
*Omochumne Hartnell
Water District*

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*Robert L. Mahon
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DIRECTOR*

*Michael Wackman
GENERAL MANAGER*

*Cynthia Luellen
BOARD SECRETARY*

July 20, 2022

Request for Proposal

The Omochumne-Hartnell Water District is accepting proposals from qualified firms to conduct auditing services and prepare and submit State Controller's Reports for the District. The Omochumne-Hartnell Water District, located in the southeast portion of Sacramento County, is one of three public agencies that make up the Southeast Sacramento County Agricultural Water Authority. The District encompasses 30,000 acres and serves the agricultural irrigation needs of the rural communities of Sheldon, Wilton and Sloughouse.

The Request for Proposals packet provides the timeline, detailed description of services, proposal requirements, selection process and rating criteria. Proposals must be submitted by Wednesday, August 31, 2022. For more information or to receive the Request for Proposals packet please email info@ohwd.org or call (916) 682-5958.

Phone: 916-682-5958

Street Address: 8970 Elk Grove Boulevard, Elk Grove, CA 95624

Mailing Address: P.O. Box 211, Wilton, CA 95693-0211

Email: info@ohwd.org

Request for Proposal

INDEPENDENT AUDITING SERVICES

For Omochumne-Hartnell Water District

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**Omochumne-Hartnell Water District
Request for Proposal
Independent Auditing Services**

SECTION 1 – GENERAL INFORMATION

The Omochumne-Hartnell Water District (District) is accepting proposals for the performance of independent auditing services. The purpose of these audit services is:

1. Express an opinion on the fairness of the presentation of the District's general purpose financial statements bi-annually for fiscal years 2020/21 and 2021/22.
2. Prepare and submit the State Controller's Report for the fiscal years ended June 30 for the years 2021 and 2022.

The auditor shall apply Generally Accepted Accounting Principles applicable to government agencies and conduct the audit in accordance with Generally Accepted Auditing Standards set forth by the American Institute of Certified Public Accountants in the Statement of Auditing Standards. Additionally, the audit shall be made in accordance with Government Auditing Standards issued by the Comptroller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts.

District Organization and Operations

Omochumne-Hartnell Water District, located in the southeast portion of Sacramento County, is one of three public agencies that make up the Southeast Sacramento County Agricultural Water Authority. The District encompasses 30,000 acres and serves the agricultural irrigation needs of the rural communities of Sheldon, Wilton and Sloughhouse.

The District has historically purchased and managed supplemental water from the Central Valley Project for the benefit of District agricultural users adjacent to the Cosumnes River and Deer Creek. In recent years, however, the number of riparian diverters has decreased. Four flashboard dams that historically supported diversions are now maintained and operated by the District to increase the wetted perimeter of the river to affect greater groundwater recharge. The District is committed to working with the Southeast Sacramento County Agricultural Water Authority and the Cosumnes Groundwater Authority to develop an effective management strategy that protects its member's interests, the resources of the Cosumnes River, and meets the future water needs of the region.

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The District maintains its checking account at River City Bank in Elk Grove. The District also has an interest bearing account with the Local Agency Investment Fund which is operated by the State of California. The District's taxes are collected by the Sacramento County Tax Collector. Any other transaction would be handled by the District. The District uses Quickbooks Online accounting software to maintain the general ledger and accounts receivable and payable.

Inquiries

All inquiries concerning this Request for Proposal (RFP) must be directed in writing to Michael Wackman at info@ohwd.org. Inquiries will be answered via e-mail.

Proposal Timeline

Release RFP	July 20, 2022
Proposals Due	August 31, 2022
Proposals Reviewed	September 5-8, 2022
Interviews (if necessary)	September 19, 2022
Award of Contract	September 20, 2022

Proposal Submission

Submit via email only in a PDF file format to info@ohwd.org. All proposals, whether accepted or rejected, shall become the property of the District upon submission.

Proposals must be received no later than 5:00 p.m., August 31, 2022. Proposals received after this time and date will not be considered. Submit proposals to Michael Wackman, General Manager, info@ohwd.org.

Discrepancy or Other Errors in RFP

If a bidder discovers any discrepancy, conflict, omission or other error in the RFP, the bidder shall immediately notify the District of such error in writing and request modification or clarification of the document. Any modification made will be done by issuing a revision and will be given by written notice to all parties who have been given a copy of the RFP. If a bidder fails to notify the District of the error prior to the date and time stated for submission of proposals, the proposal shall be submitted at the bidders own risk, and if awarded the contract, the bidder shall not be entitled to additional compensation or time by reason of error or its later correction.

Proposal Preparation Cost

Costs for developing proposals are entirely the responsibility of the bidders and shall not

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be chargeable to the District.

SECTION 2 – DESCRIPTION OF SERVICES

Scope of Services

The auditor is to perform all phases of an audit of the general purpose financial statements of the Omochumne-Hartnell Water District. The audit will be performed in accordance with generally accepted auditing standards, and will include all procedures necessary for the rendition of an opinion regarding the fairness of the general purpose financial statements in accordance with generally accepted accounting principles. The following items are specifically required:

1. The auditor shall evaluate the adequacy of the system on internal control and make recommendations as appropriate.
2. The auditor shall perform a review of the Appropriations Limit set by Article XIII B of the California Constitution as amended by Proposition 111. This article requires that the annual calculation of the Limit be reviewed as part of the annual financial audit. The review will determine if the current appropriation limit adopted by the District's Board of Directors is calculated in accordance with these guidelines.
3. Following the completion of the audit, the selected auditor will be required to deliver the following no later than June 30th of 2023.
 - a. Independent Auditor's Report
 - b. Management Letter
 - c. Report on any irregularities or illegal acts
 - d. Report on cash and investments
 - e. Preparation of the State Controller's Report
4. A representative from the selected firm will present the audited financial statements and any audit findings to the District's Board of Directors at a regularly scheduled District Board Meeting.
5. The auditor shall make its working papers available during the audit and for a period of three (3) years thereafter to the representatives of any federal, state or local agencies which provide funding to the District.

District Assistance to Auditor

District staff will be available during the audit engagement to assist in such items as

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locating required records and supporting information, preparing schedules and account analyses and data as required and such other tasks that will serve to expedite the engagement as deemed reasonable and necessary by the District.

SECTION 3 – PROPOSAL REQUIREMENTS AND RATING

Proposal

The proposal submitted by your firm shall specifically address the following:

1. Legal name, address, telephone number and fax number of the firm's office.
2. Name of firm's representative designated as the contact person for the RFP.
3. A description of your firm's background and experience in providing auditing and management consulting services to similar governmental organizations including an affirmation that the firm and its agents are properly licensed for practice as Certified Public Accountants.
4. A summary of your audit plan and tentative schedule to complete the engagement by the requested due date. In addition, please provide a description of your approach to the audit including expected reliance on statistical sampling methods and the system of internal controls.
5. Names and resumes of firm's officers, principals and other key personnel to be assigned to the engagement.
6. A list of at least three references from locally served governmental audit clients. Please provide a name, address, telephone number and e-mail address for a contact person for each reference. It is the District's intention to verify these references prior to making the final selection.
7. Any additional information considered necessary in assessing the firm's qualifications and experience.
8. Proposed cost to provide audit services.

Cover Letter

The proposal shall be transmitted with a cover letter which includes the following:

1. Signature of an individual who is authorized to bind the bidder contractually.
2. Confirmation of the receipt of the RFP and all addenda thereto.

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3. Statement that the proposal is valid for a 60-day period from the due date of the proposal.
4. The name, title, address, telephone number and e-mail address of the individual to whom correspondence and other contacts should be directed during the selection process.

Address the proposal to:

Michael Wackman, General Manager
Omochochumne-Hartnell Water District
P.O. Box 211
Wilton, CA 95693-0211

Proposal Rating

Proposals will be evaluated in detail and additional information may be requested from proposers. Before final award of the contract, the District may interview the top-ranked proposers. Upon selection of an auditing firm, contract negotiations will start as soon as possible. If a contract cannot be negotiated for any reason, another vendor may be selected.

The following represents the principal selection criteria which will be considered during the evaluation process:

- 1 Expertise and Experience of the Firm
This includes the firm's past experience on comparable government engagements; the quality and expertise of the firm's professional personnel to be assigned to the engagement and the adequacy of the firm's continuing professional education program for its professional personnel.
- 2 Audit Approach
The audit approach shall demonstrate an understanding of the District's objectives and needs and present a clear and organized description of how the auditor plans to meet them. This includes the adequacy of the proposed staffing of the engagement to ensure that the work is properly supervised and that the estimate of the number of hours to complete the work is accurate to ensure completion of the engagement by the requested due date.
- 3 Cost
The cost to perform the requested services.

The District reserves the right not to award a contract, to modify the scope of services

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required as necessary and/or to accept or reject any or all submittals received as a result of this request.

SECTION 4 – TERMS AND CONDITIONS

Term of Agreement

The term of the proposed agreement shall be until the 2020/21 and 2021/22 fiscal year audit and required reports are complete and submitted. The District may retain the independent auditor for additional fiscal years if satisfactory terms of renewal can be negotiated.

Standard Terms and Conditions

The following clauses, in substantially the form presented, will be made part of a professional services contract the selected auditor will be expected to sign. It is anticipated that modifications and additions may be required once an auditor has been selected.

1. Termination and Breach of Contract: The District may terminate the Contract for the breach of any covenant, term and condition of the Contract by the auditor, its officers, agents or employees, provided the breach is not cured within ten (10) days after written notice thereof is presented to auditor. In the event that the Contract is for any reason terminated for cause by the District, auditor shall be liable to the District for the expense of the District arranging to obtain any services provided herein from an alternative source. District may terminate this Contract after thirty (30) days notice for any reason. If District terminates this Contract without cause as provided for herein, District shall be liable for the reasonable value of auditor's work up to the effective date of the notice. District's determination of the reasonable value of the auditor's work shall be final.
2. Time of the Essence: Time shall be of the essence with respect to each term and condition of the Contract.
3. Indemnity: Auditor agrees to fully indemnify, defend and hold harmless the District, its officers, employees and agents from any and all loss, damage, liability, claim, demand, or cause of action whatsoever resulting from or alleged to have arisen out of or have resulted from any act or omission of auditor, its officers, employees, agents, independent contractors, or representatives in the performance of this Contract.
4. Independent Contractor: In the performance of the work herein provided for, auditor shall be, and, is an independent contractor and is not an agent or employee of the District. The District has and shall retain the right to exercise full control and supervision of the services to be rendered to the District and full control over

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auditor in the performance of all services hereunder. The auditor shall be solely responsible for all matters relating to the payment of its employees, and all other regulations governing such matters.

5. Workers' Compensation Insurance Requirements: In addition to any other form of insurance required under the terms of this Contract, the auditor shall maintain Workers' Compensation insurance with statutory limits for any employees of the auditor. If any owner or employee is not covered by Workers' Compensation insurance, the auditor shall provide a statement to the District to that affect. The auditor shall agree to fully indemnify, defend and hold harmless the District, its officers, employees and agents from any and all workers' compensation claims by any owner, employee or subcontractor of the auditor in the performance of this Contract.

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