4

Painting

- Provide painting of all ceilings and walls down one (1) foot from ceiling in locker/shower rooms, lobby, bathrooms and office.

Total price for above work including management fee's - - - - - \$29,130.00

Note: Office wall abatement and replacement is not included in above price. After removal of ceiling additional evaluation may be needed to determine the extent of mold damage.

Alternates

- Supply and install LED light fixtures in lieu of fluorescent, add to above price - - -
-----\$3,500.00
- Paint office and walls including doors and frames, add to proposal price -
\$3928.00

DRESSER SERVICES INC.

Office (661) 589-8655

PO Box 378
Bakersfield, CA 93302

Fax (661) 589-8658

POOL AREA

Removal

- Mobilize equipment
- Install 3 layers of 6Mil poly over floor and pool area. Floating PVC to support poly over pool.
- Remove fiberglass insulation as well as sprayed on insulation. Equipment for removal will be electric scissor lift and 80' boom man lift. Boom to be parked at overhead door location. Front axel to be on concrete next to pool.
- Surface prep underside of roof as well as purlins.
- Disposal of fiberglass insulation is included to local landfill.
- Clean and remove all debris from site.
- Demobilize

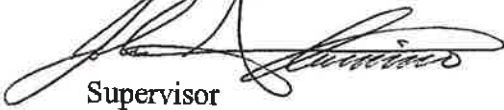
Total Price -----\$33,900.00

Exclusions: Additional surface prep due to extreme corrosion not seen.

Note: Work has been figured per your request. We are working on a suitable epoxy coating for the underneath side of the roof as well as the purlins. Visual inspection of substrate is needed for quotation.

Dresser Services Inc.

John Antonino



Supervisor



E N V I R O N M E N T A L

Solutions Made Easy

CA Lic. #501913 NV Lic. #0034638 DOSH Registration #19 Hauler Registration #2908 EPA #CAT982507154

24 Hour Emergency Spill Response • Asbestos Abatement • Lead Paint Removal • Hazardous Waste Hauling & Disposal
Soil Remediation • Site Assessments • Microbial Decontamination • Indoor Air Quality • Lab Packing • Hydroblasting

PROPOSAL

NO: 43-059

TO: Tehachapi Parks & Recreation

DATE: 6/7/13

ATTN: Mike

PHONE: (661) 345-9699

FAX:

JOB NAME: Dye Natatorium Mold Remediation

PARC Environmental, hereinafter designated as PARC, proposes to perform the following

Scope of work #1 Base Bid

- Provide work as per Demolition scope of work. (Does not include work over the pool)
- Provide Mold remediation as per the scope of work.
- Provide demolition of electrical items as per specification.
- Provide new insulation and green board as per specification. (Does not include work over the pool)
- Provide painting of new ceilings only.
 - ~~Total Compensation \$52,570.00~~
 - Add Alternate #1: Repaint all walls/baseboards/door trim \$4,000.00
 - Add Alternate #2: Upgrade to LED lights add \$2,500.00

Scope of Work #2 Main Ceiling Insulation removal and repaint.

- Owner to drain water from pool.
- Install dance floor scaffolding over pool area to access insulation
- Remove all insulation down to existing metal roof
- Dispose of all materials as per Local, State and Federal regulations.
- Price excludes painting the existing metal ceiling
 - ~~Total Compensation \$89,750.00~~

***Price excludes the cost of optional 3rd party final air testing and monitoring.**

***Power and water are to be made available for abatement activities.**

PROPOSAL TERMS: All work shall be performed in accordance with state and federal regulations pertaining to abatement of hazardous materials including transportation and disposal of waste. PARC carries liability, workers compensation, and auto insurance. Unless otherwise stated; the customer agrees to supply sufficient water and electricity at no cost to PARC; the customer acknowledges that abatement requires the application of tape and agrees that PARC will not be held responsible for tape damage or for repainting; this bid is based on performing the work during regular work hours; PARC shall not be responsible for weather protection or for damages resulting from weather or vandalism; this proposal is subject to change and may be withdrawn if not accepted within 30 days of the above date.

TRANSPORTATION OF WASTE TERMS: The Generator authorizes PARC Environmental to sign all transportation documents and waste profiles as "agent for the generator". PARC will forward all required documentation to Generator. PARC Environmental will abide by all local, state, and federal regulations when handling, packaging, and transporting all wastes.

PAYMENT TERMS: Cash forthwith for any portion of work commenced and completed in any one calendar month. Balance of contract price due and payable within 10 calendar days upon completion of PARC's work. Unpaid monies shall be subject to a finance charge of 1.5% per month. The customer agrees to compensate PARC for any collection related costs, including reasonable attorney fees, if full payment is not made to PARC. The customer agrees that the court of jurisdiction, for any claim, shall be located in Fresno County.

Accepted _____, 2013

By: _____

Title: _____

PARC Environmental

Approved: _____

By: Jason Ainsworth

2706 South Railroad Ave., Fresno CA, 93725-2099

P.O. Box 10077, Fresno, CA 93745-0077

(559) 233-7156 800-882-5362 FAX: (559) 233-4284

www.parcenvironmental.com

**SCOPE OF WORK FOR
DEMOLITION AND REPLACEMENT
INSIDE CEILING
DYE NATATORIUM
400 S. SNYDER**

**All work to be performed in accordance with all City and State requirements*

**TVRPD encourage recycling and disposal of items to a recycling facility*

**Provide dust protection/cleanup throughout the course of this scope of work*

**All local governing agency required permits, inspections, licenses, and related fees, including City Business License shall be included in proposal.*

DEMO:

- 1. Complete demo of plaster ceiling sections at all Dye Natatorium restrooms, hallways, dressing/shower rooms, main entry hallway, and lifeguard bathroom. As mold appears to be present, all ceiling section demo and debris removal shall act in accordance OSHA mold removal guidelines and standards.*
- 2. Complete demo of all insulation located in the ceiling areas referenced above.*
- 3. Complete demo of drop in ceiling tiles at lifeguard office.*
- 4. All mold to be removed from all existing ceiling wood framing via suitable methods.*
- 5. Existing wood framing at ceilings to be surveyed for possible dry rot and potential structural issues.*
- 6. Care shall be taken during demolition to minimize damage to all adjacent finishes, walls, floors and ceilings. Protect all existing items to remain in place.*
- 7. All debris and/or salvaged materials shall be removed from project site and taken to a legal landfill or storage facility.*

ELECTRICAL:

- 1. Complete demo of radiant ceiling mounted heaters at all dressing/shower rooms, restrooms, and lifeguard office.*
- 2. Complete demo of all recessed and surfaced mounted light fixtures in the above referenced rooms.*

3. *Complete installation of new j-boxes and white blank covers at all demoed radiant heaters locations. J- Boxes to contain existing wiring for possible future use. All j-boxes to be recessed.*
4. *Provide TVRPD with mid line allowance to replace all existing light fixtures in the above referenced rooms/hallways/main entry with new surface mounted LED fixtures. All new light fixtures to comply with the existing fixture voltage, amperage, and room light requirements. New rough in boxes and mud rings will be required.*

INSULATION:

1. *Install faced insulation at all above referenced ceiling sections.*
2. *All new insulation to be faced with equal or greater R Value than existing insulation.*
3. *Install equal or greater insulation at ceiling sections over and around pool area. Contractor is responsible for all required scaffolding, hoists and lifts to complete this scope of work over the pool area in compliance with all governing agencies and/or authorities. All new insulation is to be appropriately secured with fasteners or tie wire. Extra care shall be taken to prevent any penetrations of the existing metal roof. Demo of existing insulation shall be included in bid. The contractor will be held responsible for all costs incurred to TVRPD if the pool water is contaminated with any debris related to your scope of work. (Please include this item #3 as a separate add)*

DRYWALL/TAPING:

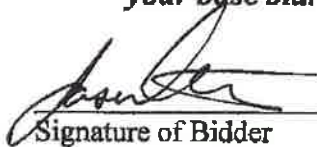
1. *Furnish and install 5/8 green board and required fasteners at all above referenced ceiling sections.*
2. *Complete taping and level 4 smooth finish at all new ceiling areas.*
3. *As demoed ceiling plaster sections are thicker then the new 5/8 drywall the existing upper wall sections will need to be patched. Wall texture to match existing.*
4. *Provide protection of adjacent surfaces during your scope of work.*
5. *Scaffolding, ladders and equipment required for this scope of work provided by this subcontractor.*
6. *Furnish and install all corner bead as required.*
7. *Install new washable white drop in ceiling tiles at life guard office. Size to match existing, repair ceiling grid as needed.*

PAINT:

1. *Furnish and install paint primer and semi gloss paint at all the above referenced new ceiling sections.*
2. *Paint upper wall sections where repairs were made. Wall color to match existing.*

3. *Paint existing ceiling grid at life guards office.*
4. *Provide alternate cost to re-paint all walls/baseboards/door trim at the above reference rooms/hallways/entry. Include minimal wall patching in this alternate.*
5. *Final paint color TBD.*
6. *Examine/verify substrate condition before application of all paint. Report unsatisfactory conditions. Commencement of work constitutes acceptance of those conditions. If area is later to be found unacceptable, this subcontractor will correct his portion of work at no additional cost to the TVRPD.*
7. *Apply paint finishes only when moisture content of surfaces and ambient temperature is within acceptable ranges for type of finish being applied.*
8. *Protect/cleanup of all adjacent surfaces not receiving paint from overspray, drippings, or damage. Provide all necessary masking and coverings. Repair damage as a result of inadequate or unsuitable protection.*
9. *Proper preparation of all surfaces to receive finish coatings including: sanding, puttying, patching, priming, back-priming, etc. as recommended by the manufacturer.*
10. *Provide a final paint finish free from laps, cloudiness, color irregularity, brush marks, runs, sags, allegation, orange peel, or any other surface imperfections or irregularities.*

- ***Please provide a thorough break out of all the specific trade costs listed above, including the alternates. Your proposal amount should be inclusive of all items listed above. Alternates should not be included in your base bid.***


Signature of Bidder

6/10/13
Date

6/6/13

TO: Tehachapi Valley Recreations and Parks District (TVRPD)

RE: Demolition and Replacement of Inside Ceiling
400 B South Snyder
Tehachapi, CA 93561

Dear Mike,

Thank you for your interest in Kern Special Services, Inc. and for giving us the opportunity to bid the demolition and replacement of the inside ceiling work to be done at the above referenced location. Based on the scope of work and our discussions, I have come up with the following estimate to complete the job.

Permit Allowance:
\$1000.00

Demolition:

1. Complete demo of plaster ceiling sections at all Dye Natatorium restrooms, hallways, dressing/shower rooms, main entry hallway, and lifeguard bathroom.
2. Demo all ceiling sections and remove all debris in accordance with EPA mold removal guidelines and standards.
3. Complete demo of drop in ceiling tiles at lifeguard office.
4. Remove mold from the existing ceiling, and wood framing.
5. Survey existing wood framing at ceilings for possible dry rot and potential structural issues.
6. Set up containment and protection for all adjacent finishes, walls, floors and ceilings.
7. Remove all debris/and or salvaged materials from the project site and dispose in a legal landfill or storage facility

Insulation:

1. Install faced insulation at all the above referenced ceiling sections.
2. Install all new equal or greater R value insulation

Painting:

1. Furnish and install paint primer and semi-gloss paint at all the above referenced new ceiling sections.
2. Paint upper wall sections where repairs were made. Wall color to match existing.
3. Paint existing ceiling grid at life guards office (Single paint color TBD)
4. Re-paint all walls/baseboards/door trim at the above reference rooms/hallway/entry, including a minimal wall patching

5. Examine/verify substrate condition before application of all paint. Report unsatisfactory conditions before continuing.
6. Apply paint finishes only when moisture content of surface and ambient temperature is within acceptable ranges for type of finish being applied.
7. Protect and cleanup all adjacent surfaces not receiving paint from overspray, drippings, or damage. Provide all necessary masking and coverings. Repair damage as a result of any inadequate or unsuitable protection.
8. Prepare all surfaces to receive finish coating including: sanding, puttying, patching, priming, back-priming, etc. as recommended by the manufacturer
9. Provide a final paint finish free from laps, cloudiness, color irregularity, brush marks, runs, sags, allegations, orange peel, or any other surface imperfections or irregularities.
10. Provide protection of the murals near the pool area.

Electrical:

1. Remove radiant ceiling mounted heaters at all dressing/shower rooms, restrooms, and lifeguard office.
2. Remove all recessed and surfaced mounted light fixtures in the above referenced rooms. Install new j-boxes and white blank covers at all demoed radiant heater locations. Recess and wire j-boxes for possible future use.
3. Electrical Fixture Allowance \$1500.00
4. Install new rough in boxes and mud ring

Drywall/Taping:

1. Furnish and install 5/8 green board and required fasteners at all above referenced ceiling sections
2. Complete taping and level 4 smooth finish at all new ceiling areas.
3. Patch the existing upper wall sections with 5/8 drywall and texture to match existing.
4. Provide protection of adjacent surfaces.
5. Provide the proper scaffolding, ladders and equipment.
6. Furnish and install all corner bead required.
7. Install new washable white drop in ceiling tiles at life guard office. Size to match existing, and repair ceiling grid as needed.

Final Clean:

Provide for the final clean of the suite after the completion of construction.

Exclusions:

1. Install of insulation at ceiling sections over and around the pool.
2. Pool to be drained by TVRPD
3. Air scrubbers during reconstruction

4. Asbestos or Lead clearance or testing
5. Any structural issues found during remediation
6. Qualifications: We currently have the following insurance limits: Commercial General Liability: \$2,000,000 per occurrence \$2,000,000 aggregate; Commercial Auto Liability: \$1,000,000 combined single limit; Workers Compensation: Statutory limit, Employers Liability - \$1,000,000 each accident limit/\$1,000,000 disease policy limit/\$1,000,000 disease each employee. Exclusions: Insurance Requirements above existing limits.
7. Payment and performance bond
8. All utility service fees
9. When formal contract is required, it conditions must not deviate from this proposal without our permission
10. Duct testing and sealing
11. Air or water balancing
12. Title 24 calculations
13. Temporary power
14. No fire alarm conduit or wiring
15. Possible pre-existing plaster damage and imperfections discovered upon drainage of the pool
16. No prevailing wage rates

General Notes:

1. Draining of the pool is necessary for appropriate access for equipment. KSS will adhere to industry standards of proper protection of the existing condition of the pool structure, but cannot be responsible for damage beyond our reasonable control.
2. Based on verbal instructions this is not a public works job

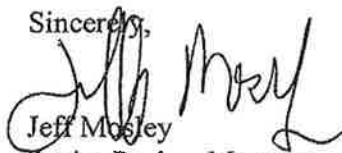
Workmanship:

All workmanship shall be done by skilled mechanics in accordance with the best standard practice and in a manner acceptable.

I look forward to working with you on this project. If you have questions and or comments please call me at 661-588-7360 ext. 209

Total \$ 194,894.00

Sincerely,


Jeff Mosley
Senior Project Manager