

**AGENDA  
KERN COUNCIL OF GOVERNMENTS**

**KERN COG CONFERENCE ROOM  
1401 19TH STREET, THIRD FLOOR  
BAKERSFIELD, CALIFORNIA**

**THURSDAY  
JULY 21, 2016  
6:30 P.M.**

**DISCLAIMER:** This agenda includes the proposed actions and activities, with respect to each agenda item, as of the date of posting. As such, it does not preclude the Committee from taking other actions on items on the agenda which are different or in addition to those recommended.

- I. **ROLL CALL:** Flores, B. Smith, Wood, Pascual, Wilke, Cantu, Mower, Prout, Krier, P. Smith, Wegman, Couch, Scrivner

Congestion Management Agency Ex-Officio Members: Kiernan, Miller, Parra

- II. **PUBLIC COMMENTS:** This portion of the meeting is reserved for persons to address the Council on any matter not on this agenda but under the jurisdiction of the Council. Council members may respond briefly to statements made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Council at a later meeting. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD PRIOR TO MAKING A PRESENTATION.**

Disabled individuals who need special assistance to attend or participate in a meeting of the Kern Council of Governments may request assistance at 1401 19th Street Suite 300; Bakersfield CA 93301 or by calling (661) 861-2191. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting materials available in alternative formats. Requests for assistance should be made at least three (3) working days in advance whenever possible.

- III. **CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT:** All items on the consent agenda are considered to be routine and non-controversial by Kern COG staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken. **ROLL CALL VOTE.**

- A. **Approval of Minutes – May 19, 2016**
- B. **Concurrence in Actions of TPPC**
- C. **Response to Public Comments (None)**
- D. **Local Clearinghouse**

Applicant: Kern River Valley Historical Society

Address: 59 Big Blue  
Kernville, CA 93238-0651

Contact: Ms. Adrienne Burdge, Treasurer

Telephone: 760-376-6290

Catalog No.: 10.766

Title: Community Facilities Loans and Grants

Description: Kern River Alley Museum Annex

Total Funds: \$40,000

Impact Area: Kernville, Wofford Heights, Lake Isabella, South Lake, Weldon, River Kern, and Onyx.

- E. **California Transportation Commission Town-Hall Meeting (Phipps)**

Comment: Announcement of a "town hall-style" meeting of the California Transportation Commission September 14-15, 2016.

Action: Information.

**F. Technical Assistance Memorandum of Agreement (Phipps)**

Comment: The City of McFarland has requested a \$30,000 technical assistance grant to support the project study report for its Hanawalt Interchange project. This Agreement has been reviewed by County Counsel.

Action: Approve Memorandum of Agreement with the County of Kern and authorize Chair to sign. VOICE VOTE.

**G. FY 2015-16 Transportation Development Act and Kern COG Single Audit Engagement Letter (Phipps)**

Comment: Board approval of the engagement letter required to begin the 2015-16 Transportation Development Act (TDA) audits for individual jurisdictions within the Kern region and single audits for Golden Empire Transit (GET) District and Kern COG.

Action: Approve the 2015-16 audit engagement letters for TDA audits in each jurisdiction; single audits for GET and Kern COG and; authorize Chair to sign. VOICE VOTE.

**H. Kern COG Phone System Upgrade and Internet Service Agreements (Phipps)**

Comment: Two new, three-year acquisition and service agreements with the Kern County General Services Department and the Kern County Superintendent of Schools (KCSOS) to upgrade office phone service and provide Internet bandwidth. Costs include \$13,028 for new telecommunications hardware, approximately \$10,740 in annual phone service charges and \$10,800 annually for Internet service. These agreements have been reviewed by County Counsel.

Action: Approve Agreements with the Kern County General Services Information Technology and Kern County Superintendent of Schools for phone infrastructure and service and Internet service, respectively and authorize Chair to sign. VOICE VOTE.

**I. Policy and Procedures Manual Revision: Conflict of Interest Code (Phipps)**

Comment: This policy revision updates and adds several positions to Kern COG's Conflict of Interest code. This has been reviewed by County Counsel.

Action: Approve the Kern COG Policy and Procedures Manual revisions. VOICE VOTE.

**J. Agreement with the City of Bakersfield for Safety-Related Hazard and Obstruction Removal on State Highways (Napier)**

Comment: Consideration of a Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the City of Bakersfield for safety-related hazard and obstruction removal on state highways within the City of Bakersfield in the amount of \$150,000. This item has been sent to County Counsel for review.

Action: Approve the Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the City of Bakersfield and authorize the Chair to execute the Agreement. VOICE VOTE.

**K. Agreement with the Kern County Sheriff's Office for Safety-Related Hazard and Obstruction Removal on State Highways (Napier)**

Comment: Consideration of a Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the Kern County Sheriff's Office for safety-related hazard and obstruction removal on state highways within Kern County in the amount of \$50,000. This item has been sent to County Counsel for review.

Action: Approve the Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the Kern County Sheriff's Office and authorize the Chair to execute the Agreement. VOICE VOTE.

**L. Kern COG Policy and Procedures Manual Revision – Wellness Program**

Comment: Kern COG's Policy and Procedures Manual comprises practices to govern the agency's daily operations. Staff has prepared revisions to include a new, employee health-incentive benefit with an anticipated cost of approximately \$3,500 annually. County Counsel has reviewed and approved this item.

Action: Approve the Kern COG Policy and Procedures Manual revision. VOICE VOTE.

**M. Technical Assistance to Member Jurisdictions (Phipps)**

Comment: Kern COG provides a variety of technical assistance to its member jurisdictions on an ongoing basis. The following staff report summarizes activities over the fourth quarter of 2015-16.

Action: Information.

**\*\*\* END CONSENT CALENDAR - ROLL CALL VOTE \*\*\***

**IV. KERN COG:**

**A. 2016 Community Survey Final Report (Napier)**

Comment: Godbe Research was commissioned by Kern Council of Governments (COG) to conduct the 2016 Community Survey. The 2016 Community Survey Final Report will be available prior to the meeting.

Action: Accept the 2016 Community Survey Final Report. VOICE VOTE

**V. TRANSPORTATION AUTHORITY: (None)**

**VI. CONGESTION MANAGEMENT AGENCY: (None)**

**VII. KERN MOTORIST AID AUTHORITY: (None)**

**XIII. MEETING REPORTS: (None)**

**IX. EXECUTIVE DIRECTOR'S REPORT: (Report on Programs and Projects in Progress)**

- A. Warrant Register
- B. Timeline

- X. **MEMBER STATEMENTS:** On their own initiative, Council members may make a brief announcement or a brief report on their own activities. In addition, Council members may ask a question of staff or the public for clarification on any matter, provide a reference to staff or other resources for factual information, or request staff to report back to the Council at a later meeting concerning any matter. Furthermore, the Council, or any member thereof, may take action to direct staff to place a matter of business on a future agenda.
- XI. **CLOSED SESSION: EXECUTIVE DIRECTOR'S EVALUATION**
- XII. **ADJOURNMENT: NEXT MEETING – AUGUST 18, 2016**

KERN COUNCIL OF GOVERNMENTS

Minutes of Meeting of May 19, 2016

KERN COG CONFERENCE ROOM  
1401 19TH STREET, THIRD FLOOR  
BAKERSFIELD, CALIFORNIA

THURSDAY  
MAY 19, 2016  
6:30 P.M.

The meeting was called to order by Chair Jennifer Wood at approximately 7:00 p.m.

**I. ROLL CALL:**

**Members Present:** Flores, B. Smith, Wood, Pascual, Mower, Prout, Krier, Wegman, Couch, Scrivner

**Members Absent:** Wilke, Cantu, P. Smith

**Alternates:** None

**Congestion Management Agency Ex-Officio Members:** Miller, Parra, Kiernan

**Others:** 5

**Staff:** Hakimi, Collins, Ball, Phipps, Pacheco, Snoddy, Flickinger, Smith, Napier, Palomo and Bradley

- II. PUBLIC COMMENTS:** This portion of the meeting is reserved for persons to address the Council on any matter not on this agenda but under the jurisdiction of the Council. Council members may respond briefly to statements made or questions posed. They may ask a question for clarification; make a referral to staff for factual information or request staff to report back to the Council at a later meeting. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD PRIOR TO MAKING A PRESENTATION.

Mr. Dennis Fox spoke regarding the coordination and synchronization of the traffic lights and signage for the speed limit.

- III. CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT:** All items on the consent agenda are considered to be routine and non-controversial by Kern COG staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the consent agenda and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken. **ROLL CALL VOTE.**

- A. Approval of Minutes – April 21, 2016
- B. Concurrence in Actions of TPPC
- C. Response to Public Comments (None)
- D. Local Clearinghouse: (None)
- E. Sole Source Purchase of Non-Motorized Traffic Count Website
- F. San Joaquin Regional Policy Council Delegates
- G. Final FY 2016-17 Overall Work Program - Adoption

MOTION BY DIRECTOR COUCH second by Director Smith, TO APPROVE THE CONSENT CALENDAR. Motion carried with a roll call vote.

**IV. KERN COG:**

**A. Final FY 2016-17 Kern Council of Governments Financial Plan (Budget) - Adoption**

Mr. Palomo stated that this is next fiscal year's budget and it is the third time that you've seen this and not much has changed since the preliminary. We have program revenues of about \$5.5 million, that's a combination of federal, state and local sources. We have expenditures of just under \$5 million and those cover our personnel, professional service agreements, services and supplies and some capital items such as our phone upgrade and computer hardware. This budget covers everything in the Overall Work Program that was just approved in the consent calendar. He asked Chair to conduct a public hearing.

Chair opened public hearing, no comments heard, Chair closed public hearing.

MOTION BY DIRECTOR SCRIVNER, second by Director Couch, TO ADOPT THE FINAL KERN COG FY 2016-17 FINANCIAL PLAN. Motion carried with a voice vote.

**B. FY 2014-15 Kern Council of Governments Financial and Compliance Audit Reports**

Mr. Palomo stated that this is the 99% final audit report for the 2014-15 FY. It covers the seven funds that we maintain. The opinion issued in the report has been changed from the unqualified listed in the staff report to unmodified which means the same, that we presented fairly, accurately according to generally accepted accounting principles. We have Mr. Ryan Nielson here, he's a Partner with the firm Brown Armstrong and wanted to speak about the report. Mr. Nielson said that the financial audit report year ending 2015 is accurate and complete. The Council complied with all material. The report that we intend to issue will be an unmodified opinion, which means that there are no material misstatements in the financial statements or no material noncompliance with grant agreements, otherwise known as a clean opinion which is the highest level of opinion that an independent auditor can issue on your financial statements.

MOTION BY DIRECTOR SCRIVNER, second by Director Smith, TO ACCEPT AND FILE FY 2014-15 KERN COG FINANCIAL AND COMPLIANCE AUDIT REPORTS.

**V. TRANSPORTATION AUTHORITY: (None)**

**VI. CONGESTION MANAGEMENT AGENCY: (None)**

**VII. KERN MOTORIST AID AUTHORITY:**

**A. Final FY 2016-17 Kern Motorist Aid Authority (KMAA) Financial Plan (Budget) - Adoption**

Mr. Palomo stated that this is our Motorist Aid budget which is primarily funded by the \$1.00 charge on vehicle registrations and we are anticipating standard operations, with one big project coming up. We are down to about 500 call boxes that we're maintaining and with this new project we will upgrade the system to the next generation of wireless, you will hear about that in the next item.

Chair opened public hearing, no comments heard, Chair closed public hearing.

MOTION BY DIRECTOR PASCUAL, second by Director Smith, TO ADOPT THE FINAL KMAA FY 2016-17 FINANCIAL PLAN. Motion carried with a voice vote.

**B. Kern Motorist Aid Authority (KMAA) Call Box Upgrade**

Ms. Napier stated that the KMAA call box system comprises of 460 call boxes in rural Kern County. It operates right now with 2<sup>nd</sup> generation 2-G wireless technology that's vulnerable to cyber-attacks and is being phased out by service providers. One of KMAA's call boxes has already been compromised, resulting in a \$10,000 charge on our Verizon bill. Luckily staff identified that charge and were able to get it reversed and that call number was turned off. This was not an isolated incident, it happened all over California. CASE Systems the company that maintains the call boxes manufactures a circuit board specifically for call box units that allows for service upgrade from 2G to 3G voice and 4G data and it will extend the life of the system. The C100 circuit boards are proprietary units designed to integrate with the call box electronics for a fast and smooth transition to newer generation voice and data technology. Because of this propriety design, staff has submitted a sole-source justification and request for this contract. The last upgrade to the call box system was in 2007-08 when it was converted from analog to digital.

The cost of the circuit board is \$750 per board with a \$50 installation fee, for a total of \$368,000, including an up-front payment of \$103,500 for manufacturing the circuit boards. The funding for this contract is budgeted in the 2016-17 KMAA budget, which was just approved tonight. KMAA and CASE will be coordinating the system upgrade with Verizon Wireless for a seamless transition, which will also result in a savings of approximately \$3,500 per month in wireless costs.

This contract will not affect our ability to continue the contracts for the litter and debris removal on state highways. The request tonight is to approve the sole-source purchase of 460 C100 devices to upgrade the KMAA call box system at a cost of \$368,000, with an advance payment of \$103,500 for manufacturing the necessary hardware.

Chair asked if this was happening all over California. Ms. Napier said yes it was and \$750 is the same price that every other Motorist Aid Authority is paying that uses CASE Systems. CASE developed our boxes and these were developed to operate with all the technology that is currently there. Chair asked where they will be manufactured. Ms. Napier said they will be manufactured in their headquarters down south.

Director Smith asked if there are any statistics on how often they are used, daily, monthly, etc. Ms. Napier said she does have that information but not with her tonight. Our call box usage has gone down in the past from the first to current. It is a lot lower than it used to be. This board has directed us to keep the call boxes in the rural areas and take about 100 out of the metro area because there is cell coverage. But in some of the rural areas there is not cell coverage in places, but it is getting better. This board has requested in the past that we keep them in the rural areas for now. Mr. Hakimi added that the contract to maintain and operate the call box system expires in about a year, so we will be having a discussion within the next year about the future of the call box system. To answer your question, some of the call boxes will never be used, some just a couple calls a year, but as Director Smith from Tehachapi has said before sometimes we do save lives with these call boxes and he has cited an example. Yes, the call boxes are being used less and less and this board will have a decision to make in the next year to whether we want to continue the call box program or reduce the number of call boxes in other cities that have good cell coverage, but the direction we've received so far is to not pull them out of the very rural areas with very low traffic. Ms. Napier wanted to point out that in order to continue to receive the \$1.00 registration fee for KMAA which also includes our 511 system, we have to have a system of call boxes, that is in the law still. In order to take out any more of the call boxes we would have to get approval from Caltrans and come up with a removal plan. Chair asked if they could be added on to the 511 program.

Mr. Phipps said that the answer to that question technically is yes, but the reason that we opted not to install that feature in our 511 service is because other larger parts of the state that have done so have not been very successful with it. They have not seen a whole lot of usage with it and so at this time because of the traffic volumes, we have chosen not to implement it. Ms. Napier said that if you take out more than 10% of your call boxes you are supposed to have a removal plan approved by Caltrans prior to removing. Chair said it looks like we have some decisions to make in the upcoming months.

Director Couch said that we're going to upgrade the current call boxes but in about a year we may be making a decision to take some more of them out. Ms. Napier said that may be true, but currently the call boxes we have are all in the rural areas. If the call boxes need repairs or get knocked down, we do not replace them.

Director Couch asked if we can take another look at this with Caltrans approval. Ms. Napier said we would have to get a plan together to take any out. Director Couch asked if we have the ability to do that. Ms. Napier said yes, but meanwhile we have a risk that they may be compromised. We are going to be changing all the numbers on all the call boxes with this process so they will be much harder to hack into. That's why almost every Motorist Aid Authority in California is doing this, and a lot of them have already upgraded their systems. If we don't do something soon, the ones we have out there will stop working and some of them already have.

Director Couch said he would rather us take a look at what our plan will be for removal before we go upgrade all of them, especially if in a year we will potentially be taking some of them out.

Mr. Hakimi said it is completely your decision whether you want to remove any more boxes. We presented a plan a couple years ago to remove them in the metro area, we coordinated with Caltrans and got approval to do that. At that time there was not a desire from the board to go any further. A year from now when we negotiate a new contract we will have to see where those prices come in, if the price to maintain the smaller amount of call boxes exceeds the money coming in we may have to enter into negotiations or we may have to scale back our system. This board will likely have to make some of those decisions in the next year. There is no requirement that we scale back the system that we have. Chair asked what the desire of the Board is.

Director Scrivner said it sounds like the timing is against us here, we need to move forward on this upgrade, but we may in the future scale back on how many call boxes we may have, but we don't know that at this point. His question is whether the price tag on the contract that you're proposing would it make a big difference if we had a greatly reduced number of call boxes or could we amend the contract later if we determine that we're going to have several less call boxes. Ms. Napier said currently we have some call boxes down that are included in the total number, because they were planning on putting them back up, but if you want to leave them down, then you would just deduct \$800 per box from the \$368,000 total. Yes, we could scale the number back to whatever is currently up and operating and leave down the boxes that aren't. But in the outlying areas the boxes are placed every two miles, so for example if two boxes are down, there is six miles to go until the next call box and that isn't good. Director Scrivner said at this point he's not in favor of scaling back the call boxes any more, we went through that and he believes we made a thoughtful decision on what boxes to remove and which ones to keep. He's in favor of moving forward with this, we may have to eliminate some down the line. He understands what Director Couch is saying, but he doesn't anticipate that and we have a situation that we are currently trying to address which is that the technology we currently have is not keeping with the times especially with the ability of cyber-attacks. So he said he would like to make the motion to approve sole-source purchase.

Director Couch wanted to clarify that the reason he's concerned about it is that he's looking at the bottom line figure and to preserve the ability to continue the cleanup he thinks we are going to have to scale back on the boxes. Mr. Hakimi said that is accurate we are spending more money than we have coming in so eventually we are going to have to either get a lower price to maintain the boxes or scale back our litter removal. The assumption that we will get a lower price in the future for maintaining the call boxes is not necessarily a valid assumption, there is very little competition, in fact there is only one contractor that does this work in the state and the call boxes that we have left are very spread out, so the cost is not likely to go down very much. Director Couch said so doesn't that mean we're going to run out of money for the cleanup even faster. Mr. Hakimi said that the Sheriff's Department did terminate the contract for enforcement, so that did free up some money, so now we are just doing litter pickup only.

MOTION BY DIRECTOR SCRIVNER, second by Director Flores, TO APPROVE THE SOLE-SOURCE PURCHASE OF 460 C100 DEVICES TO UPGRADE THE KMAA CALL BOX SYSTEM AT A COST OF \$368,000, WITH AN ADVANCE PAYMENT OF \$103,500, FOR MANUFACTURING THE NECESSARY HARDWARE. Motion carried with a voice vote.

**VIII. MEETING REPORTS: (None)**

**IX. EXECUTIVE DIRECTOR'S REPORT:**

- A. Warrant Register
- B. Timeline

Mr. Hakimi stated that tomorrow, May 20<sup>th</sup> is bike to work day.

Remember we are dark next month.

He went over what's in your folders tonight.

**X MEMBER STATEMENTS:** On their own initiative, Council members may make a brief announcement or a brief report on their own activities. In addition, Council members may ask a question of staff or the public for clarification on any matter, provide a reference to staff or other resources for factual information, or request staff to report back to the Council at a later meeting concerning any matter. Furthermore, the Council, or any member thereof, may take action to direct staff to place a matter of business on a future agenda. None.

**XI. CLOSED SESSION: (None)**

**XII. ADJOURNMENT: DARK IN JUNE - NEXT MEETING: JULY 21, 2016**

There being no further business, the meeting adjourned at approximately 7:40 p.m.

Respectfully submitted,

ATTEST:

\_\_\_\_\_  
Ahron Hakimi, Executive Director

\_\_\_\_\_  
Jennifer A. Wood, Chair

DATE: \_\_\_\_\_



## III. E. COG

July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi,  
Executive Director

BY: Robert Phipps  
Administrative Services Director

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM E.  
CALIFORNIA TRANSPORTATION COMMISSION TOWN-HALL MEETING

DESCRIPTION:

Announcement of a “town hall-style” meeting of the California Transportation Commission September 14-15, 2016.

DISCUSSION:

Kern Council of Governments will host California Transportation Commissioners and staff on September 14 and 15 in Bakersfield for a “town hall” meeting to showcase regional transportation projects throughout the San Joaquin Valley (SJV).

The meeting, to be emceed by California City Mayor and Kern COG Chairwoman Jennifer Wood, is scheduled to include presentations from several of the SJV COGs, the SJV Policy Council, the Thomas Roads Improvement Program, the Wonderful Industrial Park in Shafter, the Mojave Spaceport and Tejon Ranch. Presentations are scheduled to begin shortly after 1 p.m. on Wednesday, Sept. 14 in the Bakersfield Convention Center’s Potato Room. A reception with light refreshments will follow the meeting at 5:30 p.m., with an invitation-only dinner at Uricchio’s Trattoria at 7 p.m.

Kern COG staff is negotiating with Burlington Northern-Santa Fe Railroad officials to sponsor a special passenger train trip through the Tehachapi Loop for commissioners to see the two double-tracking projects in that area funded primarily through Proposition 1B. The Thursday morning (Sept. 15) event will have limited seating, however Kern COG Board members will have priority status. A draft agenda is attached to this staff report.

Staff will keep Board members updated as details are finalized. Please contact Laurie Collins, Robert Phipps or Joe Stramaglia if you would like to attend.

ACTION:

Information.

**AGENDA**  
**CALIFORNIA TRANSPORTATION COMMISSION**  
**BAKERSFIELD TOWN HALL MEETING**

**CONVENTION CENTER – POTATO ROOM**

1001 Truxtun Avenue  
 Bakersfield, CA 93301

**WEDNESDAY SEPTEMBER 14, 2016**  
**1:00 PM – 5:00 PM**



<b>1:00 – 1:20 PM</b>	<b>WELCOME</b>	Kern COG Chair / MC – Jennifer Wood (confirmed) Bakersfield Mayor – Harvey Hall (confirmed) Caltrans District 6 Director – Shari Bender-Ehlert (invited) Caltrans District 9 Director – Brent Green – (confirmed)
<b>1:20 – 2:20 PM</b>	<b>REGIONAL OVERVIEW AND UPDATES</b>	
	<b><u>Goods Movement</u></b>	Michael Sigala – SJV Regional Policy Council Executive Director (confirmed)
	<b><u>Regional Growth Impacts</u></b>	Amarpreet “Ruby” Dhaliwal SJV Regional Policy Council Chair (invited)
	<b><u>Sustainable Community Strategies</u></b>	David Couch – Kern County Supervisor (invited)
	<b><u>Infrastructure Needs for the Region</u></b>	Zack Scrivner – Kern County Supervisor (invited)
<b>2:20 – 2:30 PM</b>	<b><u>BREAK</u></b>	
<b>2:30 - 4:30 PM</b>	<b><u>REGIONAL TRANSPORTATION PRESENTATIONS – ACCOMPLISHMENTS &amp; UPDATES</u></b>	
		San Joaquin Council of Governments Andrew T. Chesley - Executive Director (invited)
2:30 - 2:40 PM		Stanislaus Council of Governments - Rosa De León Park – Executive Director (confirmed)
2:40 – 2:50 PM		Madera Council of Governments - Patricia Taylor – Executive Director (confirmed)
2:50 - 3:00 PM		Fresno Council of Governments - Tony Boren – Executive Director (confirmed)
3:00 – 3:10 PM		Tulare County Association of Governments - Ted Smalley – Executive Director (confirmed)
3:10 – 3:20 PM		Kings County Association of Governments - Terri King – Executive Director (confirmed)
<b>3:20 – 4:30 PM</b>	<b><u>Kern Council of Governments</u></b>	
3:20 – 3:45 PM		Thomas Roads Improvement Program Update Nick Fidler – Public Works Director (confirmed)
3:45 – 4:00 PM		Wonderful Industrial Park in Shafter Update John Guinn – Vice President (invited)
4:00 – 4:15 PM		Mojave Spaceport/Inland Port Update - Karina Drees – CEO (invited)
4:15 – 4:30 PM		Tejon Ranch Update - Barry Zoeller – Vice President Media (confirmed)
<b>4:30 – 4:50 PM</b>	<b><u>Public Comments</u></b>	Jennifer Wood – Kern Council of Governments Chair
<b>4:50 - 5:00 PM</b>	<b><u>Closing Remarks</u></b>	Kern COG Executive Director – Ahron Hakimi
<b>5:30 - 6:30 PM</b>	<b><u>Meet and Greet</u></b>	- Convention Center Truxtun Room – Sponsored by Parsons
<b>7:00 – 9:00 PM</b>	<b><u>Dinner</u></b>	- Uricchio’s Italian Trattoria

AGENDA  
**CALIFORNIA TRANSPORTATION COMMISSION**  
**BAKERSFIELD TOWN HALL MEETING**

California Transportation Commission - Regional Tour

**BAKERSFIELD MARRIOTT**  
**AT THE CONVENTION CENTER**  
 801 Truxtun Ave.  
 Bakersfield, CA 93301



**THURSDAY SEPTEMBER 15, 2016**  
**8:30 AM – 11:30 AM**

<b>8:30 - 11:30 AM</b>	<b>Regional Tour Beginning and Ending at the Bakersfield Marriott at the Convention Center</b>
<b>8:30 - 8:35 AM</b>	<b>Introduction &amp; Welcome</b> Kern COG Executive Director – Ahron Hakimi
<b>8:35 – 9:00 AM</b>	<b><u>Walking Tour: Downtown Infill Development - Councilman Bob Smith, City of Bakersfield</u></b> [provide brief description of proposed development] Infill Development near the hotel and the Mill Creek development and Park
<b>9:00 - 11:15 AM</b>	<b><u>Field Trip: Tehachapi Loop – Councilman Phil Smith – City of Tehachapi</u></b> In the 1870’s the Southern Pacific Railroad Company wanted to connect its Central Valley lines with its Southern California lines. The only way to make this possible was for tracks to be laid east from Bakersfield over the Tehachapi Mountains into the Mojave Desert and back to Los Angeles. The need resulted in one of the greatest engineering feats of its time, the Tehachapi Loop. From Bakersfield: (45 minutes, 40 miles) We will take Highway 58 West to Keene then follow the sign to Tehachapi Loop (three miles). Off-street parking is available to view trains. Continue on about one mile past the Loop Ranch to get a view overlooking the loop. Note: Freight train schedules are not set, therefore there is no guarantee a train will be passing through the loop at any given time of day.
<b>11:15 - 11:30 AM</b>	<b>Return to Bakersfield – Conclude Visit</b>

We want to thank our regional partners and elected officials for their participation in this Town Hall event.

[logo 1] [logo 2], etc.

We also wish to thank our sponsors for their participation.

[logo 1] [logo 2]



# III. F. COG

July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi,  
Executive Director

BY: Robert R. Phipps  
Administrative Services Director

SUBJECT: KERN COG AGENDA NUMBER III. CONSENT CALENDAR ITEM F.  
TECHNICAL ASSISTANCE MEMORANDUM OF AGREEMENT

DESCRIPTION:

The City of McFarland has requested a \$30,000 technical assistance grant to support the project study report for its Hanawalt Interchange project. This Agreement has been approved by County Counsel.

DISCUSSION:

As part of its 2015-16 Overall Work Program, Kern Council of Governments approved its technical assistance program under work element 902.1. The program provides for sub-grant funding to member agencies, including the following:

<u>Member Agency</u>	<u>Purpose</u>	<u>Amount</u>
City of McFarland	Hanawalt Interchange project study report	\$30,000

Kern COG staff has prepared a Memorandum of Agreement implementing the program and recommends approval.

ACTION:

Approve Memorandum of Agreement with the County of Kern and authorize Chair to sign. VOICE VOTE.

**MEMORANDUM OF AGREEMENT BETWEEN THE  
KERN COUNCIL OF GOVERNMENTS AND  
THE CITY OF MCFARLAND**

THIS MEMORANDUM OF AGREEMENT, made and entered into this 21<sup>st</sup> day of July, 2016, is by and between the City of McFarland (hereinafter "**CITY** ") and Kern Council of Governments, a joint powers entity (hereinafter "**KERN COG**"),

**RECITALS:**

WHEREAS, KERN COG adopted the FY 2016-17 Overall Work Program and Financial Plan; and

WHEREAS, a portion of the funds programmed for expenditure within Work Element 902.1 includes funding for assisting in development of local land use and circulation elements; and

WHEREAS, the CITY has requested financial assistance for the development of the Hanawalt Interchange Project Study Report (the "**Study**"); and

WHEREAS, the CITY has agreed to initiate the work necessary to identify issues to be addressed in the development of the aforementioned Project Study Report; and

WHEREAS, KERN COG is willing to provide the funding necessary from funds programmed for such programs during FY 2016-17.

**AGREEMENT:**

1. CITY shall be the lead agency for the development of the Study.
2. KERN COG shall reimburse CITY from funds programmed for technical assistance in an amount not to exceed THIRTY THOUSAND DOLLARS (\$30,000.00) for costs incurred by CITY in developing the Study.
3. CITY shall complete all work on this Study no later than one year from the date of this Agreement unless an extension of time is granted in writing by KERN COG.
4. CITY shall allow KERN COG staff to review a copy of the Request for Proposal, if any, for consulting services prior to its distribution. In addition, CITY shall allow KERN COG staff to review a copy of the contract for the development of the Study with the CITY's consultant prior to execution of said contract by the CITY and its consultant.
5. CITY shall submit one (1) invoice to KERN COG upon completion and acceptance of the Study by KERN COG. Requisition for payment shall refer to Work Element No. 902.1, or as may be specified in a written notice by KERN COG. Specific budget category detail is given below:
  - A. Direct Labor and Fringe Benefits: All direct labor charges should be billed by class of employee, rate per hour and number of hours. (Anticipated personnel cost-of-living or merit increase, if any, should be reflected in the budget.
  - B. Other Direct Costs: All direct costs billed must be specifically identified. Any travel costs may not exceed the per diem (\$65.00/day meals; \$225.00/day accommodations) and mileage rates (\$.54/mile) payable to KERN COG employees. Any other direct costs not specifically identified in the contract budget cannot be reimbursed.

6. Either party may, at its sole discretion, terminate this Agreement at any time by giving thirty (30) days written notice to the other party. In such event, CITY shall be paid for any work satisfactorily completed prior to the effective termination date.
7. CITY shall indemnify, defend with Counsel of KERN COG's choice and save harmless KERN COG, its officers, agents and employees from any and all losses, damages, liability, claims or causes of action of every nature whatsoever which may arise out of any act or omission of the CITY, its officers, agents, independent contractors or employees during the performance of this Agreement.
8. No waiver of a breach of any provision of this Agreement shall constitute a waiver of any other breach, or of such provision. Failure of either party to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.
9. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.
10. This Agreement contains the entire agreement of the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect excepting a subsequent modification in writing, signed by the party to be charged.
11. The terms of this Agreement shall be construed and interpreted under, and all respective rights and duties shall be governed by, the laws of the State of California.
12. Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice or may be served by certified mail, return receipt requested, to the following addresses:  
  
TO KERN COG:           Ahron Hakimi, Executive Director  
                                  Kern Council of Governments  
                                  1401 19th Street, Suite 300  
                                  Bakersfield, California 93301  
  
TO CITY:                   John Wooner, City Manager  
                                  City of McFarland  
                                  401 West Kern Street  
                                  McFarland, CA 93250
13. The individual executing this Agreement on behalf of each party warrants that he/she is authorized to execute the Agreement on behalf of their agency and that the agency will be bound by the terms and conditions contained herein.
14. CITY acknowledges that CITY, and all subcontractors hired by CITY to perform services under this Agreement, are aware of and understand the Immigration Reform and Control Act ("IRCA"). CITY is and shall remain in compliance with the IRCA and shall ensure that any subcontractors hired by CITY to perform services under this Agreement are in compliance with the IRCA. In addition, CITY agrees to indemnify, defend and hold harmless KERN COG, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that CITY's employees, or the

employees of any subcontractor hired by CITY, are not authorized to work in the United States for CITY or its subcontractor and/or any other claims based upon alleged IRCA violations committed by CITY or CITY's subcontractor(s).

- 15. CITY agrees to maintain and make available to KERN COG accurate books and records relative to all its activities under this Agreement. CITY shall permit KERN COG to audit, examine and make excerpts and transcripts from such records, and to conduct audits of all invoices, materials, records of personnel or other data related to all other matters covered by this Agreement. CITY shall maintain such data and records in an accessible location and condition for a period of not less than three (3) years from the date of final payment under this Agreement, or until after the conclusion of any audit, whichever occurs last. The State of California and/or any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon KERN COG herein.
- 16. CITY shall observe and comply with all applicable state, federal, and local laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which are hereby made a part hereof and incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have caused this MEMORANDUM OF AGREEMENT to be executed by their respective officers and agents thereunto duly authorized as of the day and year first above written.

KERN COUNCIL OF GOVERNMENTS

CITY OF McFARLAND

\_\_\_\_\_  
Jennifer Wood, Chair  
"KERN COG"

\_\_\_\_\_  
Manuel Cantu, Mayor  
City of McFarland  
"CITY"

APPROVED AS TO CONTENT:

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Ahron Hakimi, Executive Director  
Kern Council of Governments

\_\_\_\_\_  
John Wooner, City Manager  
City of McFarland

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian Van Wyk, Deputy Kern County Counsel  
For KERN COG

\_\_\_\_\_  
City Attorney  
City of McFarland



## III. G. COG

July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi,  
Executive Director

BY: Robert R. Phipps  
Administrative Services Director

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM G.  
FY 2015-16 TRANSPORTATION DEVELOPMENT ACT AND KERN COG SINGLE AUDIT  
ENGAGEMENT LETTER

DESCRIPTION:

Board approval of the engagement letter required to begin the 2015-16 Transportation Development Act (TDA) audits for individual jurisdictions within the Kern region and single audits for Golden Empire Transit (GET) District and Kern COG.

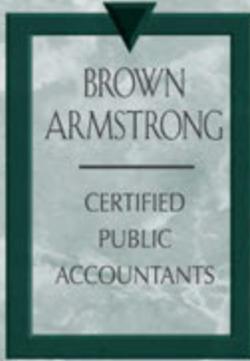
DISCUSSION:

Kern COG administers an annual Transportation Development Act (TDA) Financial and Compliance Audit Program. This program requires that all claimants to whom Kern COG has directed the allocation of TDA funds be subjected to an annual certified audit by an independent firm.

Kern COG retained Brown Armstrong Certified Public Accountants to complete the financial and compliance audit services for the 2015-2016 fiscal year. Brown Armstrong's latest audit standards now require either separate letters to Kern COG's Board or to include the Board in the formal engagement letters signed annually by the Executive Director.

ACTION:

Approve the 2015-16 audit engagement letters for TDA audits in each jurisdiction; single audits for GET and Kern COG and; authorize Chair to sign. VOICE VOTE.



# BROWN ARMSTRONG

*Certified Public Accountants*

June 30, 2016

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
140 19<sup>th</sup> Street, Suite 300  
Bakersfield, California 93301

Dear Directors and Mr. Hakimi:

We are pleased to confirm our understanding of the services we are to provide the Kern Council of Governments, Golden Empire Transit District and Pension Trust, and the related Transportation Development Act Funds (collectively, "KernCOG") for the year ended June 30, 2016. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of KernCOG as of and for the year ended June 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement KernCOG's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to KernCOG's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual, for each Major Fund
- 3) Schedule of Funding Progress – Other Postemployment Benefits
- 4) Schedule of the Proportionate Share of the Net Pension Liability
- 5) Schedule of Contributions

We have also been engaged to report on supplementary information other than RSI that accompanies KernCOG's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records

**BAKERSFIELD OFFICE  
(MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

**FRESNO OFFICE**

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

**PASADENA OFFICE**

260 S. LOS ROBLES AVENUE  
SUITE 310  
PASADENA, CA 91101  
TEL 626.204.6542  
FAX 626.204.6547

**STOCKTON OFFICE**

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
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used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

- 1) Schedule of Expenditures of Federal Awards
- 2) Combining and Individual Fund Statements and Schedules
- 3) Schedules of Expenditures by Work Element by Funding Source
- 4) Schedule of Direct and Indirect Costs
- 5) Schedule of Allocations, Disbursements, and Operating Transfers

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors and Management of KernCOG. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is

necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by auditing standards generally accepted in the United States of America.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and

fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of KernCOG's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of KernCOG's major programs. The purpose of these procedures will be to express an opinion on KernCOG's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

#### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of KernCOG in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review during field work.

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
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You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
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notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to KernCOG; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a state or federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
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The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the state or federal government. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audits on approximately October 17, 2016, (KernCOG) and to issue our reports no later than December 31, 2016. Ryan Nielsen is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed the fees noted in the attached "Work Plan." Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representatives be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated, the court shall be authorized to assess litigation costs against any party found not to have participated in the mediation process in good faith.

We appreciate the opportunity to be of service to KernCOG and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



By: Ryan L. Nielsen

RLN:jav  
Enclosure

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
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**RESPONSE:**

This letter correctly sets forth the understanding of KernCOG.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

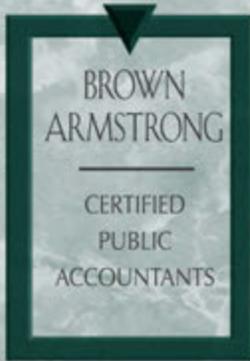
Title: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT "A"

WORK PLAN

<u>Agency</u>	<u>Fee</u>
TDA Claimants Audits	\$ 63,940
Kern Council of Governments	50,800
Golden Empire Transit District	35,000
Golden Empire Transit District Contributory Savings Plan and Trust	<u>5,950</u>
TOTAL	<u><u>\$ 155,690</u></u>



# BROWN ARMSTRONG

*Certified Public Accountants*

June 30, 2016

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
140 19<sup>th</sup> Street, Suite 300  
Bakersfield, California 93301

Dear Directors and Mr. Hakimi:

We are pleased to confirm our understanding of the services we are to provide the Claimants of Kern Council of Governments Transportation Development Act Funds (the "TDA Funds") for the year ended June 30, 2016. We will audit the financial statements, including the related notes to the financial statements, of the TDA Funds as of and for the year ended June 30, 2016.

We have also been engaged to report on supplementary information that accompanies the TDA Funds' financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

1) Schedules of Operating Expenses.

## **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the TDA Funds and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the TDA Funds' financial statements. Our report will be addressed to the Kern Council of Governments and City Councils of the Claimants of the Kern Council of Governments TDA Funds. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or

### **BAKERSFIELD OFFICE (MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

### **FRESNO OFFICE**

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

### **PASADENA OFFICE**

260 S. LOS ROBLES AVENUE  
SUITE 310  
PASADENA, CA 91101  
TEL 626.204.6542  
FAX 626.204.6547

### **STOCKTON OFFICE**

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the TDA Funds are subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

#### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
Page Three

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the TDA Funds' compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

### **Other Services**

We will also assist in preparing the financial statements, and related notes of the TDA Funds in conformity with accounting principles generally accepted in the United States of America and the Transportation Development Act based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

## **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over the expenditures of TDA Funds, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including state statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
Page Five

are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, and related notes and that you have reviewed and approved the financial statements, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Kern Council of Governments and the Claimants of the TDA Funds; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
Page Six

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a state or federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the state or federal government. If we are aware that a state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audits on approximately December 1, 2016, and to issue our reports no later than March 31, 2017. Ryan Nielsen is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed the fees noted in the attached "Work Plan." Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representatives be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated, the court shall be authorized to assess litigation costs against any party found not to have participated in the mediation process in good faith.

To Board of Directors and Mr. Ahron Hakimi  
Kern Council of Governments  
June 30, 2016  
Page Seven

We appreciate the opportunity to be of service to the Kern Council of Governments and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



By: Ryan L. Nielsen

RLN:jav

Enclosure

E:\data\Word\42860\Audit 2016\KCOG TDA Engagement Letter.docx

**RESPONSE:**

This letter correctly sets forth the understanding of the Kern Council of Governments.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

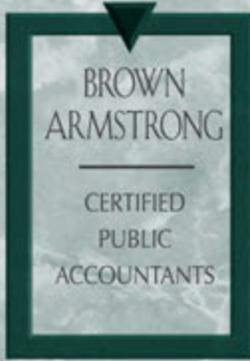
Title: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT "A"

WORK PLAN

<u>Agency</u>	<u>Fee</u>
TDA Claimants Audits	\$ 63,940
Kern Council of Governments	50,800
Golden Empire Transit District	35,000
Golden Empire Transit District Contributory Savings Plan and Trust	<u>5,950</u>
TOTAL	<u><u>\$ 155,690</u></u>



# BROWN ARMSTRONG

*Certified Public Accountants*

June 21, 2016

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
1401 19<sup>th</sup> Street, Suite 300  
Bakersfield, California 93301

Dear Board of Directors and Mr. Hakimi:

We are pleased to confirm our understanding of the services we are to provide Golden Empire Transit District (the District) for the year ended June 30, 2016. We will audit the financial statements, and the related notes to the financial statements, of the District as of and for the year ended June 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole:

- 1) Schedule of Expenditures of Federal Awards
- 2) Schedule of Operating Expenses by Function

**BAKERSFIELD OFFICE  
(MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL: 661.324.4971  
FAX: 661.324.4997  
EMAIL: info@bacpas.com

**FRESNO OFFICE**

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL: 559.476.3592  
FAX: 559.476.3593

**PASADENA OFFICE**

260 S. LOS ROBLES AVENUE  
SUITE 310  
PASADENA, CA 91101  
TEL: 626.204.6542  
FAX: 626.204.6547

**STOCKTON OFFICE**

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL: 209.451.4833

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
Page Two

## **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

## **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
Page Three

evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by auditing standards generally accepted in the United States of America.

#### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
Page Four

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under the American Institute of Certified Public Accountants (AICPA) professional standards, *Government Auditing Standards*, and the Uniform Guidance.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of these procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Other Services**

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the District in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
Page Five

reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
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awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
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At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the Kern Council of Governments; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to U.S. Government Accountability Office or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the District. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately June 20, 2016. Ryan Nielsen is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$35,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

To Board of Directors,  
and Mr. Ahron Hakimi, Executive Director  
Kern Council of Governments  
June 21, 2016  
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All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representative be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceeding shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated the court shall be authorized to assess litigation cost against any party found not to have participated in the mediation process in good faith.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTING CORPORATION



By: Ryan L. Nielsen

RLN:mlc:mp

Enclosure

Pfx...\32360\6/30/16 Audit\PSR-2-1\Audit Engagement Letter Single Audit DRAFT

**RESPONSE:**

This letter correctly sets forth the understanding of the Kern Council of Governments.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## WORK PLAN

Agency	Fee
TDA Claimants Audits	\$ 63,940
Kern Council of Governments	50,800
Golden Empire Transit District	35,000
Golden Empire Transit District Contributory Savings Plan and Trust	<u>5,950</u>
TOTAL	<u>\$ 155,690</u>



July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi,  
Executive Director

BY: Robert Phipps,  
Administrative Services Director

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM H.  
KERN COG PHONE SYSTEM UPGRADE AND INTERNET SERVICE AGREEMENTS

DESCRIPTION:

Two new, three-year acquisition and service agreements with the Kern County General Services Department and the Kern County Superintendent of Schools (KCSOS) to upgrade office phone service and provide Internet bandwidth. Costs include \$13,028 for new telecommunications hardware, approximately \$10,740 in annual phone service charges and \$10,800 annually for Internet service. These agreements have been reviewed by County Counsel.

DISCUSSION:

Kern COG's analog phone system dates from 2007 and includes six lines – shared by 20 staff and two interns – that are routinely occupied with outgoing calls, prohibiting incoming calls and issuing a busy signal to callers attempting to get through.

New telecommunications technology standards rely on VoIP systems that leverage Internet bandwidth for phone service and provide for a virtually unlimited number of individual phone lines and numbers within an organization. Kern COG staff investigated several different options for moving to a VoIP system -- including on-premises vs. "cloud"-based systems – from numerous vendors such as AT&T, ShoreTel and Bright House, several of which bundle Internet and phone services. In evaluating the options, staff attempted to balance monthly charges against service quality and configuration flexibility. A summary comparison is attached to this staff report.

Kern County's General Services Information Technology division proposed a new system that includes a 48-port Power over Ethernet (PoE) switch, 23 desk phones and two conference phones plus installation for \$13,028. Annual phone service charges are estimated at \$10,740. Staff also recommends renewing Kern COG's agreement with KCSOS for 100 MB Internet service at \$10,800 annually.

ACTION:

Approve Agreements with the Kern County General Services Information Technology and Kern County Superintendent of Schools for phone infrastructure and service and Internet service, respectively and authorize Chair to sign. VOICE VOTE.

**MEMORANDUM OF AGREEMENT BETWEEN  
KERN COUNCIL OF GOVERNMENTS AND  
THE COUNTY OF KERN**

THIS MEMORANDUM OF AGREEMENT, (hereinafter "**Agreement**") made and entered into this 21<sup>st</sup> day of July 2016, by and between the County of Kern, a political subdivision of the State of California (hereinafter "**COUNTY**") and Kern Council of Governments, a joint powers entity (hereinafter "**KERN COG**"),

**RECITALS:**

WHEREAS, KERN COG requires a functional telecommunications system to conduct government business; and

WHEREAS, KERN COG's telecommunications system is nearly a decade old and uses analog technology; and

WHEREAS KERN COG's phone system is no longer adequate to meet rising demand; and

WHEREAS desires to upgrade its phone system to VoIP and include individual lines for employees, and;

WHEREAS, KERN COG's Board of Directors will provide administrative direction and oversight of this program;

**AGREEMENT:**

1. This MOA shall extend from July 21, 2016 to June 30, 2019.
2. KERN COG shall provide no more than TWENTY-EIGHT THOUSAND DOLLARS (\$28,000) to COUNTY over this three-year agreement to carry out the tasks as described in Attachment A – Scope of Work, which is attached hereto and incorporated herein by this reference.
3. COUNTY shall provide for all administrative support and oversight direction including all final decisions on staffing and contracting.
4. COUNTY will submit monthly invoices to KERN COG. Requisition for payment shall refer to "telecommunications charges" or as may be specified in a written notice by KERN COG. Specific budget category detail is given below:
  - A. Direct Labor and Fringe Benefits: All direct labor charges should be billed by class of employee, rate per hour and number of hours. The rates are subject to change at the beginning of each fiscal year based on rate adjustments. Rates indicated below are for fiscal year 2016-2017. (Anticipated personnel cost-of-living or merit increase, if any, should be reflected in the budget.)
  - B. Other Direct Cost: All direct costs billed must be specifically identified. Any travel costs may not exceed the per diem (\$65.00/day meals; \$210.00/day accommodations) and mileage rates (\$.54/mile) payable to KERN COG employees. Any other direct costs not specifically identified in the contract budget cannot be reimbursed.
5. The parties agree that the work contemplated by this Agreement falls within the definition of "public works" as set forth in the California Labor Code. COUNTY acknowledges that it is fully aware of prevailing wage requirements for public works projects as set forth in Article 2 of Chapter 1, Part 7 of the California Labor Code, and agrees to comply with that Article to the extent that it applies to the work conducted hereunder. COUNTY agrees to indemnify, defend, and hold KERN COG harmless from all claims, costs, causes of action, attorney fees, damages, penalties, or liability of any kind resulting from the failure of COUNTY to comply with the Labor Code
6. Either party may, at its sole discretion, terminate this Agreement at any time by giving thirty (30) days written notice to the other party. In such event, KERN COG shall pay for any work satisfactorily completed prior to the effective termination date.

- 7.. Pursuant to Government Code section 895.4, each party to this Agreement shall indemnify, defend and hold harmless, the other party hereto, and their board members, elected and appointed officials, agents, officers, employees, volunteers and authorized representatives of each of them from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs and expenses (including, but not limited to reasonable attorney's fees, expert fees, costs of staff time, and investigation costs) of whatever kind or nature, which are in any manner directly or indirectly caused, occasioned or contributed to in whole or in part, through any act, omission, fault or negligence, whether active or passive of the indemnifying party's own officers, agents, employees, independent contractors, subcontractors of any tier, or authorized representatives, which relates in any manner to this Agreement, or any authority or obligation delegated to either party under this Agreement. Without limiting the generality of the foregoing, each Party's obligation to indemnify the other shall include injury or death to any person or persons; damage to any property, regardless of where located; and any workers' compensation claim or suit arising from or connected with any services performed pursuant to this Agreement on behalf of either party by any person or entity.
8. No waiver of a breach of any provision of this Agreement shall constitute a waiver of any other breach, or of such provision. Failure of either party to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.
9. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.
10. This Agreement contains the entire agreement of the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect excepting a subsequent modification in writing, signed by the parties to the Agreement.
11. The terms of this Agreement shall be construed and interpreted under, and all respective rights and duties shall be governed by, the laws of the State of California.
12. Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other party by the party giving such notice or may be served by certified mail, return receipt requested, to the following addresses:  
  
TO KERN COG:           Ahron R. Hakimi, Executive Director  
                                  Kern Council of Governments  
                                  1401 19th Street, Suite 300  
                                  Bakersfield, California 93301  
  
TO COUNTY:             Jeff R. Frapwell  
                                  County of Kern  
                                  1115 Truxtun Avenue, 3<sup>rd</sup> Floor  
                                  Bakersfield, California 93301
13. The individual executing this Agreement on behalf of each party warrants that he/she is authorized to execute the Agreement on behalf of their agency and that the agency will be bound by the terms and conditions contained herein.

IN WITNESS WHEREOF, the parties hereto have caused this MEMORANDUM OF AGREEMENT to be executed by their respective officers and agents thereunto duly authorized as of the day and year first above written.

KERN COUNCIL OF GOVERNMENTS

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Jennifer Wood, Chairman  
"KERN COG"

\_\_\_\_\_  
Ahron R. Hakimi, Executive Director  
Kern Council of Governments

COUNTY OF KERN

APPROVED AS TO FORM:

\_\_\_\_\_  
Jeff Frapwell, Assistant CAO for General Services  
County of Kern

\_\_\_\_\_  
Brian Van Wyk  
Deputy Kern County Counsel

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy County Counsel

## ATTACHMENT A – SCOPE OF WORK

### EQUIPMENT/SERVICES

1. County will purchase, configure and install one Avaya 48-port PoE Ethernet Switch and will configure and install an existing (County owned) secure router.
2. County will purchase, configure, and install 22 Avaya 9611 VoIP telephones and two B189 VoIP conference phones with new Direct Inward Dial (DID) telephone numbers and voicemail boxes where indicated.
3. County will order the installation of one T1 circuit with end points at 1115 Truxtun Ave. and 1401 19<sup>th</sup> Street, Suite 300 in Bakersfield for connectivity to the County telephone network.
4. County will place orders with AT&T to convert existing Centrex telephone number 661-861-2191 to standard POTS line and remote call forward with four channels to the County's telephone gateway. Calls will be routed to a DID number specified by Kern COG.

### INSTALLATION

1. County will extend T1 from the AT&T MPOE at both locations to the equipment location on existing customer provided CAT 5 or higher cable.
2. County will cross-connect all telephones to the Ethernet switch on customer provided CAT 5 or higher cable.
3. Kern COG will provide CAT5 or higher cables of desired length to plug phones into existing data drops.
4. County will provide end-user training on phones and voicemail system.
5. County will pay all associated AT&T telephone charges and bill Kern COG monthly for actual cost.
6. Kern COG will be charged a monthly overhead fee, trunking share of cost, usage, and an annual equipment maintenance charge based on a station count of 24.
7. In the event County upgrades core equipment or software, Kern COG will pay a portion based on a station count of 24. County will provide Kern COG an annual budget estimate that will include any anticipated equipment upgrades.

ATTACHMENT B – COST ESTIMATE

**TELECOMMUNICATIONS ESTIMATE**  
**Kern Council of Governments**

This estimate is to provide connectivity to the County telephone server and deploy 22 VoIP telephones and two VoIP Conference Phones with Direct Inward Dial (DID) telephone numbers. One 48-port PoE switch and a Secure Router are included. Trunking will be provided via the existing ISDN-PRI trunking at the County's core telephone switch. Voicemail and all related features are included. This option does not provide a local gateway and therefore has no built in redundancy. The existing listed telephone number will be remote call forwarded with multiple channels until such time it can be disconnected with referral.

date

Description	Qty	Unit Price	Extension
<b>Equipment Charges</b>			
<b>Hardware:</b>			
Avaya 4850GTS-PWR 48-port PoE Switch	1 *	\$3,848	\$3,848
Avaya B189 VoIP Conference Phone	2 *	\$899	\$1,798
Avaya 9611G VoIP Telephones	23 *	\$199	\$4,577
Subtotal			\$10,223
Sales Tax			\$767
<b>One-time Installation Charges</b>			
T1 circuit from KernCoG to County core	1	\$1,798	\$1,798
Convert Centrex number to 1MB with call forwarding	2	\$120	\$240
Subtotal			\$2,038
<b>Total Project Estimate</b>			<b>\$13,028</b>
<b>Post-Project Monthly Recurring Charges</b>			
T1 circuit			\$180
County Overhead - based on number of extensions	25	\$13	\$325
Trunking share of cost and usage			\$70
Remote call forward with multiple channels for 2 existing numbers	8	\$40	\$320
<b>Total Monthly Estimate</b>			<b>\$895</b>
Annual equipment maintenance			\$1,200

Prepared by:  
 Jackie Ambrose  
 Telecommunications Network Administrator  
 Information Technology Services  
 661.868.2240

\* **Charges indicated with \* are firm pricing and will be charged to Kern COG at the completion of this project. All post-project monthly recurring and annual equipment maintenance charges are estimates based on current AT&T contracted rates and do not include taxes or surcharges.**

**ATTACHMENT C – COST ESTIMATE SUMMARY COMPARISON**

		<b>Current</b>	<b>On-Premises</b>			<b>Cloud</b>	
			<b>County</b>	<b>Bright House</b>	<b>AT&amp;T</b>	<b>ShoreTel</b>	<b>Bright House</b>
<b>Total Monthly</b>		\$ 1,287.94	\$ 1,795.00	\$ 1,755.41	\$ 2,055.41	\$ 2,005.00	\$ 1,765.00
		Options that allow current phone number to be used					
		Options that give direct dial number to all staff					

*all options include  
100MB internet*

**INTERNET ACCESS PROGRAM**

The Kern County Superintendent of Schools Office can provide access to the World Wide Web via our Division of Technology Services. Various connectivity rates are available depending on the needs of the district. The prices listed below include the electronic equipment needed to accomplish access to the Internet and monitoring of the circuit during normal business hours.

Please find below pricing for the **Kern County Council of Governments** to upgrade current services. Pricing below reflects a three year term contract with two optional roll-over years, not to exceed a total of five contract years.

	<b>One-Time Installation Cost</b>	<b>Monthly Cost</b>	<b>Yearly Cost</b>
<b>100MB Internet Access/Transport</b>	-	\$ 900.00	\$ 10,800.00

When you have made a selection, or if there are any special considerations or questions, please contact Andrea Watson, Technology Support Planner, at 661-636-4559 or Roy Marchetti, Chief of Technology, at 661-636-4347.

Andrea Watson  
Technology Support Planner  
Office of Christine Lizardi Frazier  
Kern County Superintendent of Schools



July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi  
Executive Director

BY: Robert R. Phipps  
Administrative Services Director

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM I.  
POLICY AND PROCEDURES MANUAL REVISION: CONFLICT OF INTEREST CODE

DESCRIPTION:

This policy revision updates and adds several positions to Kern COG's Conflict of Interest code. County Counsel has reviewed this.

DISCUSSION:

The Fair Political Practices Commission (FPPC) has adopted 2 Cal. Code of Regulations, Section 18730, which contains the terms of a standard Conflict of Interest Code, in which governmental agency members and employees are designated and disclosure categories are set forth.

Kern COG is required by FPPC regulations to review its conflict of interest code annually for any potential changes. Accordingly, revisions have been developed for the Personnel section of the Kern COG Policy and Procedures Manual. The basis for each change is as follows:

- 1) Article XVIII, Section II, to include the following staff positions that are now required to file Form 700 – Statement of Economic Interests:
  - a. Planning Director
  - b. Administrative Services Director
  - c. Financial Services Officer
  - d. Regional Planner
  - e. Administrative Assistant

A copy of the revised code is attached.

ACTION:

Approve the Kern COG Policy and Procedures Manual revisions. **VOICE VOTE.**

## **Exhibit “A”**

### **CONFLICT OF INTEREST CODE FOR KERN COUNCIL OF GOVERNMENTS**

The Political Reform Act, Government Code Section 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict Of Interest Codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regulations, Section 18730, which contains the terms of a standard Conflict Of Interest Code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearing to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regulations, Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendices in which members and employees are designated and disclosure categories are set forth, constitute the Conflict Of Interest Code of the Kern Council of Governments.

Upon receipt of the statement of the Members and Staff of the Kern Council of Governments, the Executive Director shall make and retain a copy and forward the original statement to the Clerk of the Kern County Board of Supervisors, who shall be the filing officer with respect to these statements.

## CONFLICT OF INTEREST CODE - APPENDIX "A"

Persons occupying the following positions are designated employees and must disclose financial interests in all categories defined in Appendix "B."

<u>Designated Position</u>	<u>Assigned Disclosure Category</u>
Members of the Kern Council of Governments	1
Alternate Members of the Kern Council of Governments	1
Executive Director	1
Regional Planner	1
Senior Planner	1
Planning Division Chief	1
Administrative Assistant	1
Financial Services Officer	1
Administrative Division Chief	1

### Consultants

Consultant\* ..... 1

\*"Consultant" shall include any natural person who provides, under contract, information, advice, recommendations or counsel to the Department as set forth in Title 2 C.C.R. §18700.3. But "Consultant" shall not include a person who:

- (a) conducts research and arrives at conclusions with respect to his or her rendition of information, advice, recommendation or counsel independent of the control and direction of the Department or of any official other than normal contract monitoring; and
- (b) possesses no authority with respect to any Departmental decision beyond the rendition of information, advice, recommendation or counsel.

## **CONFLICT OF INTEREST CODE - APPENDIX "B"**

Persons occupying the positions listed in Appendix "A" must disclose financial interests and/or business positions in the following:

### **CATEGORY 1**

All investments and business positions in business entities, sources of income and interests in real property.

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## III. J. COG

July 21, 2016

TO: Kern Motorist Aid Authority

FROM: Ahron Hakimi  
Executive Director

BY: Becky Napier  
Regional Planner

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM J.  
Agreement for Safety-Related Hazard and Obstruction Removal on State Highways

### DESCRIPTION

Consideration of a Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the City of Bakersfield for safety-related hazard and obstruction removal on state highways within the City of Bakersfield in the amount of \$150,000. This item has been sent to County Counsel for review.

### DISCUSSION

The City of Bakersfield uses clients from the Bakersfield Homeless Center to carry out the contract for safety-related hazard and obstruction removal providing employment opportunities.

Attached for Board consideration is an Agreement between the City of Bakersfield and the Kern COG Board, Acting as the Kern Motorist Aid Authority to contribute \$150,000 in motorist aid funds for safety-related hazard and obstruction removal from the state highways within the City of Bakersfield.

The Kern COG Board did not have a meeting in June 2016; therefore, to expedite the process, the City of Bakersfield took the lead and approved the Agreement at their regularly scheduled Council Meeting on June 8, 2016.

### ACTION

Approve the Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the City of Bakersfield and authorize the Chair to execute the Agreement. VOICE VOTE.

**MEMORANDUM OF AGREEMENT BETWEEN  
KERN COUNCIL OF GOVERNMENTS ACTING AS THE  
KERN MOTORIST AID AUTHORITY AND  
THE CITY OF BAKERSFIELD**

THIS MEMORANDUM OF AGREEMENT ("Agreement"), made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016 ("Execution Date"), is by and between the City of Bakersfield, a charter city and municipal corporation, ("CITY ") and Kern Council of Governments acting as the Kern Motorist Aid Authority, a joint powers entity ("KERN COG"). City and Kern COG are referred to individually as a "Party" and collectively as the "Parties".

WITNESSETH

WHEREAS, KERN COG adopted the FY 2016-17 Overall Work Program and Financial Plan; and

WHEREAS, KERN COG acting as the Kern Motorist Aid Authority adopted a Financial Plan for operation and maintenance of a call-box system; and

WHEREAS, California Streets and Highways Code Section 2557(d) states that monies that exceed the amount needed for full implementation and ongoing costs to maintain and operate the motorist aid system of call boxes, may be used for purposes of safety-related motorist aid projects; and

WHEREAS, studies show that litter and debris on the roadway creates a safety hazard and causes numerous accidents per year in North America; and

WHEREAS, the CITY has established a program for hazard and obstruction removal on state highways traversing the CITY; and

WHEREAS, KERN COG acting as the Kern Motorist Aid Authority is willing to provide funding to assist with hazard and obstruction removal on state highways traversing through the CITY.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. CITY shall be the lead agency for the operation of the hazard and obstruction removal program on state highways traversing through the CITY.
2. CITY, beginning July 1, 2016, shall submit an invoice each month to KERN COG in the amount of twelve thousand five hundred dollars (\$12,500) to be used for hazard and obstruction removal on state highways traversing the CITY. The first invoice shall be dated after the Execution Date of this Agreement, and the final invoice shall be dated June 1, 2017.
3. KERN COG shall provide CITY up to one hundred fifty thousand (\$150,000) from funds programmed in the Kern Motorist Aid Financial Plan to pay for costs incurred by CITY in hazard and obstruction removal on state highways traversing the CITY.
4. CITY shall provide a monthly report to the Kern COG Board on the amount of hazards and obstructions removed from state highways traversing the CITY.
5. The term of this Agreement shall be from the Execution Date through June 30, 2017.
6. Either Party may, at its sole discretion, terminate this Agreement at any time by giving 30 days written notice to the other Party.

7. CITY shall indemnify, defend (upon written request of KERN COG) and save harmless KERN COG, its officers, agents and employees from any and all losses, damages, liability, claims or causes of action of every nature whatsoever for physical damage to or destruction of property, including the property of KERN COG, or physical injury to or death of any person or persons, including KERN COG's officers, agents and employees, which may arise out of any act or omission of the CITY, its officers, agents, independent contractors or employees during the performance of this Agreement.
8. No waiver of a breach of any provision of this Agreement shall constitute a waiver of any other breach, or of such provision. Failure of either Party to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.
9. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the Parties intended to enter into in the first instance.
10. This Agreement contains the entire agreement of the Parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect excepting a subsequent modification in writing, signed by the party to be charged.
11. The terms of this Agreement shall be construed and interpreted under, and all respective rights and duties shall be governed by, the laws of the State of California.
12. Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other Party by the Party giving such notice or may be served by certified mail, return receipt requested, to the following addresses:
 

TO KERN COG:           Ahron Hakimi, Executive Director  
                                   Kern Council of Governments  
                                   1401 19th Street, Suite 300  
                                   Bakersfield, California 93301

TO CITY:                   Nick Fidler, Director  
                                   Public Works Department  
                                   City of Bakersfield  
                                   1501 Truxtun Avenue  
                                   Bakersfield, CA 93301
13. The individual executing this Agreement on behalf of each Party warrants that he/she is authorized to execute the Agreement on behalf of their agency and that the agency will be bound by the terms and conditions contained herein.
14. CITY acknowledges that CITY, and all subcontractors hired by CITY to perform services under this Agreement, are aware of and understand the Immigration Reform and Control Act ("**IRCA**"). CITY is and shall remain in compliance with the IRCA and shall ensure that any subcontractors hired by CITY to perform services under this Agreement are in compliance with the IRCA. In addition, CITY agrees to indemnify, defend and hold harmless KERN COG, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that CITY's employees, or the employees of any subcontractor hired by CITY, are not authorized to work in the United

States for CITY or its subcontractor and/or any other claims based upon alleged IRCA violations committed by CITY or CITY's subcontractor(s).

15. CITY agrees to maintain and make available to KERN COG accurate books and records relative to all its activities under this Agreement. CITY shall permit KERN COG to audit, examine and make excerpts and transcripts from such records, and to conduct audits of all invoices, materials, records of personnel or other data related to all other matters covered by this Agreement. CITY shall maintain such data and records in an accessible location and condition for a period of not less than three years from the date of final payment under this Agreement, or until after the conclusion of any audit, whichever occurs last. The State of California and/or any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon KERN COG herein.
16. CITY shall observe and comply with all applicable state, federal, and local laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which are hereby made a part hereof and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties have caused this MEMORANDUM OF AGREEMENT to be executed by their respective officers and agents thereunto duly authorized as of the Execution Date.

KERN COUNCIL OF GOVERNMENTS

\_\_\_\_\_  
Harold Hanson, Chair  
"KERN COG"

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Ahron Hakimi, Executive Director  
Kern Council of Governments

APPROVED AS TO FORM:

\_\_\_\_\_  
Philip Hall, Deputy  
Kern County Counsel  
For KERN COG

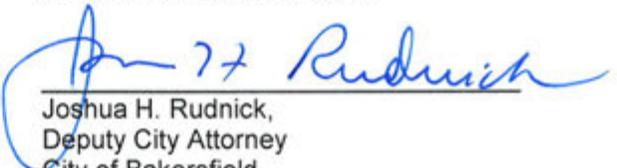
CITY OF BAKERSFIELD

  
\_\_\_\_\_  
Harvey Hall  
City of Bakersfield  
"CITY"

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Nick Fidler, Director  
City of Bakersfield Public Works Dept.

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Joshua H. Rudnick,  
Deputy City Attorney  
City of Bakersfield

COUNTERSIGNED:

  
\_\_\_\_\_  
Nelson Smith  
Finance Director



## III. K. COG

July 21, 2016

TO: Kern Motorist Aid Authority

FROM: Ahron Hakimi,  
Executive Director

BY: Becky Napier,  
Regional Planner

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM I.  
AGREEMENT FOR SAFETY-RELATED HAZARD AND OBSTRUCTION REMOVAL ON STATE  
HIGHWAYS

### DESCRIPTION

Consideration of a Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the Kern County Sheriff's Office for safety-related hazard and obstruction removal on state highways within Kern County in the amount of \$50,000. This item has been sent to County Counsel for review.

### DISCUSSION:

The Kern County Sheriff's Office uses inmate labor through the Lerdo Detention Facility, supervised by correctional officers to carry out the contract for safety-related hazard and obstruction removal on state highways. Debris is removed from state highways throughout the County of Kern to include Arvin, California City, Delano, Maricopa, McFarland, Ridgecrest, Shafter, Taft, Tehachapi and Wasco. The term of this Agreement is from July 1, 2016 through June 30, 2017.

Attached for Board consideration is an Agreement between the Kern County Sheriff's Office and the Kern COG Board, Acting as the Kern Motorist Aid Authority to contribute \$50,000 in motorist aid funds for safety-related hazard and obstruction removal from the state highways within Kern County.

### ACTION:

Approve the Memorandum of Agreement between Kern Council of Governments, Acting as the Kern Motorist Aid Authority, and the Kern County Sheriff's Office and authorize the Chair to execute the Agreement. VOICE VOTE.

**MEMORANDUM OF AGREEMENT BETWEEN THE  
KERN COUNCIL OF GOVERNMENTS ACTING AS THE  
KERN MOTORIST AID AUTHORITY AND  
THE KERN COUNTY SHERIFF'S OFFICE**

THIS MEMORANDUM OF AGREEMENT ("**Agreement**"), made and entered into this 21<sup>st</sup> day of July 2016, is by and between the County of Kern, a political subdivision of the state of California, through the Kern County Sheriff's Office ("**COUNTY**") and Kern Council of Governments acting as the Kern Motorist Aid Authority, a joint powers entity ("**KERN COG**"). COUNTY and KERN COG are referred to individually as a "Party" and collectively as the "Parties."

W I T N E S S E T H

WHEREAS, KERN COG adopted the FY 2016-17 Overall Work Program and Financial Plan; and

WHEREAS, KERN COG acting as the Kern Motorist Aid Authority adopted a Financial Plan for operation and maintenance of a call-box system; and

WHEREAS, California Streets and Highways Code Section 2557(d) states that monies that exceed the amount needed for full implementation and ongoing costs to maintain and operate the motorist aid system of call boxes, may be used for purposes of safety-related motorist aid projects; and

WHEREAS, studies show that roadway hazards and obstructions, including litter and debris, cause numerous accidents per year in North America; and

WHEREAS, the COUNTY has access to inmate labor through the Lerdo Detention Facility; and

WHEREAS, KERN COG acting as the Kern Motorist Aid Authority is willing to provide funding to assist with safety-related hazard and obstruction removal on state highways in Kern County by COUNTY inmates.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. COUNTY shall be the lead agency for the operation of the safety-related hazard and obstruction removal program on state highways in the County of Kern.
2. COUNTY shall submit monthly invoices to KERN COG for hours spent by COUNTY to provide safety-related hazard and obstruction removal on state highways in Kern County for Fiscal Year 2016-2017.
3. County shall provide safety-related hazard and obstruction removal in the amount of \$26.46 per hour.
4. KERN COG shall provide COUNTY up to fifty thousand dollars (\$50,000) from funds programmed in the Kern Motorist Aid Financial Plan for costs incurred by COUNTY in safety-related hazard and obstruction removal on state highways in Kern County.
5. COUNTY shall provide a monthly report to the Kern COG Board on the amount of safety-related hazards and obstructions removed from state highways in Kern County.
6. This Agreement shall be deemed effective July 1, 2016, and shall end on June 30, 2017.
7. This Agreement may be modified or amended only by a written document executed by the COUNTY and KERN COG.
8. Either Party may, at its sole discretion, terminate this Agreement at any time by giving 30 days written notice to the other Party.

9. COUNTY shall indemnify, defend (upon written request of KERN COG) and save harmless KERN COG, its officers, agents and employees from any and all losses, damages, liability, claims or causes of action of every nature whatsoever for physical damage to or destruction of property, including the property of KERN COG, or physical injury to or death of any person or persons, including KERN COG's officers, agents and employees, which may arise out of any act or omission of the COUNTY, its officers, agents, independent contractors or employees during the performance of this Agreement.
10. No waiver of a breach of any provision of this Agreement shall constitute a waiver of any other breach, or of such provision. Failure of either Party to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and in addition to any other remedies in law or equity.
11. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the Parties intended to enter into in the first instance.
12. This Agreement contains the entire agreement of the Parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect excepting a subsequent modification in writing, signed by the party to be charged.
13. The terms of this Agreement shall be construed and interpreted under, and all respective rights and duties shall be governed by, the laws of the State of California.
14. Any notice or notices required or permitted to be given pursuant to this Agreement may be personally served on the other Party by the Party giving such notice or may be served by certified mail, return receipt requested, to the following addresses:
 

TO KERN COG:           Ahron Hakimi, Executive Director  
                                   Kern Council of Governments  
                                   1401 19th Street, Suite 300  
                                   Bakersfield, California 93301

TO COUNTY:             Donny Youngblood, Sheriff  
                                   County of Kern  
                                   1350 Norris Road  
                                   Bakersfield, CA 93308
15. The individual executing this Agreement on behalf of each Party warrants that he/she is authorized to execute the Agreement on behalf of their agency and that the agency will be bound by the terms and conditions contained herein.
16. COUNTY acknowledges that COUNTY, and all subcontractors hired by COUNTY to perform services under this Agreement, are aware of and understand the Immigration Reform and Control Act ("**IRCA**"). COUNTY is and shall remain in compliance with the IRCA and shall ensure that any subcontractors hired by COUNTY to perform services under this Agreement are in compliance with the IRCA. In addition, COUNTY agrees to indemnify, defend and hold harmless KERN COG, its agents, officers and employees, from any liability, damages or causes of action arising out of or relating to any claims that COUNTY's employees, or the employees of any subcontractor hired by COUNTY, are not authorized to work in the United States for COUNTY or its subcontractor and/or any other claims based upon alleged IRCA violations committed by COUNTY or COUNTY's subcontractor(s).

17. COUNTY agrees to maintain and make available to KERN COG accurate books and records relative to all its activities under this Agreement. COUNTY shall permit KERN COG to audit, examine and make excerpts and transcripts from such records, and to conduct audits of all invoices, materials, records of personnel or other data related to all other matters covered by this Agreement. COUNTY shall maintain such data and records in an accessible location and condition for a period of not less than three years from the date of final payment under this Agreement, or until after the conclusion of any audit, whichever occurs last. The State of California and/or any federal agency having an interest in the subject of this Agreement shall have the same rights conferred upon KERN COG herein.
18. COUNTY shall observe and comply with all applicable state, federal, and local laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which are hereby made a part hereof and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties have caused this MEMORANDUM OF AGREEMENT to be executed by their respective officers and agents thereunto duly authorized as of the Execution Date.

KERN COUNCIL OF GOVERNMENTS

COUNTY OF KERN

\_\_\_\_\_  
Jennifer A. Wood, Chair  
"KERN COG"

\_\_\_\_\_  
Mick Gleason, Chairman  
County of Kern Board of Supervisors

APPROVED AS TO CONTENT:

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Ahron Hakimi, Executive Director  
Kern Council of Governments

\_\_\_\_\_  
Donny Youngblood, Sheriff-Coroner  
Kern County Sheriff's Office

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian Van Wyk  
Deputy County Counsel  
"KERN COG"

\_\_\_\_\_  
Kendra L. Graham  
Deputy County Counsel  
County of Kern

July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi  
Executive Director

BY: Robert R. Phipps, Administrative Services Director  
Tami Jones, Secretary

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM L.  
KERN COG POLICY AND PROCEDURES MANUAL REVISION – WELLNESS PROGRAM

DESCRIPTION:

Kern COG's Policy and Procedures Manual comprises practices to govern the agency's daily operations. Staff has prepared revisions to include a new, employee health-incentive benefit with an anticipated cost of approximately \$3,500 annually. County Counsel has reviewed and approved this item.

DISCUSSION:

Staff proposes to introduce an employee health-incentive benefit that combines annual, on-site, voluntary health screenings, assessments and educational classes and/or safety training with "wellness challenges," that may include cash rewards or incentives. The specific revision language is proposed for the Personnel section of Kern COG's Policy and Procedures Manual as follows:

Article VIII: Compensation and Benefits, Section 7, Benefits: Wellness Program

Kern COG supports and is committed to the good health and well-being of its employees. A healthy workforce results in a more productive workforce with less absenteeism, fewer accidents, lower health care demands and greater overall savings by reducing the incidence of disease and disability. Employees are encouraged to participate in education classes and health screenings that help identify and reduce health risks before serious health problems occur or allow better management of existing health conditions.

GUIDELINES

Through the Wellness Program employees are able to access classes, screenings and special events to identify and manage health issues and preventable illnesses.

Kern COG encourages healthy lifestyles by:

- A. Encouraging the inclusion of healthy food options at meetings, potlucks and special events.
- B. Supporting the availability of healthy food options in vending machines, snack bars and cafeterias operating at the workplace.
- C. Encouraging employees to utilize breaks for walking, stretching or other physical activity.
- D. Incorporating exercise breaks into meetings when practical.
- E. Promoting the use of stairs and walking paths.
- F. Providing educational resources/classes that promote exercise, good nutrition and health lifestyles within and outside the workplace.

ACTION:

Approve the Kern COG Policy and Procedures Manual revision. VOICE VOTE.

## Kern COG Wellness Budget Proposal

Program	Description	Recommendation	Price	Total
Biometric Screening	Basic on-site screenings include the following: Total Cholesterol Glucose Blood Pressure Body Composition Pulse Height/Weight/BMI Health Counseling		\$28.00 per employee	
Advanced	<b>Includes the above plus:</b> HDL LDL Triglycerides Risk Ratio	Recommend 1 Advanced Biometric Screening per year for each staff member.	\$31.00 per employee	
Health Risk Assessment – Web Based (HRA)	On-line HRA with a secure, personal wellness web-portal. Can be customized and branded. Tablet and smart-phone compatible.	Recommend 1 HRA per year for each staff member.	\$10.00 per employee	(Total Cost for Advanced Biometric Screening & HRA)  \$902.00
Health Education	Can include classes, “lunch and learns’ and/or safety trainings.	Recommend 4 classes per year	\$150 per class	\$600.00
Wellness Challenge	Various Wellness Challenges designed to promote health. Examples; Calorie Challenge, Fat-loss, “Wellnesses Minute to Win it”.	Recommend 2 Wellness Challenge’s per year.	11.00 per employee	\$484.00
Wellness Incentives	In-house Wellness Challenges, Educational Materials, Trainings, Lunch & Learns		60.00 Per employee	\$1320.00
			<b>Total</b>	<b>\$3306.00</b>



July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi,  
Executive Director

By: Robert Phipps,  
Administrative Services Director

SUBJECT: COG AGENDA NUMBER III. CONSENT CALENDAR ITEM M.  
TECHNICAL ASSISTANCE TO MEMBER JURISDICTIONS

DESCRIPTION:

Kern COG provides a variety of technical assistance to its member jurisdictions on an ongoing basis. The following staff report summarizes activities over the fourth quarter of 2015-16.

DISCUSSION:

Kern Council of Governments has offered its member jurisdictions the following technical assistance during the fourth quarter of 2015-16.

**Affiliate Data Center**

1. Provided Self-Help Enterprises with Census data for locations in Tulare County.
2. Provided the San Joaquin Valley Unified Air Pollution Control District an estimate of Kern County's population in the SJVUAPCD area.

**Bicycle/Pedestrian Planning**

1. Awarded consulting contract to count bicycle and pedestrian activity countywide.
2. Provided California State-Bakersfield with bike path locations/distances.

**Geographic Information Systems**

1. Custom map for Kern County Museum for a new display on water.

**Grant-Writing Assistance**

1. Wrote a FASTLANE grant request for \$120 million to fund the Centennial Corridor SR58/99 Freight Corridor Improvements Project. The TRIP office completed the application and the FASTLANE grant was submitted on April 13, 2016.
2. Secured 34 letters of support for the FASTLANE application.
3. Provided language from the Sustainable Communities Strategy to Kern Transit for a grant application they submitted in partnership with Antelope Valley Transit Authority and Sunline Transit (Palm Springs) for electric transit buses.
4. Sent letters of support for two applications from ChargePoint and NRG EVgo to the California Energy Commission Interregional Corridors funding opportunity GFO-15-603 for funding DC Fast Chargers along highway corridors, some in Kern County.

5. Assisted Bakersfield and Kern County officials with funding applications for electric vehicle service equipment.
6. Assisted Golden Empire Transit District and City of Delano with the preparation of their transit grant applications and submittal to Federal Transit Administration (FTA)

#### **Project Delivery**

1. Developed white paper for the City of Shafter on the Air Emissions Benefits of the Shafter Container Yard.
2. Attended meetings with Wasco, Shafter, GET and the County on HSR Heavy Maintenance Facility.
3. Coordinated Project Accountability Team meeting for Kern COG member agencies.
4. Monitored cities of Bakersfield, McFarland and Tehachapi Active Transportation (ATP) Program allocation vote approvals at California Transportation Commission meeting.
5. Assisted with County of Kern's Active Transportation (ATP) Program time extension approval at California Transportation Commission meeting.
6. Assisted Caltrans and cities of Bakersfield, California City, Taft and County of Kern with Congestion Mitigation Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) project delivery.
7. Assisted cities of Arvin, Bakersfield, Wasco and County of Kern with early delivery of new Regional Surface Transportation Program (RSTP) projects.
8. Monthly TRIP invoice meetings
9. Reviewed Project Study Report for SR 99 Hanawalt Interchange in McFarland.

#### **Public Transportation**

1. Provided transportation modeling support for the Delano Long Range Transit Plan.
2. Attended Golden Empire Transit District coordination meetings with federal and state agencies.
3. Assisted the Golden Empire Transit District with amendment requests for the 2015 Federal Transportation Improvement Program with consultation by Federal Transit Administration.
4. Assisted the County of Kern with an amendment request for the 2015 Federal Transportation Improvement Program.
5. Assisted County of Kern preparing its transit grant application and submittal to Caltrans.
6. Assisted member agencies with new FTA Section 5311 grant applications.
7. Worked with the City of Bakersfield in developing its Amtrak parking lot expansion project funded by Proposition 1B transportation funds.
8. Assisted member agencies with reviews of the TDA Triennial Performance Audits.

#### **Technical Assistance**

1. Approved a \$30,000 technical assistance memorandum of agreement with McFarland for the city's traffic study.

#### **Air Quality and Transportation Modeling**

1. Provided background information on the Regional Traffic Count program to Bakersfield staff.
2. Provided the Regionally Significant Routes survey to all member agencies, which supports the Model Improvement Program.

#### **ACTION:**

Information.



July 21, 2016

TO: Kern Council of Governments

FROM: Ahron Hakimi  
Executive Director

BY: Rebecca Napier  
Regional Planner

SUBJECT: COG AGENDA NUMBER IV. ITEM A.  
2016 COMMUNITY SURVEY FINAL REPORT

DESCRIPTION:

Godbe Research was commissioned by Kern Council of Governments (COG) to conduct the 2016 Community Survey. The 2016 Community Survey Final Report will be available prior to the meeting.

DISCUSSION:

The 2016 Survey is the tenth telephone survey conducted for Kern COG in as many years. The Survey was designed to track the results of all of the previous telephone surveys.

Overall, 1,208 adult residents in Kern County completed the telephone survey, representing a total universe of 602,435 resident. Interviews were conducted in either Spanish or English depending on the preference of the resident surveyed. Interviews were conducted from April 5 through April 18, 2016. In order to allow segmentation of results by region, the areas of the county were sampled as follows: 137 in West Kern, 654 in the Central Valley, 211 in the Mountain regions, and 206 in East Kern.

Bryan Godbe will make a presentation of the findings of the survey at the July Board Meeting.

ACTION

Accept the 2016 Community Survey Final Report. VOICE VOTE

