

RESOLUTION NO. 2017-06
RESOLUTION NO. PFA-03
ORDINANCE NO. 2017-01

AGENDA

MISSION STATEMENT

"Our team is dedicated to protecting, enhancing, and developing our rich water resources to the highest beneficial use for Calaveras County, while maintaining cost-conscious, reliable service, and our quality of life, through responsible management."

Regular Board Meeting
Wednesday, February 22, 2017
9:00 a.m.

Calaveras County Water District
120 Toma Court, (PO Box 846)
San Andreas, California 95249

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-754-3028. Notification in advance of the meeting will enable CCWD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at CCWD for review by the public.

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

2. PUBLIC COMMENT

At this time, members of the public may address the Board on any non-agendized item. The public is encouraged to work through staff to place items on the agenda for Board consideration. No action can be taken on matters not listed on the agenda. Comments are limited to five minutes per person.

3. CONSENT AGENDA

The following items are expected to be routine / non-controversial. Items will be acted upon by the Board at one time without discussion. Any Board member may request that any item be removed for later discussion.

3a Approval of Minutes for the Board Meeting of January 25, 2017

3b Review Board of Directors Monthly Time Sheets for January, 2017

BOARD OF DIRECTORS

Jeff Davidson, President Scott Ratterman, Vice President
Terry Strange, Director Bertha Underhill, Director Russ Thomas, Director

- 3c Discussion / Action to Ratify Claim Summary #539 Secretarial Fund in the Amount of \$1,608,183.98 for January, 2017
(Jeffrey Meyer, Director of Administrative Services) RES 2017-_____
- 3d Discussion / Action regarding Concurring in Nomination of Kathleen J. Tiegs, Cucamonga Valley Water District to the ACWA/JPIA Executive Committee
(Dave Eggerton, General Manager) RES 2017-_____

4. **NEW BUSINESS**

- 4a Discussion / Action regarding Authorization of Professional Services Agreement for Engineering and Environmental Services for the Ebbetts Pass Techite Water Pipeline Replacement Project, CIP #11084
(Charles Palmer, District Engineer) RES 2017-_____
- 4b Discussion / Action regarding Approval of Agreement for a Cost of Service and Financial Analysis Study
(Jeffrey Meyer, Director of Administrative Services) RES 2017-_____
- 4c Discussion / Action regarding Three Year Budget Forecast
(Jeffrey Meyer, Director of Administrative Services)
- 4d Update on the Implementation of Phase I of the SWRCB's Bay-Delta Water Quality Control Plan Update
(Peter Martin, Water Resources Program Manager)

5. **OLD BUSINESS**

Nothing to report

6.* **GENERAL MANAGER REPORT**

7.* **BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS**

8. **NEXT BOARD MEETINGS**

- Wednesday, March 8, 2017, 9:00 a.m., Regular Board Meeting
- Wednesday, March 22, 2017, 9:00 a.m., Regular Board Meeting

9. **CLOSED SESSION**

- 9a Conference with Real Property Negotiators
Government Code §54956.8
Property: APN 004-006-031, San Andreas
District negotiators: Dave Eggerton and Robbie Creamer
Under negotiation: price and other terms

10. REPORTABLE ACTION FROM CLOSED SESSION

11. ADJOURNMENT

CALAVERAS COUNTY WATER DISTRICT

Board of Directors

District 1 Scott Ratterman
District 2 Terry Strange
District 3 Bertha Underhill
District 4 Russ Thomas
District 5 Jeff Davidson

Legal Counsel

Matthew Weber, Esq.
Downey Brand, LLP

Financial Services

Umpqua Bank
US Bank
Wells Fargo Bank

Auditor

Richardson & Company, LLP

CCWD Committees

*Engineering Committee
*Finance Committee
*Legal Affairs Committee
Executive Committee (*ad hoc*)

Membership**

Strange / Davidson (alt. Underhill)
Underhill / Thomas (alt. Ratterman)
Davidson / Ratterman
Davidson / Ratterman

Joint Power Authorities

ACWA / JPIA Ratterman (alt. Dave Eggerton)
CCWD Public Financing Authority All Board Members
Calaveras-Amador Mokelumne River Authority (CAMRA) Strange / Ratterman (alt. Davidson)
Calaveras Public Power Agency (CPPA) Peter Martin (alt. Dave Eggerton)
Tuolumne-Stanislaus Integrated Regional Water Strange (alt. Thomas)
Management Joint Powers Authority (T-Stan JPA)
Upper Mokelumne River Watershed Authority (UMRWA) Davidson (alt. Strange)

Other Regional Organizations of Note

Calaveras LAFCO All Board Members
Calaveras County Parks and Recreation Ratterman (alt. Thomas)
Committee
Highway 4 Corridor Working Group Underhill / Thomas
Mountain Counties Water Resources All Board Members
Association (MCWRA)
Mokelumne River Association (MRA) All Board Members
Tuolumne-Stanislaus Integrated Regional Water Peter Martin (alt. Metzger)
Mgt. JPA Watershed Advisory Committee (WAC)

* Standing committees, meetings of which require agendas & public notice 72 hours in advance of meeting.

** The 1st name listed is the committee chairperson.

MINUTES

**CALAVERAS COUNTY WATER DISTRICT
REGULAR BOARD MEETING
JANUARY 25, 2017**

- Directors Present: Jeff Davidson, President
Scott Ratterman, Vice President
Bertha Underhill, Director
Terry Strange, Director
Russ Thomas, Director
- Staff Present: Dave Eggerton, General Manager
David Cameron, Counsel
Mona Walker, Clerk to the Board
Jeff Meyer, Director of Administrative Services
Peter Martin, Water Resources Program Manager
Charles Palmer, District Engineer
Ben Stopper, Treatment Plant Operator II
Mike Samorano, Mechanic II
Jeremy Wood, Distribution Worker II
Robbie Creamer, Engineering Analyst
Tami Bennett-Kirby, Senior Admin Tech
Joel Metzger, PIO/Customer Relations Manager
- Others Present: Jeff Meyer, ECORP Consultants
Vickey Mills
Elaine St. John
Cheryl Harris, SEIU Local 1021
Sean Thomas, Calaveras Enterprise
Art Spinella, T&S Construction

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

President Davidson called the Regular Board Meeting to order at 9:05 a.m. All Board Members were present.

2. PUBLIC COMMENT

There was no public comment.

3. CONSENT AGENDA

MOTION: Directors Strange / Underhill – Approved Consent Agenda Item:
3a, by Minute Entry, Approval of the Minutes for the Board
Meeting of January 11, 2017

3a Approval of Minutes for the Board Meeting of January 11, 2017

AYES: Directors Strange, Underhill, Ratterman, Thomas and Davidson
NOES: None
ABSTAIN: None
ABSENT: None

4. NEW BUSINESS

4a Discussion / Action regarding Emergency Response to Flood Damage to
Blagen Road in White Pines Exposing Water Transmission Main and Blocking
Access to District Facilities
(Dave Eggerton, General Manager)

MOTION: Directors Ratterman / Underhill – by Minute Entry, Ratifying Emergency
Action taken to date by District Staff in response to flood Damage to
Blagen Road in White Pines threatening the District’s existing and new
Reach 3A Water Transmission Main Pipelines and blocking access
to District Facilities and Authorizing District Staff to take such
additional action as necessary to respond to this Emergency

DISCUSSION: Mr. Eggerton reported on the damage from the recent storms, specifically Blagen Road in White Pines giving way and exposing the District’s existing water main, and the newly constructed Reach 3A water transmission pipeline serving the community of Arnold. A temporary bridge has been installed and steel I-beams were put in place to protect and stabilize the water pipes allowing limited access to District facilities. However, Blagen Road is the responsibility of the County and they will have to install a stable structure and permanent fix. The District has been informed that CCWD will be included in the emergency declaration filed by the County which could allow up to 75% in reimbursement for storm related damages. Mr. Eggerton provided photos of the flood damage to Blagen Road. He commended CCWD staff in dealing with the challenges. A change order of \$50,000 was issued by the District with T&S Construction, the existing construction company performing work on the Reach 3A water transmission pipeline project, to stabilize the piping. Mr. Eggerton introduced Mr. Art Spinella of T&S Construction who responded to questions from the Board on the emergency work. The Board commended District staff and T&S Construction for their efforts in addressing the emergency.

PUBLIC COMMENT: There was no public comment.

AYES: Directors Strange, Underhill, Ratterman, Thomas and Davidson
NOES: None
ABSTAIN: None
ABSENT: None

- 4b Discussion / Action regarding Approval of Contract for the West Point Water System Water Supply Reliability Study and Calaveras County Mokelumne River Long-Term Water Needs Study
(Peter Martin, Water Resources Program Manager) RES 2017-04

MOTION: Directors Strange / Underhill – Adopted Resolution No. 2017-04 Authorizing a Professional Services Agreement with ECORP Consulting for the West Point Water System Water Supply Reliability Study and Calaveras County Mokelumne River Long-Term Water Needs Study for a cost not to exceed \$296,580; and for the General Manager to execute a related cost-share agreement with Calaveras Public Utility District

DISCUSSION: Mr. Martin discussed the two proposals received seeking professional services for two separate studies to evaluate future water supply and infrastructure needs in the West Point water system and the Mokelumne River watershed in Calaveras County. One study will evaluate the water supply and reliability for long-term water needs of the Mokelumne River as a result of AB 142 and will be developed in partnership with Calaveras Public Utility District (CPUD). The second study will evaluate the water system and prioritize the infrastructure needs in West Point. After reviewing the proposals, staff recommended awarding the contract to ECORP Consultants for both the West Point Water System Water Supply Reliability Study and the Calaveras County Mokelumne River Long-Term Water Needs Study for a cost not to exceed \$296,580. Mr. Martin reported that CPUD has tentatively agreed to a 40 percent cost share (or \$44,025) of the Mokelumne River Long-Term Water Needs Study. Funding for both of the studies are included in the District's FY 2016-17 Operating and Capital Improvement Project budgets; \$100,000 from Water Resources, and \$80,000 from the West Point Expansion fund. Since the project will not be completed until the next fiscal year, additional funding for the project will be incorporated into the FY 2017-18 budget, \$66,747 from Water Resources and \$5,808 from the West Point Expansion fund. Mr. Jeff Meyer of ECORP Consultants responded to questions from Board Members.

PUBLIC COMMENT: There was no public comment.

AYES: Directors Strange, Underhill, Ratterman, Thomas and Davidson
NOES: None
ABSTAIN: None
ABSENT: None

- 4c Review and Direction of the FY 2016-17 Second Quarter Investment Report
(Jeffrey Meyer, Director of Administrative Services)

MOTION: Directors Ratterman / Underhill – By Minute Entry, Received and Filed the FY 2016-17 Second Quarter Investment Report

DISCUSSION: Mr. Meyer reported on the District's FY 2016-17 Second Quarter Investment Report. He reviewed the current cash and investments balances indicating that interest rates have shown an improvement.

PUBLIC COMMENT: There was no public comment.

AYES: Directors Ratterman, Underhill, Thomas, Strange and Davidson
NOES: None
ABSTAIN: None
ABSENT: None

4d Discussion / Action regarding Fiscal Year 2016-17 Mid-Year Budget Review and Budget Adjustments
(Jeffrey Meyer, Director of Administrative Services) **RES 2017-05**

MOTION: Directors Underhill / Ratterman – Adopted Resolution No. 2017-05 Amending the Fiscal Year 2016-17 Operating Budget

DISCUSSION: Mr. Meyer explained the budget transfers being requested for the Board to adopt. He provided a PowerPoint presentation outlining budget assumptions in the FY 2016-17 operating budget. He reviewed the mid-year FY 2016-17 operating and non-operating revenues, expenditures, capital outlay and debt service including: revenue and expenditure projections, and budget assumptions. He explained the various expenditures from the capital outlay budget in FY 2016-17 and that there is an estimated year-end deficiency in the operating budget of about \$50,000 due to emergency repairs and legal costs. The Board reviewed the budget comparisons from FY 2015-16 for expenditures and revenues. Key revenue totals at mid-year have increased by about \$300,000. Mr. Meyer outlined the upcoming FY 2017-18 budget process. Mr. Meyer and Mr. Eggerton responded to questions from the Board.

PUBLIC COMMENT: There was no public comment.

AYES: Directors Underhill, Ratterman, Thomas, Strange and Davidson
NOES: None
ABSTAIN: None
ABSENT: None

5. **OLD BUSINESS**

Nothing to report.

6. **GENERAL MANAGER REPORT**

Mr. Metzger provided the Board of Directors a summary of current water conditions of local reservoirs in the Stanislaus, Calaveras and Mokelumne River watershed systems. Mr. Eggerton informed the Board about the work performed by Sierra Pacific Industries in removing a log in the spillway of Wilson Dam Reservoir, noting that the District appreciates their efforts.

7. **BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS**

Director Strange reported on his attendance at a Tuolumne-Stanislaus Integrated Regional Watershed Management (T-Stan IRWM) meeting on Jan. 18th, and he is the T-Stan IRWM's Chair for 2017.

Director Ratterman reported there is a Calaveras-Amador Mokelumne River Authority (CAMRA) meeting on Feb. 17th and he has been elected Chair for CAMRA for 2017; he and Director Davidson will be meeting Feb. 24th with the County Supervisor Chair and Vice Chair on mutual water interests; and there is a Mountain Counties Water Resources Association meeting on Feb. 24th.

Director Thomas reported on his attendance at the Tuolumne-Stanislaus Integrated Regional Watershed Management meeting on Jan. 18th.

Director Underhill reported on her attendance at the Jan. 24th County Board of Supervisors meeting.

Director Davidson commented that he looks forward to the meeting with the Chair and Vice Chair of County BOS on Feb. 24th to discuss matters of mutual interests.

8. NEXT BOARD MEETINGS

- Wednesday, February 8, 2017, 9:00 a.m., Regular Board Meeting
- Wednesday, February 22, 2017, 9:00 a.m., Regular Board Meeting

The Open Session ended at approximately 11:30 a.m.

9. CLOSED SESSION

The meeting adjourned into Closed Session at approximately 11:35 a.m. Those present were Board Members: Jeff Davidson, Scott Ratterman, Bertha Underhill, Terry Strange and Russ Thomas; staff members Dave Eggerton and Stacey Lollar (for item 9a); labor counsel Gage Dungy (for item 9a), and general counsel Matt Weber.

- 9a Government Code § 54957.6
Agency Negotiators: General Manager Dave Eggerton, HR Manager Stacey Lollar
And Chief Labor Negotiator Gage Dungy Regarding Negotiations with Employee
Organization SEIU Local 1021
- 9b Public Employee Performance Evaluation
Government Code §54957
General Manager
- 9c Conference with Labor Negotiators
Agency Negotiators: President Davidson, Director Ratterman
Unrepresented Employee: General Manager
Government Code §54957.6

10. REPORTABLE ACTION FROM CLOSED SESSION

The Board reconvened into Open Session at approximately 12:40 p.m. There was no reportable action.

11. ADJOURNMENT

With no further business, the meeting adjourned at approximately 12:40 p.m.

By:


ATTEST:

Dave Eggerton
General Manager

Mona Walker
Clerk to the Board

Agenda Item

DATE: February 22, 2017

TO: Dave Eggerton, General Manager 

FROM:  Mona Walker, Executive Assistant

SUBJECT: Review Board of Directors Time Sheets for January, 2017

RECOMMENDED ACTION:

For information only.

SUMMARY:

Pursuant to direction from the Board of Directors, copies of the Board's monthly time sheets from which the Board is compensated from, are included in the monthly agenda package for information. Attached are copies of the Board's time sheets for the month of January, 2017.

Board Members can be reimbursed for mileage cost to travel to meetings/conferences and are paid at the current IRS rate.

FINANCIAL CONSIDERATIONS:

Monthly compensation and mileage reimbursement costs are included in the FY 16-17 budget.

Attachments: Board of Directors Time Sheets for January, 2017

RESOLUTION NO. 2017 –

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT

RATIFYING CLAIM SUMMARY NO. 539

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT has reviewed and considered Claim Summary Number 539 at the Regular Meeting held on February 22, 2017; and

WHEREAS, Board Members have resolved questions, issues, or concerns by consultation with District staff during said meeting.

NOW, THEREFORE, BE IT RESOLVED that the CALAVERAS COUNTY WATER DISTRICT Board of Directors hereby ratifies Claim Summary Number 539 in the amount of \$1,608,183.98 for the month of January, 2017.

PASSED AND ADOPTED this 22nd day of February, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman, Vice President
Board of Directors

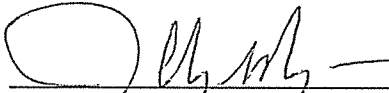
ATTEST:

Mona Walker
Clerk to the Board

**Calaveras County Water District
Claim Summary # 539**

Certificate of Administrative Officer

The services listed on the within schedules were actually rendered by the close of the current month. The articles listed on the schedules within and the supporting invoices were actually delivered, or payment therefore is properly due prior to delivery. To the best of my knowledge all claims made are in accordance with adopted Board policies and/or other Board actions and are in compliance with all applicable laws. The claimants named on the within schedules are each entitled to the amount set opposite their respective names.



Jeffrey Meyer
Director of Administrative Services

1. January 2017 payroll checks issued on 01/13/2017	149,760.57
2. January 2017 payroll checks issued on 01/31/2017	148,661.22
3. January 2017 compensation to Directors	1,005.58
4. Vendor payments for January 1 through 31, 2017	988,225.88
5. Other payroll related costs	<u>320,530.73</u>

Claim Summary Total \$1,608,183.98

Calaveras County Water District
 AP Disbursement Summary
 January 1-31, 2017

CCWD Operating Expenditures		\$ 738,943.64
Expenditures to be reimbursed from other agencies	(A)	-
Expenditures to be reimbursed from grant agreements	(B)	-
Fiduciary Payments (funds collected prior to expenditure)	(C)	84,837.58
Partial Reimbursement	(D)	116,712.40
Capital R&R Projects	(E)	47,732.26
Capital Outlay	(F)	-
Total Payments		\$ 988,225.88

AP Disbursements
January 1-31, 2017

Check No.	Vendor/Employee	Transaction Description	Date	Amount
125719	A T & T CALNET2	District Radio Tower - Camp Connell	01/20/2017	384.58
125660	A T & T	Leased Lines 01/17	01/12/2017	65.90
125782	A T & T	Internet Service Dec/Jan - LC	01/31/2017	82.00
125787	A T & T CALNET3	Phone 01/17 - Hunter's	01/31/2017	19.67
125788	A T & T CALNET3	Phone 01/17 - Azalea L/S	01/31/2017	17.75
125789	A T & T CALNET3	Phone 01/17 - CCWHSE	01/31/2017	3.78
125792	A T & T CALNET3	Phone/Fax 01/17 - JLTC	01/31/2017	121.02
125791	A T & T CALNET3	Phone 01/17	01/31/2017	2,075.49
125662	ACWA/JPIA	Dental Insurance, Employees 02/17	01/12/2017	6,086.12 (D)
125662	ACWA/JPIA	Vision Insurance, Employees 02/17	01/12/2017	1,262.08
125662	ACWA/JPIA	EAP 02/17	01/12/2017	150.40
125662	ACWA/JPIA	Dental Insurance, Retirees 02/17	01/12/2017	2,472.20
125662	ACWA/JPIA	Vision Insurance, Retirees 02/17	01/12/2017	686.72
125793	ACWA/JPIA	Additional Workers Compensation Insurance July-Sept 2016	01/31/2017	4,419.00
125793	ACWA/JPIA	Workers Compensation Insurance Oct-Dec 2016	01/31/2017	28,181.00
125794	ADP INC	Payroll Services	01/31/2017	2,367.69
125795	AFLAC	Aflac 12/16	01/31/2017	2,027.88 (C)
125796	ALCAL GLASS AND SUPPLY	Hammer/Gloves/Silicone/Nuts/Drill Bits/Straps - White Pines Barn	01/31/2017	97.33
125796	ALCAL GLASS AND SUPPLY	Couplings/Glue/Pipe - Collections Crew	01/31/2017	3.38
125796	ALCAL GLASS AND SUPPLY	Bolts/Nuts/Washers - Construction Crew	01/31/2017	188.96
125796	ALCAL GLASS AND SUPPLY	Fish Tape - Heathers Tank	01/31/2017	87.08
125796	ALCAL GLASS AND SUPPLY	Gloves/Paint/Pocket Saw/Valve/Pipe Fittings/Keys - EP Shop	01/31/2017	448.96
125577	ALHAMBRA DRINKING WATER	Water Cooler - LCWWTP	01/06/2017	36.63
125578	ALHAMBRA DRINKING WATER	Water Cooler - JLVTP	01/06/2017	47.63
125722	ALLIED ELECTRONICS, INC	Hour Meters - Meadowmont P/S	01/20/2017	286.62
125721	AL'S TIRE SERVICE	Tire Repair - Vehicle #551	01/20/2017	15.00
125579	AMERIPRIDE SERVICES,INC	Uniform Service 12/16	01/06/2017	2,278.44
125797	AMERITRADE TRUST COMPANY	FTJ Deferred Comp 01/17	01/31/2017	1,400.00 (D)
EFT	ANTHEM-BLUE CROSS	Health Ins, Employees 01/17	01/09/2017	108,238.35 (D)
EFT	ANTHEM-BLUE CROSS	Health Ins, Retirees 01/17	01/09/2017	38,654.60
125665	APPLEGATE, JOHN	Wastewater 1 Exam Fee Reimbursement	01/12/2017	140.00
125580	ARNOLD AUTO SUPPLY	Washer Fluid - Vehicle #129	01/06/2017	4.29
125580	ARNOLD AUTO SUPPLY	Oil - Vehicle #143	01/06/2017	146.12
125580	ARNOLD AUTO SUPPLY	Coolant/Brake Caliper/Pads/Rotors - Vehicle #522	01/06/2017	276.20
125580	ARNOLD AUTO SUPPLY	Battery/Oil/Filter - Vehicle #534	01/06/2017	182.56
125580	ARNOLD AUTO SUPPLY	Brake Liner/Brass/Towels/Cleaner - Avery P/S	01/06/2017	34.35
125580	ARNOLD AUTO SUPPLY	Oil Cap - Meadowmont P/S	01/06/2017	77.32
125799	ARNOLD AUTO SUPPLY	Battery - Vehicle #303	01/31/2017	119.45
125799	ARNOLD AUTO SUPPLY	Battery/Charger - Vehicle #509	01/31/2017	338.62
125799	ARNOLD AUTO SUPPLY	Antifreeze - Vehicle #534	01/31/2017	15.04
125799	ARNOLD AUTO SUPPLY	Chains - Vehicle #713	01/31/2017	110.70

AP Disbursements
January 1-31, 2017

Check No.	Vendor/Employee	Transaction Description	Date	Amount
125799	ARNOLD AUTO SUPPLY	Scraper/DEF/Pick-Up Tool/De-Icer/Chains - Vehicle #717	01/31/2017	254.67
125799	ARNOLD AUTO SUPPLY	Non-Slip Coating - White Pines Barn	01/31/2017	51.56
125799	ARNOLD AUTO SUPPLY	Socket/Brake Fluid/Towels - EP Shop	01/31/2017	56.93
125799	ARNOLD AUTO SUPPLY	Solenoid/Battery Cables - EP Dump Trailer	01/31/2017	80.58
125799	ARNOLD AUTO SUPPLY	Water Hose - Avery Generator	01/31/2017	19.24
125799	ARNOLD AUTO SUPPLY	Inflator Gauge/Adapter/Coupler - Hunter's WTP	01/31/2017	63.08
125799	ARNOLD AUTO SUPPLY	V-Belt/Compressor Oil - FMWWTP	01/31/2017	469.56
125581	ARNOLD TIRE AND AUTO CARE	Winter Tires (4) - Vehicle #125	01/06/2017	913.69
125581	ARNOLD TIRE AND AUTO CARE	Winter Tires (4) - Vehicle #716	01/06/2017	913.69
125724	ARNOLD TIRE AND AUTO CARE	Seasonal Tire Change - Vehicle #531	01/20/2017	80.00
125800	ARNOLD TIRE AND AUTO CARE	Winter Tires (4) - Vehicle #522	01/31/2017	967.63
125800	ARNOLD TIRE AND AUTO CARE	Winter Tires (6) - Vehicle #523	01/31/2017	1,533.79
125800	ARNOLD TIRE AND AUTO CARE	Flat Repair - Vehicle #713	01/31/2017	15.00
125582	ARNOLD'S CLOTHING AND BOOT	Safety Boots/Winter Weather Gear - Zanardi	01/06/2017	396.68 (D)
125582	ARNOLD'S CLOTHING AND BOOT	Safety Boots/Winter Weather Gear - Kirschman	01/06/2017	591.25 (D)
125725	ARNOLD'S CLOTHING AND BOOT	Safety Boots - Sullivan	01/20/2017	199.43
125725	ARNOLD'S CLOTHING AND BOOT	Winter Weather Gear - Lunsford	01/20/2017	198.41
125583	BENNETT - KIRBY, TAMARA	Post Office Travel Reimbursement 12/16	01/06/2017	6.80
125726	BIG VALLEY FORD LINCOLN MERCURY	Fuel Cap - Vehicle #127	01/20/2017	110.81
125726	BIG VALLEY FORD LINCOLN MERCURY	Exhaust Leak Repair/Manifold/Water Pump/Belts - Vehicle #143	01/20/2017	4,584.53
125726	BIG VALLEY FORD LINCOLN MERCURY	Sensor Repair/Seals - Vehicle #592	01/20/2017	288.88
125726	BIG VALLEY FORD LINCOLN MERCURY	Damper/Tube/Bushing - Vehicle #606	01/20/2017	74.72
125726	BIG VALLEY FORD LINCOLN MERCURY	Clamp/Connector - Vehicle #611	01/20/2017	105.78
125667	BLR	2017 Social Security Pamphlets	01/12/2017	122.02
125584	BUCHANAN AUTOMATION INC.	Valves - Wallace WTP	01/06/2017	324.21
125585	BURKE, TIFFANY	Post Office Travel Reimbursement 12/16	01/06/2017	33.48
125727	BURKE, WILLIAMS, & SORENSON, LLP	AD 604 Professional Services 12/16	01/20/2017	647.00 (C)
125728	BUSINESS MANAGEMENT DAILY	Taking Effective Meeting Minutes Webinar CD	01/20/2017	103.00
125801	CA/NV SECTION AWWA	Backflow Certification Exam - Hampton	01/31/2017	180.00
125729	CABRAL	Transmission Sealer - Vehicle #129	01/20/2017	20.18
125729	CABRAL	Seat Covers/Mats/Organizer - Vehicle #718	01/20/2017	450.56
125729	CABRAL	Seat Covers/Mats/Organizer - Vehicle #719	01/20/2017	448.72
125670	CALAVERAS AUTO SUPPLY	Wiper Blades - Vehicle #138	01/12/2017	35.22
125670	CALAVERAS AUTO SUPPLY	Wiper Blades - Vehicle #139	01/12/2017	57.16
125670	CALAVERAS AUTO SUPPLY	Wiper Blades - Vehicle #140	01/12/2017	57.16
125586	CALAVERAS CNTY ENVIRONMENTAL HEALTH	Haz Mat Response Plan/CUPA - WPWTP	01/06/2017	213.00
125586	CALAVERAS CNTY ENVIRONMENTAL HEALTH	Haz Mat Response Plan/CUPA - WPWWTP	01/06/2017	213.00
125659	CALAVERAS COUNTY TAX COLLECTOR	Estimated 2017 Taxes Subdivided Property - 423 E St Charles St	01/09/2017	175.00
125671	CALAVERAS LUMBER CO INC	Caps/Drill Bit/File/Gasket Kit/Stopper Basin - EP New Service	01/12/2017	130.64
125671	CALAVERAS LUMBER CO INC	Funnel/Bulbs/Clamps/Flashlight/Adapter - DFNCTO WWTP	01/12/2017	122.95
125671	CALAVERAS LUMBER CO INC	Buckets/Gloves/Post Hole Digger/Rake - Construction Crew	01/12/2017	142.90

AP Disbursements
January 1-31, 2017

Check No.	Vendor/Employee	Transaction Description	Date	Amount
125671	CALAVERAS LUMBER CO INC	Bolts/Washers/PVC Pipe Fitting/Cement - 6 Mile P/S	01/12/2017	36.12
125671	CALAVERAS LUMBER CO INC	Buckets/Lumber/Concrete - EP Hydrant Replacement	01/12/2017	102.46
125671	CALAVERAS LUMBER CO INC	Cement/Salt - Hunter's WTP	01/12/2017	78.73
125671	CALAVERAS LUMBER CO INC	Supplies - CalFire	01/12/2017	795.82
125671	CALAVERAS LUMBER CO INC	Tape/Wire - FMWWTP	01/12/2017	50.97
125672	CALIFORNIA WASTE RECOVERY SYSTEMS	Refuse Disposal - District Wide	01/12/2017	677.72
125587	CALTEL	Phone 12/16	01/06/2017	1,269.50
125802	CAMPORA	Propane - WPWWTP	01/31/2017	481.15
125803	CARBON COPY INC	Copies/Copier Maintenance	01/31/2017	230.64
EFT	CARDMEMBER SERVICES	ACWA Fall Conference Travel - Eggeerton	01/18/2017	639.04
EFT	CARDMEMBER SERVICES	USBR Meeting Copies - Eggeerton	01/18/2017	22.68
EFT	CARDMEMBER SERVICES	ACWA Fall Conference Travel - Martin	01/18/2017	859.05
EFT	CARDMEMBER SERVICES	ACWA Fall Conference Travel - Metzger	01/18/2017	18.00
EFT	CARDMEMBER SERVICES	Water Distribution Corrosion/Disinfection Training (2)	01/18/2017	700.00
EFT	CARDMEMBER SERVICES	CWEA Certification Prep Class (4)	01/18/2017	160.00
EFT	CARDMEMBER SERVICES	Small Water Systems Class Enrollment - Gravette	01/18/2017	50.00
EFT	CARDMEMBER SERVICES	Notary Bond/Stamp/Filing - Lollar	01/18/2017	304.78
EFT	CARDMEMBER SERVICES	California Assn of Public Information Officials Membership - Metzger	01/18/2017	225.00
EFT	CARDMEMBER SERVICES	Internet Service - Hunter's WTP	01/18/2017	91.54
EFT	CARDMEMBER SERVICES	Internet Back Up - OP HQ	01/18/2017	29.90
EFT	CARDMEMBER SERVICES	Meeting Supplies	01/18/2017	55.30
EFT	CARDMEMBER SERVICES	Office Supplies	01/18/2017	153.55
EFT	CARDMEMBER SERVICES	CVCWA Meeting Supplies	01/18/2017	103.97
EFT	CARDMEMBER SERVICES	Employee Relations Supplies	01/18/2017	6.99
EFT	CARDMEMBER SERVICES	Gas Cap/Gasket - Vehicle #125	01/18/2017	29.64
EFT	CARDMEMBER SERVICES	Tow Service - Vehicle #126	01/18/2017	437.50
EFT	CARDMEMBER SERVICES	Filters - Collections Crew	01/18/2017	688.56
125673	CARSON HILL ROCK PRODUCTS	3/4 Class II AB - White Pines Barn Stock	01/12/2017	324.11
125673	CARSON HILL ROCK PRODUCTS	Road Base/Concrete/Pump Truck - 6 Mile P/S	01/12/2017	1,130.65
125804	CARSON HILL ROCK PRODUCTS	3/4 Class II AB - CCWHSE Stock	01/31/2017	324.43
125589	CARUS CORPORATION	Sodium Permanganate - JLWTP	01/06/2017	5,646.98
125590	CDK SUPPLY	Compression Lugs/Cable Ties/Tape - Vehicle #530	01/06/2017	150.58
125805	CED CREDIT	Ballasts/Lamps - Hunter's WTP	01/31/2017	564.61
125805	CED CREDIT	Ballasts/Lamps - CCWTP	01/31/2017	731.53
125591	CELESTE, ROBERT	Damage Claim Settlement	01/06/2017	773.30
125731	CENTRAL VALLEY HARDWARE CO	Padlocks - Stock	01/20/2017	383.32
125732	CENTRO PRINT SOLUTIONS	2016 Accounting Forms	01/20/2017	115.28
125592	CHEMTRAC INC	Probes/Connectors - JLWTP	01/06/2017	1,560.00
125674	CHEMTRAC INC	Piston Assembly - Hunter's WTP	01/12/2017	137.00
125593	CHEVRON AND TEXACO	Fuel 12/16	01/06/2017	1,367.09
125806	CHEVRON AND TEXACO	Fuel 01/17	01/31/2017	1,761.39

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125594	CITY OF ANGELS	Sewer Service 12/16 - Six Mile Village	01/06/2017	4,695.23
125595	CLARK PEST CONTROL	Pest Control - Wallace	01/06/2017	240.00
125733	CLARK PEST CONTROL	Pest Control - JLWTP	01/20/2017	79.00
125807	CLARK PEST CONTROL	Pest Control - WPWTP	01/31/2017	91.00
125807	CLARK PEST CONTROL	Pest Control - WPWWTP	01/31/2017	100.00
125597	COMCAST	Internet Service - DFV/CTO WWTP	01/06/2017	58.25
125598	COMCAST	Internet Service - OP HQ	01/06/2017	74.37
125734	COMCAST	Internet Service - JLTC	01/20/2017	85.93
125808	COMCAST	Internet Service - JLWTP	01/31/2017	251.93
125599	CONDOR EARTH TECHNOLOGIES INC	Field Soil Testing - EP Reach 3A Pipeline Replacement Project	01/06/2017	105.00 (E)
125736	CONETH SOLUTIONS INC	IT Infrastructure Support Services - 01/17	01/20/2017	5,177.00
125600	COPPER AUTO & MARINE	Wiper Blades/Towels/Cleaner - Vehicle #125	01/06/2017	35.43
125600	COPPER AUTO & MARINE	Oil/Filters - Vehicle #538	01/06/2017	260.94
125600	COPPER AUTO & MARINE	Oil/Radiator Cap/Filters - Vehicle #710	01/06/2017	301.56
125600	COPPER AUTO & MARINE	Connector/Wire - Vehicle #714	01/06/2017	19.64
125600	COPPER AUTO & MARINE	Battery Terminal - CC Backhoe	01/06/2017	2.90
125600	COPPER AUTO & MARINE	Pump - CCWHSE Fuel Cell	01/06/2017	471.93
125600	COPPER AUTO & MARINE	Wiper Blades/Winch/Washer Fluid - CC ATV	01/06/2017	195.71
125600	COPPER AUTO & MARINE	Fuel Filter - CC Hydro Trailer	01/06/2017	11.38
125675	COPPER COVE AT LAKE TULLOCH	2017 HOA Assessments	01/12/2017	1,170.00
125676	CPPA	Power 12/16	01/12/2017	81,579.15
125809	CPUD	Water - 423 E St Charles St	01/31/2017	613.48
125603	CRUST BUSTERS	Power Head Unit - Collections Crew	01/06/2017	135.00
125810	CRWA	Backflow Certification Class - Hampton	01/31/2017	900.00
125737	CUMMINS PACIFIC	Water Pump/Belts - A Tank Generator	01/20/2017	612.01
125604	CWEA	Collection Systems Specialty Workshop (4)	01/06/2017	440.00
125677	CWEA	Collection System Maintenance Grade 2 Certification - Zanardi	01/12/2017	88.00
125677	CWEA	Membership - Zanardi	01/12/2017	172.00
125738	CWEA	Electrical/Instrumentation Grade 4 Certification - Crumpacker	01/20/2017	98.00
125811	CWEA	Collection System Maintenance Grade 1 Certification - Scheidt	01/31/2017	83.00
125811	CWEA	Plant Maintenance Technologist Grade 1 Certification - Samorano	01/31/2017	83.00
125678	DATAPROSE	UB Statement Processing 12/16	01/12/2017	3,780.64
125812	DAVE'S PIT STOP AUTO SHOP	Oil/Lube - Vehicle #713	01/31/2017	75.54
125813	DAVIDSON, JEFF	Travel 01/17	01/31/2017	29.96
125606	DLT SOLUTIONS INC	AutoCAD Licenses (4) - Engineering	01/06/2017	3,900.12
125814	DOWNEY BRAND ATTORNEYS LLP	Legal Services 11/16	01/31/2017	19,005.16
125607	DUDEK	FEMA Environmental Process 09/16 - JLLWWTP	01/06/2017	216.00
125607	DUDEK	Professional Services 11/16 - New Hogan Dam Road	01/06/2017	1,767.50
125679	E & M ELECTRIC & MACHINERY INC	Intouch R2 Training - Tarap/Lang	01/12/2017	3,000.00
125680	EBBETTS PASS GAS SERVICE	Fuel 12/16	01/12/2017	2,197.66
125815	EBBETTS PASS LUMBER	Towels/Bags/Letters/Blade/Brace/Faucet/Gloves - Hunter's WTP	01/31/2017	171.99

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125815	EBBETTS PASS LUMBER	Concrete - EP Hydrant Pad	01/31/2017	141.48
125815	EBBETTS PASS LUMBER	Rebar/Concrete/Lumber - White Pines Barn	01/31/2017	460.90
125816	ECORP CONSULTING, INC	Water Rights Support Nov/Dec 2016	01/31/2017	8,876.68
125609	ENGINEERING NEWS RECORD	Subscription - Engineering	01/06/2017	100.00
125739	EUROFINS EATON ANALYTICAL, INC	Bac-T Testing - EP Reach 3A Pipeline Replacement Project	01/20/2017	96.00 (E)
125610	EUROFINS EATON ANALYTICAL, INC	Waste Water Testing 11/16	01/06/2017	5,436.48
125817	EUROFINS EATON ANALYTICAL, INC	Waste Water Testing 01/17	01/31/2017	1,256.00
125610	EUROFINS EATON ANALYTICAL, INC	Water Testing 10/16	01/06/2017	8,432.52
125817	EUROFINS EATON ANALYTICAL, INC	Water Testing 01/17	01/31/2017	1,459.75
125818	FARM AND AUTO SUPPLY INC	Relay/Flasher - Vehicle #130	01/31/2017	73.17
125818	FARM AND AUTO SUPPLY INC	Wiper Blade - Vehicle #716	01/31/2017	8.58
125818	FARM AND AUTO SUPPLY INC	Tire Inflation Tool/Connector/Fuel Conditioner/De-icer - JL Shop	01/31/2017	198.90
125818	FARM AND AUTO SUPPLY INC	Battery (2) - L/S #3/6	01/31/2017	228.14
125818	FARM AND AUTO SUPPLY INC	Belt - J.L.A Tank Generator	01/31/2017	18.79
125611	FASTENAL	Impact Wrench/Vehicle Charger/Battery - LC\WHSE	01/06/2017	649.89
125819	FEDERAL EXPRESS	Shipping 12/16	01/31/2017	55.65
125612	FERGUSON ENTERPRISES, INC 1423	Pipe Fittings - Wiseville Pressure Tank	01/06/2017	284.01
125681	FERGUSON ENTERPRISES, INC 1423	Meter Boxes/Lids/Reader/Hydrants/Gate Valves/Fittings - EP	01/12/2017	22,073.89
125740	FERGUSON ENTERPRISES, INC 1423	Meter Boxes/Lids/Gate Valve/Coupler/PRV/Crimping Tool - CC\WHSE	01/20/2017	2,832.43
125820	FERGUSON ENTERPRISES, INC 1423	Pipe Fittings - White Pines Barn	01/31/2017	1,546.28
125682	FOOTHILL PORTABLE TOILETS	Portable Toilet Rental Wallace	01/12/2017	72.00
125683	FOOTHILL PRINTING & GRAPHICS	Letterhead/Envelopes - Office Stock	01/12/2017	1,309.60
125684	FOOTHILL SIERRA PEST CONTROL	Pest/Weed Control - District Wide	01/12/2017	8,242.00
125685	FOREST MEADOWS OWNERS ASSOC	2017 Annual Access Fee	01/12/2017	344.00
125686	FROGGY'S AUTO WASH & LUBE	Oil/Lube/Wash - Vehicle #138	01/12/2017	71.12
125687	GABA	2017 Membership	01/12/2017	120.00
125741	GAMBI DISPOSAL INC.	Bio-Solids Removal - AWWTP,DFM/CTO WWTP	01/12/2017	1,235.00
125742	GAUSE, KEVIN	Emergency Pumping - L/S #21	01/20/2017	7,623.00
125743	GCR TIRES & SERVICE	Tire (1) - Vehicle #132	01/20/2017	154.14
125614	GENERAL PLUMBING SUPPLY CO INC	6" Rings/Accessory Kit - EP Hydrant Replacements	01/06/2017	332.19
125688	GENERAL PLUMBING SUPPLY CO INC	PVC Pipe Fittings - Vehicle #135	01/12/2017	76.30
125688	GENERAL PLUMBING SUPPLY CO INC	Brass Fittings - Sawmill PRV	01/12/2017	358.51
125688	GENERAL PLUMBING SUPPLY CO INC	Tube Cutters - CC\WHSE	01/12/2017	106.93
125688	GENERAL PLUMBING SUPPLY CO INC	Rings/Lubricant - Hunter's WTP	01/12/2017	83.65
125821	GENERAL SUPPLY COMPANY	Transformer/Weather Shield Kit - CC L/S #40/43	01/31/2017	4,188.45
125821	GENERAL SUPPLY COMPANY	Seal/ite/Conduit/Connectors/Wire/Bushings/Lugs - CC L/S #40	01/31/2017	334.70
125821	GENERAL SUPPLY COMPANY	Cast Iron Plugs - Six Mile Force Main	01/31/2017	110.11
125821	GENERAL SUPPLY COMPANY	Sump Pump/Bushing/Adapter - Indian Rock WWTP	01/31/2017	222.78
125615	GERKENMEYER, KELLY	Safety Boot Reimbursement	01/06/2017	200.00
125744	GFOA	Better Budgeting Seminar - Meyer	01/20/2017	70.00
125822	GHX INDUSTRIAL LLC	Adhesive Rubber - CC\WHSE	01/31/2017	72.01

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125616	GOLD RUSH INTERNET, LLC	Field Internet/Email Jan-Mar 2017	01/06/2017	714.00
125617	GOVCONNECTION, INC	Cisco Switch - OP HQ	01/06/2017	1,030.31
125618	GRAINGER	Drill Bits - Electricians	01/06/2017	187.13
125618	GRAINGER	Wall Heater - Hunter's WTP Filter Room	01/06/2017	717.29
125618	GRAINGER	Gate Valve Lockout - WP	01/06/2017	49.97
125689	GRAINGER	Supplies - CalFire	01/12/2017	722.39
125745	GRAINGER	Ink Cartridges	01/20/2017	117.62
125745	GRAINGER	Tool Bag - Electricians	01/20/2017	83.89
125745	GRAINGER	Solenoids (2) - JLVWTP Ozone Generators	01/20/2017	618.98
125745	GRAINGER	Screwdriver Set - Vehicle #530	01/20/2017	103.65
125745	GRAINGER	Thermostat - JL B Tank	01/20/2017	73.39
125745	GRAINGER	Safety Goggles - JLVWTP	01/20/2017	63.66
125823	GRAINGER	Cordless Drill Set - Collections Crew	01/31/2017	486.06
125746	GRAVETTE, JARED	Meal Reimbursement Overtime Storm Coverage Work	01/20/2017	32.86
125690	HACH COMPANY	Sulfuric Acid/Reagent Set/Solution/Ozone Accuvac - JLVWTP	01/12/2017	922.80
125824	HACH COMPANY	Filter Repair - JLVWTP	01/31/2017	392.98
125692	HD SUPPLY WATERWORKS LTD	Chamfer Tools - LCWHSE	01/12/2017	334.02
125826	HD SUPPLY WATERWORKS LTD	Water Meters (50)/Valves - LCWHSE	01/31/2017	8,904.43
125827	HOBGOODS CLEANING	Janitorial Services	01/31/2017	1,985.00
125619	HUGHESNET	Internet Service - FMWWTP	01/06/2017	82.29
125693	HUGHESNET	Internet Service - AWWTP	01/12/2017	80.94
125620	HUNT & SONS, INC	Fuel - Copper	01/06/2017	1,615.69
125694	HUNT & SONS, INC	Oil - Vehicle #145	01/12/2017	20.86
125748	HUNT & SONS, INC	Fuel - West Point	01/20/2017	354.96
125748	HUNT & SONS, INC	Fuel - Copper	01/20/2017	1,465.85
125749	INDUSTRIAL ELECTRICAL CO	Pump Repair - CCWWTP Pond #6	01/20/2017	5,522.36
125695	IRON MOUNTAIN	Document Destruction	01/12/2017	133.68
125828	JARNAGIN, MATTHEW	Safety Boot Reimbursement	01/31/2017	200.00
125696	JS WEST PROPANE GAS	Propane Tank Refill - JL	01/12/2017	388.47
125829	KENNEDY/JENKS CONSULTANTS	Engineering Services - LC/CC WW Master Plan Update	01/31/2017	16,028.75
125751	KIMBALL MIDWEST	Towels - JL Shop	01/20/2017	161.56
125697	LAKE TULLOCH TRUE VALUE	Pruning Tools/Lubricant/Bushings/Tape/Nuts/Bolts/Supplies - CC	01/12/2017	797.39
125830	LIEBERT CASSIDY WHITMORE	Legal Services 12/16	01/31/2017	400.00
125622	MATHESON TRI-GAS, INC	Liquid Oxygen - JLVWTP	01/06/2017	3,900.30
125832	METZGER, JOEL	SWRCB Workshop Travel Reimbursement	01/31/2017	103.16
125623	MODESTO STEEL	Steel Pipe - CCWHSE	01/06/2017	129.00
125699	MODESTO WELDING PRODUCTS	Cylinder Rental 12/16	01/12/2017	99.00
125752	MODESTO WELDING PRODUCTS	Oxygen/Welding Wheels/Discs/Wire/Tips - CCWHSE	01/20/2017	212.49
125700	MOTHER LODGE ANSWERING SERVICE	Answering Service 12/16	01/12/2017	585.60
125624	MOUNTAIN OASIS WATER	Water/Supplies 12/16	01/06/2017	153.30
125753	MUNICIPAL MAINTENANCE EQUIP	Spray Gun/Nozzle/Lance - Vehicle #123	01/20/2017	387.05

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125753	MUNICIPAL MAINTENANCE EQUIP	Ball Valve - Vehicle #126	01/20/2017	99.49
125753	MUNICIPAL MAINTENANCE EQUIP	Boom Elbow/Gaskets - Vehicle #135	01/20/2017	1,139.61
125833	MUTUAL OF OMAHA	Life/AD&D/LTD Insurance Jan/Feb 2017	01/31/2017	11,928.10
125835	NASH CHEVRON	Tires (2) - CC Spray Trailer	01/31/2017	160.55
125626	NEOFUNDS BY NEOPOST	Postage 12/16	01/06/2017	1,000.00
125702	NEOPOST USA INC	Maintenance Agreement - Folder/Sorter	01/12/2017	260.88
125754	NEW YORK LIFE	Life Insurance 01/17	01/20/2017	907.86 (C)
125627	NORDAHL LAND SURVEYING	Land Surveying - 423 E St Charles St	01/06/2017	2,710.00
125755	NORTHSTAR CHEMICAL	Chemicals	01/20/2017	4,904.41
125703	NTU TECHNOLOGIES INC	Chemicals	01/12/2017	21,013.01
125757	OCCU-MED, LTD	Pre-Employment Exam - Utility Dept	01/20/2017	508.00
125756	O'CONNELL & DEMPSEY, LLC	Consulting Services Federal Legislative Advocacy	01/20/2017	4,000.00
125750	OFFICES OF JOHN S. MILLS	Consulting Services Strategic Water Resource Planning	01/20/2017	7,043.75
125704	O'REILLY AUTO PARTS	Floor Mats - Vehicle #124	01/12/2017	22.56
125704	O'REILLY AUTO PARTS	Oil/Filters/Kit - Vehicle #150	01/12/2017	137.70
125704	O'REILLY AUTO PARTS	Wiper Blades - Vehicle #531	01/12/2017	38.74
125704	O'REILLY AUTO PARTS	Oil/Filter - Vehicle #535	01/12/2017	55.88
125704	O'REILLY AUTO PARTS	Fuel Additive - Vehicle #554	01/12/2017	56.96
125704	O'REILLY AUTO PARTS	Penetrant/Grease/Glass Cleaner/Seat Console - Vehicle #614/621	01/12/2017	80.38
125704	O'REILLY AUTO PARTS	Socket Set - EP Shop	01/12/2017	107.46
125633	P G & E	Power 12/16	01/06/2017	349.41
125838	P G & E	Power 01/17	01/31/2017	3,876.11
125634	PACE SUPPLY CORP 23788-00	Pipe Lube/Pipe/Fittings/Cleanout Adapters - Collections Stock	01/06/2017	1,107.90
125761	PACE SUPPLY CORP 23788-00	Cla-Val Repair Kits - JLVWTP	01/20/2017	538.15
125635	PACIFIC ECORISK, INC.	Bioassay Consulting - CCRCP	01/06/2017	334.25
125839	PACIFIC SOUTHWEST IRRIGATION	Saddle/Couplers/O-Rings/Disks/Adapters - CCWWTP Sprayfield	01/31/2017	2,155.97
125762	PAYMENTUS GROUP INC	Payment Processing 12/16	01/20/2017	4,709.00
125763	PENTAIR VALVES & CONTROLS WEST	Actuator - Hunter's WTP	01/20/2017	1,836.56
125764	PETERSON BRUSTAD INC	Engineering/Design Services - JLVWTP Pretreatment Facility	01/20/2017	39,004.19 (E)
125764	PETERSON BRUSTAD INC	Engineering Services - JLVCC Master Plan Updates	01/20/2017	11,782.05
125765	PLACER TITLE	Parcel Map - 423 E St Charles St	01/20/2017	318.00
125637	POLLARDWATER	Pinch-Off Tool - LCWHSE	01/06/2017	281.48
125840	POLLARDWATER	High Visibility Rainwear/Gloves - White Pines Barn	01/31/2017	506.36
125705	POTRERO HILLS LANDFILL	Bio-Solids Disposal - FMWWTP/AWWTP	01/12/2017	1,050.24
125841	RATTERMAN, SCOTT	Travel 01/17	01/31/2017	82.93
125639	ROLLERI LANDSCAPE PRODUCTS	Drain Rock - EP Hydrant Replacement	01/06/2017	80.63
125640	RON COOPER	Patch Paving - Rancho Calaveras	01/06/2017	13,784.00
125768	ROWLEY'S SNOW REMOVAL	Snow Removal - Big Trees	01/20/2017	420.00
125706	RYAN HERCO PRODUCTS CORP.	Reducer Bushing - CCWWTP Sprayfield	01/12/2017	338.43
125843	SAFE T LITE	Barricade - EP	01/31/2017	104.91
125843	SAFE T LITE	Gloves/Hardhats/Safety Glasses/Vests/Earplugs - Stock	01/31/2017	545.69

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125843	SAFE T LITE	Road Closed Sign - EP Blagen Road	01/31/2017	263.16
125641	SAN ANDREAS SANITARY DIST	Sewer Service - 423 E St Charles Street	01/06/2017	966.00
125844	SCHNEIDER ELECTRIC USA, INC.	PLC Repair - Lift Stations	01/31/2017	943.54
125642	SECO CONTROLS, LLC	Chart Recorders (2) - Sheep Ranch WTP	01/06/2017	7,268.24
125845	SEIU LOCAL 1021	Union Dues Dec/Jan 2017	01/31/2017	5,468.04 (C)
125769	SENDERS MARKET INC	Cable Ties/Pump/Float - Collections Crew	01/20/2017	801.76
125769	SENDERS MARKET INC	Boots/Lumber - JLWTP	01/20/2017	50.08
125769	SENDERS MARKET INC	Batteries/Sandpaper/Ratchet/Extension Bar/Bags/Tape - JL Shop	01/20/2017	92.00
125769	SENDERS MARKET INC	Turnbuckles - LCWWTP	01/20/2017	40.62
125769	SENDERS MARKET INC	Light Bulbs - OP HQ	01/20/2017	38.66
125769	SENDERS MARKET INC	Sprayer/Staples/Glue/Towels - LCWHSE	01/20/2017	70.14
125644	SIGNAL SERVICE	Facilities Alarm Service	01/06/2017	1,721.70
125647	SPENCE RANCH FEED & SUPPLY	Straw Bales - Bio-Solid Bins	01/06/2017	96.64
125707	STAPLES CREDIT PLAN	Office Supplies	01/12/2017	1,605.40
EFT	STATE BOARD OF EQUALIZATION	Oct-Dec 2016 Use Tax	01/06/2017	968.00
125710	STORAGE GROUP INC	Relocate Storage Container - E St Charles St to LCWHSE	01/12/2017	250.00
125846	STRANGE, TERRY	Travel 01/17	01/31/2017	86.67
125770	SUTTON ENTERPRISES	Settlement Agreement	01/20/2017	44,602.47
125648	SWRCB-DIVISION WATER QUALITY	Permit Fee - District Wide	01/06/2017	124,509.00
125772	T & T VALVE AND INSTRUMENT INC	Valves - CCWWTP Sprayfields	01/20/2017	687.86
125847	TALLEY	UHF Connectors - Truck Radios	01/31/2017	50.25
125711	TELENATIONAL COMMUNICATIONS	Internet Service 12/16 - Wallace	01/12/2017	41.94
125766	THE RED STORE	Powerblock - Indian Rock WWTP	01/20/2017	13.75
125767	THE REED LEASING GROUP	Annual Road Maintenance Fee - OP HQ	01/20/2017	800.00
125654	THE VILLA BAKERY	Meeting Supplies	01/06/2017	28.08
125848	THOMAS, RUSS	Travel 01/17	01/31/2017	89.88
125849	TIFCO INDUSTRIES	Fuses/Nuts/Bolts/Grinding Discs/Fittings - JL Shop	01/31/2017	343.10
125649	TREATS GENERAL STORE INC	Meeting Supplies	01/06/2017	7.78
ACH	UMPQUA BANK	Tape/Hardware/Water/Dowels - OP HQ	01/06/2017	39.05
125850	UNDERHILL, BERTHA	Loan Payment Oct-Dec 2016 - VacCon Truck	01/26/2017	17,628.33
125712	UNION PUBLIC UTILITY DISTRICT	Travel 01/17	01/31/2017	69.55
125851	UNITED PARCEL SERVICE	Water Service 12/16 - DFVCTO (Sugar Pine)	01/12/2017	171.00
125852	UNITED RENTALS NORTHWEST, INC	Shipping Dec 2016/Jan 2017	01/31/2017	500.04
125853	UNIVAR USA INC	Purchase Trench Plates (10)/Lifting Eye - Construction Crew	01/31/2017	11,958.38
125775	US BANK CORP TRUST SVCS	Chemicals	01/31/2017	7,840.93
125775	US BANK CORP TRUST SVCS	Semi Annual Assessment District Debt Service - Daleel/Cassidy	01/20/2017	22,662.50 (C)
125776	US HEALTHWORKS MEDICAL GROUP	Semi Annual Assessment District Debt Service - Saddle Creek	01/20/2017	48,028.75 (C)
125652	USA BLUE BOOK	DOT Exam - Utility Dept.	01/20/2017	99.00
125652	USA BLUE BOOK	Floats - Electricians	01/06/2017	935.88
125652	USA BLUE BOOK	Adapter/Jackets/Tools/Flashlights/Gloves/Gauge - Inspectors	01/06/2017	2,743.98
125652	USA BLUE BOOK	Chemical Pump - AWWTP	01/06/2017	830.06

AP Disbursements
January 1-31, 2017

Check No.	Vendor/Employee	Transaction Description	Date	Amount
125714	USA BLUE BOOK	Ozone AccuVacs/Reagents - CCWTP	01/12/2017	713.33
125714	USA BLUE BOOK	Treatment Plant Log Books - WPWTP	01/12/2017	44.76
125777	VERIZON WIRELESS	Cell Phones 01/17	01/20/2017	1,428.75
125655	VOLCANO TELEPHONE COMPANY	Phone 12/16	01/06/2017	401.00
125656	WAGEWORKS	FSA Admin	01/06/2017	165.00
125715	WATER ENVIRONMENT FEDERATION	Membership - Tanaka	01/12/2017	312.00
125779	WECO INDUSTRIES	Camera Repair - TV Van	01/20/2017	461.78
125716	WELLS FARGO FINANCIAL LEASING	Copier Lease (2)	01/12/2017	589.87
125780	WEST POINT LUMBER INC	Connector/Distilled Water/Paper Towels - WVP	01/20/2017	13.03
EFT	WEX BANK	Fuel 12/16	01/18/2017	6,979.56
125657	WILLDAN	Assessment District Administration - West Point Acres	01/06/2017	419.63 (C)
125657	WILLDAN	Assessment District Administration - Arnold	01/06/2017	976.70 (C)
125657	WILLDAN	Assessment District Administration - DaLee/Cassidy	01/06/2017	437.31 (C)
125657	WILLDAN	Assessment District Administration - Fly-In Acres	01/06/2017	646.18 (C)
125657	WILLDAN	Assessment District Administration - Wallace	01/06/2017	619.47 (C)
125657	WILLDAN	Assessment District Administration - Saddle Creek	01/06/2017	1,996.26 (C)
125717	WILLE ELECTRIC SUPPLY CO INC	Insulated Hand Tools - Electricians	01/12/2017	486.30
125717	WILLE ELECTRIC SUPPLY CO INC	Wire/Toggles/Lube - Electricians	01/12/2017	545.26
125781	WILLE ELECTRIC SUPPLY CO INC	Wiring/Cable - Hunter's WTP	01/20/2017	873.68
125854	WILLE ELECTRIC SUPPLY CO INC	Starter/Heater Element/Auxiliary Contactors - L/S #8	01/31/2017	3,064.76
125855	WUNSCHEL & SONS, INC.	Construction Agreement Hwy 26 Pipeline Relocation	01/31/2017	8,527.07 (E)
125658	ZOOM SMOG & AUTOMOTIVE	Oil/Lube - Vehicle #132	01/06/2017	202.10
125658	ZOOM SMOG & AUTOMOTIVE	Oil/Lube - Vehicle #606	01/06/2017	193.00
125718	ZOOM SMOG & AUTOMOTIVE	Fabricate/Install New Jib Boom - Vehicle #612	01/12/2017	3,026.66
125718	ZOOM SMOG & AUTOMOTIVE	Tires (2)/Oil/Lube - Vehicle #612	01/12/2017	803.69
125856	ZOOM SMOG & AUTOMOTIVE	Oil/Lube/Steering Column Repair - Vehicle #610	01/31/2017	341.65
125856	ZOOM SMOG & AUTOMOTIVE	Oil/Lube - Vehicle #716	01/31/2017	119.11
	Employee Medical Reimbursements (6)			2,284.22
	Retiree Health Reimbursements (3)			1,150.06
	Customer Refunds (8)			942.61

Total January 2017 AP Disbursements

988,225.88

Agenda Item

DATE: February 22, 2017

TO: Board of Directors

FROM: Dave Eggerton, General Manager

SUBJECT: Concur in Nomination of Kathleen Tiegs, Cucamonga Valley Water District to the Executive Committee of the ACWA/JPIA

RECOMMENDED ACTION:

Motion: _____/_____ adopt Resolution No. 2017-_____ approve concurring in nomination of Kathleen Tiegs, Cucamonga Valley Water District to the Executive Committee of the Association of California Water Agencies/Joint Powers Insurance Authorities (ACWA/JPIA).

SUMMARY:

Periodically members of other water agencies who are members of the ACWA/JPIA request other member agencies to concur in their nomination to a committee or to the board of the ACWA/JPIA.

In this case, the Cucamonga Valley Water District has requested a concurring resolution for their board member, Kathleen Tiegs to the Executive Committee of the ACWA/JPIA. Ms. Tiegs has provided outstanding leadership on behalf of the membership of ACWA as its current President.

FINANCIAL CONSIDERATIONS:

None.

Attachments: Resolution Concurring Nomination
Letter from Cucamonga Valley Water District
Candidate Statement

RESOLUTION NO. 2017 -

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT**

**CONCURRING IN NOMINATION TO THE EXECUTIVE COMMITTEE OF THE
ASSOCIATION OF CALIFORNIA WATER AGENCIES
JOINT POWERS INSURANCE AUTHORITY (“ACWA/JPIA”)**

WHEREAS, the Calaveras County Water District is a member district of the ACWA/JPIA; and

WHEREAS, the Bylaws of the ACWA/JPIA provide that in order for a nomination to be made to ACWA/JPIA’s Executive Committee, three member districts must concur with the nominating district; and

WHEREAS, another ACWA/JPIA member district, the Cucamonga Valley Water District has requested that this district concur in its nomination of its member of the ACWA/JPIA Board of Directors to the Executive Committee of the ACWA/JPIA.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT that this District concur with the nomination of Kathleen J. Tiegs of Cucamonga Valley Water District to the Executive Committee of the ACWA/JPIA.

BE IT FURTHER RESOLVED that the District’s Clerk to the Board is hereby directed to transmit a certified copy of this resolution to the ACWA/JPIA.

PASSED AND ADOPTED this 22nd day of February, 2017 by the following vote:

**AYES:
NOES:
ABSTAIN:
ABSENT:**

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman, Vice President
Board of Directors

ATTEST:

Mona Walker, Clerk to the Board



Cucamonga Valley
Water District

10440 Ashford Street • Rancho Cucamonga, CA 91730-2799
P.O. BOX 638 • Rancho Cucamonga, CA 91729-0638
(909) 987-2591 • Fax (909) 476-8032

Martin E. Zvirbulis
Secretary/General Manager/CEO

January 25, 2017

Dear Fellow ACWA/JPIA Member:

On January 24, 2017 the Cucamonga Valley Water District Board of Directors adopted Resolution No. 2017-1-1 nominating Director Kathleen J. Tiegs for the position of ACWA/JPIA Executive Committee. We are formally requesting your support of Director Tiegs' nomination through the adoption of a concurring resolution from your agency.

Director Tiegs has been actively involved in ACWA/JPIA having served the past 10 years on the board, as well as having experience as the ex-officio member on the Executive Committee. Director Tiegs is committed to continuing the great work of providing quality insurance and employee benefit services that ensure our agencies and ratepayers are receiving the most cost-effective service possible.

I have attached a sample concurring resolution in support of Director Tiegs' nomination, as well as her candidate statement. The elections for ACWA/JPIA Executive Committee will be held May 8, 2017, should you desire to adopt a resolution or if you have questions please contact our Executive Assistant to the Board, Taya Victorino at 909.987.2591 or tayav@cvwdwater.com.

Thank you in advance for your consideration.

James V. Curatalo, Jr.
President

Attachments:
Sample Concurring Resolution
Candidate Statement – Director Tiegs

RECEIVED

JAN 31 2017

CCWD

Kathleen J. Tiegs
Candidate Statement for
Association of California Water Agencies
Joint Powers Insurance Authority (ACWA/JPIA) Executive Committee

Dear ACWA/JPIA Board Members:

I am pleased to share with you my interest in serving on the Executive Committee for ACWA/JPIA. I believe I am prepared and ready for the challenge to help lead the organization as we continue to grapple with providing the best and most cost-effective insurance and employee benefit services to our members.



My experience with the ACWA/JPIA began over 10 years ago when I was appointed by the Cucamonga Valley Water District (CVWD) to serve as their ACWA/JPIA representative. I have also served as the ex-officio member of the Executive Committee in 2015-2016. As part of the Executive Committee I was able to provide the leadership and feedback to staff to ensure they were continuing to uphold the mission of the ACWA/JPIA: *"to consistently and cost effectively provide the broadest possible affordable insurance coverage and related services to its member agencies"*.

I have served on the CVWD board of directors for approximately 12 years, and have served in the role as both president and vice-president of the board of directors. I am currently a member of the Legislative/Outreach and the Human Resources/Risk Management committees. The Human Resources/Risk Management Committee is responsible for overseeing employee benefits, risk management and safety programs for the organization. At CVWD, we have taken full advantage of all the programs the ACWA/JPIA has to offer to ensure our employees are working in the safest environment possible. Our board of directors has also adopted the *Commitment to Excellence* Program pledge putting into place best management practices which bolsters our effectiveness for loss prevention and safety.

I currently serve as the President for the Association of California Agencies (ACWA). In my role as president I have focused on increasing my understanding of our members needs so that I may know how to better serve and lead the ACWA organization. I will use this same approach if elected to serve on the ACWA/JPIA Executive Committee.

The election for ACWA/JPIA is scheduled for May 8, 2017 at the conference. Thank you for allowing me to share my experience, leadership and knowledge. I look forward to the opportunity to represent you and your agency. Please feel free to contact me directly at (909) 635-4177 should you have questions or if you would like to support my candidacy.

Thank you in advance for your consideration,

A handwritten signature in black ink that reads "Kathy Tiegs".

Agenda Item

DATE: February 22, 2017

TO: Dave Eggerton, General Manager

FROM: Charles Palmer, District Engineer *CP*

SUBJECT: Discussion / Action regarding Authorization of Professional Services Agreement for the Ebbetts Pass Techite Water Pipeline Replacement Project, CIP #11084

RECOMMENDED ACTION:

Motion: _____ / _____ adopt Resolution No. 2017-___ authorizing the General Manager to enter into a Professional Services Agreement (PSA) with Coleman Engineering in the amount of \$109,293 for engineering and environmental services for the Ebbetts Pass Techite Water Pipeline Replacement Project, CIP #11084.

SUMMARY:

The Techite pipeline is part of the Ebbetts Pass Water system and located on Meko Drive in the Big Trees subdivision near Dorrington, CA. The Techite pipeline has a long history of failures and numerous proposals have been made over the years for its replacement. The R&R Program has made it possible to move forward with this project. In April 2014, the District entered into a PSA with Coleman Engineering for engineering and design services for the Ebbetts Pass Techite pipeline replacement project. After Coleman Engineering completed an initial part of the scope of work including a preliminary design report and 30% drawings, the remaining design effort was halted in late 2014 to address other priorities of the District and eventually the PSA expired. At this time, District staff is requesting the Board to authorize a new PSA for Coleman Engineering for the remaining scope of work to complete final plans and specifications for subsequent bidding and construction in FY 2017/18. The original 2014 contract amount was \$196,448 with prior payments of \$101,357. Considering these prior payments and a new contract amount of \$109,293, total costs are \$210,650.

FINANCIAL CONSIDERATIONS:

None / no adjustments necessary at this time. Sufficient funds were allocated in the adopted FY 2016/17 CIP budget.

Attachments: Resolution
Coleman Engineering Scope of Services

RESOLUTION NO. 2017-

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT**

**APPROVAL/AUTHORIZATION OF PROFESSIONAL SERVICES AGREEMENT (PSA)
FOR ENGINEERING AND DESIGN SERVICES FOR THE EBBETTS PASS
TECHITE WATER PIPELINE REPLACEMENT PROJECT
CCWD CAPITAL IMPROVMENT PROJECT #11084**

WHEREAS, on April 9, 2014 per Resolution 2014-21, the Calaveras County Water District (CCWD) Board of Directors authorized engineering and design services for the Ebbetts Pass Techite Water Pipeline Replacement Project and entered into a contract with Coleman Engineering in the amount of \$196,448; and Coleman Engineering faithfully completed portions of the original scope of work during 2014 including a design report and 30% drawings, and payments totaling \$101,357 were made by the District before work was halted and the PSA term eventually expired; and

WHEREAS, at this current date, CCWD requested that Coleman Engineering continue the project and obtained a proposal in the amount of \$109,293 for engineering and design services necessary to complete the remaining scope of work and furnish final drawings and specifications for public bidding and construction in the next fiscal year, FY 2017/18.

BE IT RESOLVED, the Calaveras County Water District Board of Directors hereby approves the proposed scope of work and fee submitted by Coleman Engineering, attached hereto and made a part hereof, and authorizes the General Manager to execute a Professional Services Agreement (PSA) with Coleman Engineering in the amount of \$109,293 for said engineering and design services for the Ebbetts Pass Water Techite Water Pipeline Replacement Project, CIP #11084, funds to come from the Renovation and Replacement fund 125.

PASSED AND ADOPTED this 22nd day of February, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman, Vice President
Board of Directors

ATTEST:

Mona Walker, Clerk to the Board

EXHIBIT A

Scope of Services

Owner/Client: Calaveras County Water District

Project: Techite Water Line Replacement

Project Location: Ebbetts Pass Water System / Big Trees
Subdivision

Summary of Services: Design Engineering
Engineering Services During Construction

Utility Systems: Drinking Water Pipeline

Project Background

The Ebbetts Pass water system has approximately 5,500 retail water customers served by the Hunters Water Treatment Plant. The system contains 15 storage tanks, 10 pumping stations, and 65 pressure zones with 100 pressure reducing stations. The system operates over a wide range of elevations and operating pressures from 20 psi to 250 psi and utilizes transmission mains along State Route 4 to supply individual developments or services zones. Water transmission through the Ebbetts Pass system is divided into four reaches starting with Reach 1 at the lowest elevation and moving upward in elevation to Reach 2 and 3 and ending with Reach 4 at the highest elevation.

Above Reach 4, water is conveyed to higher elevations by a series of small pump stations and distributed to six (6) Redwood storage tanks. The 14-inch diameter Techite line is aligned along Meko drive and approximately 8,000 feet in length and serves as both transmission and distribution. The Dorrington Pump Station fills Tanks 4/5 from where water is then re-pumped and transmitted via the Techite line to the Big Trees Tank 8 near the intersection of Meko Drive and State Route 4.

Design services by Coleman Engineering were authorized by the District on April 14, 2014 but those services were terminated by the District on August 20, 2014 due to changed funding conditions at the District. At the time of the termination, Coleman Engineering had substantially completed producing a Preliminary Design Report and accompanying draft plans.

EXHIBIT A

Project Definition

Techite is a fiberglass composite material manufactured by Amoco Reinforced Plastics Co. from 1973 to 1980. It was later found to be a defective material. The Techite pipe along Meko Drive has caused catastrophic leaks and pavement failures, and CCWD planned to replace it as early as 1988. The total project (Phases 1 and 2) will replace approximately 8,100-feet of 14-inch diameter Techite pipe with new smaller C900 PVC or ductile iron pipe. The new pipe will provide transmission capacity between Tanks 4/5 and Tank 8, as well as distribution functions to residential areas adjacent to the pipeline alignment.

It is anticipated that all connections to the existing pipeline will be reconnected to the new pipeline including the pump station, residential services, pipelines, and pressure control valves.

The District has split the project into two phases as described below:

- Phase 1: Tanks 4/5 through the subdivision to the Hwy 4 Caltrans right-of-way. But, this phase stops short of the Caltrans right-of-way so that no coordination with Caltrans is required. This alignment is approximately 7,100-feet.
- Phase 2: From the end of Phase 1 to Tank 8. This alignment is assumed to include significant coordination with Caltrans and the US Forest Service. This alignment is approximately 1,000-feet.

The purpose of the services described in this Scope is to complete design of the Phase 1 pipeline as defined above and as described in the Preliminary Design Report and the draft Plans. Phase 2 will be designed under a separate Scope at a later date.

Scope of Services

TASK 1 – Pipeline Design

- 1.1 Project Management and Meetings: Coleman Engineering will manage the design task by assigning the appropriate staff, allocating the resources, coordinating sub-consultants, and planning and organizing its efforts to maximize the goals of the Client throughout the project.

Prior to submittal of major design deliverables to the Client, Coleman Engineering will conduct reviews with senior staff for quality assurance purposes. Each deliverable will be reviewed for technical content, format, and presentation conclusions versus the goals of the project.

Coleman Engineering has budgeted to participate in the following meetings during the design task:

EXHIBIT A

- Project Kick-Off Meeting
- Design Review Meeting 1
- Design Review Meeting 2

1.2 Pre-Design Review and Project Re-Start: Coleman Engineering completed a draft of the Preliminary Engineering Report (PDR) together with draft plans. During this task, Coleman Engineering will review the conclusions of the PDR together with engineering investigations completed during the PDR. This includes the following sub-disciplines:

- Surveying and Topographic Mapping
- Geotechnical Engineering
- Coordination with HDR who completed hydraulic modeling under contract to the District

Coleman Engineering will review the PDR already prepared and will evaluate the potential for changes to the proposed design that should be considered in light of the time that has passed. It is assumed that no additional surveying, geotechnical engineering, or hydraulic modeling services will be required by the sub-consultants and that all services provided previously will still be applicable.

Coleman Engineering will prepare a PDR Summary Memo to the District that will summarize the status of the sub-disciplines and review key pre-design conclusions. The memo will be prepared prior to the Project Kick-Off Meeting and will be a point of discussion at the Kick-Off Meeting.

1.3 Design Calculations and Engineering: Coleman Engineering will use preliminary design information together with comments from the Kick-Off Meeting to proceed to final design of the pipeline. Critical early engineering efforts will include analysis of the following:

- Means for maintaining water service to each customer
- Pipeline alignment options with alignment and construction methods determined
- Likely construction phasing

1.4 Design Site Visits: Coleman Engineering will make up to two visits to the site during design. The purpose of the site visits will be to gather field information critical to the preparation of the design documents, to coordinate with Client staff, and to identify opportunities and constraints that may contribute to a successful project.

1.5 Plan Production: Coleman Engineering will prepare Plans that the Client can use for bidding and to contract for construction services. It is

EXHIBIT A

anticipated that Plans will be created in a single set with titles shown the following lists.

Phase 1 – Tanks 4/5 to Hwy 4	
Sheet	Title
G1	Cover Sheet with Key Map and Sheet List
G2	General Notes, Legend, and Abbreviations
G3	CCWD Standard Notes and Project Notes
C1	Project Phasing Plan
C2	Plan and Profile 1
C3	Plan and Profile 2
C4	Plan and Profile 3
C5	Plan and Profile 4
C6	Plan and Profile 5
C7	Plan and Profile 6
C8	Plan and Profile 7
C9	Details 1
C10	Details 2
C11	Details 3
C12	Details 4
C13	Sections & Details 1
C14	Sections & Details 2

- 1.6 Technical Specifications: Coleman Engineering will prepare technical specifications to accompany the plans using MasterFormat 2004 sections. Per the Districts direction, District standard specifications will be used. It is anticipated that up to four additional specialized technical specifications may be required.

Coleman Engineering will use District procurement and contracting documents (typically Divisions 00 and 01) to make a complete Bid Document. It is anticipated that the District will provide template documents that it wants to use and that Coleman Engineering will fill in applicable sections to be specific to the project. It is assumed that this project will not include outside funding sources that will require additional front end documents.

EXHIBIT A

- 1.7 Construction Cost Opinion: Coleman Engineering will prepare a construction cost opinion to accompany the 100% final design submittal. The cost opinion will be developed to a level of detail and with contingency assumptions commensurate with the progression of the design.
- 1.8 Draft Deliverables: Coleman Engineering will deliver the design to the Client in two stages: 95% draft, and 100% final.

Task 1 Deliverables:

- *PDR Summary Memo*
- *95% Draft Plans and Specifications – 1 pdf set of files e-mailed to the Client*
- *95% Design Review Meeting Notes*
- *100% Final Design Documents – 1 reproducible copy to the Client*

TASK 2 – Environmental Consulting and Permitting Assistance

- 2.1 Environmental Investigation and Consulting: Using the PDR and associated draft plans, environmental consulting services will be provided by Brewer Environmental Consulting (BEC) currently under sub-contract to Coleman Engineering for this project.

BEC will prepare a CEQA-level project description that will describe the purpose and need for the project, project phasing, construction timing, identification of staging areas and environmental measures included to avoid, reduce or mitigate environmental impacts in the impacted areas of construction.

BEC will also conduct one-day biological survey for the proposed pipeline replacement project in this task. BEC will conduct pre-field research including literature search and a search of the CDFW California Natural Diversity Database (CNDDDB) to identify potential special status species in the project area and to develop a species list of possible candidates for detailed surveys. This scope does not include a stand-alone biological technical report or a species specific protocol-level wildlife survey or wetland delineations at this time because based on current information it does not appear that they are required at this time. BEC will document existing wildlife habitats in the project area and document wildlife observed in the field.

EXHIBIT A

The proposed project generally qualifies as a Category I or II Exemption (CE) under CEQA since CCWD is essentially replacing an existing waterline. BEC will prepare an internal environmental analysis to support filing of the CE in this task. The environmental analysis will not be submitted to the State Clearinghouse for state agency or public review but for CCWD administrative records and to ensure CCWD team that the project meets CE criteria. The primary purpose of the document will be to support filing of the CEQA Categorical Exemption and have backup information to support the process in the event any concerns or issues are raised by the public or state agencies. This task involves preparing brief answers to CEQA initial study checklist and documenting our findings. BEC will prepare the required CE notice for signature by CCWD. The team will respond to one round of comments on the administrative draft initial study.

- 2.2 Cultural Resources Analysis: Acting as a sub-consultant to Coleman Engineering, Trish Fernandez from InContext will prepare the CEQA cultural resource analysis. InContext will conduct a cultural resources study for the pipeline replacement project in compliance with the California Environmental Quality Act. The study will consist of the following tasks:
1. Pre-Field Records Search at the Central California Information Center and Literature Review and Background Research of online and in-house sources
 2. Request for information from local historical societies
 3. Pedestrian Survey of proposed project area
 4. Preparation of a Cultural Resources Study Report (CRSR) in letter format, which will provide a summary of methods, findings, conclusions, and recommendations regarding CEQA findings and mitigation to be used in the anticipated Categorical Exemption.

- 2.3 Permitting Assistance: Coleman Engineering will provide engineering services necessary to submit one encroachment permit applications to Calaveras County. It is assumed that Permitting Assistance services will utilize the PDR and its associated plans and will begin after project parameters are confirmed in the Kick-Off Meeting.

This scope does not include environmental services for acquisition of Caltrans encroachment permit. It is assumed that Caltrans encroachment permit services will be performed in Phase 2 under a future Scope.

For budgeting purposes, Coleman Engineering has assumed sufficient engineering and support to prepare a permit application package to the County, and to respond to one round of comments. If additional

EXHIBIT A

engineering, submittals, or comment responses are required, additional scope and budget may be required.

Task 2 Deliverables:

- *CEQA Initial Study Checklist/Categorical Exemption (pdf file)*
- *Cultural Resources Study Report (pdf file)*
- *Permit Application Package to Calaveras County (pdf file)*

Schedule

It is understood that the Client desires to construct Phase 1 in the Summer of 2017. In support of this project goal, the following table shows target completion dates for each project milestone. It is important to note that the schedule is aggressive and is dependent on a great deal of cooperation and facilitation by the Client. Coleman Engineering is supportive of the Client's goal of getting this project moved to construction as soon as possible and will dedicate sufficient resources to achieve the schedule goals. However, there are Client and third party review schedules that are beyond our control and that cannot be fully estimated at this early stage.

The following schedule assumes that the District will return comments on each submittal within two weeks of receiving documents from Coleman Engineering. This approach will allow for the aggressive schedule to be maintained.

Milestone	Target Completion Date
Kick-Off Meeting	February 10, 2017
95% Draft Phase 1 Design	April 2017
100% Final Phase 1 Design	May 2017

Budgets

Coleman Engineering will provide the services outlined above according to the terms of payment outlined in the Agreement. Coleman Engineering will contract the following tasks on a Time & Materials basis as stated in the Agreement. Coleman Engineering reserves the right to transfer budgets between tasks while maintaining the total budget of the project.

EXHIBIT A

Task	Scope Item	Budgets
1	Pipeline Design	\$93,697
2	Environmental Consulting and Permitting Assistance	\$15,596
TOTAL BUDGET =		\$109,293

Tasks Not Included in this Scope of Services

This Scope of Services is intended to outline the services offered to the Client by Coleman Engineering. The list below is offered as a clarification of the services that are not included, not anticipated, or that will be completed by others.

1. No work in private streets. All roadways and streets are assumed to be public rights-of-way.
2. Surveying, mapping, or legal descriptions required to obtain additional or new easements (may be added if this service is determined to be required).
3. Corrosion Engineering.
4. Obtaining any required construction permits. This scope includes preparation and submittal of encroachment permit applications only.
5. Engineering Services During Construction (planned to be offered in a future scope).
6. Full time construction inspection (may be offered under a separate contract).
7. Legal review of bidding documents.
8. Expert witness services (may be offered under a separate contract).
9. The only coordination for approvals that will be made are with the Client, and permitting agencies. No other agencies will be consulted, coordinated with, or sought out for approvals.
10. Obtaining NPDES permits for discharges from sites (will be included in Contract Documents for Contractor to obtain).
11. SWPPP (specifications will require the Contractor to prepare the SWPPP).
12. Hazardous materials permits or approvals.
13. Plan and specifications reproduction and distribution.
14. Structural, electrical, controls, instrumentation, and communications engineering design or planning.
15. No Caltrans Encroachment Permit will be applied for in this phase.
16. Biological investigations and studies will not be prepared.
17. This project will require compliance with CEQA only and will require no other agency review or approval.
18. CCWD will conduct AB52 and/or Native American consultation (if deemed necessary).
19. It is assumed that no actual cultural resources will be identified, precluding the need for documentation of any resources. In the event that cultural resources are identified, additional services may be required to document the resources.

Agenda Item

DATE: February 22, 2017

TO: Dave Eggerton, General Manager

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Approval of Agreement for a Cost of Service and Financial Analysis Study

RECOMMENDED ACTION:

Motion: _____ / _____ adopting Resolution No. 2017-____ authorizing the General Manager to enter into a Professional Services Agreement (PSA) with HDR Engineering, Inc. in the amount of \$69,500 to provide a Cost of Service and Financial Analysis Study.

SUMMARY:

The FY 2016-17 Operating Budget includes funding for a Cost of Service and Financial Analysis Study. This study is the second part of a two phase outside review of the District's finances, specifically those of the water and wastewater systems. The first phase was the preparation of the FY 2015-16 Audited Financial Statements by Richardson & Company LLP, Certified Public Accountants, the District's new auditors. During this review Richardson & Company acknowledged that the District is experiencing some fiscal challenges, including those in the wastewater system, and supported staff's opinion that a cost of service and financial analysis study of the District's water and wastewater systems would be beneficial.

In December, 2016 the District issued a Request for Proposal (RFP) for a Cost of Service and Financial Analysis Study, with a submittal deadline of January 17, 2017. The RFP was mailed to eight firms; four firms submitted responses within the deadline. Staff reviewed the proposals for compliance with the RFP requirements, including experience of assigned personnel with similar type studies, qualifications of the firm, and their approach to performing the analysis. Cost was considered, however, cost was not the sole selection criteria.

After a review of the proposals staff has determined that HDR Engineering, Inc. ("HDR") most closely meets the needs of the District. Their phased approach includes the preparation of a financial analysis of the District's water and wastewater systems prior to any decision on proceeding with an assessment of the District's water and wastewater rates. HDR will present the analysis to the Board of Directors and if the Board deems it necessary, HDR will, only upon direction, proceed with the second phase of the proposal which includes a cost of service and rate assessment study.

Staff requests the Board authorize the General Manager to execute an agreement for a Cost of Service and Financial Analysis Study in accordance with the HDR Engineering, Inc. proposal dated January 13, 2017 (attached), in an amount not to exceed \$69,500. This agreement includes a provision that HDR will only proceed with phase two of the study upon direction from the Board of Directors.

FINANCIAL CONSIDERATIONS:

The agreement for the Cost of Service and Financial Analysis Study is estimated to be \$69,500. Funding for the portion of the study that will be completed prior to June 30, 2017 is included in the FY 2016-17 operating budget. If the study is extended to phase two, the balance of the funding will be included in the FY 2017-18 operating budget.

Attachments: *Resolution 2017 - ___ Approving Agreement for a Cost of Service and Financial Analysis Study
HDR Engineering, Inc. Proposal to provide Cost of Service and Financial Analysis Study*

RESOLUTION NO. 2017 -

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT**

**APPROVING AN AGREEMENT FOR A
COST OF SERVICE AND FINANCIAL ANALYSIS STUDY**

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT adopted Resolution 2016-30 on June 23, 2016 approving the Fiscal Year 2016-17 Operating Budget, including funding for a Cost of Service and Financial Analysis Study; and

WHEREAS, the District issued a Request for Proposal (RFP) in December, 2016 for a Cost of Service and Financial Analysis Study and received four (4) responses; and

WHEREAS, the District wishes to enter into an agreement with HDR Engineering, Inc. for a Cost of Service and Financial Analysis Study.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT hereby approves the proposed scope of work submitted by HDR Engineering, Inc., attached hereto and made a part hereof, and authorizes the General Manager to execute an Agreement for the preparation of a Cost of Service and Financial Analysis Study with HDR Engineering, Inc. in the amount of \$69,500, funds to come from the FY 2016/17 Operating Budget.

PASSED AND ADOPTED this 22nd day of February 22, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman, Vice President
Board of Directors

ATTEST:

Mona Walker
Clerk to the Board



ATTACHMENT A

January 13, 2017

Mr. Jeffrey Meyer
Director of Administrative Services
Calaveras County Water District
120 Toma Court
San Andreas, California 95249

Subject: Proposal to Provide a Cost of Service and Financial Analysis Study
(RFP 2016-ADM-02)

Dear Mr. Meyer:

HDR Engineering, Inc. (HDR) understands the goal for this study is to provide the Calaveras County Water District (District) an independent assessment of the District's costs and develop cost-based rates that equitably allocate costs to customers and are legally defensible. We are nationally recognized for our expertise in conducting comprehensive water and wastewater rate studies and are knowledgeable in establishing rates in California under the requirements of Proposition 218. Our proposal to provide an efficient and successful cost of service and financial analysis study for the District's water and wastewater system follows.

Locally, we have provided rate setting services to clients such as the City of Folsom, the Sacramento Suburban Water District, and the City of Woodland. Our prior studies with these clients provide a clear demonstration of our technical capabilities, our ability to clearly communicate a complex subject, and our commitment to high quality work products delivered on time and within budget. In this particular case, we have developed a scope of services (work plan) specifically tailored to meet the District's overall goals and objectives for this study.

HDR's proposed project manager for this study is Shawn Koorn. Shawn has more than 16 years of experience in establishing water and wastewater rates and is a nationally recognized expert in financial planning, cost allocation, and rates. He has been a co-instructor for the American Water Works Association (AWWA) Financial Management Seminar. This three-day seminar teaches the theory and methodology of utility financial planning, cost of service, and rate design. Assisting Shawn on this study will be Tom Gould, HDR's Business Leader for Finance and Rates. Tom will provide technical assistance and overall quality assurance/quality control (QA/QC) for the study. In addition to Shawn and Tom, we have assembled a strong project team of financial/rate analysts, accompanied by engineering staff, to complement the rate-setting team.



... Mr. Jeffrey Meyer
January 13, 2017
Page 2

We have reviewed the District's proposed Standard Professional Services Agreement and, in general, accept the terms and conditions of this agreement. However, we would request additional clarification and possible minor language changes to the contract. These changes have been outlined in Section 8 of the proposal.

Provided below is the contact information for this study. If you have any questions regarding our proposal, please contact the following:

Signatory and Proposal Contact:

Holly L.L. Kennedy, PE
Vice President
2365 Iron Point Road
Suite 300
Folsom, CA 95630
Holly.Kennedy@hdrinc.com
Phone: (925) 974-2617
Fax: (916) 817-4747

Proposed Project Manager:

Shawn Koorn
Associate Vice President
500 108th Avenue NE
Suite 1200
Bellevue, WA 98004
Shawn.Koorn@hdrinc.com
Phone: (425) 450-6366
Fax: (425) 453-7107

We appreciate this opportunity to submit our proposal to the District. We look forward to discussing our proposal with you.

Sincerely,
HDR Engineering, Inc.

Holly L.L. Kennedy, PE
Vice President

Shawn Koorn
Project Manager



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3. Consultant Qualifications

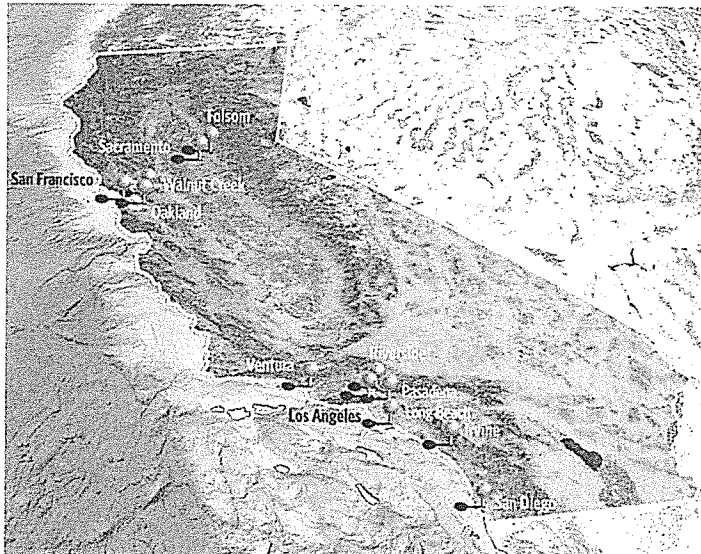
3.1 Introduction

HDR is exceptionally qualified to provide the cost of service and financial analysis services being requested by the District. A more detailed discussion of our financial planning and rate study qualifications is intended to demonstrate our background and experience. We have assembled an exceptionally strong project team led by our proposed Project Manager, Shawn Koorn.

3.2 HDR's Background and Experience

HDR is a well-established and highly respected firm with technical and professional expertise in a variety of areas, including utility financial planning and rates. Formed in 1917, we provide engineering and consulting services and scientific studies to clients across the U.S. and abroad. We are a national firm with more than 9,900 employee-owners in 225 offices worldwide. HDR is organized regionally, with the Folsom office located in the west region. Each local office is managed by a Department Manager with the authority to enter into agreements with our clients. HDR currently has 12 offices in California, which include:

- Folsom
- Irvine
- Long Beach
- Los Angeles
- Oakland
- Pasadena
- Riverside
- Sacramento
- San Diego
- San Francisco
- Walnut Creek
- Ventura



HDR has a Utility Rates and Finance Group, consisting of financial planners and economists, who have attained a national reputation in the areas of utility rates and fees. Each rate study is led by a project manager, who is highly experienced in utility financial planning and rates. The designated project manager is responsible for all technical and delivery aspects of the study (on-time delivery within budget). To provide a successful study, our project teams are complemented with highly experienced financial/rate analysts. Finally, we leverage our local office personnel to provide engineering and planning expertise to our study, given that a financial planning/rate study is a blend of financial/rate expertise and engineering/planning expertise.

Our overall qualifications to conduct the District's study center around five key areas.

▪ **Practical Work Experience within Utilities**

Prior to consulting, many of our employees have spent considerable time working for a utility or public agency. We understand the challenges of limited time and budgets. We work with our clients to develop and provide the most efficient and cost-effective solutions.

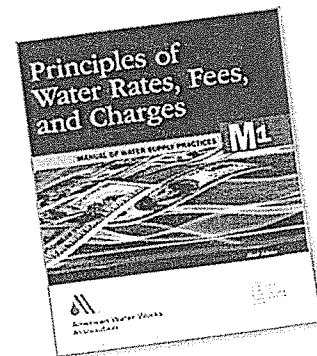
▪ **Breadth of Consulting Services Provided by HDR**

HDR, as a multidisciplinary engineering and consulting firm, has a number of individuals with highly specialized expertise, such as financial planning and rates. The individuals assigned to the District's project are industry experts in utility ratemaking. We have extensive experience in establishing rates in California.

▪ **Depth of Experience in Rate Related Issues/Projects**

We have performed hundreds of water and sewer rate studies throughout the U.S. and Canada. When needed, we provide expert testimony services both public utility commission hearings and litigation cases.

Our staff are contributing authors to the AWWA M-1 manual, *Principles of Water Rates, Fees, and Charges*, and the AWWA M-54 Manual, *Developing Rates for Small Systems*. In addition, Shawn Koorn currently is one of three peer reviewers for the Water Research Foundation (WRF) project on recycled water pricing. Tom Gould currently is serving as a WRF peer reviewer on the issue of rate affordability and "hard to reach" customers. Additionally, HDR has recently worked with a number of utilities on the issues of revenue stability and rate affordability.



in

▪ **Teaching Experience**

As nationally recognized experts, HDR project team members teach a number of courses and workshops on the subjects of financial planning, revenue requirements, cost of service, rates, and capacity fees. Both Tom and Shawn have been co-instructors for the AWWA Financial Management Seminar. Tom has been a co-instructor for this AWWA seminar for more than 26 years. This three-day seminar is dedicated to the issues of the theory and methodologies associated with utility financial planning, cost of service, rates, and system development charges.

▪ **Presentation and Communication Skills**

Ultimately, the most important task of a rate study is presenting the results of the study to the District's Board and the public. Our ability to explain complex concepts in a simple and easily understood manner is a skill that sets us apart from our competition.

Finally, HDR is well positioned to provide the technical and professional assistance needed by the District to achieve their stated goals and objectives. HDR has a strong understanding of the key issues associated with this study and an experienced project team capable of providing the required services.

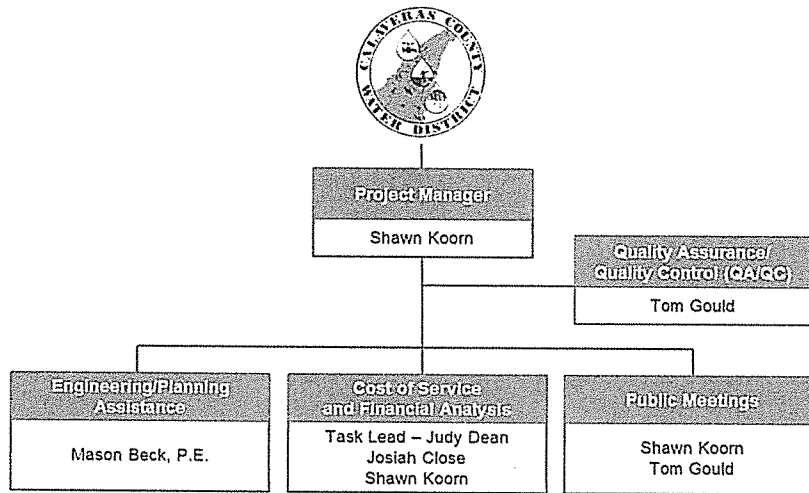


3.3 Consultant Project Team

HDR’s highly experienced Utility Rates and Finance Group is capable of providing the technical expertise needed to develop high-quality rate and fee studies to utilities across the country. The individuals to be assigned to this study are nationally recognized experts in utility financial planning and rate making. This section of the proposal will discuss our project team organization, key project team members’ qualifications, and their level of participation in the study.


3.3.1 Project Team Organization

The proposed organizational chart for the District’s study is provided below. No subconsultants have been included for the District’s study.



3.3.2 Key Project Team Members

Provided below is a brief discussion of our key project team members’ expertise, their roles in the project, and their experience related specifically to this project. More detailed resumes for key project team individuals are included at the end of this section.

Shawn Koorn – Task Manager	
	<ul style="list-style-type: none"> ▪ More than 16 years of experience in utility rate setting, including revenue requirements, cost of service, and rate design ▪ Recognized expert in the area of financial planning, cost of service analysis, and rate design for utilities ▪ Highly experienced in Proposition 218 issues; managed numerous rate studies for California utilities ▪ Co-instructor for the AWWA Financial Management Seminar ▪ Contributing author to the AWWA M-54 manual, <i>Developing Rates for Small Systems</i> ▪ Provides effective presentations to boards, city councils, the public, and industry conferences (e.g., AWWA, Water Education Foundation [WEF])

Tom Gould - QA/QC



- Project manager for numerous rate studies across the U.S. and Canada
- More than 37 years of experience providing financial planning and rate studies for water and sewer utilities
- Nationally recognized expert in the area of cost of service and rate setting for utility rates
- Co-instructor for the AWWA Financial Management Seminar for more than 25 years
- Contributing author and member of the editorial committee for the AWWA M-1 Manual, *Principles of Water Rates, Fees, and Charges*

Judy Dean – Senior Financial/Rate Analyst



- Washington State Certified Public Accountant – Inactive
- More than 25 years of experience in utility financial planning and rate setting
- Conducted rate and capital facilities charge analysis and modeling for Otay Water District, Calaveras County Water District, Sacramento Suburban Water District, and the City of Belmont, California
- Conducted benchmarking and miscellaneous fee analysis for the City of Everett, Washington
- Prior to joining HDR, worked for the City of Kennewick as a Finance Department Accountant

Mason Beck, P.E. – Engineering/Planning



- More than 14 years of water engineering experience, which includes treatment plants, pumping stations, storage tanks, and pipelines
- Lead project engineer for the City of Stockton's award-winning Delta Water Supply Project intake and pumping station project
- California registered Professional Engineer

Josiah Close – Financial/Rate Analyst



- Three years of experience in developing rate and cost of service models for water, recycled water, sewer, and stormwater systems
- Developed several tiered rate analyses based on the results of the *Capistrano* decision
- Recently, conducted rate/fee analysis and modeling for the City of Stockton (water), City of Woodland (water and sewer), Sacramento Suburban Water District (water), Las Gallinas Valley Sanitary District (sewer), and City of San Luis Obispo (water and sewer)



Should other individuals be required for the District’s study, HDR has other qualified individuals available to meet any specific technical need associated with this study. If additional staff or technical expertise is needed, HDR will notify the District to obtain prior approval. The staff described above will be dedicated to the District’s study until its successful completion.

3.3.3 Anticipated Hours by Key Project Team Members

The following is an estimate of the anticipated hours for each project team member. These hours are based on the scope of work discussed in Section 5 of this proposal.

<u>Name</u>	<u>Project Role</u>	<u>Hours</u>	<u>% of Total</u>
Shawn Koorn	Project Manager	103	27%
Tom Gould	QA/QC	20	5%
Mason Beck	Engineering/Planning Assist.	6	2%
Judy Dean	Sr. Financial/Rate Analyst	19	5%
Josiah Close	Financial/Rate Analyst	216	56%
Various	Project Accountant/Clerical	19	5%
Total		383	100%

3.4 Cost Control/Project Management Plan

HDR’s project management plan is designed to provide the District with a high-quality and successful study completed on time and within budget. To accomplish this important objective, we start with our proposed project manager, Shawn Koorn. Shawn is a highly experienced project manager and will be continually reviewing the progress to date against the project time schedule, along with the hours and dollars expended in relation to the project budget. At the same time, Tom Gould will provide technical overview and QA/QC services. Tom is exceptionally experienced and able to resolve complex project and rate study issues in an efficient and satisfactory manner.

For all of his rate projects, Shawn routinely provides a monthly progress report. Should any project issues arise, Shawn will keep the District’s project manager informed of the issue and the resolution of the issue.

3.5 Summary

This section of the proposal has provided a detailed discussion of our qualifications and experience, along with qualifications of our proposed project team. We believe the best demonstration of our qualifications is our experience on past rate studies conducted for our clients, as provided in Section 7.

3.6 Resumes

Resumes of key staff are provided on the following pages.



Shawn Koorn | Project Manager



Shawn Koorn is an Associate Vice President with HDR. He provides financial planning, cost-benefit analyses, and economic reviews for the development of rate and cost-of-service studies for water, wastewater, stormwater, electric, natural gas, and solid waste utilities. This information is communicated using technical abilities and presentation skills in a clear and concise manner.

Shawn's experience involves all analytical aspects of the utility financial planning and rate setting process. These include the development of revenue requirements, cost of service, and rate design studies for clients. Shawn is highly capable and understands the finer technical issues involved with each project, as well as the broader economic issues that today's public utilities are facing.

Shawn has been involved in several unique and challenging projects. Most recently, Shawn has completed several conservation based rate structures and drought rate studies. For the Cities of Pleasanton, Stockton, and Woodland, California, he developed drought rates to reflect the reduction in consumption to maintain adequate revenues during drought stages. Each stage resulted in additional reductions in consumption, and the pricing was based on the revenue needs by customer class of service. Shawn also assists water utilities in the review of their rate structure due to declining per capita consumption. This includes the review of block sizes and pricing for the rate structure, as well as review of the level of the fixed charges in comparison with industry standards.

Shawn has completed wastewater strength studies reviews for utilities across the U.S. As part of these studies, Shawn has reviewed commercial customer strength factors for determining the equitable allocation of costs for rate setting purposes. He has also assisted the utilities in the development of winter water use and flow assumption and commercial wastewater rate structure to determine if there are other viable options that may be more equitable to the commercial customers.

Shawn has extensive experience with regulatory filings before public service commissions. He recently developed testimony to support water and sewer rate studies before two different public service commissions. His experience and knowledge of "generally accepted" rate setting techniques allows him to develop excellent testimony to support his client's position.

Shawn is a member of the AWWA Rates and Charges Subcommittee, contributing author to the AWWA M54 Manual *Developing Rates for Small Systems*, a peer reviewer for the Water Research Foundation study, and has been a co-instructor for the AWWA Financial Management Seminar. This three-day seminar discusses the theories and methodologies used to establish cost-based rates. Shawn has also presented numerous papers on financial planning and rate setting topics for utilities.

Education

B.S. Business Administration
Central Washington University

B.S. Economics,
Central Washington University

Professional Association

AWWA, Member

American Public Power Association/Northwest, Member

Expertise

Utility Rates/Cost of Service

Connection Fees

Financial Planning

Capital Planning

Cost-Benefit Analyses

Years with HDR

15 Years



Tom Gould | QA/QC

Tom Gould is a Vice President and HDR's Business Leader for Finance and Rates. He is nationally recognized for his expertise in financial planning and rates. Tom has served as the project manager for numerous complex water, sewer, solid waste, electric, stormwater, and natural gas financial planning and rate studies. In addition, he has completed a number of management and organizational studies. He has a strong background in organizational management and through his consulting practice has worked extensively within all levels and areas of utilities.

Tom has worked extensively with municipal utilities and special districts to establish fair and equitable rates for their customers. Tom's experience included assisting a municipal utility in negotiating long-term contracts for utility services with the U.S. Navy. He recently completed a study for the City of Spokane, Washington, on a comprehensive water, sewer, stormwater, and solid waste rate study. The study reviewed the overall financial requirements of each of the utilities and established cost-based rates. In addition, Tom recently completed a study for the City of Edmonton to review their financial planning, rate setting methodology, and governance/regulatory structure for the City's sewer, stormwater, and solid waste utility. Edmonton's utilities are unique in their approach to rate setting, governance, and regulation of their rates. During his many years in the field, Tom has had the opportunity to work with numerous public and private utilities throughout the U.S. and Canada.

Over the years, Tom has worked on a number of comprehensive rate studies and engagements. He has been both a project manager and a QA/QC reviewer for such studies. In these roles, he has provided services to such clients as Denver Water in Colorado, City of Stockton, Dublin San Ramon Services District in California, City of Fayetteville in Arkansas, and Anchorage Water and Sewer Utilities in Alaska. He has evaluated water reuse costs/rates for a number of clients.

For the past 18 years, Tom has been a co-instructor for the AWWA three-day Financial Management Seminar. This course teaches the theory and methodology of establishing and setting cost-based water rates. He is a current member of the AWWA Rates and Charges Subcommittee, and a contributing author to the AWWA-M1 manual on setting cost-based water rates. Tom is also a past instructor for the American Public Power Association (APPA) and the Northwest Public Power Association (NWPPA) seminars on setting cost-based electric rates.

Tom has been a speaker and provided papers at numerous conferences and workshops. He has also provided expert witness services before Public Utility Commissions and served as an expert witness in civil actions.

Education

M.B.A, Finance,
Willamette University,
1976

B.A., Business
Administration, Central
Washington University

Professional Registration

American Public Power
Association/Northwest,
Member

AWWA, Member

Expertise

Utility Rates/Cost of
Service

Connection Fees

Financial Planning

Capital Planning

Cost-Benefit Analyses

Years with HDR

35 years



Judy Dean | Senior Financial/Rate Analyst

Judy Dean is a Senior Financial Analyst with HDR. She brings a strong background in accounting and finance and is highly experienced in utility rate setting. She has developed numerous revenue requirement, cost of service and rate design studies for a wide variety of water, sewer, electric, solid waste and stormwater utilities. Judy has worked with utilities with 300 customers, utilities with complex, multiple systems, and in large metropolitan areas throughout the Western states. Her experience and skills allow her to develop rate analyses in an efficient manner. She also is very highly experienced in the development of capacity fee studies.

Education

B.S. Accounting
Central Washington
University

Professional Registration

Certified Public
Accountant - Inactive
Washington State No.
22607

American Water Works
Association, Member

Washington Finance
Officers Association

Government Finance
Officers Association

Expertise

Utility Financial Planning

Cost of Service

System Development
Charges/Impact Fees

Years with HDR

21 Years

Judy is a current Washington State Certified Public Accountant - Inactive. Prior to joining HDR, she was a municipal accountant at a medium-sized municipality. Her duties included working with the municipal water and sewer utility on budgeting, financial planning, accounting and rate issues. Her experience in this role provides her with a greater appreciation of the challenges of a municipal utility, particularly time and available resources.

Judy has been involved with a number of rate studies and takes a leadership role in the analytical portions of the study. These studies have ranged from single-entity utilities to much more complex multi-system utilities and have included developing revenue requirements and cost of service studies. Judy also has extensive experience in the development of miscellaneous fees, including utility connection charges or system development charges. She has developed system development charges or impact fees for a number of water, sewer, and stormwater utilities across the U.S.

Judy has a strong command of a number of database, spreadsheet, and presentation programs. Her strengths in developing computer models include efficiency and ability to develop sophisticated models that were elegantly simple in design and easy to use. Judy's attention to detail, along with her ability to maintaining the big picture, result in easy-to-use, high-quality rate models provided to our clients.

Judy has provided clear, easy-to-understand presentations on highly technical financial information to a variety of audiences, ranging from presentations to client management and staff project teams to project presentations. Her confidence in her technical abilities and understanding of the underlying concepts makes her easy-to-listen to and easy-to-grasp key points.



Josiah Close | Financial/Rate Analyst



Josiah Close, a Financial Analyst with HDR, specializes in the area of utility financial planning, cost of service, rate setting, and system development charges. Josiah is highly experienced in developing complex financial planning and utility rate studies. He is very proficient in financial modeling and in the analysis of complex data sets and information.

Prior to joining HDR, Josiah worked as a fiscal analyst for the State of Washington Department of Social and Health Services. His experience with the State further developed his financial modeling skills and placed a high level of importance on attention to detail and accuracy. His work with the State enhanced his Excel™ spreadsheet skills, and he is a highly skilled Excel™ modeler and user.

Since joining HDR, Josiah has been responsible for developing and updating a variety of spreadsheet analyses to support revenue requirement, cost of service, and rate design studies. Josiah works on complex studies, including a comprehensive water rate study, which contains a wholesale water rate component. This comprehensive study includes the development of revenue requirements, cost of service, and rate design.

Currently, Josiah is working with a California utility on the evaluation of volumetric sewer rates. In performing this evaluation, he is working with different databases of information. He recently provided a similar study in which the drought in California had impacted the water consumption and wastewater flow estimates. He worked with precipitation and water consumption data to determine a reasonable estimate of wastewater flows.

Since joining HDR, Josiah has gained experience in working with water, wastewater, and solid waste utilities. He has worked with and reviewed budget and asset record documents to support the technical analyses he has been conducting.

Education

B.S. Finance, Oregon State University

Professional Affiliations

American Water Works Association, Member
Washington Finance Officers Association

Expertise

Utility Financial Planning
Cost of Service
System Development
Charges/Impact Fees

Years with HDR

4 Years



Mason Beck, PE | Engineer



Mason Beck, PE more than 14 years of water and wastewater engineering experience. His experience includes water and wastewater pipelines, pumping stations, storage tanks, and treatment plants.

Mason's experience includes providing design, permitting assistance, bidding, and construction engineering services to a variety of water and wastewater clients throughout California and the U.S, including Regional San, California American Water, El Dorado Irrigation District, Sacramento County Water Agency, San Juan Water District, City of Folsom, and the District.

Education

MBA, Arizona State University

Bachelor of Science, Civil Engineering, California Polytechnic State University, San Luis Obispo, 2005

Licenses

Professional Engineer, CA, No. C73193

Professional Affiliations

American Water Works Association, Member

Expertise

Pump Stations
Pipelines

Years with HDR

14 Years

Mason was the project manager for the preparation of a plan for repairing, maintaining, and/or replacing the District's 37 water storage tanks, which range in capacity from 42,000 gallons to 3 million gallons, and are constructed from a combination of redwood, concrete, and steel. The project included hydraulic modeling of the Copper, Ebbetts Pass, and Jebbt Kubd water systems; investigation of existing conditions and assessments of the existing water storage tanks using the District-provided inspection reports and videos for each tank site; and prioritization and identification of specific tank or tank groupings for maintenance, repair, or replacement.

Mason also assisted with development of the District's Forest Meadows Wastewater Treatment Facility Report of Waste Discharge (RWD) and National Pollution Discharge Elimination System (NPDES) permit application for submittal to the Regional Water Quality Control Board (RWQCB) for a new wet season surface water discharge permit. The seasonal surface water discharge permit needed to be incorporated into the waste discharge requirements before treated effluent from the Forest Meadows Wastewater Treatment Facility could be discharged to the Collierville Tunnel/North Folk of Stanislaus River or to the nearby San Domingo Creek. During the dry season, the permit allows treated effluent to continue to be used for irrigation of the Forest Meadows Golf Course.

For the City of Stockton, Mason developed recommendations for a user fee increase and new surface water supply fee that would support the debt service associated with a bond issuance to finance the capital cost of the Delta Water Supply project. Additionally, Mason provided NPDES permit renewal assistance, predesign, permitting, design, State Revolving Fund funding assistance, third-party sewer rate study review, bidding, and construction engineering services for improvements to the wastewater treatment plant and Eel River pipeline for the City of Rio Dell.

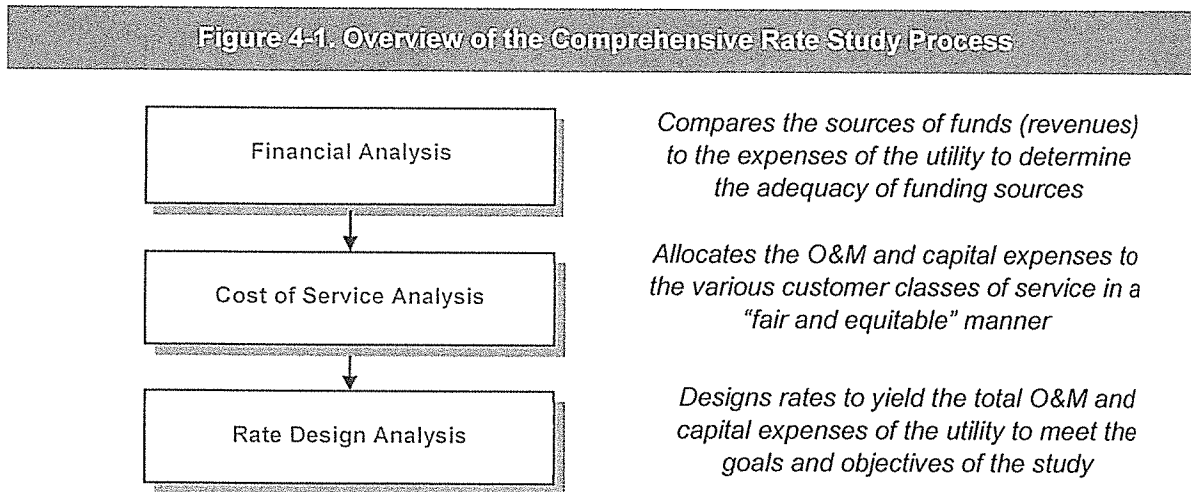
4. Description of Analysis

4.1 Introduction

The District requested technical and professional assistance to independently assess and evaluate the District's water and wastewater systems and rates by conducting a comprehensive financial planning and cost of service rate study. The ultimate goal of this study is to provide a financial analysis to adequately and sustainably fund each utility's operation and maintenance (O&M) and capital needs, while developing rates and charges that are equitable and cost based. The study will use generally accepted rate setting methodologies and principles.

4.2 Overview of the Study

The proposed analysis for the District will utilize generally accepted rate setting methodologies tailored to the specific and unique characteristics and circumstances of the District's system. At the same time, each utility will be reviewed and analyzed on a stand-alone basis for the adequacy and sustainability of the funding for each. The methodology HDR uses for its comprehensive rate studies relies upon "generally accepted" methodologies (i.e., the AWWA M1 Manual and the WEF Manual of Practice [MOP] #27). A comprehensive rate study is generally comprised of three interrelated analyses: a financial analysis, a cost of service analysis, and the rate design. Provided below is an overview of each analytical step of the study.



The framework or methodology described above will be utilized to analyze the District's water and wastewater systems and rates. While Figure 4-1 provides an overview of the typical components of a comprehensive study, an important aspect of this study is incorporating and "tailoring" those analytical elements into an overall scope of services that will provide the deliverables necessary for the District to make prudent and sound financial and policy decisions.



The District has divided its requested scope of services into six distinct tasks. These tasks are as follows:

1. Data Collection and Development
2. Analysis
3. Draft Report
4. Presentation of Materials
5. Proposition 218 Process
6. Final Cost of Service and Financial Analysis Presentation (Public Hearing)

Each of these tasks within the scope of services is discussed in more detail in the next section of the proposal.

As noted previously, an important aspect of this study is incorporating and “tailoring” each of the tasks to the District’s specific customer and system operations. This provides the cost basis and justification for the proposed rates under Proposition 218 and the California Constitution Article XIII D. Our study will provide a clear set of recommendations regarding the District’s water and wastewater rates.

We will work closely with District staff to provide a high-quality study. During the study, we will routinely meet with District management and staff to review the technical analysis and gain feedback and input. We have found this approach to be very successful, and our clients appreciate this approach to enhance our working relationship and their overall understanding and knowledge of the financial planning and rate setting process.

4.3 Summary

This section of our proposal has provided an overview of the general approach to be used to conduct the study. The next section provides a more detailed discussion of how this general approach is tailored to the District’s specific and unique water and wastewater systems.



5. Work Plan and Schedule

5.1 Introduction

This section of the proposal provides the detailed scope of services designed to meet the District's overall goals and objectives. An important starting point for the study is understanding these goals and objectives. Provided below is a discussion of the study's goals and objectives and the proposed scope of services.

5.2 Study Goals and Objectives

The overarching goal of the study is to assess and evaluate the District's current water and wastewater systems and rates and establish cost-based and defensible rates. More specifically, we have identified the following goals and objectives based on the District's Request for Proposal (RFP).

- Develop the study using generally accepted rate methodologies and industry best practices (e.g., AWWA, WEF).
- Provide a financial analysis for each utility that reflects the District's historical and projected operating needs over the next 5-year period and meets the District's financial policies (e.g., target reserve balances, debt service coverage ratios, and renewal and replacement funding).
- Develop a projection of consumption to reflect the "new normal" given the recent declines in consumption and State-mandated reductions in consumption.
- Develop a capital funding plan for each utility that provides the capital improvement needs and funding sources, along with the impacts to rates.
- Develop the study to reflect the requirements of Proposition 218 and the California Constitution Article XIII D (i.e., defensible rates and charges).
- If needed, develop a rate transition plan for each utility that minimizes rate impacts, avoids rate spikes, and protects reserves, while maintaining appropriate service levels.
- Develop a cost of service analysis to equitably allocate the costs between each utility's customer classes of service (rate schedules). Consider and incorporate the need to allocate costs to rate tiers to provide a cost basis for the District's tiered water rates.
- Develop average unit costs as part of the cost of service analysis to establish the cost basis of the proposed rates. Determine average unit costs for the water rate tiers.
- Review and assess the District's current water and wastewater rate structures, particularly the District's tiered water rate structure. Provide and recommend changes, as appropriate, to the current structures, classes of service, tier allocations, and the fixed/variable charges for each utility.
- Provide effective written and oral presentations of the results of this study.
- Work closely with the District's project team to maximize the value of this study.

5.3 Scope of Services

The District outlined six tasks to complete the study. The proposed scope of services utilizes the same approach, with expanded detail as to how each task will be completed and the key



deliverables from each task. The scope of services is designed to analyze the District's water and wastewater systems and rates and the general approach and scope of services for each utility is identical, except where noted in the scope of services. This scope of services is based on our current understanding of the District's needs and may be modified to meet the District's overall goals and objectives for the study.

Task 1 – Data Collection and Development

This task includes the initial project meeting and the collection of data needed to conduct the study.

1.1 Initial Project Meeting

The initial project kick-off meeting will be held at the District's offices. It is proposed that this meeting be approximately 2 hours in length. At this meeting, the study goals and objectives will be discussed, along with a review of the data needs. This meeting also will allow for the District to provide input into the development of the technical analyses and rate alternatives.

1.2 Data Collection

A written data request will be provided to the District prior to the initial project meeting. The written data request will be organized by utility and will list the data required to complete the study. The data and information requested for this study should be, for the most part, readily available information (e.g., financial, statistical, customer). The key issue for data collection purposes may be the level of detail that is readily available and needed for the study. It is important to keep in mind that a study of this nature requires data and information that is more detailed than the data typically reported for annual financial statement purposes. For those areas where the data is not readily available, or will require significant labor and expense on the District's part to provide, HDR and the District will determine the "sensitivity" or "importance" of the data required and if alternative data sources are available. As with any study, it is important that the District provide a timely response for the data requested.

Expected District Staff Support for Task 1: For this task, the District will be expected to:

- ✓ Attend the initial project meeting.
- ✓ Gather the data requested in the written data request provided by HDR. (Note: typically requires approximately 8 – 16 hours of staff time to provide).

Deliverables as a Result of Task 1: From the work accomplished, deliverables will include:

- ✓ Initial project meeting at the District's offices and handout for the meeting
- ✓ An initial written data request to the District and identification of data constraints

Task 2 – Analysis

The "Analysis" task is the major task associated with the study. This task has been subdivided into a number of subtasks to clearly identify the approach to be used.

2.1 Review of Current Financial Planning Policies/Financial Targets

In the financial planning process, it is important to establish financial planning targets (e.g., minimum reserve levels, minimum debt service coverage, minimum rate funding for

renewal and replacement capital improvements). This task is intended to review the District's existing financial policies to gain an understanding of the Board's current financial planning targets. These will be used in the development of the financial analysis (i.e., review of O&M and capital expenses) for each utility. This task is not intended or designed to draft new financial policies or update the existing policies, but rather, to familiarize HDR with the District's current policies.

2.2 Financial Analysis (Multi-Year Financial Plan)

Providing a financial analysis of the District's O&M and capital expenses is the first major analytical portion of the comprehensive financial planning and rate assessment process. HDR will develop a financial analysis for each utility using generally accepted rate setting methodologies. This portion of the study entails reviewing the various sources of funds (revenues) and comparing them to the applications of funds (expenses) of the utility/service, while considering the prudent and proper funding for O&M and capital expenditures. It provides the cost-basis for any needed future rate adjustments. A more detailed discussion of the various steps involved in developing the financial analysis is provided below.

Step 1 – Selection of a Test Period: A "test period" refers to a time frame of reference for the accumulation of revenues, expenses, and consumption data. In this case, a projected 5-year time period is proposed (e.g., 2017/18–2021/22). A projected time period allows the District to view potential future rate impacts and develop a financial analysis and plan to minimize rate impacts over time.

Step 2 – Method of Accumulating Costs: The next decision is to determine the basis or method of accumulating costs. Typically, a public utility will utilize a "cash basis" methodology. This sums each utility's O&M expenses, taxes/transfer payments, debt service, and capital improvements funded from rates. This is the methodology proposed for the District's study.

Step 3 – Accumulation of Revenues and Expenses: Once the test period and method of accumulating costs has been determined, HDR, in conjunction with District management and staff, will develop the test period financial analysis for each utility.

The first step in the financial analysis is the projection of revenues at present rate levels. Care will need to be taken on this particular projection, especially for the water utility, since the local area is in a drought and the current consumption levels have not been reflective of normal water conditions. Given that, HDR will review water consumption history for the District and work with the District to develop a reasonable projection of water sales and resulting revenues. HDR will work with the District to develop a mutually agreed upon level of sales for use within the rate study.

The proposed methodology for the financial analysis is composed of two major types of costs: operational and capital expenses. The operational costs are generally projected from historical or budgeted costs, using assumed escalation factors, and adjusted for any known changes (e.g., additional personnel, growth/expansion). While the projection of the operational costs is fairly straightforward, the projection of capital costs is generally the focus of the analysis and requires more thought and planning.



The starting point for projecting capital costs (expenditures) will be the District's capital improvement plan (CIP) for each utility. In the financial planning process, consideration must be given to maximizing the capital expenditures, while minimizing rates. This is accomplished in a variety of ways. However, the most important aspect of this discussion is that there are multiple methods of financing capital expenditures, and it is through this process that rates can be minimized over time.

Step 4 – Financial Planning Criteria and the Financial Plan: In developing the capital funding plan and the final financial plan, a number of financial planning aspects are also taken into account. First, the utility's debt service coverage ratio is an important financial measure or indication of the utility's ability to repay debt. The strength of the debt service coverage ratio is a direct function of the amount of capital projects that are financed from rate revenues. At a minimum, we assume that a utility should fund an amount equal to or greater than the utility's annual depreciation expense for renewal and replacement of capital projects. Properly funding for this component of the capital projects should provide the utility with greater flexibility in its ability to borrow for capital projects. At the same time, maintenance of minimum reserve levels is important in the financial planning process. Finally, consideration may be given to the establishment of a drought contingency/rate stabilization fund. HDR will review each of the financial planning targets and establish a final financial plan that meets the District's financial targets and goals.

Step 5 – Summarization of the Financial Analysis / Rate Transition Plan: The final step of this subtask is a summarization of the financial analysis (i.e., a multi-year financial plan) for each utility. Given a better understanding of the overall magnitude of the needed capital projects, a final financing plan can be developed that meets the District's goals and objectives, while attempting to minimize rates and costs over time. If needed, a 5-year rate transition plan can be developed for each utility to smoothly "phase in" the water and wastewater rates.

Prior to moving to task 2.3, HDR will present the draft financial analysis / financial plan to the finance committee or Board, to gain direction on the overall plan and projected rate transition plan. Once HDR has received direction on the financial analysis / financial plan, HDR will continue with the following tasks.

2.3 Cost of Service Analysis

A cost of service study attempts to equitably allocate the O&M and capital expenses contained in the financial analysis (financial plan) between the various customer classes of service. The cost of service analysis, and this particular task, has taken on a higher level of importance since the District's last comprehensive rate study. It has always been important for a utility to have cost-based rates that are fair, equitable, and defensible. The basis for

At its very core, Proposition 218 requires a utility to establish cost-based rates for the services provided. However, Proposition 218 provided certain direction, but lacked clarity and definition in certain areas.

establishing rates that are fair, equitable, and defensible has traditionally been cost of service principles and methodologies.¹ At the same time, the courts have historically recognized that municipal entities can take into account policy items other than strictly cost of service when establishing rates (e.g., conservation, efficient use, ability to pay). The State of California has certain well-established legal constraints regarding utility ratemaking, of which Proposition 218 (California Constitution Article XIII D) is at the forefront. At its very core, Proposition 218 requires a utility to establish cost-based rates for the services provided. However, Proposition 218 provided certain direction, but lacked clarity and definition in certain areas. Hence, there have been a number of lawsuits in recent years related to utility rates and Proposition 218. In the *Capistrano Taxpayers Association v. City of San Juan Capistrano*, the City was challenged, among other items, over the cost basis for the tiers (price blocks) of their tiered water rate structure. The Court's ruling determined that tiered rates are a valid rate structure under Proposition 218, but the pricing of the tiers must be cost based. This ruling has a direct impact on the need to provide clear documentation of the cost basis for the District's rates and the pricing tiers used within the District's rates. This task is designed to specifically address this legal requirement to develop the cost basis for both the fixed and consumption-based/ variable charges for the rate structures for both utilities. A brief discussion of the major steps associated with the proposed cost of service analyses is provided below.

Step 1 – Selection of Test Period: A cost of service analysis typically reviews a 1-year period, or the period over which rates will ultimately be set. Allocating the FY 2017/18 financial plan for cost of service purposes would appear to be appropriate.

Step 2 – Selection of the Method to Accumulate Costs: The District's "cash basis" methodology used within the financial analysis for each utility will be used for the cost of service analysis.

Step 3 – Functionalization and Classification of Expenses: Functionalization refers to the arrangement of cost data into its basic cost categories. For a water utility, this typically takes the form of source of supply, treatment, distribution, etc. For a wastewater utility, this typically is treatment, collection, etc. Given functionalized costs, the costs are then classified to their various cost components based on the reason why the cost was incurred. For example, water utility classification determines whether a cost was incurred to meet a commodity- (flow), capacity- (peak), customer-, or public fire protection-related need. Classification for each utility will be based upon "generally accepted" cost of service techniques and the District's specific water and wastewater system characteristics.

Step 4 – Determination of Classes of Service: The cost of service will allocate the classified costs to classes of service (e.g., residential, commercial). The process of establishing classes of service is to group customers into similar or homogeneous groups based upon similar usage profiles and/or facility requirements. HDR will re-confirm with the District the appropriate classes of service for each utility during the development of the cost of service analysis.

¹ Generally accepted cost of service principles and methodologies are best defined and discussed within the AWWA M-1 Manual, *Principles of Water Rates, Fees, and Charges* and the Water Environment Federation Manual of Practice No. 27, *Financing and Charges for Wastewater Systems*.



Step 5 – Allocation of Expenses: The next step is to allocate the classified cost to each class of service using allocation factors. In developing the allocation factors, HDR will develop factors that are “equitable” to all customers and which rely upon District-specific data. In particular, the development of commodity and capacity allocation factors by pricing tier will require a significant level of care and effort. This will require a detailed review of the District’s customer and consumption data by individual customer.

Step 6 – Summary of the Cost of Service: From the above process, a summary page of the cost of service study for each utility is developed. The summary page for each utility compares the difference between the current level of rate revenues received from each class of service and the allocated cost of service for each class. This provides the District with an understanding of the relationship between the costs each customer class of service places on the system and the revenues received from the customers. From this summary, the District can make a determination as to the rate adjustments by class of service that are reflective of cost responsibility.

The cost of service will also provide average unit costs, or cost-based water and wastewater rates, for each customer class service. Average unit costs are important in that they provide the cost basis for the District’s tiered rates and the relationship between fixed and variable rates. The unit costs are used as the starting point for the development of final rate designs. They also provide the cost basis for the tier pricing for the water rates. From this cost-based information, it can be combined with the District’s rate design goals and objectives to produce the final proposed rates for the District.

2.4 Rate Design Analysis

The starting point for the rate design process is the District’s rate design goals and objectives. These objectives may include ease of administration, simplicity, revenue stability, efficient use, etc. Understanding the District’s rate design objectives will assist HDR in the development of the rate design alternatives. This subtask will take into consideration these requirements, along with best industry practices.

As a part of this task, the District’s present rate designs will be reviewed to confirm how well they align (perform) with the District’s current rate setting goals and objectives. At the present time, the District has a single water rate structure, which has a base bi-monthly charge based upon meter capacity and a three-block tiered consumption rate. The wastewater rate is a bi-monthly rate using a single-family dwelling and equivalent unit (SFDEU) approach. Single-family customers are billed 1 SFDEU and commercial are billed SFDEUs based on water used in the prior year.

For each utility, alternative rate designs will be prepared for review and consideration by the District. Each alternative will meet the targeted revenue needs (i.e., financial analysis/plan) over the projected time periods and be cost justified. A key element of any proposed rate structure alternatives is the ability of the District’s billing system to accommodate the proposed alternative. HDR will confirm this during the rate design process.

The key rate design objective will be the cost justification of the District’s tiered water pricing.

For the water utility, the District's tiered pricing will be reviewed—not only the pricing of the tiers, but also the size of tiers (e.g., 1,001–6,000 cf, 6,001–12,000 cf, etc.). With changing consumptive use, HDR will verify with the District the objectives of the tier sizes (e.g., indoor use, efficient outdoor use) and the appropriateness of the tier sizes. From the analysis of the consumption data in the cost of service subtask, HDR will have a solid understanding and basis for any needed modifications to the tier sizes. This task also provides the opportunity to move to rate schedules by customer class of service in which residential is one rate schedule and commercial could be the other. There are certain advantages and disadvantages to that approach, and HDR can work with the District to review that alternative approach. Finally, consideration needs to be given to the potential need for drought surcharges or other mechanisms to address reductions in use during mandated reductions.

For the wastewater utility, the SFDEU approach will be reviewed for its continued use. As appropriate, HDR can develop wastewater rate structures, including volumetric-based rates. The cost of service analysis developed as a part of the prior task will provide the cost basis for the final wastewater rate design.

For each of the rate designs developed, bill comparisons will be developed that demonstrate the impacts to customers across various levels of usage. These will be presented in both table and graphical format.

Expected District Staff Support for Task 2: For this task, the District will be expected to:

- ✓ Review the draft financial analysis / financial plan and cost of service analysis during a project meeting.
- ✓ Discuss the District's rate design goals and objectives and any alternative rate structures to be developed.
- ✓ Gather any additional data needed, not collected in the original data request.

Deliverables as a Result of Task 2: From the work accomplished, deliverables will include:

- ✓ Financial Analysis (Financial Plan)
 - Review of the District's current financial policies
 - Development of a 5-year projection of revenues and expenses
 - Development of a capital improvement funding plan which attempts to maximize capital expenditures, while minimizing the impacts to customers over time
 - As necessary, a 5-year rate transition plan to “phase in” any needed rate adjustments for each utility
- ✓ Cost of Service Analysis
 - Review of the current customer classes of service for each utility
 - Detailed review of the customer/consumption data
 - Equitable allocation of the operating and capital expenses (financial plan) of each utility
 - Development of average unit costs for each utility
- ✓ Rate Design Analysis
 - Review of the District's current rate structures
 - Development of alternative water and wastewater rate structures

- Review of potential for drought surcharges or other mechanisms to address mandated reductions in use
- Bill comparisons for each alternative rate structure
- ✓ Rate Models
 - HDR will provide a copy of the computer/rate models used to develop the District's study. HDR has assumed no user manuals or training will be provided as a part of this study. The HDR model is a non-proprietary Excel-based spreadsheet model.

Task 3 – Draft Report

A critical task for purposes of justifying the cost basis for the District's proposed rates is the written report. Recent court decisions have placed greater emphasis on the written report as the basis for the record of the decision by the District's Board regarding the rates. Given that, it is imperative that a detailed written report be developed that clearly communicates and documents the overall approach, methodology, findings, conclusions, and consultant recommendations. The report also needs to provide clear "revenue proof" to demonstrate that the adopted rates meet the targeted level of operating and capital expenses (financial plan). Provided below are the subtasks associated with documenting the study process.

3.1 Draft Final Written Report

Upon completion of the rate analysis, HDR will develop a draft written report of the rate study. The written report is intended to be comprehensive in nature and document the activities undertaken as a part of the project, along with our findings, conclusions, and recommendations. Within all of our reports, we provide technical appendices of all the technical analyses undertaken. As a part of this task, HDR will provide an electronic copy of the draft final written report to the District for its review and comment. HDR recommends the draft final written report be reviewed by District legal counsel for any suggested changes or edits.

3.2 Final Written Report

Any comments, suggestions, or corrections from the District concerning the draft final written report will be incorporated into the final written report. HDR will provide an electronic copy and five bound copies of the final written report to the District.

Expected District Staff Support for Task 3: For this task, the District will be expected to:

- ✓ Review the draft final report and provide any comments or corrections.

Deliverables as a Result of Task 3: From the work accomplished, deliverables will include:

- ✓ Draft final written report; PDF and three bound copies
- ✓ Final written report; PDF and five bound copies

Task 4 – Presentation of Materials

Communication of the study's technical analyses includes both internal management/staff meetings and presentations to the District's Finance Committee and Board of Directors. Provided below are the detailed subtasks of this task.



4.1 Internal Technical/Project Meetings

An important element of all our rate studies is the inclusion of technical project meetings with management and staff to review the technical analyses to discuss the methodology used, along with the assumptions and data contained within the analysis. HDR has found this approach elevates the overall quality control process and helps to confirm the use of an appropriate methodology, as well as correct interpretation and use of the District's data. For this study, HDR has assumed three internal project meetings, as follows:

- Initial project meeting (Task 1)
- Review of the draft financial analysis / financial plan
- Review of the draft cost of service
- Review of the rate design alternatives

HDR has assumed these meetings will be held at the District's office and the length of the meeting will be between one half day and one day in length, depending upon the topic and the complexity of the analysis.

4.2 Presentation to the Finance Committee

It appears that the District first meets with the Finance Committee to present the preliminary results, and then, presents to the full Board. For purposes of this proposal, HDR has assumed two meetings with the Finance Committee. These meetings would be as follows:

- Review of the draft financial analysis / financial plan
- Review of the cost of service and rate design alternatives

The meetings would follow the internal review (Subtask 4.1) and be utilized to gain policy direction from the Finance Committee for the size and timing of any proposed rate adjustments or changes in the District's rate structures.

4.3 Presentation to the Board of Directors

As a part of the Proposition 218 process, the Board will need to set a public hearing date and provide a Proposition 218 notice. The notice provides the proposed water and wastewater rates for possible adoption by the Board. This subtask will be the presentation to the Board of the draft final report and the findings, conclusions, and recommendations from the study. This presentation to the Board will establish the basis for the proposed rates and the Board will setting the public hearing date and direct staff to publish a Proposition 218 notice with a specified set of proposed rates.

Expected District Staff Support for Task 4: For this task, the District will be expected to:

- ✓ Coordinate meeting dates.
- ✓ Attend internal and public meetings.

Deliverables as a Result of Task 4: From the work accomplished, deliverables will include:

- ✓ Two internal project meetings to review draft study results
- ✓ Two meetings with the Finance Committee to gain policy direction
- ✓ One meeting with the Board of Directors to set the public hearing date and proposed rates for Proposition 218 hearing



Task 5 – Proposition 218 Process

The establishment of water and wastewater rates is largely guided by the requirements of Proposition 218. Proposition 218 simply requires a utility to establish “cost-based” rates for the services provided. The focus of HDR in conducting this study is to establish the cost basis for proposed rates and document those analyses to support the District’s rates, if legally challenged. The District has requested that the consultant provide guidance and advice to District staff regarding compliance with Proposition 218. HDR would note that we can provide technical advice on this matter and provide our best efforts and knowledge concerning this process, but HDR cannot provide legal advice to ensure compliance with Proposition 218. With that limitation in mind, HDR will provide technical/analytical advice related to Proposition 218 matters and would recommend the District engage their legal counsel to review the rate study and provide legal advice on compliance with the legal requirements of Proposition 218.

HDR can assist the District in the development and review of their Proposition 218 mailer. District staff should have their legal counsel review the notice/mailer for legal compliance prior to mailing. HDR, as a part of this scope of work, will not be responsible for the production or mailing of the notice.

Expected District Staff Support for Task 5: For this task, the District will be expected to:

- ✓ Identify any technical Proposition 218 issues.

Deliverables as a Result of Task 5: From the work accomplished, deliverables will include:

- ✓ Provide as needed advice on technical issues associated with Proposition 218.
- ✓ Develop and review with District staff the Proposition 218 notice.

Task 6 – Final Cost of Service and Financial Analysis Presentation (Public Hearing)

The final task of the District’s scope of services is the public hearing to gather public input, determine the number of customer protests, and, as appropriate, have the Board vote on the proposed water and wastewater rates. The Board can vote on the rates, as provided in the public notice, or amend those “noticed” rates to a lower/different rate. As a part of this public hearing, HDR would provide a short presentation of the study and the findings, conclusions, and recommendations from the study. The focus of this presentation is on the Board gaining public input on the District’s rate proposal and the presentation by HDR will provide a summary of the cost basis for the proposed rates.

Expected District Staff Support for Task 6: For this task, the District will be expected to:

- ✓ Coordinate the public hearing.

Deliverables as a Result of Task 6: From the work accomplished, deliverables will include:

- ✓ Develop the Powerpoint™ presentation for the public hearing.
- ✓ Present a summary of the study at the public hearing.

This concludes the proposed scope of services for this District’s study. HDR is willing to adjust our proposed scope of services to meet the specific needs of the District. Our scope of services has been developed based upon our understanding of the District’s rate study needs.



Any additional services not included within the above scope of services will be provided to the District at our agreed upon hourly billing rates. These additional services may include, but not be limited to:

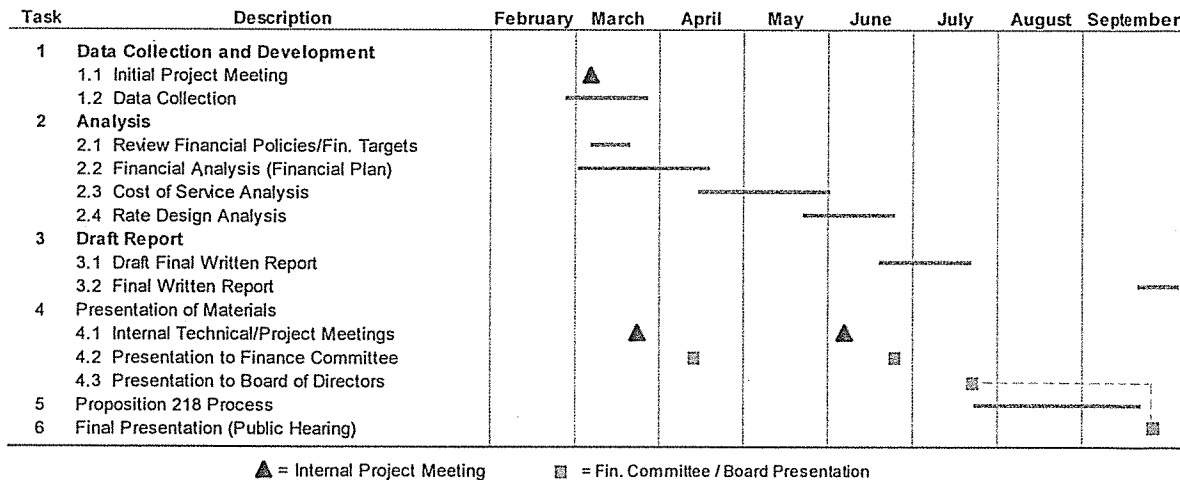
- Development of, or update of, written financial policies
- Benchmarking/performance measurement
- Review and update of connection fees
- Review and update of miscellaneous fees

The hourly billing rates, by individual, for this project are discussed in more detail in Section 6.

5.3 Project Time Schedule

A rate study of this complexity generally requires 16 to 24 weeks to complete, depending upon a number of factors. These factors include the amount of time required by the District to collect the necessary data, the quality of the data provided, the issues to be addressed, the ability to schedule meetings with District staff in a timely manner, and most importantly, receiving policy direction from the District's team and/or District's Finance Committee and Board.

As a part of the District's RFP, a specific project time schedule was not delineated. HDR has proposed a project time schedule based upon the District's estimated time for a project commencement. Our proposed project timeline, delineated by task, is presented below. This proposed schedule can be adjusted to meet the District's needs.



As the study progresses, HDR will keep the District informed of the schedule and any variation from it through our monthly invoicing letter, discussions with the District's project manager, and project meetings. HDR has a solid history of completing rate studies in a timely manner, particularly in California with the detailed schedule requirements of Proposition 218.

In this particular case, it is assumed that the public hearing will occur in mid-August. In order to accomplish that public hearing date, the Board presentation will need to be in late June or early July to allow for the 45-day noticing period. HDR is willing to work with the District on a more refined project schedule.



5.4 Summary

HDR has proposed a project approach designed to meet the District's overall objectives, while providing the scope of services requested within the District's RFP. Our scope of services is based upon our understanding of the District's needs and we are willing to modify or adjust our scope of work, as needed.



6. Cost Estimate

6.1 Introduction

This section of the proposal discusses HDR's cost estimate to conduct the District's water and wastewater cost of service and financial analysis. The cost estimate developed within this section of our proposal is based upon the previously developed scope of work (Section 5). If the District desires to modify the scope of work, HDR reserves the right to adjust the project fees accordingly to reflect the revised level of effort needed.

6.2 Fee Schedule

Our proposed hourly rate schedule by job classification is provided below. This hourly rates schedule will be in effect during the course of the study, through calendar year 2017. These rates shall apply for the requested scope of work and any additional work requested, which is outside of the agreed upon scope of services.

**HDR HOURLY RATE SCHEDULE
 January 2017 through December 2017**

Project Manager	\$250
Technical Advisor (QA/QC)	\$290
Project Engineer	\$195
Sr. Financial Analyst	\$180
Financial Analyst	\$115
Admin./Clerical	\$130

Rates are subject to change after December 31, 2017.

The billing rates shown cover payroll cost, employee benefits, and HDR overhead and profit.

EXPENSES:

In-House Expenses

Vehicle Mileage (per mile)	Current Federal Travel Regulation (FTR)
Black/White Photocopies (per copy)	\$0.05 to \$0.09
Color Copy (per copy)	\$0.15 to \$0.30

Please Note: No markup on expenses.

The hourly billing rates shown above will be in effect over the course of this study and will apply to out-of-scope work conducted in calendar year 2017. HDR annually adjusts their hourly billing rates. Any out-of-scope work performed after December 31, 2017 will reflect actual billing rates based on any changes in Consumer Price Index.



6.3 Cost Proposal

Provided at the end of this section are the estimated project fees for the District's water and wastewater cost of service and financial analysis (rate) study. The estimated fees have been broken down by tasks identified in the previous section of the proposal, and include the hourly rates by discipline, as well as other direct costs (expenses) anticipated for the water and wastewater rate study. A summary of the total estimated fees are as follows:

<u>Task Description</u>	<u>Total</u>
Task 1 – Data Collection and Development	\$6,580
Task 2 – Analysis	31,140
Task 3 – Draft Report	8,910
Task 4 – Presentation of Materials	11,170
Task 5 – Proposition 218 Process	2,770
Task 6 – Final Presentation (Public Hearing)	<u>2,880</u>
Total Labor	\$63,450
Plus: Expenses	<u>6,050</u>
Total Labor and Expense Cost Estimate	\$69,500

HDR is willing to negotiate a final fee based on a final scope of services. Should the District request additional services under this contract during calendar year 2017, the services will be provided at the hourly billing rates noted above. Portions of this price proposal can be expanded or reduced in conformance with scope adjustments and as mutually agreed upon in writing by the District and HDR.



Task	Task Description	Project Manager	QA/QC	Project Engineer	Sr. Fin. Analyst	Financial Analyst	Admin Assistance	Total Project
Hourly Billing Rates		\$250.00	\$290.00	\$195.00	\$180.00	\$115.00	\$130.00	
1	Data Collection and Development							
	Hours - 1.1 Initial Project Meeting	8	4	3	0	8	4	27
	Hours - 1.2 Data Collection	1	0	1	0	6	2	10
	Total Hours - Task 1	9	4	4	0	14	6	37
	Labor Cost - Task 1	\$2,250	\$1,160	\$780	\$0	\$1,610	\$780	\$6,580
2	Analysis							
	Hours - 2.1 Review Fin. Policies/Targets	2	0	0	2	4	1	9
	Hours - 2.2 Financial Analysis	10	2	0	4	60	1	77
	Hours - 2.3 Cost of Service	12	2	2	6	80	1	103
	Hours - 2.4 Rate Design	6	1	0	4	16	1	28
	Total Hours - Task 2	30	5	2	16	160	4	217
	Labor Cost - Task 2	\$7,500	\$1,450	\$390	\$2,880	\$18,400	\$520	\$31,140
3	Draft Report							
	Hours - 3.1 Draft Final Written Report	12	4	0	2	10	2	30
	Hours - 3.2 Final Written Report	6	2	0	1	4	2	15
	Total Hours - Task 3	18	6	0	3	14	4	45
	Labor Cost - Task 3	\$4,500	\$1,740	\$0	\$540	\$1,610	\$520	\$8,910
4	Presentation of Materials							
	Hours - 4.1 Internal Technical/Proj. Meetings	12	0	0	0	12	2	26
	Hours - 4.2 Present. to Finance Committee	12	1	0	0	4	2	19
	Hours - 4.3 Present. To Board of Directors	8	1	0	0	2	0	11
	Total Hours - Task 4	32	2	0	0	18	4	56
	Labor Cost - Task 4	\$8,000	\$580	\$0	\$0	\$2,070	\$520	\$11,170
5	Proposition 218 Process							
	Hours - Task 5	6	2	0	0	6	0	14
	Labor Cost - Task 5	\$1,500	\$580	\$0	\$0	\$690	\$0	\$2,770
6	Final Presentation (Public Hearing)							
	Hours - Task 6	8	1	0	0	4	1	14
	Labor Cost - Task 6	\$2,000	\$290	\$0	\$0	\$460	\$130	\$2,880
	Total Hours	103	20	6	19	216	19	383
		27%	5%	2%	5%	56%	5%	100%
	Total Labor Costs	\$25,750	\$5,800	\$1,170	\$3,420	\$24,840	\$2,470	\$63,450
Expenses								
	Airfare (9 @ \$400/RT)							\$3,600
	Hotel (5 @ \$175/night)							875
	Car Rental (6 days @ \$75/day)							450
	Meals							200
	Mileage/Parking							500
	Miscellaneous (phone, copies, fax, etc.)							425
	Total Expenses							\$6,050
	Grand Total Project Fee Estimate							\$69,500

6.4 Proposed Method of Payment

HDR proposes that fees will be billed monthly on a time-and-material basis in accordance with the unit prices described in the above price proposal. HDR is willing to enter into a “not-to-exceed” agreement with the District for the proposed services.

6.5 Summary

This section of HDR’s proposal has reviewed the cost estimate for the proposed scope of services.

7. Experience Summary

7.1 Introduction

The District has requested a brief description of HDR's knowledge and experience in conducting water and wastewater cost of service and financial analysis studies. HDR believes the best demonstration of our knowledge and skills is provided by our past studies with other water and wastewater utilities. While no two projects are ever the same, HDR believes the following list of projects and clients demonstrates our ability to successfully complete the District's study.

7.2 Client References

Provided below are descriptions of similar projects recently completed by HDR (within the last 3 years), along with references and the key project team members that were a part of each study.



Sacramento Suburban Water District

In 2013, HDR conducted a comprehensive water rate study for the Sacramento Suburban Water District (SSWD). The SSWD's study focused on sustainable investment of the SSWD's infrastructure, but also reviewed the cost of service and rate designs for the SSWD's customers. The residential class of service had a tiered rate (two-block structure), but had a very small price differential between the blocks. Earlier this year, SSWD asked HDR to revisit the study to confirm the cost basis for the SSWD's residential tiered rates. In order to accomplish that, HDR modified the cost of service analysis to allocate to the pricing tiers for residential. A slight technical twist to the analysis was related to the commercial rate designs. To have a conservation-oriented rate structure for commercial customers, SSWD had adopted a seasonal uniform rate structure. The cost of service analysis for the commercial customers was modified in this most recent study to also cost justify the seasonal rate differential. While the *Capistrano* decision focused on tiered rates, the same logic extended to a price differential related to seasonal rates. HDR's analysis confirmed the cost basis for the District's tiered and seasonal rates. Currently, HDR is working with SSWD on their miscellaneous fees. In the past, HDR has also reviewed SSWD's capacity fees.

Sacramento Suburban WD Key Project Team Members: Tom Gould (PM), Josiah Close, Shawn Koorn, and Judy Dean

Reference: Mr. Dan Bills, Finance Director, SSWD, (916) 679-3970, dbills@sswd.org



City of Woodland

In 2008, HDR completed a comprehensive water rate study for the City of Woodland. A key aspect of the study was the establishment of cost-based rates that were sufficient to fund the capital costs of developing a regional water treatment facility. In addition, the City was implementing a metering plan to meter all customers. HDR developed metered water rates for a 5-year period, as customers were gradually transitioning over to metered rates. As part of the study, HDR also developed a surface water fee for new customers connecting to the City's system. This is a "connection" fee that is in addition to the current fee and only included the source and treatment component of the system. In 2011, HDR updated the metered water rates based on actual metered consumption data, which was similar to the projected consumption patterns used during the prior study. HDR again worked successfully and

effectively with the Water Advisory Committee to review the proposed rate transition plan and adjustments to the water rate structure. At the same time, HDR also completed a wastewater rate study. With metered data, the City could explore volume-based wastewater rates. The wastewater rate study resulted in the adoption of wastewater rates utilizing an average winter water consumption billing approach. In 2015, HDR again updated the rate study to develop the final rate projection based on final costs for the regional water facility. The study resulted in rates being adopted for calendar year 2016 that were less than the previously adopted rates under the Proposition 218 process. HDR is currently working with the City to finalize the water rate transition plan for the next 5-year period (2017–2022).

City of Woodland Key Project Team Members: Shawn Koorn (PM), Josiah Close, Tom Gould, and Judy Dean

Reference: Ms. Lynn Johnson, Senior Management Analyst, City of Woodland, (530) 661-5979, Lynn.Johnson@cityofwoodland.org

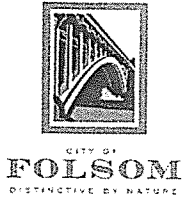


City of Stockton Municipal Utilities Department

HDR recently completed a comprehensive water rate study update for the City of Stockton, Municipal Utilities Department. There were two key issues associated with the study. First, the drought has impacted overall consumption levels, and meeting the rate covenants associated with minimum debt service coverage had become a problem. At the same time, the City wanted to move to a tiered rate structure to provide a more conservation oriented rate structure. During the 2008 rate study, which was completed by HDR, the rate structure was transitioned from a declining rate structure to a uniform rate structure. HDR developed a financial plan to address the issue of meeting the minimum debt service coverage requirements and then developed the cost basis for the proposed tiered water rate structure alternatives. As a part of the study, HDR worked with the City to develop an internal and external outreach and education plan to gain acceptance and adoption of the proposed water and sewer rate structures. The study also included the development of drought rates, which can be implemented in times of drought to maintain the adequacy of water utility revenues during times of voluntary and/or mandatory reductions in consumption. HDR also completed a wastewater rate study for the City in 2011, which resulted in the adoption of rates for a 5-year period. HDR has annually assisted the City in the review and update of the financial plan (revenue requirement), as the City issues or refinances long-term debt. HDR has also assisted the City in the review of their connection charges for the water and wastewater utilities.

City of Stockton Key Project Team Members: Shawn Koorn (PM), Tom Gould, Josiah Close, and Judy Dean

Reference: Mr. Robert Granberg, Deputy Director, City of Stockton, Municipal Utilities Department, (209) 937-8779, robert.granberg@stocktonca.gov

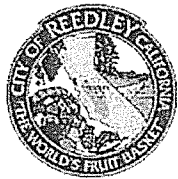


City of Folsom

HDR has worked with the City of Folsom for a number of years, including most recently to update their water and wastewater rates. In the initial rate study, a major focus was on the water utility and establishing metered rates for a previously un-metered residential area of the City. At the same time, the City did not have financial rate setting policies in place and, as a result, the water rates were under-funding the renewal and replacement capital projects. The study also created an improved policy concerning the use of system development fees and their application against debt service. Over the ensuing years, HDR has continued to update the City's rates and connection fees. Most recently, HDR assisted the City with the development of a new set of rates for the area south of Highway 50. A significant element of each study conducted for the City study was a public outreach element and the Proposition 218 process. In the past, HDR also assisted with a number of community meetings and City Council meetings.

City of Folsom Key Project Team Members: Shawn Koorn (PM 2017 study), Tom Gould (PM 2015 study), Josiah Close, and Judy Dean.

Reference: Mr. Todd Eising, Utilities Section Manager, City of Folsom, Utilities Section Manager, (916) 351-3502, teising@folsom.ca.us



City of Reedley

HDR initially developed a water and wastewater rate study for the City of Reedley. The key driver for the water rate study was the implementation of a metering plan and development of metered rates. For the sewer rate study, the key was the development of a funding plan to meet long-term debt service payments related to system improvements. HDR developed a comprehensive water and wastewater rate study and worked with City staff and Council through multiple work sessions to establish the final proposed metered water rate and wastewater rate structure. Recently, HDR updated the water rate study to reflect current water consumption patterns and impacts of the drought and State-mandated conservation impacts, as well as provide the cost basis for the tiered rate structure. HDR updated the rate study and recommended a rate transition plan to meet the operating and capital needs of the water utility. Cost-based water rates were developed and supported with a comprehensive report detailing the approach used to establish the tier pricing. HDR also developed drought rates to reflect and the City's drought plan and drought stages. In the plan, there are specified or targeted savings at each stage of the drought, along with the potential incremental costs associated with meeting the water supply requirements of the drought stage. HDR worked with the City to adopt the drought rates as part of the Proposition 218 process.

DSRSD Key Project Team Members: Shawn Koorn, Tom Gould, and Josiah Close

Reference: Mr. Russ Robertson, Public Works Director, City of Reedley, (559) 637-4200 x213, Russ.Robertson@reedley.ca.gov

7.3 Summary

The above project examples and references provide insight into HDR's ability to complete the District's project and provide cost-based and equitable rates. In addition to the above project references, HDR has also provided similar rate studies for utilities across the U.S. If the District requires additional project examples or references HDR will gladly provide them.



8. Additional Data

As noted in the Cover Letter, HDR reviewed the District's Professional Services Agreement and in general agrees to the terms and conditions. However, HDR would request additional clarification and some minor language adjustments if acceptable by the District. These have been outlined below:

§	Requested Clarification/Modification
6. Cost Estimate	<p>The only Reimbursable cost will be the printing and binding of the final report for each of the District's Cost of Service and Financial Analyses studies.</p> <p>Clarification requested; HDR has included this cost in the overall not to exceed amount along with other ancillary costs such as travel. <u>Is this acceptable to the District?</u></p>
Agreement Signature Page	<p>The Consultant would be HDR Engineering, Inc. our legal name.</p>
e. General Liability	<p>HDR would request the following addition to section e. of the agreement.</p> <p>"The general liability coverage shall give Claveras County Water District, its directors, officers, employees, and authorized volunteers <u>additional</u> insured status using... "</p> <p>HDR's insurance can only provide additional insured status. This language is requested to clarify this.</p>
m. Termination	<p>HDR would request an addition to the agreement to reflect a cure opportunity before termination. HDR would request the following language be added to the agreement.</p> <p>"... , and identifying the Consultant's final work date, <u>provided that neither party will terminate this Agreement for cause without providing the other party written notice of the breach and a reasonable opportunity to cure.</u> "</p>

Other than the above clarifications and requested edits to the contract, we wish to present no additional data.

Agenda Item

DATE: February 22, 2017
TO: Dave Eggerton, General Manager
FROM: Jeffrey Meyer, Director of Administrative Services
SUBJECT: Presentation of Three Year Financial Forecast

RECOMMENDED ACTION:

Discussion/Direction regarding the District's Three Year Financial Forecast.

SUMMARY:

Financial Management Policy 5.00.2, Budget Policies, states:

The District, like any other business, should strive to maintain financial stability over time. Financial stability is not only a prudent financial management goal; it can also minimize financial costs in the long-term. Above all, financial stability will provide the community with the confidence of knowing a strong, consistent management team is managing the utility.

As part of the FY 2017-18 budget process the District's Engineer will present to the Board the Five-Year Capital Improvement Program (CIP) plan update. This update not only defines the District's long-term capital program, it prioritizes the District's water and wastewater projects and aligns them with available funding. Once approved, this plan will become the basis for the FY 2017-18 Capital Improvement Program budget.

Also included in this year's budget preparation process will be a Three Year Operating Financial Forecast (FY 2017-18 through FY 2019-20). This new financial planning tool will assist both staff and the Board in setting the District's short and medium term operating priorities and identifying the corresponding resource requirements. The forecast also includes an assessment and projection of the District's revenues, as well as a discussion of how they align with the District's funding requirements.


Staff will return to the Board on March 22, 2017 for approval of the Three Year Financial Forecast.


FINANCIAL CONSIDERATIONS:

None.

Agenda Item

DATE: February 22, 2017

TO: Dave Eggerton, General Manager 

FROM: Peter Martin, Water Resources Program Manager 

SUBJECT: Update on the Implementation of Phase 1 of the SWRCB's Bay-Delta Water Quality Control Plan Update

RECOMMENDED ACTION:

Informational update only. No action requested at this time.

SUMMARY:

The State Water Resources Control Board (SWRCB) is in the process of a phased review and update of the 2006 Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan). Phase 1 of this work involves updating San Joaquin River flow and southern Delta water quality requirements included in the Bay-Delta Plan, which includes portions of the Merced, Tuolumne and Stanislaus River Watersheds.

The State Water Board previously released a Draft Substitute Environmental Document (SED) for Phase 1 of the Bay Delta Plan in December 2012. Recently, the State Water Board released a Draft revised SED on September 15, 2016 significantly revising the 2012 document. According to the SWRCB, "This recirculated Draft SED, released on September 15, 2016, makes substantial changes to the 2012 Draft SED in consideration of the large number of oral and written public comments received concerning that document, and in light of additional information, including information learned from the recent drought." The Draft revised SED proposal recommends increased flows on the San Joaquin River and its tributaries to a range between 30 and 50 percent of unimpaired flow for the months of February through June, with a starting point of 40 percent.

Since the release of the revised draft SED, the SWRCB has hosted several workshops in the area to receive oral comments and provide presentations on the proposed changes. The deadline for written comments on the Draft revised SED is Friday, March 17, 2017 by noon. Staff have reviewed the draft document, and have started to prepare formal comments. John Mills, a water resources consultant for the District, is prepared

to provide the Board of Directors with an update on this action by the SWRCB and potential impacts to the District.

FINANCIAL CONSIDERATIONS:

None at this time.