

# HONEY LAKE VALLEY RECREATION AUTHORITY

## GOVERNING BOARD

BRIAN WILSON, PRESIDENT  
JIM CHAPMAN, VICE PRESIDENT  
NICK MCBRIDE, BOARD MEMBER  
DAVID MESERVE, BOARD MEMBER  
TOM HAMMOND, BOARD MEMBER

## STAFF

JARED G. HANCOCK, EXECUTIVE OFFICER  
HEIDI WHITLOCK, PROJECT MANAGER  
NANCY CARDENAS, TREASURER

# HONEY LAKE VALLEY RECREATION AUTHORITY GOVERNING BOARD MEETING

City Council Chambers  
66 North Lassen Street, Susanville, CA 96130

**September 1, 2015 - 3:00 p.m.**

### Addressing the Board

- Any person desiring to address the Board shall first secure permission of the presiding officer.
- Matters under the jurisdiction of the Board, and not on the Agenda, may be addressed by the public at a time provided in the Agenda under Public Comment
- The Board of Directors will not take action on any subject that is not on the Agenda

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**1 CALL TO ORDER**

**2 ROLL CALL BOARD OF DIRECTORS**

**3 AGENDA APPROVAL**

**4 APPROVAL OF MINUTES: Approval of minutes from the July 21, 2015 and August 18, 2015 meetings.**

**5 CORRESPONDENCE: None.**

**6 PUBLIC COMMENT**

(any person may address the Board at this time to comment on any subject not on the agenda. However, the Board may not take action other than to direct staff to agendize the matter at a future meeting.)

**7 MATTERS FOR BOARD CONSIDERATION:**

- A. Revised Request for Prequalification
- B. Review and Adopt Conflict of Interest Policy
- C. Update on Insurance

**8 BOARD MEMBER ISSUES/REPORTS:**

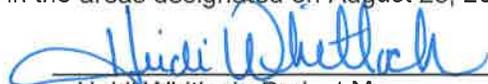
**9 PUBLIC COMMENT ON CLOSED SESSION ITEMS (if any): Any person may address the Board at this time upon any discussion item under consideration during Closed Session.**

**10 CLOSED SESSION:**

- A. CONFERENCE WITH LEGAL COUNSEL: Anticipated Litigation: Significant Exposure to litigation pursuant to Government Code § 54956.9.

- ***The next meeting will be held on September 15, 2015 at 3:00 p.m.***

I, Heidi Whitlock, certify that I caused to be posted notice of the regular meeting scheduled for September 1, 2015, in the areas designated on August 28, 2015.

  
Heidi Whitlock, Project Manager

**Submitted By:** Jared G. Hancock, Executive Officer

**Action Date:** September 1, 2015

**AGENDA ITEM**

**SUBJECT:** Minutes of the HLVRA July 21, 2015 and August 18, 2015 meetings.

**SUMMARY:** Attached for the Board's review are the minutes of the HLVRA July 21, 2015 and August 18, 2015 meetings.

**FISCAL IMPACT:** None.

**ACTION**

**REQUESTED:** Motion to waive oral reading and approve minutes of HLVRA July 21, 2015 and August 18, 2015 meetings.

**ATTACHMENTS:** Minutes: July 21, 2015  
August 18, 2015

**HONEY LAKE VALLEY RECREATION AUTHORITY  
GOVERNING BOARD MEETING  
Regular Meeting Minutes  
July 21, 2015 – 3:00 p.m.  
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 3:01 p.m. by President Wilson.

Roll Call of Board of Directors present: Dave Meserve, Brian Wilson and Tom Hammond, Nick McBride. Absent: Vice President Chapman.

Staff Present: Jared Hancock, Executive Officer, Heidi Whitlock, Project Manager, Nancy Cardenas, Treasurer.

**APPROVAL OF AGENDA:** Motion by Board member Hammond, second by Board member Meserve to approve the agenda as posted; motion carried unanimously. Absent: Chapman.

**APPROVAL OF MINUTES:**

Motion by Board member Meserve, second Board member Hammond to approve minutes from June 16, 2015. Motion carried unanimously.

5        **CORRESPONDANCE:** None.

6        **PUBLIC COMMENT:** None.

7        **MATTERS FOR BOARD CONSIDERATION:**

**7A        Update on Financing Options**

Mr. Hancock stated that he wanted to provide an update for all in attendance. He explained how both the City and County agreed to contribute \$200,000 annually for 15 years for a total of \$6 million in total contributions. He continued that the goal was to keep construction at \$3 million with the other \$3 million going towards operating costs. Staff had been looking into multiple options to secure funding for the construction until it was decided that each entity would provide an upfront \$1.1 million for construction costs. The County has determined where their funding would come from and the City will be deciding, tomorrow during the City Council meeting, which loan option received would best fit their needs. With \$1.1 million from each entity and the amount left in fund balance, we expect to have enough to fund the construction of the pool.

**Tony Jonas** (public) – Inquired as to whether or not each entity had already made their 15/16 contribution. Mr. Hancock responded that he does not think the payments have been made for the current year but the fund balance that he is referring to is the balance at the time of construction.

Mr. Jonas then inquired as to whether or not the JPA agreement has been amended to reflect the changes in the contribution amounts. Mr. Hancock responded that the City and County have been discussing amendments and once an agreement is made, the amended contract will be presented to the Board for review prior to it being ratified. Mr. Jonas asked if staff have determined how much the amount will be reduced. Mr. Hancock stated that they had an idea but he was not comfortable stating an amount as they are still looking into multiple factors that could change. Richard Egan, Lassen CAO, shared that the number could be \$70,000 to \$80,000 but as Mr. Hancock stated, there are multiple factors and a process to determine those amounts.

**7B Update on Insurance Options**

Mr. Hancock stated that staff have had a chance to work through the City and County insurance options. At this time, it appears that the best option will be to use CAPRI. They have already pre-approved us to submit an application and they will be sending us an application to apply for worker's compensation and liability insurance. Once we receive numbers from CAPRI we will bring them back to the Board.

Board member Hammond inquired as to what the numbers are on liability? Mr. Hancock responded that it is typically \$5 million for the first occurrence and then the premiums could change. We are on track to get those numbers in place.

Mr. Jonas asked if the JPA is currently insured and by who. Mr. Hancock responded that the JPA is currently covered under each entity's insurance.

**7C Update on RFP**

Mr. Hancock stated that staff have released the RFP for the pool. A mandatory pre-bid meeting was held on July 9, 2015 and anyone who wanted to place a bid had to attend. On July 16, 2015 all questions were to be received. An amended RFP was released on July 20, 2015. The new bid deadline was extended by two weeks, to August 6, 2015. He continued that approximately ten groups attended the meeting and we had multiple groups looking to work together to complete the project. He added that as long as the submitting party was in attendance they would meet the requirements and that staff was looking forward to receiving the bids.

President Wilson asked how the construction phase will affect the JPA meeting schedule. Mr. Hancock responded that all dates on the RFP were pushed out by two weeks but it would not affect the meetings. He then suggested that we could cancel the next meeting, to be held on August 4<sup>th</sup> and schedule a special meeting if needed.

Richard Egan added that when we have an amendment to the agreement, it will need to be posted for 30 days. Mr. Hancock inquired as to whether it needed to be noticed publically or just the entities. Mr. Hancock read the amendment section of the agreement and stated that the City and County are to be noticed for 30 days then the amended agreement could be ratified.

President Wilson stated that the Board would be okay with rescheduling the meeting on the 4<sup>th</sup>, as long as they had the meeting on the 15<sup>th</sup>. Mr. Hancock responded that he would look at the dates and send them to the Board. President Wilson also stated that we are getting to that point where a meeting every two weeks may not be needed. We may be looking into longer time frames during this phase.

**8 BOARD MEMBER ISSUES/REPORTS: None.**

**ADJOURNMENT:** Meeting adjourned at 3:25 p.m.

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Brian Wilson, President

Respectfully Submitted by

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Heidi Whitlock, Project Manager

**HONEY LAKE VALLEY RECREATION AUTHORITY  
GOVERNING BOARD MEETING  
Regular Meeting Minutes  
August 18, 2015 – 3:00 p.m.  
City Council Chambers 66 North Lassen Street Susanville CA 96130**

Meeting was called to order at 3:03 p.m. by Vice President Chapman.

Roll Call of Board of Directors present: Dave Meserve, Jeff Hemphill (alternate), Nick McBride and Jim Chapman. Absent: President Brian Wilson.

Staff Present: Jared Hancock, Executive Officer, Heidi Whitlock, Project Manager, Nancy Cardenas, Treasurer.

**APPROVAL OF AGENDA:** Motion by Board member McBride, second by Board member Meserve to approve the agenda as posted; motion carried unanimously. Absent: Wilson.

**APPROVAL OF MINUTES:** None.

**5**      **CORRESPONDANCE:** None.

**6**      **PUBLIC COMMENT:** None.

**7**      **MATTERS FOR BOARD CONSIDERATION:**

**7A**     **Update Prequalification Process**

Mr. Hancock opened that the JPA has embarked on a design-build process which is quite unique. The first step in this process is prequalification. We received proposals on August 6<sup>th</sup> by 3 p.m. Staff have conducted a preliminary review and the proposals are now in the hands of the attorneys and we expect to make them available to the public soon. We received two proposals for the entire project and one for the pool only.

Vice President Chapman inquired if, out of the three received, were there any within our price range? Mr. Hancock responded that we are only looking at prequalification requirements at this time.

**Eileen Spencer** (Public) – handed a printout to the Board a present staff members while stating her concerns about how the process was conducted. She believed the bids were to be opened in a public meeting.

Mr. Hancock thanked Ms. Spencer for bringing her concerns to our attention and stated that the process that Ms. Spencer referenced is for other types of projects but those which are design-build projects have different requirements. He stated to the Board that he will work with Ms. Spencer to ensure the government code sections are followed for the design-build. He added that the codes are quite new so staff is also working closely with the attorneys.

Vice President Chapman stated to Ms. Spencer that the Board was not part of this process but hopes that staff have been in compliance. He then stated that he is aware of the scrutiny the Board will be under if the process was not handled correctly. He requested Mr. Hancock obtain a written legal opinion on the public bid-opening. Mr. Hancock agreed.

## **7B Draft Amendments to JPA Agreement**

Vice President Chapman requested Richard Egan, County CAO, join the table for discussion. Vice President Chapman then discussed the funding from both entities at \$200,000 annually but, given that each will be providing an upfront \$1.1 million for construction costs, the Agreement should be amended to reflect the change.

Mr. Hancock stated that the agreement originally envisioned by the JPA is now in need of various amendments as certain items have changed. We would like to go over each item and submit to each entity for review and then bring back for Board approval. Mr. Hancock stated section 5.2, is requesting the addition of "individuals" to the parties the JPA could contract with and Section 9.2 a. and b. reflected the contribution changes. He then listed sections 5.3, 5.6, 8.1.f, 9.2 d. and 9.3.a. and changes being proposed by County staff. Conversation occurred on those sections.

Mr. Hancock stated that we will make the changes discussed and give to each entity for review.

Vice President Chapman stated that the City also needed to delegate an alternate as the County has done.

Mr. Egan also discussed Section 12 and conversation occurred on the wording of "members", whether Board's members meant each of the five members of the JPA Board or each member of the JPA (meaning City and County). He continued that each entity is to be given 30 days' notice before the amended agreement comes back to be ratified.

Mr. Hancock stated that once we have the amended Agreement finalized, we will send to each entity then, once they have approved those changes, the Agreement will be brought back to this Board for ratification.

**Kurt Bonham** (Public) inquired as to what the purpose is of Section 5.2. Mr. Egan responded, to be able to contract with individuals.

Mr. Bonham then inquired about the reasoning for the changes to Section 5.3. Mr. Egan responded, to delete the dues of individual members. Mr. Hancock then added that once the pool is open, the Board can establish fees and dues for pool use and other operational fees and dues. We are simply taking out the portion that refers to the "dues of members". Mr. Bonham responded that the document needs to stand on its own and the Board should fix everything now so future changes are not needed. He added that adding "operational" to the section would fix it. Vice President Chapman and Board member Meserve agreed with the additional wording.

Kurt Bonham added that he understood the document needed to be changed. He requested staff also include what happens to the assets if either party stops contributing. Section 9.5 was discussed and the need to add "and assets" to both the heading and part a. was noted.

Eileen Spencer inquired about the mention of special districts in the agreement. Richard Egan stated that it is included in case another district, such as a school district, would want to join the Authority. Mr. Hancock added that the JPA has had other districts interested in assisting and the provided language would allow the addition at a later date if they wanted to be part of the governing structure. Ms. Spencer stated that they should not yet be included as they are not signatories and it could cause problems. She suggested adding the language later if needed and asked the Board to have an attorney review. Vice President Chapman stated that her objections are noted.

Motion by Alternate Board member Hemphill, second by Board member McBride, to submit the Agreement to the entities for comments. Vote polled: Meserve, Aye; Hemphill, Aye; McBride, Aye; Chapman, Aye. Absent: Wilson.

Vice President Chapman inquired about future meetings. He suggested a special meeting on September 22, 2015 for the review of the agreement once the Board of Supervisors and City Council may have viewed by that time. Mr. Hancock suggested keeping the meeting schedule as is but cancelling meetings if necessary. Vice President Chapman stated September 1<sup>st</sup> and 15<sup>th</sup> as regular meetings but, they may be changed to September 8<sup>th</sup> and 22<sup>nd</sup>.

## **8 BOARD MEMBER ISSUES/REPORTS:**

Vice President Chapman shared that a he visited a small town in Montana, a county of 1800 people, and it had a small community pool. If they can do it, we can do it.

**ADJOURNMENT**: Meeting adjourned at 4:02 p.m.

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Brian Wilson, President

Respectfully Submitted by

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Heidi Whitlock, Project Manager

AGENDA ITEM NO. 7A

**Submitted By:** Jared G. Hancock, Executive Officer

**Action Date:** September 1, 2015

**HLVRA AGENDA ITEM**

**SUBJECT:** Revised Request for Prequalification

**SUMMARY:** Staff is proposing to reject all proposals and circulate a revised request for prequalification.

**FISCAL IMPACT:** None

**ACTION  
REQUESTED:** Direction to staff

**ATTACHMENTS:** Revised Request for Prequalification

**HONEY LAKE VALLEY RECREATION AUTHORITY**  
**Prequalification for Design-Build Services**  
**Community Swimming Pool**

Notice is hereby given that Honey Lake Valley Recreational Authority ("HLVRA") seeks qualified design-build service providers ("Builders") for construction of a community swimming pool. HLVRA has determined that all Builders must be pre-qualified prior to submitting a proposal for the Community Swimming Pool Project ("Project") pursuant to Public Contract Code section 22164, and by this notice solicits statements of qualification. Once prequalified, those builders will be invited to submit proposals for the Project.

**I. DESCRIPTION OF PROJECT**

HLVRA is a Joint Powers Authority of the City of Susanville and the County of Lassen, and was formed for the primary purpose of designing, constructing and operating a community swimming pool and associated facilities at the HLVRA's 800 South Street, Susanville, California, location. The location of the Project is the site of the former Roosevelt Swimming Pool, which was built in 1937 and demolished in 2015. HLVRA intends to procure the new swimming pool as a design-build project pursuant to Public Contract Code section 22160 et seq., using the best-value method specified in Public Contract Code section 22164(f).

This Project will require the completion of the project design, creation/approval of architectural and engineered plans and specifications and the construction of project plans, including but not limited to the following: Scope A; a public swimming pool, pool drainage and filtration, and pool perimeter deck timing equipment. Scope B; bathhouse, site utilities (including onsite geothermal well), security fencing, vehicle parking, landscaping and landscape irrigation, patio and pathways, geothermal heated patio, floor and pathways and frontage improvements along South Street. Geothermal water (from the City's geothermal utility) will be used as the primary heating source for the pool and building and will be supplemented by natural gas.

This prequalification solicitation is designed to identify a qualified Builders, who will then be invited to submit proposals for the Project. In evaluating the prequalification questionnaires, HLVRA will rate Builders based on the strength of their proposed design-build team, history of work on similar projects, safety record, financial ability to undertake the Project, and responses to other questions in the prequalification questionnaire. The selected Builder shall be responsible for the work of its own forces and designating Project subcontractors in compliance with all public contracting laws. The Builder shall manage project design, planning, development of plans and specifications and construction by effectively working in close association with the Authority's Executive Officer or designee.

**II. ANTICIPATED SCOPE OF WORK**

Though subject to change prior to issuance of the Request for Proposals for this Project, the anticipated scope of work will generally include, the creation of a complete design, preparation of architectural and engineered plans and specifications, and complete construction of the following:

A 25 meter by 25 yard "L" shaped swimming pool, pool drainage, pool perimeter decking and associated plumbing and mechanical facilities and meeting sanctioning requirements.

Complete construction of a 25 meter by 25 yard "L" shaped swimming pool to allow both lap and free swimming with a depth ranging from approximately 3 feet to approximately 12.5 feet, to be compatible with related on and off-site improvements.

- Pool approximately 5,700 square feet approved for USA swimming competitive 25 yard events
- Approximately 2,000 square feet of decking, including deck drainage
- Adequately sized drainage filtration and plumbing system
- Sanctioning requirements such as lanes lines, touch pads, timing equipment & scoreboards.

\*Pool to be fully operational once water, sewer and electrical services are provided.

Construction of an approximately 2,000 square foot building, including related on and off-site improvements, which consist of a bathhouse (including a check in area, men's and women's locker room with showers and restrooms, a family restroom, office and storage space, kiosk, pool mechanical room), site utilities for the entire project (sanitary sewer facilities, geothermal, water, natural gas, electrical, onsite geothermal well, etc ... ), parking, fencing, and landscaping. All improvements to be sized to serve and be compatible with on and off site improvements included in Scope A.

- Bathhouse - 2,000 square feet and capable of being connected to a future natatorium, enclosure for pool described in Scope A.
- Site Utilities- water, sewer, gas, electrical, geothermal, on-site geo well
- Parking - Approximately 70 parking spaces
- Fencing- Approximately 400 linear feet including service gates
- Landscaping & Irrigation
- Site Lighting
- Patio & Pathway- approximately 7,000 square feet
- Radiant heating under decks, patio and building
- Emergency Access roads
- Frontage Improvements

### III. EXPECTED COST RANGE OF PROJECT

The preliminary engineer's estimate for the Project is as follows:

| <u>Total Project</u>      | <u>Base Cost Est.</u> | <u>GMP</u> |
|---------------------------|-----------------------|------------|
| 25 Y x 25 M L-shaped Pool | \$700,000             | \$850,000  |
| Pool Decking & Drainage   | \$64,000              | \$102,466  |
| Filtration & Plumbing     | \$110,000             | \$160,000  |
| Timing Equipment          | \$40,000              | \$50,000   |
| Bathhouse                 | \$655,000             | \$748,000  |
| Site Utilities            | \$76,000              | \$100,000  |
| Fencing                   | \$22,000              | \$33,400   |
| Landscaping & Irrigation  | \$22,000              | \$30,000   |
| Site Lighting             | \$24,000              | \$30,000   |

|                        |                    |                    |
|------------------------|--------------------|--------------------|
| Patio & Pathways       | \$16,000           | \$21,000           |
| Parking & Emer. Access |                    |                    |
| Roads                  | \$82,000           | \$104,000          |
| Frontage Improvements  | \$17,000           | \$21,000           |
| <b>Total</b>           | <b>\$1,828,000</b> | <b>\$2,249,866</b> |

#### IV. PREQUALIFICATION PROCEDURE

It is mandatory that all Builders who intend to submit a proposal for the Project fully complete the prequalification questionnaire, provide all materials requested herein, and be approved by HLVRA to be on the final qualified proposer list. No proposal will be accepted from a Builder that has failed to comply with these requirements. If two or more business entities submit a bid as part of a Joint Venture, or expect to submit a bid as part of a Joint Venture, each entity within the Joint Venture must be separately qualified to submit a proposal. The last date to submit a fully completed questionnaire is September 23, 2015. Builders are encouraged to submit pre-qualification packages as soon as possible, so that they may be notified of omissions of information to be remedied or of their prequalification status well in advance of the notice inviting proposals for this Project.

Answers to questions contained in the attached questionnaire, information about current bonding capacity, notarized statement from surety, and the most recent reviewed or audited financial statements, with accompanying notes and supplemental information, are required. HLVRA will use these documents as the basis of rating Builders. HLVRA reserves the right to check other sources available. HLVRA's rating decision will be based on objective evaluation criteria.

HLVRA reserves the right to adjust, increase, limit, suspend or rescind the pre-qualification rating based on subsequently learned information. Builders whose rating changes sufficient to disqualify them will be notified, and given an opportunity for a hearing consistent with the hearing procedures described below for appealing a pre-qualification rating.

While it is the intent of the prequalification questionnaire and documents required therewith to assist HLVRA in determining builder responsibility prior to bid and to aid HLVRA in ultimately selecting a Builder in accordance with Public Contract Code section 22160, et seq, neither the fact of prequalification, nor any prequalification rating, will preclude HLVRA from a post-bid consideration and determination of whether a bidder has the quality, fitness, capacity and experience to satisfactorily perform the proposed work, and has demonstrated the requisite trustworthiness.

The pre-qualification packages should be submitted under seal and marked "CONFIDENTIAL" to 66 North Lassen Street Susanville, CA 96130.

Pursuant to Public Contract Code section 22164(b)(4)(B), prequalification packages (questionnaire answers and supporting documents) submitted by Builders are not public records and are not open to public inspection. All information provided will be kept confidential to the extent permitted by law. However, the contents may be disclosed to third parties for purpose of verification, or investigation of substantial allegations, or in the appeal hearing. State law requires that the names of Builder's applying for prequalification status shall be public records subject to disclosure, and the first page of the questionnaire will be used for that purpose.

Each questionnaire must be signed under penalty of perjury in the manner designated at the end of the form, by an individual who has the legal authority to bind the Builder on whose behalf that person is signing. If any information provided by a Builder becomes inaccurate, the Builder must immediately notify HLVRA and provide updated accurate information in writing, under penalty of perjury.

HLVRA reserves the right to waive minor irregularities and omissions in the information contained in the prequalification application submitted, to make all final determinations, and to determine at any time that the prequalification procedures will not be applied to a specific future public works project.

Builders may submit prequalification packages during regular working hours on any day that the offices of HLVRA are open. Contractors who submit a complete prequalification package will be notified of their qualification status no later than ten business days after submission of the information.

HLVRA may refuse to grant prequalification where the requested information and materials are not provided, or not provided by September 23, 2015. There is no appeal from a refusal for an incomplete or late application, but re-application for a later project is permitted. The closing time for proposals will not be changed in order to accommodate supplementation of incomplete submissions, or late submissions.

## V. APPEAL PROCEDURE

Where a timely and completed application results in a rating below that necessary to prequalify, an appeal can be made. An appeal is begun by the Builder delivering notice to HLVRA of its appeal of the decision with respect to its pre-qualification rating, no later than five business days after receipt of notice of the Builder's prequalification status. Without a timely appeal, the Builder waives any and all rights to challenge the decision of HLVRA, whether by administrative process, judicial process or any other legal process or proceeding.

If the Builder gives the required notice of appeal and requests a hearing, the hearing shall be conducted so that it is concluded no later than five business days after HLVRA's receipt of the notice of appeal. The hearing shall be an informal process conducted by a panel to whom the HLVRA has delegated responsibility to hear such appeals (the "Appeals Panel"). At or prior to the hearing, the Builder will be advised of the basis for HLVRA's pre-qualification determination. The Builder will be given the opportunity to present information and present reasons in opposition to the rating. Within one day after the conclusion of the hearing, the Appeals Panel will render its decision.

The procedure and time limits set forth in this Section are mandatory and are a Builder's sole and exclusive remedy in the event of a prequalification rating protest. Builder's failure to comply with these procedures shall constitute a waiver of any right to further pursue a prequalification rating protest, including filing a Government Code Claim or legal proceedings.

It is the intention of HLVRA that the date for the submission and opening of proposals will not be delayed or postponed to allow for completion of an appeal process.

**Note:** A Builder may be found not pre-qualified for bidding on a specific public works contract to be let by HLVRA, or on all contracts to be let by HLVRA until the

contractor meets HLVRA's requirements. In addition, a Builder may be found not pre-qualified for either:

- (1) Omission of requested information or
- (2) Falsification of information

\* \* \* \* \*

**Note:** To Builders who are using subcontractors for this Project, please be advised that HLVRA may require, as to subcontractors, post-bid qualification review.

## **VI. TENTATIVE PROJECT AWARD SCHEDULE**

|     |  |                           |
|-----|--|---------------------------|
| 1.  | <b>Issuance of RFQ:</b>                                    | <b>September 2, 2015</b>  |
| 2.  | <b>Deadline to Submit Prequalification Packets:</b>        | <b>September 23, 2015</b> |
| 3.  | <b>Reference checks/Oral Interview (if necessary):</b>     | <b>September 25, 2015</b> |
| 4.  | <b>Issuance of Prequalification List:</b>                  | <b>September 28, 2015</b> |
| 5.  | <b>Issuance of RFP:</b>                                    | <b>September 28, 2015</b> |
| 6.  | <b>Final day to request RFP clarifications in writing:</b> | <b>October 7, 2015</b>    |
| 7.  | <b>Deadline to Submit a Proposal:</b>                      | <b>October 22, 2015</b>   |
| 8.  | <b>Selection Committee scores proposals:</b>               | <b>October 23, 2015</b>   |
| 9.  | <b>Oral Interview/presentation (if necessary):</b>         | <b>October 26, 2015</b>   |
| 10. | <b>Notification of selection of builder:</b>               | <b>October 28, 2015</b>   |
| 11. | <b>Contract negotiations concluded:</b>                    | <b>October 30, 2015</b>   |
| 12. | <b>Authority Board Approval:</b>                           | <b>November 1, 2015</b>   |

**HONEY LAKE VALLEY  
RECREATIONAL AUTHORITY**

**PRE-QUALIFICATION  
QUESTIONNAIRE**

**DESIGN-BUILD SERVICES FOR COMMUNITY  
SWIMMING POOL**

**CONTACT INFORMATION**

Firm Name: \_\_\_\_\_  
(as it appears on license)

Check One:

- Corporation
- Partnership
- Sole Prop.

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

If firm is a sole proprietor or partnership:

Owner(s) of Company \_\_\_\_\_

Contractor's License Number(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PART I. ESSENTIAL REQUIREMENTS FOR QUALIFICATION**

**Builder will be immediately disqualified if the answer to any of questions 1 through 5 is “no.”**

**Builder will be immediately disqualified if the answer to any of questions 6, 7, 8 or 9 is “yes.” If the answer to question 8 is “yes,” and if debarment would be the sole reason for denial of pre-qualification, any pre-qualification issued will exclude the debarment period.**

1. Builder possesses a valid and current California Contractor’s license for the project for which it intends to submit a proposal.  
 Yes       No
2. Builder has attached evidence that it possesses a liability insurance policy with a policy limit of at least \$1,000,000 per occurrence and \$2,000,000 aggregate.  
 Yes       No
3. Builder has current workers’ compensation insurance policy as required by the Labor Code or is legally self-insured pursuant to Labor Code section 3700 et. seq.  
 Yes       No     Builder is exempt from this requirement, because it has no employees
4. Have you attached your latest copy of a reviewed or audited financial statement with accompanying notes and supplemental information.<sup>1</sup>  
 Yes       No

**NOTE: A financial statement that is not either reviewed or audited is not acceptable. A letter verifying availability of a line of credit may also be attached; however, it will be considered as supplemental information only, and is not a substitute for the required financial statement.**

5. Have you attached a notarized statement from an admitted surety insurer (approved by the California Department of Insurance) and authorized to issue bonds in the State of California, which states that your current bonding capacity is sufficient for the project for which you seek pre-qualification?  
 Yes       No

**NOTE: Notarized statement must be from the surety company, not an agent or broker.**

6. Has your contractor’s license been revoked at any time in the last five years?  
 Yes       No

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<sup>1</sup> Contractors who have qualified as a small business pursuant to Government Code section 14837(d)(1) are exempt from this requirement, if the bid will be “no more than 25 per cent of the qualifying amount provided in section 14837(d)(1).” As of January 1, 2001, the qualifying amount is \$10 million, and 25 per cent of that amount, therefore, is \$2.5 million.

7. Has a surety firm completed a contract on your behalf, or paid for completion because your firm was default terminated by the project owner within the last five (5) years?  
 Yes       No

8. At the time of submitting this pre-qualification form, is your firm ineligible to bid on or be awarded a public works contract, or perform as a subcontractor on a public works contract, pursuant to either Labor Code section 1777.1 or Labor Code section 1777.7?  
 Yes       No  
 If the answer is "Yes," state the beginning and ending dates of the period of debarment:  
 \_\_\_\_\_

9. At any time during the last five years, has your firm, or any of its owners or officers been convicted of a crime involving the awarding of a contract of a government construction project, or the bidding or performance of a government contract?  
 Yes       No

**PART II. ORGANIZATION, HISTORY, ORGANIZATIONAL PERFORMANCE, COMPLIANCE WITH CIVIL AND CRIMINAL LAWS**

**Current Organization and Structure of the Business**

1. If the proposed design-build entity is a corporation, limited liability company, partnership, joint venture, or other legal entity, attach a copy of the organizational documents or agreement committing to the form of the organization.

**a. For Firms That Are Corporations:**

- i. Date incorporated: \_\_\_\_\_
- ii. Under the laws of what state: \_\_\_\_\_
- iii. Provide all the following information for each person who is either (a) an officer of the corporation (president, vice president, secretary, treasurer), or (b) the owner of at least ten per cent of the corporation's stock.

| Name | Position | Years with Co. | % Ownership | Social Security # |
|------|----------|----------------|-------------|-------------------|
|      |          |                |             |                   |
|      |          |                |             |                   |
|      |          |                |             |                   |
|      |          |                |             |                   |

- iv. Identify every construction firm that any person listed above has been associated with (as owner, general partner, limited partner or officer) at any time during the last five years.

**NOTE: For this question, “owner” and “partner” refer to ownership of ten per cent or more of the business, or 10 per cent or more of its stock, if the business is a corporation.**

| Person’s Name | Construction Firm | Dates of Person’s Participation with Firm |
|---------------|-------------------|---|
|               |                   |   |
|               |                   |   |
|               |                   |   |
|               |                   |   |

**b. For Firms That Are Partnerships:**

- i. Date of formation: \_\_\_\_\_
- ii. Under the laws of what state: \_\_\_\_\_
- iii. Provide all the following information for each partner who owns 10 per cent or more of the firm.

| Name | Position | Years with Co. | % Ownership | Social Security # |
|------|----------|----------------|-------------|-------------------|
|      |          |                |             |                   |
|      |          |                |             |                   |
|      |          |                |             |                   |
|      |          |                |             |                   |

- iv. Identify every construction company that any partner has been associated with (as owner, general partner, limited partner or officer) at any time during the last five years.

**NOTE: For this question, “owner” and “partner” refer to ownership of ten per cent or more of the business, or ten per cent or more of its stock, if the business is a corporation.**

| Person’s Name | Construction Company | Dates of Person’s Participation with Company |
|---------------|----------------------|--|
|               |                      |  |
|               |                      |  |
|               |                      |  |
|               |                      |  |

**c. For Firms That Are Sole Proprietorships:**

- i. Date of commencement of business.
- ii. Social security number of company owner.
- iii. Identify every construction firm that the business owner has been associated with (as owner, general partner, limited partner or officer) at any time during the last five years.

**NOTE: For this question, “owner” and “partner” refer to ownership of ten per cent or more of the business, or ten per cent or more of its stock, if the business is a corporation.**

| Person’s Name | Construction Company | Dates of Person’s Participation with Company |
|---------------|----------------------|--|
|               |                      |  |
|               |                      |  |
|               |                      |  |
|               |                      |  |

**d. For Firms That Intend to Make a Bid as Part of a Joint Venture:**

- i. Date of commencement of joint venture.
- ii. Provide all of the following information for each firm that is a member of the joint venture that expects to bid on one or more projects:

| Name of firm | % Ownership of Joint Venture |
|--------------|------------------------------|
|              |                              |
|              |                              |
|              |                              |
|              |                              |

- e. If the design-build entity is a privately held corporation, limited liability company, partnership, or joint venture, provide a listing of all of the shareholders, partners, or members known at the time of statement of qualification submission who will perform work on the project, and include a summary of their background which demonstrates that the proposed personnel possess sufficient training and experience to competently manage and complete the design and construction of the proposed Project. .

**History of the Business and Organizational Performance**

- 2. Has there been any change in ownership of the firm at any time during the last three years?  
**NOTE: A corporation whose shares are publicly traded is not required to answer this question.**  
 Yes       No  
 If “yes,” explain on a separate signed page.
  
- 3. Is the firm a subsidiary, parent, holding company or affiliate of another construction firm?  
**NOTE: Include information about other firms if one firm owns 50 per cent or more of another, or if an owner, partner, or officer of your firm holds a similar position in another firm.**  
 Yes       No  
 If “yes,” explain on a separate signed page.
  
- 4. Are any corporate officers, partners or owners connected to any other construction firms.

**NOTE: Include information about other firms if an owner, partner, or officer of your firm holds a similar position in another firm.**

Yes       No

If "yes," explain on a separate signed page.

5. State your firm's gross revenues for each of the last three years:

\_\_\_\_\_

6. How many years has your organization been in business in California as a contractor under your present business name and license number? \_\_\_\_\_ years

7. Is your firm currently the debtor in a bankruptcy case?

Yes       No

If "yes," please attach a copy of the bankruptcy petition, showing the case number, and the date on which the petition was filed.

8. Was your firm in bankruptcy at any time during the last five years? (This question refers only to a bankruptcy action that was not described in answer to question 7, above)

Yes       No

If "yes," please attach a copy of the bankruptcy petition, showing the case number and the date on which the petition was filed, and a copy of the Bankruptcy Court's discharge order, or of any other document that ended the case, if no discharge order was issued.

### Licenses

9. List all California construction license numbers, classifications and expiration dates of the California contractor licenses held by your firm:

\_\_\_\_\_  
\_\_\_\_\_

10. If any of your firm's license(s) are held in the name of a corporation or partnership, list below the names of the qualifying individual(s) listed on the CSLB records who meet(s) the experience and examination requirements for each license.

\_\_\_\_\_  
\_\_\_\_\_

11. Has your firm changed names or license number in the past five years?

Yes       No

If "yes," explain on a separate signed page, including the reason for the change.

12. Has any owner, partner or (for corporations:) officer of your firm operated a construction firm under any other name in the last five years?

Yes       No

If “yes,” explain on a separate signed page, including the reason for the change.

13. Has any CSLB license held by your firm or its Responsible Managing Employee (RME) or Responsible Managing Officer (RMO) been suspended within the last five years?

Yes       No

If “yes,” please explain on a separate signed sheet.

### Disputes

14. At any time in the last five years has your firm been assessed and paid liquidated damages after completion of a project under a construction contract with either a public or private owner?

Yes       No

If yes, explain on a separate signed page, identifying all such projects by owner, owner’s address, the date of completion of the project, amount of liquidated damages assessed and all other information necessary to fully explain the assessment of liquidated damages.

15. In the last five years has your firm, or any firm with which any of your company’s owners, officers or partners was associated, been debarred, disqualified, removed or otherwise prevented from bidding on, or completing, any government agency or public works project for any reason?

**NOTE: “Associated with” refers to another construction firm in which an owner, partner or officer of your firm held a similar position, and which is listed in response to question 1c or 1d on this form.**

Yes       No

If “yes,” explain on a separate signed page. State whether the firm involved was the firm applying for pre-qualification here or another firm. Identify by name of the company, the name of the person within your firm who was associated with that company, the year of the event, the owner of the project, the project and the basis for the action.

16. In the last five years has your firm been denied an award of a public works contract based on a finding by a public agency that your company was not a responsible bidder?

Yes       No

If “yes,” explain on a separate signed page. Identify the year of the event, the owner, the project and the basis for the finding by the public agency.

\* \* \* \* \*

**NOTE: The following two questions refer only to disputes between your firm and the owner of a project. You need not include information about disputes between your firm and a supplier, another contractor, or subcontractor. You need not include information about “pass-through” disputes in which the actual dispute is between a sub-contractor and a project owner. Also, you may omit reference to all disputes about amounts of less than \$50,000.**

17. In the past five years has any claim **against** your firm concerning your firm's work on a construction project been **filed in court or arbitration?**

Yes       No

If "yes," on separate signed sheets of paper identify the claim(s) by providing the project name, date of the claim, name of the claimant, a brief description of the nature of the claim, the court in which the case was filed and a brief description of the status of the claim (pending or, if resolved, a brief description of the resolution).

18. In the past five years has your firm made any claim against a project owner concerning work on a project or payment for a contract and **filed that claim in court or arbitration?**

Yes       No

If "yes," on separate signed sheets of paper identify the claim by providing the project name, date of the claim, name of the entity (or entities) against whom the claim was filed, a brief description of the nature of the claim, the court in which the case was filed and a brief description of the status of the claim (pending, or if resolved, a brief description of the resolution).

\* \* \* \* \*

19. At any time during the past five years, has any surety company made any payments on your firm's behalf as a result of a default, to satisfy any claims made against a performance or payment bond issued on your firm's behalf, in connection with a construction project, either public or private?

Yes       No

If "yes," explain on a separate signed page the amount of each such claim, the name and telephone number of the claimant, the date of the claim, the grounds for the claim, the present status of the claim, the date of resolution of such claim if resolved, the method by which such was resolved if resolved, the nature of the resolution and the amount, if any, at which the claim was resolved.

20. In the last five years has any insurance carrier, for any form of insurance, refused to renew the insurance policy for your firm?

Yes       No

If "yes," explain on a separate signed page. Name the insurance carrier, the form of insurance and the year of the refusal.

### **Criminal Matters and Related Civil Suits**

21. Has your firm or any of its owners, officers or partners ever been found liable in a civil suit or found guilty in a criminal action for making any false claim or material misrepresentation to any public agency or entity?

Yes       No

If "yes," explain on a separate signed page, including identifying who was involved, the name of the public agency, the date of the investigation and the grounds for the finding.

22. Has your firm or any of its owners, officers or partners ever been convicted of a crime involving any federal, state, or local law related to construction?

Yes       No

If "yes," explain on a separate signed page, including identifying who was involved, the name of the public agency, the date of the conviction and the grounds for the conviction.

23. Has your firm or any of its owners, officers or partners ever been convicted of a federal or state crime of fraud, theft, or any other act of dishonesty?

Yes       No

If "yes," identify on a separate signed page the person or persons convicted, the court (the county if a state court, the district or location of the federal court), the year and the criminal conduct.

### **Bonding**

24. Bonding capacity: Provide documentation from your surety identifying the following:

Name of bonding company/surety: \_\_\_\_\_

Name of surety agent, address and telephone number:  
\_\_\_\_\_

25. If your firm was required to pay a premium of more than one per cent for a performance and payment bond on any project(s) on which your firm worked at any time during the last three years, state the percentage that your firm was required to pay. You may provide an explanation for a percentage rate higher than one per cent, if you wish to do so.

\_\_\_\_\_

26. List all other sureties (name and full address) that have written bonds for your firm during the last five years, including the dates during which each wrote the bonds:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

27. During the last five years, has your firm ever been denied bond coverage by a surety company, or has there ever been a period of time when your firm had no surety bond in place during a public construction project when one was required?

Yes       No

If yes, provide details on a separate signed sheet indicating the date when your firm was denied coverage and the name of the company or companies which denied coverage; and the period during which you had no surety bond in place.

**C. Worker's Compensation Experience History and Worker Safety Program**

28. Has CAL OSHA cited and assessed penalties against your firm for any "serious," "willful" or "repeat" violations of its safety or health regulations in the past five years?

**NOTE: If you have filed an appeal of a citation, and the Occupational Safety and Health Appeals Board has not yet ruled on your appeal, you need not include information about it.**

Yes       No

If "yes," attached a separate signed page describing the citations, including information about the dates of the citations, the nature of the violation, the project on which the citation(s) was or were issued, the amount of penalty paid, if any. If the citation was appealed to the Occupational Safety and Health Appeals Board and a decision has been issued, state the case number and the date of the decision.

29. Has the federal Occupational Safety and Health Administration cited and assessed penalties against your firm in the past five years?

**NOTE: If you have filed an appeal of a citation and the Appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.**

Yes       No

If "yes," attach a separate signed page describing each citation.

30. Has the EPA or any Air Quality Management District or any Regional Water Quality Control Board cited and assessed penalties against either your firm or the owner of a project on which your firm was the Builder, in the past five years?

**NOTE: If you have filed an appeal of a citation and the Appeals Board has not yet ruled on your appeal, or if there is a court appeal pending, you need not include information about the citation.**

Yes       No

If "yes," attach a separate signed page describing each citation.

31. How often do you require documented safety meetings to be held for construction employees and field supervisors during the course of a project?

- 
32. List your firm's Experience Modification Rate (EMR) (California workers' compensation insurance) for each of the past three premium years:

**NOTE: An Experience Modification Rate is issued to your firm annually by your workers' compensation insurance carrier.**

Current year: \_\_\_\_\_

Previous year: \_\_\_\_\_

Year prior to previous year: \_\_\_\_\_

**If your EMR for any of these three years is or was 1.00 or higher you will not be deemed prequalified pursuant to Public Contract Code section 22164(b)(3)(G).**

33. Within the last five years has there ever been a period when your firm had employees but was without workers' compensation insurance or state-approved self-insurance?

Yes       No

If "yes," please explain the reason for the absence of workers' compensation insurance on a separate signed page. If "No," please provide a statement by your current workers' compensation insurance carrier that verifies periods of workers' compensation insurance coverage for the last five years. (If your firm has been in the construction business for less than five years, provide a statement by your workers' compensation insurance carrier verifying continuous workers' compensation insurance coverage for the period that your firm has been in the construction business.)

#### **Prevailing Wage and Apprenticeship Compliance Record**

34. Has there been more than one occasion during the last five years in which your firm was required to pay either back wages or penalties for your own firm's failure to comply with the **state's** prevailing wage laws?

NOTE: This question refers only to your own firm's violation of prevailing wage laws, not to violations of the prevailing wage laws by a subcontractor.

Yes       No

If "yes," attach a separate signed page or pages, describing the nature of each violation, identifying the name of the project, the date of its completion, the public agency for which it was constructed; the number of employees who were initially underpaid and the amount of back wages and penalties that you were required to pay.

35. During the last five years, has there been more than one occasion in which your own firm has been penalized or required to pay back wages for failure to comply with the **federal** Davis-Bacon prevailing wage requirements?

Yes       No

If "yes," attach a separate signed page or pages describing the nature of the violation, identifying the name of the project, the date of its completion, the public agency for which it was constructed; the number of employees who were initially underpaid, the amount of back wages you were required to pay along with the amount of any penalty paid.

36. Pursuant to Public Contract Code section 22164(c)(2), in order to be prequalified, you must do one of the following:

(1) I hereby certify that I and my subcontractors at every tier will comply with the requirements of this subdivision and that will provide HLVRA with evidence, on a monthly basis while the project or contract is being performed, that I and my subcontractors are complying with the requirements of this subdivision;

or,

(2) I have provided documentary evidence with this prequalification questionnaire that I have entered into a project labor agreement that includes the requirements of this subdivision and that will bind by business and all its subcontractors at every tier performing the project or contract.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

37. Provide the **name, address and telephone number** of the apprenticeship program (approved by the California Apprenticeship Council) from whom you intend to request the dispatch of apprentices to your company for use on any public work project for which you are awarded a contract by HLVRA.

\_\_\_\_\_  
\_\_\_\_\_

38. If your firm operates its own State-approved apprenticeship program:

- (a) Identify the craft or crafts in which your firm provided apprenticeship training in the past year.
- (b) State the year in which each such apprenticeship program was approved, and attach evidence of the most recent California Apprenticeship Council approval(s) of your apprenticeship program(s).
- (c) State the number of individuals who were employed by your firm as apprentices at any time during the past three years in each apprenticeship and the number of persons who, during the past three years, completed apprenticeships in each craft while employed by your firm.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

39. At any time during the last five years, has your firm been found to have violated any provision of California apprenticeship laws or regulations, or the laws pertaining to use of apprentices on public works?

**NOTE: You may omit reference to any incident that occurred prior to January 1, 1998, if the violation was by a subcontractor and your firm, as general contractor on a project, had no knowledge of the subcontractor's violation at the time they occurred.**

Yes       No

If "yes," provide the date(s) of such findings, and attach copies of the Department's final decision(s).

### **PART III. RECENT CONSTRUCTION PROJECTS COMPLETED**

40. Builder shall provide information about a minimum of six public works projects, completed within the last 10 years, that demonstrate that Builder and proposed design-build personnel have the experience, competency, capability and capacity to complete projects of similar size, scope, and complexity to the proposed project. . Names and references must be current and verifiable. Use separate sheets of paper that contain all of the following information:

Project Name: \_\_\_\_\_

Location: \_\_\_\_\_

Owner: \_\_\_\_\_

Owner Contact (name and current phone number):

\_\_\_\_\_  
\_\_\_\_\_

Architect or Engineer: \_\_\_\_\_

Architect or Engineer Contact (name and current phone number):

\_\_\_\_\_  
\_\_\_\_\_

Construction Manager (name and current phone number):

\_\_\_\_\_  
\_\_\_\_\_

Names of Proposed Design-Build Team Members, Who Had Primary Responsibility for Project, and Short Descript of Scope of Responsibility:

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---

Description of Project, Scope of Work Performed:

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---

Total Value of Construction (including change orders): \_\_\_\_\_

Original Scheduled Completion Date: \_\_\_\_\_

Time Extensions Granted (number of days): \_\_\_\_\_

Actual Date of Completion: \_\_\_\_\_

\* \* \* \* \*

Pursuant to Public Contract Code section 22164(c), the undersigned, acknowledge that any contract let for this Project will be required to conform with Public Contract Code section 22164(c), which is incorporated herein by reference.

I, the undersigned, further certify and declare that I have read all the foregoing answers to this prequalification questionnaire and know their contents. The matters stated in the questionnaire answers are true of my own knowledge and belief, except as to those matters stated on information and belief, and as to those matters I believe them to be true. I declare under penalty of perjury under the laws of the State of California, that the foregoing is correct.

Dated:

\_\_\_\_\_  
(Name)

**Submitted By:** Jared G. Hancock, Executive Officer

**Action Date:** September 1, 2015

**HLVRA AGENDA ITEM**

**SUBJECT:** Review and Adopt Conflict of Interest Policy

**SUMMARY:** Staff is recommending that the Honey Lake Valley Recreation Authority Board of Directors adopt the proposed conflict of interest policy that has been drafted pursuant to and is in compliance with the necessary requirements to award Design-Build contracts.

**FISCAL IMPACT:** None

**ACTION REQUESTED:** Approve Resolution No. 15-04 adopting the attached Conflict of Interest Policy

**ATTACHMENTS:** Resolution No. 15-04  
Conflict of Interest Policy

**RESOLUTION NUMBER 15-04**  
**A RESOLUTION OF THE HONEY LAKE RECREATION AUTHORITY AUTHORIZING**  
**THE ADOPTION OF A CONFLICT-OF-INTEREST POLICY COVERING DESIGN-BUILD PROJECTS**

**WHEREAS,** the Honey Lake Valley Recreation Authority (HLVRA) has determined the Design-Build option best fit the needs for the construction of the community swimming pool; and

**WHEREAS,** the HLVRA is required by Public Contract Code Section 22162(c) to adopt a Conflict-of-Interest Policy for Design-Build projects; and

**WHEREAS,** the HLVRA has reviewed and approved the attached Conflict-of-Interest Policy attached hereto as Exhibit "A".

**NOW, THEREFORE, BE IT RESOLVED** that the HONEY LAKE VALLEY RECREATION AUTHORITY adopts the Conflict-of-Interest Policy covering Design-Build Projects as required by Public Contract Code 22162(c) on September 1, 2015.

Approved: \_\_\_\_\_  
Brian Wilson, President

Attest: \_\_\_\_\_  
Heidi Whitlock, Project Manager

The foregoing **Resolution Number 15-04** was approved and adopted at a regular meeting of the Honey Lake Valley Recreation Authority held on the 1st day of September, 2015, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAINING:

\_\_\_\_\_  
Heidi Whitlock, Project Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Kronick Moskowitz Tiedemann & Girard

**HONEY LAKE VALLEY RECREATION AUTHORITY  
CONFLICT-OF-INTEREST POLICY COVERING DESIGN-BUILD PROJECTS**

The purpose of this document is to clarify the Honey Lake Valley Recreation Authority's (Authority) position on potential conflicts of interest which may arise when Consultants or Contractors (Proposers) perform work for the Authority relating to potential design-build projects.

Organizational conflicts of interest can occur when, because of existing or planned activities or because of relationships with other persons, the Proposer is unable or potentially unable to render impartial assistance or advise the Authority; the Proposer's objectivity in performing the contract work is or might be otherwise impaired; or the proposer has an unfair competitive advantage.

The policies and guidelines concerning the organizational conflicts of interest found herein will be specified or referenced in the design-build Request for Qualifications of Request for Proposal documents as well as any contract for the engineering services, inspection, or technical support in the administration of the design-build Program or Projects.

A conflict of interest checklist will be provided to and is to be used by all Proposers, including sub consultants, to assist in screening for potential organizational conflicts of interest. The checklist, which will provide various examples of conflicts, is for the internal use of the Proposers and does not need to be submitted to the Authority. The checklist will only serve as a guide, and there may be additional potential conflict situations not covered by that checklist. If a Proposer determines a potential conflict of interest exists that is not covered by the checklist, that potential conflict must still be disclosed.

After review of the checklist, the Proposers must complete the Disclosure of Potential Conflict of Interest and submit it along with the proposal. If the Proposer determines a potential conflict of interest exists, it must disclose the potential conflict of interest to the Authority; however, such a disclosure will not necessarily disqualify a Proposer from being awarded a contract. The Proposer shall propose measures to avoid, neutralize or mitigate all potential conflicts. To avoid any unfair taint of the selection process, the disclosure form will be provided separate from the bound proposal, and it will not be provided to the selection committee members. The Authority's staff will review the disclosure and the appropriateness of the proposed mitigation measures to determine if the Proposer may be awarded the contract notwithstanding the potential conflict. The Authority's staff may consult with its Legal Counsel. Resolution of the conflict of interest issues is ultimately at the sole discretion of the Authority. The Authority reserves the right to cancel or amend the resulting contract if the successful Proposer failed to disclose a potential conflict, which it knew or should have known about, or if the Proposer provided information on the disclosure that is false or misleading.

After award, conflict of interest guidelines and policies shall continue to be monitored and enforced. If an organizational conflict of interest is discovered after award, the Proposer will make an immediate and full written disclosure to the Authority that includes a description of the action that the Proposer has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict of interest is determined to exist and the Proposer was aware of an organizational conflict of interest prior to award of the contract and did not disclose the conflict, the Authority may terminate for default. If the Proposer is terminated, the Authority assumes no obligations, responsibilities and liabilities to reimburse all or part of the costs incurred of alleged to have been incurred by the Proposer.

The Authority recognizes that the Proposers must maintain business relations with other public and private sector entities in order to continue as viable businesses. The Authority will take this reality into account as it evaluates the appropriateness of proposed measures to mitigate potential conflicts. It is not the intent of the Authority to disqualify Proposers based merely on the existence of a business relationship with another entity, but rather only when such relationship causes a conflict that potentially impairs the Proposer's ability to provide objective advice to the Authority. The Authority would seek to disqualify Proposers only in those cases where a potential conflict cannot be adequately mitigated.

The California Board for Professional Engineers and Land Surveyors provide additional guidance and has established conflict of interest rules applicable to those professionals licensed by the Board (see Board Rules 475 and 476). These rules require full disclosure when a licensee has any business association or financial interest that may influence his or her judgment in connection with the performance of professional services and when a licensee provides professional services for two or more clients on a project or related project.

## **APPROACH**

Based on the guidelines of State and Federal laws, codes, regulations and policies, the following approach to conflict of interest will apply:

1. Consultants will NOT be allowed to participate as a Proposer or to join a design-build team if, including but not limited to:
  - a. The Consultant is the Authority's general engineering consultant (GEC) to the design-build program. Subconsultants to the GEC that have not yet preformed work on the contract to provide services for design-build program may participate as a Proposer or join a design-build team.
  - b. The Consultant has assisted the Authority in managing or assisting in the management of this design-build project, including the preparation of Request for Proposal (RFP) language or evaluation criteria.
  - c. The Consultant has conducted preliminary design services for the design-build project.
  - d. The Consultant performed design work related to the design-build project for other stakeholders.
  - e. The Consultant has performed work on a previous contract that specifically excludes them from participating as a Proposer or joining a design-build team.
  - f. The Consultant is under contract with any other entity or stakeholder to perform oversight on the project after letting.
  - g. The Consultant has obtained any advice from, or discussed any aspect relating to the project or procurement of the project with any person or entity with an organizational conflict of interest, including but not limited to the Consultants of any entity who have provided technical support on the design-build project or program.

2. Consultants who may have potential conflicts of interest in relation to the design-build project and wish to participate as a Proposer or join a design-build team must:
  - a. Conform to Federal and State conflict of interest rules and regulations.
  - b. Disclose all relevant facts relating to past, present or planned interest(s) of the Proposer's team (including the Proposer, Proposer's proposed consultants, and subconsultants and or subconsultants and their respective chief executives, directors and key personnel) which may result, or could be viewed as an organizational conflict of interest in connection with any design-build procurement, including present or planned contractual or employment relationships with any current employee of the Authority.
  - c. Disclose in the response documents to a design-build Request for Qualifications (RFQ) and RFP, all of the work performed in relation to the design-build program and project.
  - d. Provide ALL records of such work performed for the Authority so that all information can be evaluated and made available to all potential design-build teams, if necessary.
  - e. Ensure that the Consultant's contract with any related entity to perform services related to the design build project or program has expired or has been terminated.
  - f. In cases where Consultants on different Consultant teams belong to the same parent company, each Consultant describe how the Subconsultants and/or subcontractors would avoid conflicts through the qualification bid phases of the project. Upon review of the information provided above, the Authority will determine, in its sole discretion, if the consultant has obtained an unfair competitive advantage.
3. For other potential conflicts of interest not mentioned above, (e.g. employee changing companies, merger/acquisitions or firms, property ownership, business arrangements, financial interest) Consultants shall disclose and address any conflicts of interest or potential conflicts of interest when participating as a Prime or joining a design-build team. The Authority will then determine if a conflict of interest exists.
4. The successful Proposer or firms affiliated with this Proposer are prohibited from competing on any agreement to provide construction inspection services for the design-build project. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise. Except for subconsultants whose services are limited to providing surveying or material testing information, no subconsultants who provided design services in connection with the design-build project shall be eligible to compete for any agreement to provide construction inspection services for the design-build project.

Notes – The forgoing is provided by way of example, and shall not constitute a limitation on the disclosure obligations.

Unless otherwise stated, "Consultant" or "Proposers" shall mean prime consultant or prime contractor and subconsultants and subcontractors performing services for the prime.

## CONFLICT OF INTEREST CHECKLIST INSTRUCTIONS AND DISCLOSURE FORM

**Purpose of the checklist.** A conflict of interest checklist will be provided to and is to be used by all Proposers to assist in screening for potential organizational conflicts of interest. The checklist is for the internal use of the Proposers and does not need to be submitted to the Honey Lake Valley Recreation Authority (Authority).

**Definition of Proposer.** As used herein, the word “Proposer” includes both the Prime Contractor/Consultant and all proposed subcontractors/subconsultants.

**Use of the Disclosure Form.** After review of the checklist, the Proposers must complete the Disclosure of Potential Conflict of Interest and submit it along with the Proposer’s proposal. If the Proposer determines a potential conflict of interest exists, it must disclose the potential conflict of interest to the Authority; however, such a disclosure will not necessarily disqualify a Proposer from being awarded a contract. To avoid any unfair taint of the selection process, the disclosure form will be provided separate from the bound proposal, and it will not be provided to the selection committee members. The Authority’s staff will review the disclosure and the appropriateness of the proposed mitigation measures to determine if the Proposer may be awarded the contract notwithstanding the potential conflict. The Authority’s staff may consult with its Legal Counsel. Resolution of the conflict of interest issues is ultimately at the sole discretion of the Authority.

**Material Representation.** The Proposer is required to submit the attached disclosure form either declaring, to the best of its knowledge and belief, that no potential conflict exists, or identifying potential conflicts and proposing remedial measures to mitigate such conflicts. The Proposer is also responsible to update conflict information if such information changes after the submission of the proposal. Information provided on this form will constitute a material representation as to the award of this contract. The Authority reserves the right to cancel or amend the resulting contract if the successful Proposer failed to disclose a potential conflict, which it knew or should have known about, or if the Proposer provided information on the disclosure form that is false or misleading.

**Approach to Reviewing Potential Conflicts.** The Authority recognizes that the Proposers must maintain business relations with other public and private sector entities in order to continue as viable businesses. The Authority will take this reality into account as it evaluates the appropriateness of proposed measures to mitigate potential conflicts. It is not the intent of the Authority to disqualify Proposers based merely on the existence of a business relationship with another entity, but rather only when such relationship cause a conflict that potentially impairs the Proposer’s ability to provide objective advice to the Authority. The Authority would seek to disqualify Proposers only in those cases where potential conflict cannot be adequately mitigated.

**Additional Guidance for Professionals Licensed by the California Board For Professional Engineers and Land Surveyors.** The California Board For Professional Engineers and Land Surveyors provide additional guidance and has established conflict of interest rules applicable to those professionals licensed by the Board (see Board Rules 475 and 476). These rules require full disclosure when a licensee has any business association or financial interest that may influence his or her judgment in connection with the performance of professional services and when a licensee provides professional services for two or more clients on a project or related project.

## CONFLICT OF INTEREST CHECKLIST

### An organizational conflict of interest may exist in any of the following cases:

- The Proposer, or its principals, own real property in a location where there may be a positive or adverse impact on the value of such property based on the recommendations, designs or other deliverable required by this contract.
- The Proposer is providing services to another governmental or private entity and the Proposer knows or has reason to believe, that the entity's interest are, or may be, adverse to Honey Lake Valley Recreation Authority's (Authority) interest with respect to the specific project covered by this contract. **Comment:** the mere existence of a business relationship with another entity would not ordinarily need to be disclosed. Rather, this focuses on the nature of services commissioned by the other entity. For example, it would not be appropriate to propose on a Honey Lake Valley Recreation Authority (Authority) project if a local government has retained the Proposer for the purposes of persuading the Authority to stop or alter the project plans.
- The Proposer is providing design services to a private entity, including but not limited to developers, whom the Proposer knows or has good reason to believe, own or are planning to purchase property affected by the project covered by this contract, when the value or potential uses of such property may be affected by the Proposers performance of work pursuant to this contract. "Property affected by the project" includes property that is in, adjacent to, or in reasonable proximity to the current or potential right-of-way for a project. The value or potential uses of the private entity's property may be affected by the Proposer's work pursuant to the contract when such work involves providing recommendations for right-of-way acquisition, access control and the design or location of frontage roads and interchanges. **Comment:** this provision does not presume Proposers know nor have a duty to inquire as to all of the business objectives of their clients. Rather, it seeks the disclosure of information regarding cases where the Proposer has a reason to believe that its performance of work under this contract may materially affect the value or viability of a project it is performing for the other entity.
- The Proposer has a business arrangement with an Authority representative or immediate family member of such representative, including promised future employment of such person, or a subcontracting arrangement with such person, when such arrangement is contingent on the Proposer being awarded this contract. This item does not apply to pre-existing employment of current or former Authority representatives, or their immediate family members. **Comment:** this provision in not intended to supersede any statutes or policies applicable to its own employees accepting outside employment. This provision is intended to focus on identifying situations where promises of employment have been made contingent on the outcome of this particular procurement. It is intended to avoid a situation where a Proposer may have unfair access to "inside" information.
- The Proposer has, in previous work for any Authority, provided design services and such professional services that potentially provides the Proposer with an unfair advantage in preparing a proposal for this project. **Comment:** this provision will not, for example, necessarily disqualify a Proposer who provided surveying or material testing services for this project, however such work must be disclosed and all work products must be provided.

- The Proposer has, in previous work for the Authority, been given access to “data” relevant to this procurement or this project that is classified as “private” or “nonpublic” under the California Public Records Act (see GC 6250-6270), and such data potentially provides the Proposer with an unfair advantage in preparing a proposal for this project. **Comment:** this provision is intended to avoid a situation where a Proposer has been provided information that cannot be provided to other Proposers.
  
- The Proposer has, in previous work for the Authority, managed or assisted in the management of the Authority’s design-build program, performing such work as: helping to create the ground rules for this solicitation, writing this solicitation, or preparing evaluation criteria or evaluation guides for this solicitation.
  
- The Proposer, or any of its principals, because of any current or planned business arrangement, investment interest, or ownership interest in any other business, may be unable to provide objective advice to the Authority.

**DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST FORM**

Having had the opportunity to review Organizational Conflict of Interest Checklist, the Proposer hereby indicates that it has, to the best of its knowledge and belief:

\_\_\_\_\_ Determined that no potential organizational conflict of interest exists.

\_\_\_\_\_ Determined a potential organizational conflict of interest as follows:

Attach additional sheets as necessary.

Describe nature of the potential conflict(s):

Describe measures proposed to mitigate the potential conflict(s):

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

If a potential conflict has been identified, please provide name and phone number for a contact person authorized to discuss form with Honey Lake Valley Recreation Authority contract personnel.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Phone

**Submitted By:** Jared G. Hancock, Executive Officer

**Action Date:** September 1, 2015

**HLVRA AGENDA ITEM**

**SUBJECT:** Update on Insurance

**SUMMARY:** An oral update will be given at the meeting regarding insurance coverage for the Honey Lake Valley Recreation Authority.

**FISCAL IMPACT:** None.

**ACTION  
REQUESTED:** None.

**ATTACHMENTS:** None.