



**RESOLUTION NO. 2018-67
RESOLUTION NO. PFA-03
ORDINANCE NO. 2018-02**

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, December 12, 2018
1:00 p.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. **SEATING OF NEW BOARD MEMBERS; BOARD RECONSTITUTION AND ELECTION OF OFFICERS**
(Jeffrey Meyer, Interim General Manager)
3. **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 three minutes per person.
4. **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.

BOARD OF DIRECTORS

Scott Ratterman, President
Cindy Secada, Director

Russ Thomas, Vice President
Bertha Underhill, Director

Jeff Davidson, Director

- 4a Approval of Minutes for the Board Meeting of October 10, 2018.
- 4b Ratify Claim Summary #561 Secretarial Fund in the Amount of \$2,278,874.79 for November 2018.
(Jeffrey Meyer, Interim General Manager) **RES 2018-_____**
- 4c Accepting the Canvass and Statement of Results of the November 6, 2018 General Election
(Jeffrey Meyer, Interim General Manager) **RES 2018-_____**
- 4d Approval of the Write-Off of Uncollectible Accounts Receivable for the period of December 1, 2017 through May 31, 2018
(Jeffrey Meyer, Interim General Manager) **RES 2018-_____**
- 4e Acceptance and Transfer of La Cobre Mina Unit 2, Water and Wastewater Service Facilities Improvements Project, CCWD #01596.
(Charles Palmer, District Engineer and Robert Creamer, Engineering Analyst) **RES 2018-_____**

5. NEW BUSINESS

- 5a Discussion / Action to Approve Agreement with Snowshoe Springs Association for Wholesale Treated Water Service
(Charles Palmer, District Engineer and Robert Creamer, Engineering Analyst) **RES 2018-_____**
- 5b Discussion / Action to Approve Memorandum of Understanding between Calaveras Unified School District and Calaveras County Water District to Provide Sewer Service to the Jenny Lind Elementary School
(Charles Palmer, District Engineer and Robert Creamer, Engineering Analyst) **RES 2018-_____**
- 5c Presentation of the Audited Financial Statements for the Fiscal Year Ending June 30, 2018 by Richardson & Company, LLP
(Jeffrey Meyer, Interim General Manager)
- 5d Discussion / Action regarding the Adoption of the 2018 Mokelumne-Amador-Calaveras Integrated Regional Water Management Plan Update
(Peter Martin, Manager of Water Resources) **RES 2018-_____**

6. OLD BUSINESS

- 6a Update on Local Forest Management Initiatives
(Peter Martin, Manager of Water Resources)
- 6b Discussion / Direction Regarding Funding Recommendation for District's PERS Unfunded Pension Liability
(Jeffrey Meyer, Interim General Manager)

7.* **GENERAL MANAGER REPORT**

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

9. **NEXT BOARD MEETINGS**

- Monday, December 17, 2018, 1:00 p.m., Special Board Meeting
- Wednesday, January 9, 2019, 1:00 p.m., Regular Board Meeting
- Wednesday, January 23, 2019, 1:00 p.m., Regular Board Meeting

10. **CLOSED SESSION**

10a Conference with legal counsel – anticipated litigation. Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code § 54956.9. One potential case.

10b Public Employment - General Manager Recruitment
Government Code § 54957

11. **REPORTABLE ACTION FROM CLOSED SESSION**

12. **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*)
Cost of Service Study Committee (*ad hoc*)

Membership**

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

Joint Power Authorities

ACWA / JPIA
CCWD Public Financing Authority
Calaveras-Amador Mokelumne River Authority (CAMRA)
Calaveras Public Power Agency (CPPA)
Eastern San Joaquin Groundwater Authority
Tuolumne-Stanislaus Integrated Regional Water
Management Joint Powers Authority (T-Stan JPA)
Upper Mokelumne River Watershed Authority (UMRWA)

Ratterman (alt. Dave Eggerton)
All Board Members
Ratterman / Underhill (alt. Strange)
Peter Martin (alt. Dave Eggerton)
Russ Thomas
Strange (alt. Thomas)
Davidson (alt. Ratterman)

Other Regional Organizations of Note

Calaveras LAFCO
Calaveras County Parks and Recreation
Committee
Highway 4 Corridor Working Group
Mountain Counties Water Resources
Association (MCWRA)
Mokelumne River Association (MRA)
Tuolumne-Stanislaus Integrated Regional Water
Mgt. JPA Watershed Advisory Committee (WAC)

Ratterman / Strange
Thomas (alt. Underhill)
Thomas / Underhill
All Board Members
All Board Members
Peter Martin (alt. Metzger)

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

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

Agenda Item

DATE: December 12, 2018

TO: Board of Directors

FROM: Jeffrey Meyer, Interim General Manager *JM*

SUBJECT: Seating of New Board Members and Election of Officers

RECOMMENDED ACTION:

1. New and re-elected Board Members are sworn in; new and re-elected Board Members are seated.
2. Elect President and Vice President.
3. The new President may choose to appoint members to the Engineering Committee, Finance Committee, and Legal Affairs Committee (Standing Committees of the Board). However, the new President may want to delay making the appointments until the January 9, 2019 meeting to canvass the preferences of each Board member for those appointments.
4. It is also customary at the next regularly scheduled Board meeting for the newly elected President to make appointments to other committees and associations of interest to the agency as well as to request a vote of the Board with regard to the appointment of members to Joint Power Authorities (JPAs) of which the District is a member.

BACKGROUND:

Bertha Underhill, Director of District 3, will be re-seated; Russ Thomas, Director of District 4, will be re-seated; and Cindy Secada, Director of District 2, will fill the position of Terry Strange. Directors Underhill, Thomas, and Secada have taken and signed their oaths of office.

Election of Officers

Now is the time year when the Board elects its officers for the following year, the President and Vice President. District policy (established by Resolution 2289 on December 8, 1977 and amended by Resolution 88-168 on December 8, 1988) also established that the “terms of the office shall be for one year with the right of succession for one or more years”.

The procedure for election of officers is as follows:

- The current President turns the meeting over to the General Manager who facilitates the election of the new President.
- After the President is elected, the General Manager facilitates the election of the new Vice President.
- The new President and Vice President are seated.

Committee Appointments

As the Board is reconstituting itself, there are some other important actions that must be taken, namely, identifying committee memberships. Some memberships are Presidential appointments while others such as the appointment of Board Members to JPAs are taken by action of the full Board. Pursuant to Board Policy 4060, the President may make appointments to existing ad hoc and standing committees of the Board for the following year and, if so desired, eliminate existing committees. Such action must be taken no later than the Board's regular meeting in February.

At this time, the Board President may proceed to appoint members to the Engineering, Finance, and Legal Affairs Committees of the Board. Alternatively, and consistent with past practice, the President may ask that each Board member submit a list of his or her own preferences for committee and JPA appointments to the Clerk of the Board for consideration by the President who will announce committee and other appointments as well as recommendations for Board action on JPA appointments at the next meeting on January 9, 2019.

FINANCIAL CONSIDERATIONS:

\$120 per meeting, up to six (6) meetings per calendar month, as well as reimbursement of certain authorized expenses as requested by each Board member.

Attachment: *Resolution No. 88-168*

RESOLUTION NO. 88-168

BE IT RESOLVED by the Board of Directors of CALAVERAS COUNTY WATER DISTRICT that Resolution No. 2289 setting the terms of presiding officers shall be amended as follows:

Section 2 - Presiding Officer of Calaveras County Water District
Rules and Regulations

2. Presiding Officer: The President of the Board shall preside at all meetings attended by him/her. In the absence of the President the Vice President shall preside; and in the absence of both the President and Vice President the members of the Board attending the meeting shall choose a Chairperson, who shall preside at said meeting.

An election will be held by the directors (pursuant to Water Code Section 30520) for the offices of the President and Vice President, such election to be held every year during the second meeting in November or within 30 days after the Board has been reconstituted. The terms of the office shall be for one year with the right of succession for one or more years.

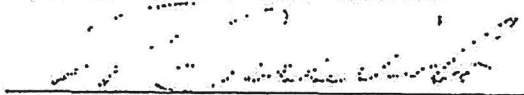
PASSED AND ADOPTED this 8th day of December, 1988 by the following vote:

AYES: Directors Clark, Johnson, Neilsen, Gleason and Queirolo

NOES: None

ABSENT: None

CALAVERAS COUNTY WATER DISTRICT



President

ATTEST:



Secretary



**RESOLUTION NO. 2018-52
RESOLUTION NO. PFA-03
ORDINANCE NO. 2018-02**

MINUTES

**CALAVERAS COUNTY WATER DISTRICT
REGULAR BOARD MEETING**

October 10, 2018

Directors Present: Scott Ratterman, President
Russ Thomas, Vice President
Bertha Underhill, Director
Terry Strange, Director

Staff Present: Dave Eggerton, General Manager
Rebecca Hitchcock, Clerk to the Board
Jeffrey Meyer, Director of Administrative Services
Peter Martin, Manager of Water Resources
Stacey Lollar, Director of Human Resources and Customer Service
Joel Metzger, Manager of External Affairs, Conservation, and Grants
John Gomes, Info Systems Administrator
Bob Godwin, Sr. Civil Engineer
Tiffany Burke, Admin Tech II

Others Present: Elaine St. John
Bob Dean

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

President Ratterman called the Regular Board Meeting to order at 1:03 p.m. and led the pledge of allegiance. Director Davidson was absent.

PUBLIC COMMENT: There was no public comment.

The Open Session ended at 1:05 p.m.

The meeting adjourned into Closed Session at approximately 1:05 p.m. Those present were Board Members: Russ Thomas, Bertha Underhill, Scott Ratterman and Terry Strange; staff members Dave Eggerton, General Manager; Stacey Lollar, Director of Human Resources and Customer Service (for item 2a); and Dave Cameron, Special Counsel.

2. CLOSED SESSION

- 2a Public Employee Appointment Government Code § 54957 (b)(1)
Title: General Manager.
- 2b Conference with Legal Counsel – Potential Litigation Government Code § 54956.9.
- 2c Conference with legal counsel – anticipated litigation. Significant exposure to litigation pursuant to subdivision (d)(2) of Government Code § 54956.9.
One potential case.

4. REPORTABLE ACTION FROM CLOSED SESSION

The meeting reconvened into Open Session at 2:37 p.m. The Board of Directors took the following action:

MOTION: Directors Underhill / Thomas – by Minute Entry, Approve Jeffrey Meyer as Interim General Manager. Mr. Meyer’s employment contract to be finalized and approved at the Oct. 24, 2018, Regular Board meeting

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

5. CONSENT AGENDA

- 5a Approval of Minutes for the Board Meeting of August 22, 2018
- 5b Review Board of Directors Monthly Time Sheets for September 2018
- 5c Approval of Board Meeting Schedule in November and December, 2018
(Dave Eggerton, General Manager)
- 5d Ratify Claim Summary #559 Secretarial Fund in the Amount of \$1,435,506.50 for September 2018.
(Jeffrey Meyer, Director of Administrative Services) **RES 2018-54**
- 5e Information / Quarterly Projects Report, (July-Sept 2018)
(Charles Palmer, District Engineer)
- 5f Approve request for Water Leak Adjustment for APN 025-016-068 (Stacey Lollar, Director of Human Resources and Customer Service) **RES 2018-55**

MOTION: Directors Underhill / Thomas – Approved Consent Agenda Items as presented

PUBLIC COMMENT: There was no public comment.

AYES: Directors Underhill, Thomas, Strange, and Ratterman
NOES: None

ABSTAIN: None
ABSENT: Director Davidson

6. NEW BUSINESS

- 6a Accept and File the GASB 45 – Actuarial Valuation of Other Post-Employment Benefits and Actuarially Determined Contributions Report
(Jeffrey Meyer, Director of Administrative Services)

DISCUSSION: Mr. Meyer presented the high-level details of the GASB 45 – Actuarial Valuation of Other Post-Employment Benefits and Actuarially Determined Contributions Report.

PUBLIC COMMENT: There was no public comment

This item was for information only, there was no action taken.

- 6b Discussion / Direction regarding PERS Annual Valuation Reports as of June 30, 2017 (Jeffrey Meyer, Director of Administrative Services)

DISCUSSION: Mr. Meyer presented the California Public Employees Retirement System (CalPERS) Annual Valuation Reports as of June 30, 2017. He explained the various alternatives to reduce the Districts cost. The Board directed Mr. Meyer to come back with specific options to reduce the Districts liability at a future meeting.

PUBLIC COMMENT: There was no public comment

This item was for information only, there was no action taken.

- 6c Discussion / Direction IT Service Review
(Jeffrey Meyer, Director of Administrative Services)

DISCUSSION: Mr. Gomes presented an in depth review of the current IT systems and communication systems at the District.

This item was for information only, there was no action taken.

- 6d Update on the Draft Calaveras River Habitat Conservation Plan (HCP)
(Peter Martin, Manager of Water Resources)

DISCUSSION: Mr. Martin reviewed the Draft Calaveras River Habitat Conservation Plan. There was discussion about the plan between the Board and staff. This item will be presented at the October 24, 2018 Board meeting requesting approval of the final submission of the application to the National Oceanic and Atmospheric Administration, National Marine Fisheries Service (NMFS).

This item was for information only, there was no action taken.

RECESS was called at 3:35 p.m. **SESSION RESUMED** at 3:40 p.m.

- 6e Adoption of the Final Copper Cove Water System Master Plan, CIP 11064C-120
(Bob Godwin, Sr. Civil Engineer) **RES 2018-57**

MOTION: **Directors Thomas / Strange – Adopted the Final Copper Cove Water System Master Plan**

DISCUSSION: Mr. Godwin presented the final Copper Cove Water System Master Plan to the Board. He reviewed the various projects included in the master plan and answered questions from the Board.

PUBLIC COMMENT: There was no public comment.

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

- 6f Discussion/Action regarding an Approval of an Exception to District Policy Regarding Termination of Services for One (1) of the Two (2) wastewater services at 1141 Sequoia Street in Arnold
(Stacey Lollar, Director of Human Resources and Customer Service) **RES 2018-58**

MOTION: **Directors Thomas / Underhill – Approved an Exception to District Policy Regarding Termination of Services for One (1) of the Two (2) wastewater services at 1141 Sequoia Street in Arnold**

DISCUSSION: Ms. Lollar presented the request from Mr. and Mrs. Cocco for an exception to the Districts termination of service policy. She explained that the county considers the lot one parcel. There are no refunds requested just termination of one wastewater service. There was brief discussion between Ms. Lollar and the Board.

Director Strange left the meeting at 4:02 p.m.

PUBLIC COMMENT: There was no public comment.

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

- 6g Discussion / Action Authorizing Contract Amendment for Archaeological Services Jenny Lind Water Plant Pretreatment Project, CIP #11092
(Charles Palmer, District Engineer) **RES 2018-56**

MOTION: **Directors Underhill / Thomas – Approved an Amendment for Archaeological Services Jenny Lind Water Pretreatment Project**

DISCUSSION: Mr. Eggerton presented the reasons behind the project amendment request. He explained the challenges presented with the site being a cultural resource and the delays and cost increases it has caused to the project. He also mentioned that the District is aggressively pursuing

additional grant funding to pay for the additional work. There was discussion between the Board and Mr. Eggerton.

PUBLIC COMMENT: There was no public comment.

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

7. **OLD BUSINESS**
Nothing to Report.

8. **GENERAL MANAGER REPORT**

Mr. Eggerton reported that this week is water professional's week information about that has been posted on the website as well as Facebook. In addition, there are plans for next year for further outreach on water professionals and various careers in the industry.

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

Director Underhill reported that tomorrow is National Girls Day, and the Association of California Water Agencies is having a Women in Water session during their Fall Conference. She also attended the annual East Bay Municipal Utility District BBQ on Friday and it was terrific.

Director Thomas toured the Weymouth Water Treatment Facility in La Verne, CA. He was amazed by the scope of the facility and mentioned that it is a tremendous value to tour facilities outside of the region.

Director Ratterman reported that next week the CAMRA tour will begin at 8:30 at the CCWD office before beginning the tour of the various locations. On Friday Oct 26th the Mountain Counties Water Resource Association is having a symposium in Auburn, CA.

10. **NEXT BOARD MEETINGS**

- Wednesday, October 24, 2018, 1:00 p.m., Workshop
- Wednesday, November 14, 2018, 1:00 p.m., Regular Board Meeting

11. **ADJOURNMENT**

With no further business, the meeting adjourned at approximately 4:38 p.m.

By:

ATTEST:

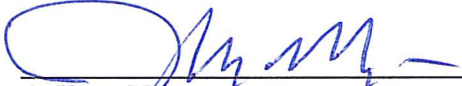
Jeffrey Meyer
Interim General Manager

Rebecca Hitchcock
Clerk to the Board

**Calaveras County Water District
Claim Summary # 561**

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
Interim General Manager

1. November 2018 payroll checks issued on 11/15/2018	161,529.53
2. November 2018 payroll checks issued on 11/30/2018	164,108.71
3. November 2018 compensation to Directors	1,306.99
4. Vendor payments for November 1 through 30, 2018	1,689,224.54
5. Other payroll related costs	<u>262,705.02</u>

Claim Summary Total \$2,278,874.79

Calaveras County Water District
AP Disbursement Summary
November 1-30, 2018

CCWD Operating Expenditures		\$ 406,546.86
Expenditures to be reimbursed from other agencies	(A)	-
Expenditures to be reimbursed from grant agreements	(B)	1,108,028.05
Fiduciary Payments (funds collected prior to expenditure)	(C)	14,959.70
Partial Reimbursement	(D)	113,666.08
Capital R&R Projects	(E)	21,369.05
Capital Outlay	(F)	24,654.80
Total Payments		\$ 1,689,224.54

CCWD
AP DISBURSEMENTS
NOVEMBER 1-30, 2018

Check No.	Vendor/Employee	Transaction Description	Date	Amount	
131146	A T & T	Leased Lines 11/18	11/19/2018	66.07	
131218	A T & T	Internet Service 11/18 - LC	11/29/2018	90.00	
131219	A T & T	Phone 11/18 - SA Shop	11/29/2018	104.39	
131102	A T & T CALNET2	District Radio Tower 10/18 - Camp Connell	11/08/2018	375.20	
131220	A T & T CALNET3	Phone 11/18 - Dorrington P/S	11/29/2018	20.68	
131221	A T & T CALNET3	Phone 11/18 - District Wide	11/29/2018	1,244.21	
131223	A T & T CALNET3	Phone 11/18 - Long Distance	11/29/2018	425.77	
131224	A T & T CALNET3	Phone 11/18 - Hunter's	11/29/2018	20.67	
131225	A T & T CALNET3	Phone 11/18 - Azalea L/S	11/29/2018	19.02	
131226	A T & T CALNET3	Phone 11/18 - CCWHSE	11/29/2018	3.53	
131227	A T & T CALNET3	Phone 11/18 - OP HQ Back Up	11/29/2018	189.74	
131228	A T & T CALNET3	T-Line 11/18	11/29/2018	164.68	
131229	A T & T CALNET3	Phone/Fax 11/18 - JLTC	11/29/2018	126.43	
131052	A T & T MOBILITY	Cell Phone 10/18 - Brown	11/01/2018	83.86	
131200	A TEEM ELECTRICAL ENG INC	Consulting Services - JLWTP Pre-Treatment Facility Project	11/20/2018	1,260.00	(B)
131103	ACWA/JPIA	Dental Insurance, Employees 12/18	11/08/2018	6,741.72	(D)
131103	ACWA/JPIA	Vision Insurance, Employees 12/18	11/08/2018	1,354.88	
131103	ACWA/JPIA	EAP 12/18	11/08/2018	152.75	
131103	ACWA/JPIA	Dental Insurance, Retirees 12/18	11/08/2018	2,744.68	
131103	ACWA/JPIA	Vision Insurance, Retirees 12/18	11/08/2018	779.52	
131230	ADP INC	Payroll Services 11/18	11/29/2018	1,564.48	
131054	AFLAC	Aflac 10/18	11/01/2018	2,018.70	(C)
131106	ALHAMBRA DRINKING WATER	Water Cooler Service 10/18 - LCWWTP	11/08/2018	37.20	
131107	ALHAMBRA DRINKING WATER	Water Cooler Service 10/18 - JLWTP	11/08/2018	100.55	
131231	ALLIED ELECTRONICS, INC	Ethernet Switches/Power Supplies/Labels - SCADA	11/29/2018	2,254.87	
131105	AL'S TIRE SERVICE	Seasonal Tire Change - Vehicle #527	11/08/2018	198.00	
131105	AL'S TIRE SERVICE	Tire Repair - AWWTP Trailer	11/08/2018	20.00	
131105	AL'S TIRE SERVICE	Tires (4) - Trailer #04	11/08/2018	383.65	
131105	AL'S TIRE SERVICE	Tires (4) - Vehicle #715	11/08/2018	922.94	
131055	AMERICAN WATER WORKS ASSOC	Membership Dues 01/19-12/19	11/01/2018	4,141.00	
131148	AMERIPRIDE SERVICES,INC	Uniform Laundry Service 10/18	11/19/2018	2,634.38	
EFT	ANTHEM-BLUE CROSS	Health Insurance, Employees 11/18	11/07/2018	106,924.36	(D)
EFT	ANTHEM-BLUE CROSS	Health Insurance, Retirees 11/18	11/07/2018	40,333.16	
131056	APPLEGATE, JOHN	Wastewater Operator, Grade 2 Review Class/Test Travel Reimbursement	11/01/2018	268.09	
131232	APPLEGATE, JOHN	Water Treatment Plant Op, Grade T2 Review Class/Test Travel Reimb	11/29/2018	208.56	
131057	ARC	Bid Packets/Project Manuals W/Stock Cover (20 sets) - EP Reach 1 Project	11/01/2018	2,414.15	(E)
131149	ARNOLD AUTO SUPPLY	Flashlight - Vehicle #143	11/19/2018	24.66	
131149	ARNOLD AUTO SUPPLY	Oil Analysis Kit/Tire Repair Kit - Vehicle #529	11/19/2018	36.44	
131149	ARNOLD AUTO SUPPLY	Towels/Cleaner/Silicone/Threadlocker - Vehicle #592	11/19/2018	72.82	
131149	ARNOLD AUTO SUPPLY	Starting Fluid/Battery/Towels - Vehicle #706	11/19/2018	277.07	
131149	ARNOLD AUTO SUPPLY	Turn Signal Light Bulb - Vehicle #719	11/19/2018	4.28	
131149	ARNOLD AUTO SUPPLY	Hotstart Heaters/Antifreeze/Diesel Fuel Additive - District Wide Generators	11/19/2018	2,638.53	

CCWD
AP DISBURSEMENTS
NOVEMBER 1-30, 2018

Check No.	Vendor/Employee	Transaction Description	Date	Amount
131149	ARNOLD AUTO SUPPLY	Towels - Hunter's WTP	11/19/2018	6.37
131149	ARNOLD AUTO SUPPLY	Coolant/Tape/Clamps - Avery Tank Generator	11/19/2018	119.96
131149	ARNOLD AUTO SUPPLY	Degreaser/Brush - SA Shop	11/19/2018	62.12
131233	ARNOLD TIRE AND AUTO CARE	Seasonal Tire Change - Vehicle #534	11/29/2018	80.00
131201	ATNIP, TONY	DOT Physical Reimbursement	11/20/2018	100.00
131109	BAY VALVE SERVICE & ENGINEERING, LLC	Gear Box - WPWWTP	11/08/2018	2,971.39
131110	BIG VALLEY FORD LINCOLN MERCURY	Turbo Seals/Lubricant/Exhaust Repair - Vehicle #134	11/08/2018	1,502.29
131145	BIG VALLEY FORD LINCOLN MERCURY	2018 Ford Escape - Vehicle #725	11/16/2018	24,654.80 (F)
131234	BIG VALLEY FORD LINCOLN MERCURY	Turbo Hardware Kit/Turbo Charger/Hose/Clamps/Seals - Vehicle #134	11/29/2018	2,471.48
131150	BNN, LLC	Rent 12/18 - SA Shop	11/19/2018	3,000.00
131202	BNN, LLC	Utility Service Reimbursement 11/18 - SA Shop	11/20/2018	244.56
131111	BRANNON TIRE	Opacity Tests - Diesel Truck Fleet	11/08/2018	1,672.50
131112	BURKE, TIFFANY	Post Office Travel Reimbursement 10/18	11/08/2018	50.74
131113	BURKHARDT, PATRICK	Water Treatment Plant Operator, Grade D2 Exam Travel Reimbursement	11/08/2018	85.46
131114	CABRAL	Oil/Filters - Vehicle #723	11/08/2018	274.18
131235	CALAVERAS AUTO SUPPLY	Battery - Vehicle #123	11/29/2018	387.21
131235	CALAVERAS AUTO SUPPLY	Work Lights/Polishing Compound/Pads/Glaze - Vehicle #621	11/29/2018	971.18
131235	CALAVERAS AUTO SUPPLY	Exhaust Fluid/Polish/Cleaner/Air Freshener/Flashlight/Tubing - Vehicle #723	11/29/2018	101.15
131235	CALAVERAS AUTO SUPPLY	Hose Ends/Fittings/Hose - CC L/S #15 Generator	11/29/2018	23.96
131235	CALAVERAS AUTO SUPPLY	Tape/Sponge/Respirator/Cap Screw - SA Shop	11/29/2018	73.12
131151	CALAVERAS COUNTY ROCK CREEK LANDFILL	Building Materials Disposal - JLTC	11/19/2018	8.00
131203	CALAVERAS FIRST COMPANY INC	Notice Inviting Bids Advertising - EP Reach 1 Project	11/20/2018	1,176.00 (E)
131152	CALAVERAS LUMBER CO INC	Silicone/Fittings/Fasteners/Tubing - Vehicle #531	11/19/2018	117.70
131152	CALAVERAS LUMBER CO INC	Trowel/Rake/Blades/Hydraulic Cement - AWWTP	11/19/2018	38.57
131152	CALAVERAS LUMBER CO INC	Clogbuster/Garden Hoe/Tool Rack - FMWWTP	11/19/2018	117.93
131152	CALAVERAS LUMBER CO INC	Adapter/Hole Saw/Drill Bit/Wire/Fitting - VCTO Septic	11/19/2018	68.14
131115	CALIFORNIA WASTE RECOVERY SYSTEMS	Refuse Disposal 11/18 - District Wide	11/08/2018	1,470.02
131153	CALTEL	Phone Lines 11/18	11/19/2018	1,417.77
131059	CAMPORA	Propane 10/18 - Sandy Gulch	11/01/2018	853.89
131236	CAMPORA	Propane 10/18 - Wallace	11/29/2018	6.86
131237	CARBON COPY INC	Copies/Copier Maintenance - Oct/Nov	11/29/2018	207.17
EFT	CARD SERVICES	MCRWA Water Symposium Registration - Underhill	11/08/2018	35.00
EFT	CARD SERVICES	MCRWA Water Symposium Registration - Ratterman	11/08/2018	35.00
EFT	CARD SERVICES	MCRWA Water Symposium Registration - Thomas	11/08/2018	35.00
EFT	CARD SERVICES	MCRWA Water Symposium Registration - Meyer	11/08/2018	35.00
EFT	CARD SERVICES	ACWA Meetings Travel - Eggerton	11/08/2018	194.68
EFT	CARD SERVICES	ACWA Fall Conference Travel - Meyer	11/08/2018	770.96
EFT	CARD SERVICES	Drinking Water Op Training - Wyckoff	11/08/2018	406.00
EFT	CARD SERVICES	HR Webinar - Lollar	11/08/2018	100.00
EFT	CARD SERVICES	PHR Certification Renewal - Howarth	11/08/2018	150.00
EFT	CARD SERVICES	WW Treatment Plant Op, Grade 3 Review Course Travel - DeAmicis	11/08/2018	305.64
EFT	CARD SERVICES	Operations of WW Treatment Plants Course Package	11/08/2018	44.80

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EFT	CARD SERVICES	Water Treatment Review Course - Burkhardt	11/08/2018	195.00
EFT	CARD SERVICES	Kubota MBR Operators Workshop Travel - Rose/Burke/Hampton	11/08/2018	2,267.20
EFT	CARD SERVICES	Operations/Maintenance of WW Collections Manual (2)- Rivera/Hibbard	11/08/2018	311.05
EFT	CARD SERVICES	Water Treatment Plant Operator Review Course Travel - Applegate	11/08/2018	101.88
EFT	CARD SERVICES	Supervisor Training Meals - Hampton/Skrbina/Knick	11/08/2018	54.64
EFT	CARD SERVICES	Rackspace Hosted E-Mail Service Oct/Nov	11/08/2018	1,032.02
EFT	CARD SERVICES	Internet/E-Mail Back Up - OP HQ	11/08/2018	29.90
EFT	CARD SERVICES	Internet Service 10/18 - Hunter's	11/08/2018	76.87
EFT	CARD SERVICES	HP Docking Station - OP HQ	11/08/2018	123.29
EFT	CARD SERVICES	Conference Call Service - OP HQ	11/08/2018	6.73
EFT	CARD SERVICES	Labels - Wallace WWTP	11/08/2018	191.96
EFT	CARD SERVICES	Directional Flow Tape - District Wide	11/08/2018	47.29
EFT	CARD SERVICES	Safety Training Supplies	11/08/2018	244.35
EFT	CARD SERVICES	Norton Software Virus Protection - Lang	11/08/2018	104.99
EFT	CARD SERVICES	Office Supplies	11/08/2018	463.45
EFT	CARD SERVICES	General Manager Recruitment Advertising	11/08/2018	480.00
EFT	CARD SERVICES	Notice Inviting Bids Advertising - EP Reach 1 Project	11/08/2018	2,606.68 (E)
131116	CARDINAL, BILL	CA-NV AWWA Fall Conference Travel Reimbursement	11/08/2018	1,680.89
131117	CARSON HILL ROCK PRODUCTS	Class II AB - LCWHSE Stock	11/08/2018	2,592.64
131117	CARSON HILL ROCK PRODUCTS	Class II AB Trucking - LCWHSE Stock	11/08/2018	2,227.50
131118	CDK SUPPLY	Electrical Box/Lid/Adapter/PVC Elbows - VCTO Septic	11/08/2018	337.13
131154	CHEMTRAC INC	Probe/Pistons - JLWTP	11/19/2018	888.00
131061	CITY OF ANGELS	Sewer 10/18 - Six Mile Village	11/01/2018	4,695.23
131062	CLARK PEST CONTROL	Pest Control 10/18 - CCWTP	11/01/2018	200.00
131062	CLARK PEST CONTROL	Pest Control 10/18 - OP HQ	11/01/2018	125.00
131119	CLARK PEST CONTROL	Pest Control Sept/Oct - LCWWTP	11/08/2018	294.00
131155	CLARK PEST CONTROL	Pest Control Oct/Nov - Southworth	11/19/2018	168.00
131155	CLARK PEST CONTROL	Pest Control Oct/Nov - Wallace	11/19/2018	244.00
131155	CLARK PEST CONTROL	Pest Control 11/18 - WPWTP	11/19/2018	98.00
131238	CLARK PEST CONTROL	Pest Control 11/18 - AWWTP	11/29/2018	87.00
131238	CLARK PEST CONTROL	Pest Control 11/18 - FMWWTP	11/29/2018	87.00
131238	CLARK PEST CONTROL	Pest Control 11/18 - WPWWTP	11/29/2018	130.00
131120	COLUMBIA COMMUNICATIONS	Vehicle Cloud Service 11/18	11/08/2018	730.00
131063	COMCAST	Internet Service 11/18 - JLWTP	11/01/2018	88.08
131064	COMCAST	Internet Service 11/18 - DF/VCTO WWTP	11/01/2018	83.08
131065	COMCAST	Internet Service 11/18 - OP HQ	11/01/2018	88.08
131240	COMCAST	Internet Service 12/18 - JLTC	11/29/2018	88.08
131241	COMCAST	Internet Service 12/18 - JLWTP	11/29/2018	174.01
131156	CONDOR EARTH TECHNOLOGIES INC	Groundwater Monitoring/Reporting Oct/Nov	11/19/2018	1,154.00
131204	CONDOR EARTH TECHNOLOGIES INC	Materials Testing/Inspection Services - JLWTP Pre-Treatment Facility Project	11/20/2018	4,482.50 (B)
131121	CONETH SOLUTIONS INC	IT Infrastructure Support Services 11/18	11/08/2018	1,325.00
131122	COPPEROPOLIS FIRE PROTECTION DISTRICT	Hydrant Maintenance - CC	11/08/2018	1,220.00

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131157	CPPA	Power 10/18	11/19/2018	68,117.16
131067	CPUD	Water Service 10/18 - OP HQ	11/01/2018	219.55
131242	CWEA	Membership Renewal - Crumpacker	11/29/2018	188.00
131242	CWEA	Membership Renewal - Gerkenmeyer	11/29/2018	188.00
131242	CWEA	Collection System Maintenance, Grade 2 Cert Renewal - Gerkenmeyer	11/29/2018	92.00
131242	CWEA	Collection System Maintenance, Grade 1 Cert Renewal - Rose	11/29/2018	87.00
131242	CWEA	Plant Maintenance Technologist, Grade 1 Cert Renewal - Rose	11/29/2018	87.00
131242	CWEA	Collection System Maintenance, Grade 2 Cert Renewal - Zanardi	11/29/2018	92.00
131158	DATAPROSE	UB Statement Processing 10/18	11/19/2018	4,977.56
131068	DAVIDSON, JEFF	Travel 10/18	11/01/2018	15.26
131243	DAVIDSON, JEFF	Travel 11/18	11/29/2018	15.26
131123	DLT SOLUTIONS INC	AutoCAD Support Services	11/08/2018	4,338.96
131124	DOWNEY BRAND ATTORNEYS LLP	Legal Service 09/18	11/08/2018	13,318.50
131244	DOWNEY BRAND ATTORNEYS LLP	Legal Service 10/18	11/29/2018	6,520.50
131125	EBBETTS PASS GAS SERVICE	Fuel 10/18	11/08/2018	8,530.76
131205	EBBETTS PASS LUMBER	Bushings/Utility Box/Pipe Cutters/Tote/Switch/Drain Cleaner - Hunter's WTP	11/20/2018	169.63
131205	EBBETTS PASS LUMBER	Adapter Set/Ratchets/Extension Bar/Saw Handle - EP Barn	11/20/2018	120.07
131205	EBBETTS PASS LUMBER	Switch Plate/Fasteners - Electricians	11/20/2018	17.60
131245	ECORP CONSULTING, INC	White Pines Gaging Project	11/29/2018	1,708.38
131070	EGGERTON, DAVE	National Water Resource Assn Parking Reimbursement	11/01/2018	(40.00)
131070	EGGERTON, DAVE	ACWA Meetings Travel Reimbursement	11/01/2018	76.56
131160	FASTENAL	Gloves - Stock	11/19/2018	432.08
131160	FASTENAL	Reciprocating Saws/Angle Grinder/Impact Wrench - Collections Crew	11/19/2018	1,773.27
131160	FASTENAL	Bits/Tape/Primer/Pipe Wrap/Safety Glasses/Gloves/Shovel - JL	11/19/2018	742.36
131160	FASTENAL	Cart - OP HQ	11/19/2018	210.22
131246	FEDERAL EXPRESS	Shipping 11/18	11/29/2018	33.58
131161	FERGUSON ENTERPRISES, INC	Elbows/Valves/Tools/Saddles/Boxes/Lids/Couplings/Flanges - CCWHSE	11/19/2018	8,206.59
131161	FERGUSON ENTERPRISES, INC	Gate Valves/Gaskets/Nuts/Bolts - LCWHSE	11/19/2018	905.23
131161	FERGUSON ENTERPRISES, INC	Motor - JL B Tank	11/19/2018	1,309.38
131161	FERGUSON ENTERPRISES, INC	Check Valve Rebuild Parts - WPWWTP	11/19/2018	383.75
131126	FGL ENVIRONMENTAL	Waste Water Testing 10/18	11/08/2018	3,204.00
131126	FGL ENVIRONMENTAL	Water Testing 10/18	11/08/2018	5,697.00
131162	FGL ENVIRONMENTAL	Waste Water Testing 11/18	11/19/2018	701.00
131162	FGL ENVIRONMENTAL	Water Testing 11/18	11/19/2018	1,248.00
131247	FOOTHILL PORTABLE TOILETS	Portable Toilet Rental 11/18 - Sheep Ranch	11/29/2018	93.50
131247	FOOTHILL PORTABLE TOILETS	Portable Toilet Rental 11/18 - Wallace	11/29/2018	93.50
131163	FROGGY'S AUTO WASH & LUBE	Deluxe Wash - Vehicle #138	11/19/2018	19.95
131164	GAMBI DISPOSAL INC.	Bio-Solids Removal - AWWTP	11/19/2018	1,258.75
131164	GAMBI DISPOSAL INC.	Bio-Solids Removal - FMWWTP	11/19/2018	1,900.00
131164	GAMBI DISPOSAL INC.	Bio-Solids Removal - DF/VCTO WWTP	11/19/2018	641.25
131206	GARCIA AND ASSOCIATES	Archaeological Monitoring - JLWTP Pre-Treatment Facility Project	11/20/2018	26,807.42 (B)
131165	GCR TIRES & SERVICE	Tires (2) - LCWWTP Backhoe #05	11/19/2018	1,645.50

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131166	GLASS DOCTOR	Windshield Replacement - Vehicle #551	11/19/2018	396.11
131167	GODWIN, ROBERT	Pressure Gauge Reimbursement - Huckleberry L/S	11/19/2018	15.53
131127	GOVCONNECTION, INC	Spare UPS Batteries/UPS/Cable - OP HQ	11/08/2018	627.47
131169	GRAINGER	Switch Wire/Magnet Mounts - Vehicle #621	11/19/2018	211.51
131207	GRAINGER	Hydraulic Fluid Dispenser/Warranty - WPWHSE	11/20/2018	116.65
131170	GRAVETTE, JARED	Safety Boot Reimbursement	11/19/2018	200.00
131170	GRAVETTE, JARED	Winter Weather Gear Reimbursement	11/19/2018	200.00
131171	GRAYBAR	Controllers (4) - Lift Station Stock	11/19/2018	1,849.15
131072	GRIFFIN, RICK	Safety Boot Reimbursement	11/01/2018	183.12
131172	HACH COMPANY	Ice-Pic Calibration - FMWWTP	11/19/2018	335.36
131172	HACH COMPANY	Sample Cells/Reagent Set - JLWTP	11/19/2018	289.36
131173	HERD'S MACHINE & WELD SHOP	Welder Liner/Wire/Tips/Gas - SA Shop	11/19/2018	215.25
131074	HITCHCOCK, REBECCA	CSDA Conference Travel Reimbursement	11/01/2018	459.90
131250	HOBGOODS CLEANING	Janitorial Services 11/18	11/29/2018	1,985.00
131174	HOLT OF CALIFORNIA	Hose - EP Meadowmont P/S Generator	11/19/2018	117.72
131174	HOLT OF CALIFORNIA	Couplings/Seals/Oil/Cap/Hoses - Backhoe #07	11/19/2018	1,269.70
131076	HUGHESNET	Internet Service 11/18 - FMWWTP	11/01/2018	82.23
131175	HUGHESNET	Internet Service 11/18 - AWWTP	11/19/2018	80.94
131176	HUNT & SONS, INC	Fuel - WP	11/19/2018	1,455.78
131177	INDUSTRIAL ELECTRICAL CO	Replacement Pump - EP Mountain Retreat L/S	11/19/2018	1,792.80
131128	IRON MOUNTAIN	Document Destruction 10/18	11/08/2018	65.02
131251	JS WEST PROPANE GAS	Propane 11/18	11/29/2018	396.94
131252	KASL CONSULTING ENGINEERS	Engineering/Environmental Permitting/Design Services - EP Reach 1 Project	11/29/2018	15,172.22 (E)
131129	KENNEDY/JENKS CONSULTANTS	Hazardous Materials Business Plan Information Update 09/18	11/08/2018	4,324.80
131130	KIRSCHMAN, NATHANIEL	Overtime Meal Reimbursement 10/18	11/08/2018	77.43
131131	KOFF & ASSOCIATES, INC	Comprehensive Salary & Benefits Review & Analysis 11/18	11/08/2018	8,064.00
131078	LIEBERT CASSIDY WHITMORE	Legal Services 09/18	11/01/2018	18,803.10
131132	LOLLAR, STACEY	Employee Meeting Supplies	11/08/2018	95.89
131179	LOWE'S	Drinking Water - WPWTP	11/19/2018	35.79
131179	LOWE'S	Jumper Cables/Power Inverter - Vehicle #720	11/19/2018	45.81
131254	MAIL FINANCE	Maintenance Lease Agreement 09/18-12/18	11/29/2018	983.27
131180	MANTECA TRUCK ACCESSORIES	Gate Lift Switch - Vehicle #606	11/19/2018	197.94
131180	MANTECA TRUCK ACCESSORIES	Steering Stabilizer - Vehicle #551	11/19/2018	156.96
131180	MANTECA TRUCK ACCESSORIES	Speedometer Calibrator - SA Shop	11/19/2018	163.30
131255	MEAD & HUNT INC	La Contenta Dam EAP 10/18	11/29/2018	7,651.00
131181	METZGER, JOEL	Fuel Reimbursement - Vehicle #140	11/19/2018	84.80
131181	METZGER, JOEL	ACWA/UWPA Meetings Travel Reimbursement	11/19/2018	65.43
131181	METZGER, JOEL	Redwood Tank Replacement Grant Mailing Reimbursement	11/19/2018	25.68
131181	METZGER, JOEL	Ewell Tour/Community Outreach Meeting Supplies	11/19/2018	120.18
131182	MODESTO AIRCO GAS & GEAR	Cylinder Rental 11/18	11/19/2018	85.80
131133	MOTHER LODE ANSWERING SERVICE	Answering Service 11/18	11/08/2018	725.26
131134	MOUNTAIN OASIS PURIFIED WATER	Water Cooler/Water Supplies 10/18 - District Wide	11/08/2018	141.40

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131256	MUTUAL OF OMAHA	Life/AD&D/LTD Employee Insurance Nov/Dec	11/29/2018	11,444.55
131080	NEOFUNDS BY NEOPOST	Postage 10/18	11/01/2018	1,000.00
131183	NEOPOST USA INC	Maintenance Agreement Folder/Sorter 12/18	11/19/2018	407.61
131184	NEW YORK LIFE	Life Insurance 10/18	11/19/2018	1,108.16 (C)
131081	NHU DESIGN	Website Development	11/01/2018	27.65
131185	NORTHSTAR CHEMICAL	Sodium Hypochlorite - CCWTP	11/19/2018	1,288.76
131185	NORTHSTAR CHEMICAL	Sodium Hypochlorite - WPWTP	11/19/2018	670.23
131185	NORTHSTAR CHEMICAL	Sodium Hypochlorite - WPWWTP	11/19/2018	396.39
131257	OCCU-MED, LTD	Pre-Employment Exam - Utility Dept	11/29/2018	201.50
131186	O'CONNELL & DEMPSEY, LLC	Federal Legislative Advocacy Consulting Services 10/18	11/19/2018	4,000.00
131187	O'REILLY AUTO PARTS	Antifreeze - Vehicle #123	11/19/2018	21.43
131187	O'REILLY AUTO PARTS	Filters/Oil/Wiper Blades/Cleaning Agents - Vehicle #718/719	11/19/2018	249.84
131187	O'REILLY AUTO PARTS	Backwash Return Seals/Diesel Engine Fluid - JLWTP	11/19/2018	77.19
131082	P G & E	Power 10/18 - JLTC	11/01/2018	131.31
131083	P G & E	Power 10/18 - Wallace Spray Fields	11/01/2018	23.22
131084	P G & E	Power 10/18 - Warmwood L/S	11/01/2018	18.16
131085	P G & E	Power 10/18 - OP HQ	11/01/2018	18.58
131135	P G & E	Power 10/18 - Woodgate L/S	11/08/2018	21.95
131188	P G & E	Power 10/18 - CC Water Tank	11/19/2018	42.55
131189	P G & E	Power 10/18 - SA Shop	11/19/2018	296.40
131258	P G & E	Power 11/18 - Hwy 26	11/29/2018	10.59
131259	P G & E	Power 11/18 - District Wide	11/29/2018	2,058.97
131260	P G & E	Power 11/18 - Wallace Spray Fields	11/29/2018	21.19
131190	PAPE KENWORTH	Clutch Assembly/Seals/Pilot Bearings - Vehicle #128	11/19/2018	684.90
131191	PAYMENTUS GROUP INC	Payment Processing 10/18	11/19/2018	5,900.00
131192	PK SAFETY SUPPLY	Oxygen Sensor - Collections Crew	11/19/2018	176.96
131193	POTRERO HILLS LANDFILL	Bio-Solids Disposal - FMWWTP	11/19/2018	280.80
131136	R.E. SMITH CONTRACTORS, INC.	Construction Contract - JLWTP Pre-Treatment Facility Project	11/08/2018	1,075,478.13 (B)
131087	RATTERMAN, SCOTT	Travel 10/18	11/01/2018	41.97
131261	RATTERMAN, SCOTT	Travel 11/18	11/29/2018	11.45
131088	RICHARDSON & COMPANY	Auditing Services FY 2017-18	11/01/2018	7,701.00
131089	RIEBES AUTO PARTS 312	Radiator Hose/Antifreeze - District Wide Generators	11/01/2018	152.51
131138	SAFETY CENTER, INC	Backhoe Training (11) 11/18	11/08/2018	2,700.00
131090	SEIU LOCAL 1021	Union Dues 10/18	11/01/2018	2,766.30 (C)
131208	SENDERS MARKET INC	Tubing/Plastic/Utility Knife/Staples/Blades - JLWTP	11/20/2018	141.19
131208	SENDERS MARKET INC	Fittings/Clips/Ties/Ball Valve/Adapter/Wrench Stub - Wallace WWTP	11/20/2018	150.75
131208	SENDERS MARKET INC	Riser Adhesive - Septic Tank Supplies	11/20/2018	186.49
131208	SENDERS MARKET INC	Lock Set - JL 602 Tank	11/20/2018	30.88
131208	SENDERS MARKET INC	Couplings/Cleaning Supplies/Hoses/Gloves/Gravel - LCWHSE	11/20/2018	105.47
131208	SENDERS MARKET INC	Posts/Wire/Fencing/Nails - JL Fence Repair	11/20/2018	368.48
131208	SENDERS MARKET INC	Shop Towels/Lid/Grade Ring Insert - Southworth WWTP	11/20/2018	158.44
131208	SENDERS MARKET INC	Hole Saw/Voltage Tester/Tape/Ties/Wipes/Gloves/Couplings - Electricians	11/20/2018	92.40

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131208	SENDERS MARKET INC	Brooms/Rakes/Loppers/Hose/Bucket - Collection Crew	11/20/2018	163.20
131208	SENDERS MARKET INC	Utility Knife/Pipe Cutters - SA Shop	11/20/2018	36.66
131208	SENDERS MARKET INC	Stretch Wrap/Bubble Wrap - LCWWTP	11/20/2018	57.89
131208	SENDERS MARKET INC	Root Killer/Adapter - VCTO Septic	11/20/2018	47.26
131194	SIERRA JANITORIAL SUPPLY	Paper Towels	11/19/2018	287.23
131195	SKRBINA, CHRISTOPHER	Winter Weather Gear Reimbursement	11/19/2018	200.00
131209	SKRBINA, CORINNE	County Offices Mileage Reimbursement Aug-Nov	11/20/2018	28.34
131210	SPENCE RANCH FEED & SUPPLY	Hay Bales - White Pines Toolie Removal	11/20/2018	48.21
131091	SPX FLOW TECHNOLOGY	Mixer - AWWTP	11/01/2018	7,973.50
131092	STAPLES CREDIT PLAN	Office Supplies 09/18	11/01/2018	3,201.25
131263	STAPLES CREDIT PLAN	Office Supplies 10/18	11/29/2018	3,057.21
131095	STRANGE, TERRY	Travel 10/18	11/01/2018	87.75
131264	STRANGE, TERRY	Travel 11/18	11/29/2018	58.86
131096	SWRCB	Wastewater Treatment Plant Op, Grade 2 Cert Renewal - Hanley	11/01/2018	110.00
131196	SWRCB	Drinking Water Distribution Op, Grade D2 Cert Renewal - Griffin	11/19/2018	60.00
131265	SWRCB	Drinking Water Distribution Op, Grade D2 Cert Renewal - Gravette	11/29/2018	60.00
131265	SWRCB	Drinking Water Distribution Op, Grade D1 Cert Renewal - Zanardi	11/29/2018	70.00
131211	TANAKA, TERESA	Arbitration Witness Fee	11/20/2018	41.70
131197	TECHNIQUE DATA SYSTEMS INC	Check Scanner Maintenance 12/18-12/19	11/19/2018	425.00
131097	THOMAS, RUSS	Travel 10/18	11/01/2018	628.62
131266	THOMAS, RUSS	Travel 11/18	11/29/2018	283.40
131212	TIFCO INDUSTRIES	Switch Panel/Wire Clips/Storage Tray - Vehicle #621 Replacement	11/20/2018	131.12
131140	TREATS GENERAL STORE INC	Meeting Supplies	11/08/2018	30.08
131140	TREATS GENERAL STORE INC	Keys/Kitchen Supplies/Power Strips/Screws/Paint - OP HQ	11/08/2018	93.75
131140	TREATS GENERAL STORE INC	Pest Control Supplies - JLWTP	11/08/2018	15.00
131098	UNDERHILL, BERTHA	Travel 10/18	11/01/2018	318.28
131268	UNDERHILL, BERTHA	Travel 11/18	11/29/2018	183.12
131141	UNION PUBLIC UTILITY DISTRICT	Water Service 10/18 - DF/VCTO	11/08/2018	159.00
131099	UNITED PARCEL SERVICE	Shipping 10/18	11/01/2018	25.00
131269	UNITED PARCEL SERVICE	Shipping 11/18	11/29/2018	129.05
131213	UNIVAR USA INC	SLS 45 - CC Thompson L/S	11/20/2018	1,630.37
131142	US BANK CORP TRUST SVCS	Fiscal Administration Fees - Fly In Acres Assessment District	11/08/2018	2,400.00 (C)
131270	US HEALTHWORKS MEDICAL GROUP	DOT Exam - Turner	11/29/2018	99.00
131214	USDA RURAL DEVELOPMENT	Arnold Assessment District 9S4 Loan Interest Payment	11/20/2018	6,192.29 (C)
131214	USDA RURAL DEVELOPMENT	West Point Assessment District Loan Interest Payment	11/20/2018	474.25 (C)
131143	VERIFIED FIRST, LLC	Background Investigation - Utility Dept.	11/08/2018	36.50
131271	VERIZON WIRELESS	Cell Phone Service 11/18	11/29/2018	2,633.11
131100	VOLCANO TELEPHONE COMPANY	Phone 10/18 - WPWTP	11/01/2018	365.75
131100	VOLCANO TELEPHONE COMPANY	Phone 10/18 - WPWWTP	11/01/2018	157.47
131144	WAGeworks	FSA Admin - Sept/Oct/Dec/Jan/Apr/Sept	11/08/2018	1,160.00
131215	WAGeworks	FSA Admin 10/18	11/20/2018	215.00
131199	WALKER, GARETT	Backflow Testing - WP	11/19/2018	1,050.00

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131273	WALKER, GARETT	Backflow Testing - EP	11/29/2018	245.00
131216	WEATHERBY-REYNOLDS-FRITSON ENG & DESIGN	Engineering Services - OP HQ	11/20/2018	600.00
131217	WEST POINT LUMBER INC	Water/Clamp/Tractor Fluid - WP	11/20/2018	54.67
131274	WESTERN HYDROLOGICS	Gage Installation/Maintenance - Bear Creek Diversion	11/29/2018	17,498.19
EFT	WEX BANK	Fuel 10/18	11/13/2018	12,010.20
131275	WIENHOFF DRUG TESTING	Consortium Membership	11/29/2018	1,470.00
131277	WOOD ENVIRON & INFRASTRUCTURE SOLUTIONS	Local Hazard Mitigation Plan Services 10/18	11/29/2018	1,008.06
	Employee Medical Reimbursements (3)			1,200.00
	Retiree Health Reimbursements (3)			780.17
	Customer Refunds (10)			<u>2,241.19</u>
Total November 2018 AP Disbursements				<u><u>1,689,224.54</u></u>

RESOLUTION NO. 2018 – __

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

RATIFYING CLAIM SUMMARY NO. 561

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT has reviewed and considered Claim Summary Number 561 at the Regular Meeting held on December 12, 2018; 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 561 in the amount of \$2,278,874.79 for the month of November, 2018.

PASSED AND ADOPTED this 12th day of December, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

Agenda Item

DATE: December 12, 2018
TO: Board of Directors
FROM: Jeffrey Meyer, Interim General Manager *JM*
SUBJECT: Accepting Canvass and Certified Statement of Results
of the November 6, 2018 General Election

RECOMMENDED ACTION:

Motion: _____/_____ adopt Resolution No. 2018-____ accepting the County's Canvass and Certified Statement of Results of the General Election of November 6, 2018.

SUMMARY:

In accordance with State code mandates, the County Clerk has certified the official canvass of votes of the November 6, 2018 election.

Under Election Code Section 15400, the District's Board of Directors must take action to accept the County's Canvass and Certified Statement of Results of the General Election held November 6, 2018.

Newly elected Board Member, Cindy Secada, Director of Division 2, and Re-elected Board Members, Bertha Underhill, Director of Division 3, and Russell Thomas, Director of Division 4, officially took their office at 12:00 p.m. on Friday, December 7, 2018, to serve their next 4-year terms.

FISCAL CONSIDERATION:

None.

Attachment: *Resolution No. 2018-__ Accepting the Canvass of the General Election Held on November 6, 2018
Canvass of Election Returns*

RESOLUTION NO. 2018-

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

**ACCEPTING THE CANVASS OF THE GENERAL ELECTION
HELD ON NOVEMBER 6, 2018
PURSUANT TO DIVISION 15 CHAPTER 4 OF THE ELECTIONS CODE**

WHEREAS, the election results for the General Election, held on November 6, 2018, have been presented to the Board of Directors of the Calaveras County Water District by the County Clerk, following the canvass of said election.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT of the County of Calaveras hereby accepts the canvass of the returns of the General Election, held on November 6, 2018, as delineated in Exhibit "A", attached hereto and made a part hereof.

PASSED AND ADOPTED on this 12th day of December, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

CERTIFICATION OF
COUNTY CLERK/REGISTRAR OF VOTERS
OF THE RESULTS OF THE CANVASS
OF THE November 6, 2018,
GENERAL ELECTION

STATE OF CALIFORNIA

ss.

COUNTY OF Calaveras

I, Rebecca Turner, County Clerk/Registrar of Voters of said county, do hereby certify that, in pursuance to the provisions of Elections Code Section 15300, et seq., I did canvass the results of the votes cast in the General Election held in said County on November 6, 2018, for measures and contests that were submitted to the vote of the voters, and that the Statement of Votes Cast, to which this certificate is attached is full, true, and correct.

I hereby set my hand and official seal this 28th day of November 2018 at
the County of Calaveras.



Rebecca Turner
Registrar of Voters
County of Calaveras
State of California

**HELP AMERICA VOTE ACT OF 2002
CERTIFICATION OF ELECTIONS OFFICIAL**

STATE OF CALIFORNIA

ss.

COUNTY OF Calaveras

Pursuant to the statewide voter registration list requirements set forth in the Help America Vote Act of 2002 (HAVA) (Pub. L. No. 107-252 (2002) 116 Stat. 1666, 42 U.S.C. § 15483),

I, Rebecca Turner, Registrar of Voters for the
County of Calaveras, State of California, hereby certify that
I complied with all provisions of Chapter 2 of Division 7 of Title 2 of the California Code of
Regulations for the Federal election held on the 6th day of November 2018, in the County of
Calaveras, State of California, and all elections
consolidated therewith.

I hereby set my hand and official seal this 28th day of November 2018 at
the County of Calaveras.



Rebecca Turner
Registrar of Voters
County of Calaveras
State of California

10 PRECINCTS	R	V	T	P	CCWD, DIVISION 2		
	E	O	U	E	J	V	C
	G	T	U	R	U	A	
	I	E	B	C	S	T	R
	S	R	A	A	T	A	O
	T	S	L	S	I	L	B
	E	L	T	T	N	A	E
	R	O	A		N	R	
	E	T	G		O	T	
	D	S	E		(NON)	(NON)	(NON)
COUNTY TOTAL	9176	6838	74.52		378	1074	1231
VOTING PRECINCTS	9176	6838	74.52		378	1074	1231
CONGRESSIONAL 4	9176	6838	74.52		378	1074	1231
STATE SENATE 8	9176	6838	74.52		378	1074	1231
STATE ASSEMBLY 5	9176	6838	74.52		378	1074	1231
BOARD OF EQUALIZATION	9176	6838	74.52		378	1074	1231
SUPERVISORIAL 1	1142	857	75.04		0	1	2
SUPERVISORIAL 2	4580	3306	72.18		320	882	1005
SUPERVISORIAL 3	2161	1693	78.34		51	178	211
SUPERVISORIAL 4	1293	982	75.95		7	13	13
SUPERVISORIAL TOTAL	9176	6838	74.52		378	1074	1231
UNINCORPORATED AREA	9176	6838	74.52		378	1074	1231

10 PRECINCTS	CCWD, DIVISION 2					
	R V E O G T I E S R T S E R E D	B C A A L S L T O T S	T P U E R R N C O E U N T T A G E	J V C U A S T R T D C S I E N C D A Y D A (NON)	R T D O E B A N R T (NON)	C S I E N C D A Y D A (NON)
0002 120 Rural San Andre	1142	857	75.04	0	1	2
0007 210 Mountain Ranch	574	419	73.00	55	154	131
0008 215 Mountain Ranch	905	680	75.14	57	209	204
0009 220 Rail Road Flat	888	618	69.59	66	207	207
0010 230 West Point West	591	392	66.33	58	114	149
0011 240 West Point East	893	650	72.79	71	162	259
0013 260 Mokelumne Hill	729	547	75.03	13	36	55
0018 360 Murphys West	1150	896	77.91	12	45	53
0019 370 Murphys East	1011	797	78.83	39	133	158
0020 410 Rural Angels	1293	982	75.95	7	13	13
GRAND TOTALS	9176	6838	74.52	378	1074	1231

	R E G I S T E R E D	V O T E R S B C A A L S L T O T A L S	T P U E R R N C O E U N T Y T O T A L E	CCWD, DIVISION 4	
				R T U H S O S M A S (NON)	E S J L T O A H I N N E (NON)
9 PRECINCTS					
COUNTY TOTAL	10736	8063	75.10	2284	2007
VOTING PRECINCTS	10736	8063	75.10	2284	2007
CONGRESSIONAL 4	10736	8063	75.10	2284	2007
STATE SENATE 8	10736	8063	75.10	2284	2007
STATE ASSEMBLY 5	10736	8063	75.10	2284	2007
BOARD OF EQUALIZATION	10736	8063	75.10	2284	2007
SUPERVISORIAL 1	1142	857	75.04	113	62
SUPERVISORIAL 2	905	680	75.14	11	2
SUPERVISORIAL 3	2161	1693	78.34	48	23
SUPERVISORIAL 4	6528	4833	74.03	2112	1920
SUPERVISORIAL TOTAL	10736	8063	75.10	2284	2007
CITY OF ANGELS	2390	1793	75.02	884	624
UNINCORPORATED AREA	8346	6270	75.13	1400	1383

9 PRECINCTS	R V		T P	CCWD, DIVISION 4	
	E O		U E		
	G T		R R	R T	E S J
	I E	B C	N C	U H	L T O
	S R	A A	O E	S O	A . H
	T S	L S	U N	S M	I N
	E	L T	T T	A	N
	R	O	A	S	E
	E	T	G	(NON)	(NON)
	D	S	E		
0002 120 Rural San Andre	1142	857	75.04	113	62
0008 215 Mountain Ranch	905	680	75.14	11	2
0018 360 Murphys West	1150	896	77.91	38	22
0019 370 Murphys East	1011	797	78.83	10	1
0020 410 Rural Angels	1293	982	75.95	491	259
0021 420 Angels City Nor	1058	725	68.53	367	252
0022 430 Angels City Sou	1332	1068	80.18	517	372
0023 440 Copperopolis Ea	1387	973	70.15	318	508
0024 450 Copperopolis We	1458	1085	74.42	419	529
GRAND TOTALS	10736	8063	75.10	2284	2007

Exhibit B

As a result of the canvass of the General Election held on November 6, 2018, the following candidates, having received a plurality of the votes cast for their respective county offices, are declared elected for a term of four (4) years:

Calaveras Unified School District, Trustee Area 4

Suzie Coe

Vallecito Union School District

Mark Dyken

Tom Pratt

Sarah Wilson

Supervisor - District 3

Merita Callaway

Supervisor - District 5

Benjamin Stopper

Sheriff

Rick DiBasilio

City of Angels, City Council

Alvin Broglio

Amanda Folendorf

Calaveras Consolidated Fire Protection District

Christopher Allen

Patrick Brown

Chris Damin

Kim Olson

Marcus T. Omlin

San Andreas Fire Protection District

Dana M. Nichols

Ken Snyder

William (Bill) Wennhold

Union Public Utility District

Ralph Chick

Gregory M. Rasmussen

Thomas Quincy

Jenny Lind Veterans Memorial District

Don Goodrich

Heather Peters

Bruce Olson

Calaveras County Water District Division 2

Cindy Secada

Calaveras County Water District Division 4

Russ Thomas

As a result of having no opposition and therefore not required to be on the ballot, the following persons are declared elected for a term of four (4) years:

Calaveras County Board of Education-Trustee Area 1

Steven E. Looper

Calaveras County Board of Education-Trustee Area 3

Valerie Tudor

Calaveras Unified School District - Trustee Area 2

Cory Williams

Calaveras Unified School District - Trustee Area 5

Christine Noble

Bret Harte Union High School District

Joan Lark

Gail C. Bunge

Mark Twain Elementary School District

Timothy S. Randall

Kendall J. Morlan

Appaloosa Road Community Services District

Constance C. Pitta

Nicholas J. Meyer

Copper Cove Rocky Road Community Services District

Floyd Pilchard

Stephen L. Bougher

Mountain Ranch Community Services District

James T. Lamb

Bruce Kyse

Catherine Brady Brown

Saddle Creek Community Services District

Kenneth R. Albertson

Lawrence Donald Hoffman Sr.

Don Kurtz

Three Cent Flat Community Services District

Pat McGreevy

Wallace Community Services District

Jeffrey C. Conant

Michael Jones

Eric Baysinger

Altaville-Melones Fire Protection District

Michael V. Fullaway

Donald L. Peirano

Copperopolis Fire Protection District

Gerald A. Andress

Steven James Marks

Ebbetts Pass Fire Protection District

Dennis P. Clemens

J. Scott McKinney

Mokelumne Hill Fire Protection District

Theodore R. Shannon

Murphys Fire Protection District

Robert Loeffler
Tom Scheller

West Point Fire Protection District

Bryce Randall
Stephen Schoenthaler

Mark Twain Health Care District

Ann Radford
Lin Reed
Debbie Sellick

Calaveras Public Utility District

Bill Claudino
John Lavaroni
Richard Blood

Valley Springs Public Utility District

Theresa Cardenas
Paul Robertson
Connie Gleason

San Andreas Recreation & Park District

Jim Kavanagh
Paul Steck
Matt Brock

Mokelumne Hill Sanitary District

Philip McCartney
Will Mosgrove

Murphys Sanitary District

Delma E. Harris
Ashley Moore

San Andreas Sanitary District

Michael Walker
Terral D. Strange

Angels Camp Veterans Memorial District

Don M. Fletcher
Tony Tyrrell
Robert Miles Bettger

Ebbetts Pass Veterans Memorial District

James D. Carlon

Calaveras County Water District Division 3

Bertha E. Underhill

As a result of having no opposition and therefore not required to be on the ballot, the following persons are declared elected for a short term of two (2) years:

Vallecito Union School District

Thomas Eising

Wallace Community Services District

Philip Ammendolia

Ken Reed

Copperopolis Fire Protection District

Kathy Northington Gouzenne

Ebbetts Pass Fire Protection District

Michael Barr

Murphys Fire Protection District

Robert Bliss

West Point Fire Protection District

Kirk W. Smith

Mark Twain Health Care District

Talibah Al-Rafiq

Calaveras Public Utility District

J.W. Dell'Orto

Murphys Sanitary District

Lydia Scheller

Ebbetts Pass Veterans Memorial District

Wayne McCloud

West Point Veterans Memorial District

Billie M. Oswell Chavez

Agenda Item

DATE: December 12, 2018

TO: Board of Directors

FROM: Jeffrey Meyer, Interim General Manager *JM*

SUBJECT: Report on the Write-Off of Uncollectible Accounts Receivable for the Period of June 1, 2018 through November 30, 2018

RECOMMENDED ACTION:

Motion: _____/_____ adopting Resolution No. 2018-_____ Approving Uncollectible Accounts Receivable Write-off for Accounts Exceeding \$2,500 per Account.

SUMMARY:

Financial Management Policy No. 5.05, "Uncollectible Accounts Receivable," provides authorization and guidelines for the write-off of individual accounts receivable that are not deemed bona fide, or valid. Per policy, any uncollectible account in excess of \$2,500 must have the approval of the Board of Directors. All uncollectible accounts receivable that are written-off will be reported to the Board of Directors on a semi-annual basis.

Attachment A lists accounts with balances over \$2,500 that are deemed uncollectible and have been placed for collection due to non-response from in-house collection efforts. The total of Attachment A is \$3,349.38. Per policy, Attachment B is the semi-annual report to the Board of Directors listing all uncollectible accounts receivable write offs under the \$2,500 threshold for a total of \$25,183.56.

All bad debt accounts that are not written off due to bankruptcy are placed with a local collection agency in the absence of other remedies. Recovery rate for this reporting period is approximately 6.5% net to the District after collection fees.

FINANCIAL CONSIDERATIONS:

The write-off of these accounts would result in a reduction in current assets in the amount of \$28,532.94 and more fairly present the District's financial position.

*Attachments: Resolution 2018-_____, Approving Uncollectable Accounts Receivable Write-Off for Accounts Exceeding \$2,500 per account
Financial Management Policy No. 5.05, Uncollectible Accounts Receivable
Attachment A, Accounts Receivable Write Offs More Than \$2,500
Attachment B, Accounts Receivable Write Offs Less Than \$2,500*

RESOLUTION NO. 2018 -

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

**APPROVING UNCOLLECTIBLE ACCOUNTS RECEIVABLE
WRITE-OFF FOR ACCOUNTS EXCEEDING \$2,500 PER ACCOUNT**

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT established Financial Management Policy 5.05 "Uncollectible Accounts Receivable" for the purpose of providing authorization and guidelines for the write-off of uncollectible accounts receivable; and

WHEREAS, the Section 5.05.2 of said policy states "If the amount in question exceeds \$2,500 (per customer account), the proposed write-off must have the approval of the Board of Directors;" and

WHEREAS, the District has one account referred to collections in excess of \$2,500 per account for a total of \$3,349.38.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors does hereby authorize the Director of Administrative Services to write-off \$3,349.38 in uncollectible accounts receivable, as set forth in Attachment A, attached hereto and made a part hereof, and continue collection efforts to recover said amount.

PASSED AND ADOPTED this 12th day of December, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

5.05.1 Purpose

To provide authorization and guidelines for the write-off of uncollectible accounts receivable.

5.05.2 Policy

The Director of Administrative Services may write off uncollectible accounts receivable that do not exceed \$2,500 (per customer account) after review and written concurrence by the General Manager that such accounts are uncollectible. If the amount in question exceeds \$2,500, the proposed write-off must have the approval of the Board of Directors. All uncollectible accounts receivable write-offs will be reported to the Board of Directors on a semi-annual basis.

5.05.3 General Provisions

On occasion, certain accounts receivable due and owing Calaveras County Water District become uncollectible after all reasonable effort is expended to effect collection. There are also situations where accounts are such a size that more money would be expended to collect the debt itself. The Director of Administrative Services for Calaveras County Water District is in a position to thoroughly evaluate the feasibility of collecting past due accounts and to make a decision as to whether to further the effort.

Attachment A

Calaveras County Water District
Uncollectible Accounts Receivable as of November 30, 2018
For the Period of June 1, 2018 through November 30, 2018

Accounts Receivable More than \$2,500

Account No	Post Date	Amount
037670-000	8/21/2018	<u>3,349.38</u>
TOTAL:		<u><u>3,349.38</u></u>

Attachment B

Calaveras County Water District
 Uncollectible Accounts Receivable as of November 30, 2018
 For the Period of June 1, 2018 through November 30, 2018

Accounts Receivable Less than \$2,500

Account No	Post Date	Amount
0000256	6/18/2018	10.00
0000275	6/18/2018	20.00
0000431	6/18/2018	30.00
0000588	6/18/2018	25.00
007324-000	6/19/2018	342.61
016808-000	6/19/2018	443.00
027311-000	6/19/2018	66.24
031840-000	6/19/2018	26.80
037050-000	6/19/2018	333.53
037811-000	6/19/2018	140.05
038612-000	6/19/2018	277.10
0000624	6/20/2018	70.00
0000677	6/20/2018	1,845.98
024987-000	6/29/2018	294.90
037063-000	6/29/2018	221.05
038543-000	6/29/2018	773.87
037248-000	7/6/2018	651.87
038175-000	7/6/2018	138.17
038904-000	7/6/2018	322.87
016276-000	7/17/2018	359.63
025778-000	7/17/2018	1,006.81
037026-000	7/31/2018	88.67
037796-000	7/31/2018	73.81
038552-000	7/31/2018	1,194.59
0000143	8/2/2018	26.00
0000224	8/2/2018	156.00
0000605	8/2/2018	100.00
0000637	8/2/2018	168.30
0000658	8/2/2018	400.02
002669-000	8/17/2018	175.03
032457-000	8/17/2018	164.98
038171-000	8/17/2018	28.39
039135-000	8/17/2018	266.09
003493-000	8/21/2018	1,088.88
023228-000	8/21/2018	1,076.35
038727-000	8/21/2018	132.98
039088-000	8/21/2018	113.56
002079-000	8/31/2018	218.69
004188-000	8/31/2018	198.27
038439-000	8/31/2018	155.20
002040-000	9/6/2018	243.76
039244-000	9/6/2018	338.28
0000575	10/9/2018	70.00
0000580	10/9/2018	70.00
010320-000	10/11/2018	2,051.50
038526-000	10/11/2018	1,067.96
012505-000	10/22/2018	2,172.43
038906-000	10/22/2018	1,097.46
032167-000	10/24/2018	37.14
034601-000	10/24/2018	591.77

Attachment B

Calaveras County Water District
Uncollectible Accounts Receivable as of November 30, 2018
For the Period of June 1, 2018 through November 30, 2018

Accounts Receivable Less than \$2,500

Account No	Post Date	Amount
006902-000	10/31/2018	201.07
009035-000	10/31/2018	406.30
030316-000	10/31/2018	449.44
007115-000	11/9/2018	105.68
025566-000	11/9/2018	64.28
037747-000	11/9/2018	419.50
002927-000	11/16/2018	146.94
010443-000	11/16/2018	552.52
018490-000	11/16/2018	71.36
037169-000	11/16/2018	452.53
039143-000	11/16/2018	94.17
036418-000	11/29/2018	228.27
023955-000	11/30/2018	451.89
033235-000	11/30/2018	112.13
039697-000	11/30/2018	461.89
TOTAL:		<u>25,183.56</u>

Agenda Item

DATE: December 12, 2018

TO: Jeffrey Meyer, Interim General Manager *JM*

FROM: Charles Palmer, District Engineer
Robert Creamer, Engineering Analyst

SUBJECT: Acceptance and Transfer of La Cobre Mina Unit 2, Water and Wastewater Service Facilities Improvements Project, CCWD #01596.

RECOMMENDED ACTION:

Motion: _____ / _____ to adopt Resolution No. 2018-____ Authorizing Acceptance and Transfer of La Cobre Mina Unit 2, Water and Wastewater Service Facilities Improvements Project, CCWD #01596.

SUMMARY:

A non-standard Water and Wastewater Services Facilities Agreement for La Cobre Mina Unit 2, was entered into between the District and Miramont Homes, Inc., on August 9, 2017. On July 26, 2018, the District completed its final inspection of La Cobre Mina, Unit 2, CCWD, #01596, with no defects detected.

Staff recommends acceptance and transfer of La Cobre Mina Unit 2, Water and Wastewater Service Facilities Improvements Project, CCWD #01596, and authorization for the District Engineer to sign and file the Certificate of Acceptance to be recorded with the Calaveras County Recorder.

FINANCIAL CONSIDERATIONS:

None

Attachments: *Resolution No. 2018-____ Authorizing Acceptance and Transfer of La Cobre Mina Unit 2, Water and Wastewater Service Facilities Project, CCWD #01596
Grant and Transfer of Water and Sewer System Facilities and Public Utility Easements*

RESOLUTION NO. 2018 –

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

**AUTHORIZING ACCEPTANCE AND TRANSFER OF
LA COBRE MINA UNIT 2, WATER AND WASTEWATER SERVICE FACILITIES
IMPROVEMENTS PROJECT, CCWD #01596.**

WHEREAS, the CALAVERAS COUNTY WATER DISTRICT entered into a non-standard Water and Wastewater Services Facilities Agreement for La Cobre Mina Unit 2, with Miramont Homes, Inc., on August 9, 2017; and

WHEREAS, the District completed its final inspection of La Cobre Mina, Unit 2, CCWD, #01596, on July 26, 2018 and no defects detected.

BE IT RESOLVED by the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT that the Water and Wastewater Facilities Agreement for La Cobre Mina, Unit 2, in Copperopolis attached hereto and made a part hereof, has been completed to the satisfaction of district standards and is hereby approved.

BE IT FURTHER RESOLVED, that CALAVERAS COUNTY WATER DISTRICT's Clerk to the Board is hereby authorized and directed to record said Grant and Transfer of Water and Wastewater Service Facilities and Public Utility Easements Agreement with the Calaveras County Recorder.

PASSED AND ADOPTED this 12 day of December, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

RECORDED AT REQUEST OF
AND MAIL RETURN TO:
CALAVERAS COUNTY WATER DISTRICT
PO BOX 846
SAN ANDREAS, CA 95249

**Declaration of Exemption from Gov't Code § 27388.1 (a)(1) Fee – Not Related to Real Property
(Utility Easement Only)**

**GRANT AND TRANSFER OF WATER AND WASTEWATER SYSTEM FACILITIES
and
PUBLIC UTILITY EASEMENTS**

THE UNDERSIGNED, Mike Lemke, Eric Lemke hereby grant, convey, assign, and transfer to CALAVERAS COUNTY WATER DISTRICT (CCWD) and its Copper Cove / Copperopolis Townsite Water Improvement District No. 7 the following described water and wastewater facilities, and CCWD hereby accepts the same pursuant to the attached Certificate of Acceptance:

THE COMPLETE water distribution system and wastewater facilities as shown on the as-built construction plans on file with CCWD presently installed for the project known as Division 5 / Copper Cove / **La Cobre Mina Unit 2 TSTM 2013-022**, including, without limitation, all pipeline, lateral pipelines, valves, pipe fittings and connections, fire hydrants, water services, backflow devices, cleanouts, wastewater services, laterals, street main, collector, and all other items too numerous to list being a part of said water and wastewater systems, together with public utility easements over and around the water improvements to allow CCWD to operate and maintain, as required, to repair and replace the water and wastewater improvements. Said facilities are located in the La Cobre Mina Subdivision Unit 2, as shown in the final map recorded in Calaveras County, California on October 19th 2018, in Book 8 of Subdivision at page 66, Document No. 2018-011748. See Map "Attachment A" attached hereto and made a part hereof as referenced.

THE TOTAL VALUE of said water system improvements transferred this date is \$178,650 for the water system and \$132,224 for the wastewater system.

THE UNDERSIGNED hereby warrant that they have a good and marketable title to the aforementioned items being transferred by this document and are free and clear of all liens and encumbrances and will defend at his/her/its/their sole cost and expense CCWD against any and all claims against the same.

IN WITNESS WHEREOF, the undersigned have executed this document on the 28th day of November, 2018.



Mike Lemke
Miramont Homes, Inc.

Eric Lemke
Miramont Homes, Inc.

Lyn Wilson

Oak Valley Community Bank
Beneficiary for Deeds of Trust
Instruments 2017-12333, 2018-10675,
2018-10676, 2018-7681, 2018-7682,
2018-9257, 2018-9258

SIGNATURE(S) MUST BE NOTARIZED

Note: Make sure to use the correct Notary form.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Tuolumne

On November 28, 2018 before me, Stephanie Perea Notary Public
(insert name and title of the officer)

personally appeared Mike Lemke,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Stephanie Perea (Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

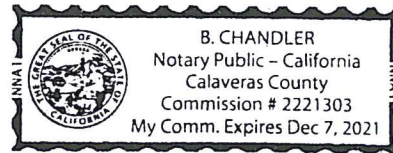
County of Calaveras

On November 29, 2018 before me, B Chandler Notary Public
(insert name and title of the officer)

personally appeared Eric Lemke,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature B. Chandler (Seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Tuolumne

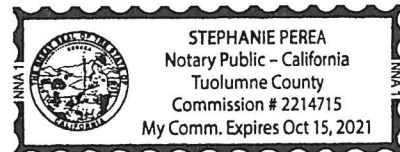
On November 28, 2018 before me, Stephanie Perea Notary Public
(insert name and title of the officer)

personally appeared Lyn Wilson,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Stephanie Perea (Seal)



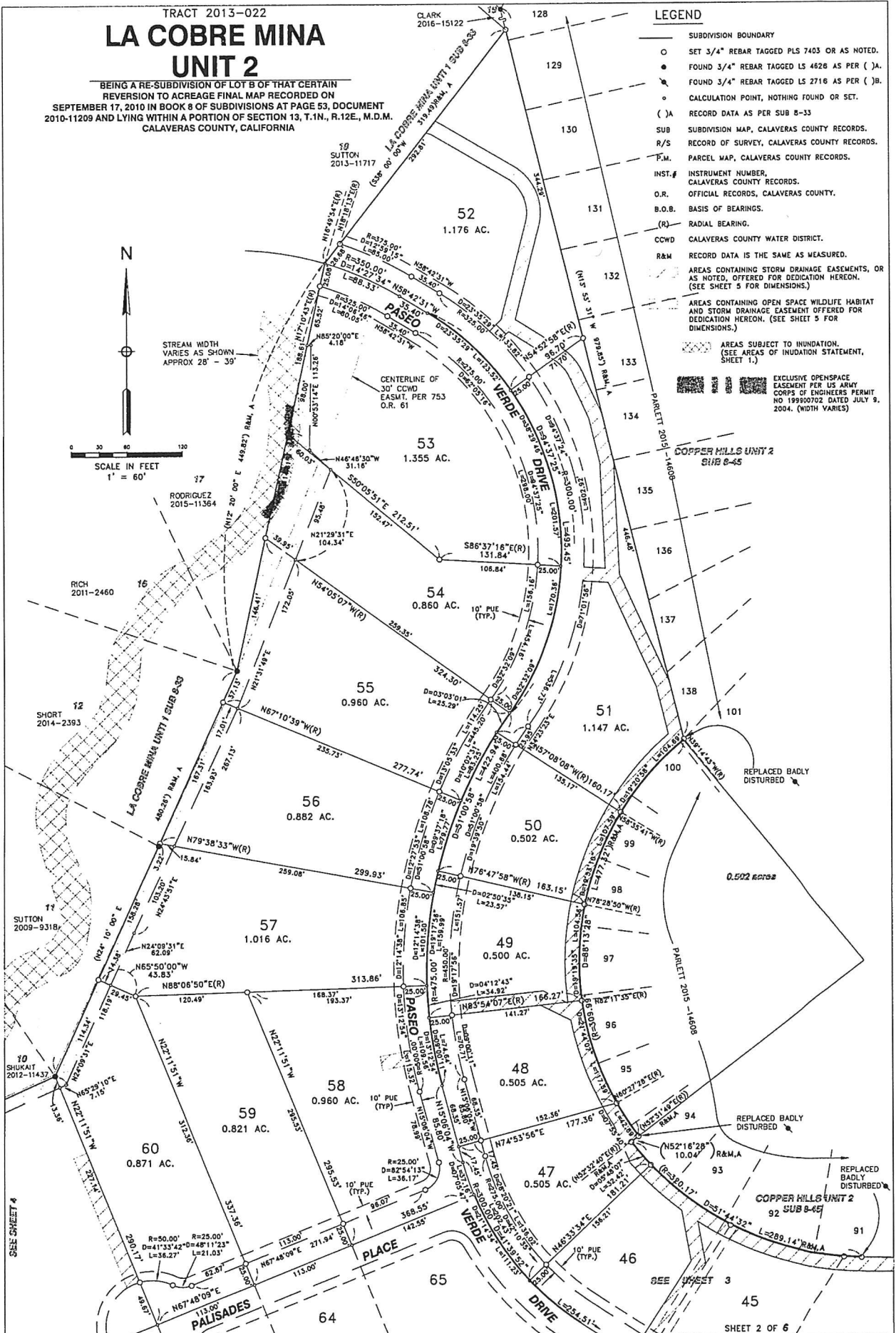
TRACT 2013-022 LA COBRE MINA UNIT 2

BEING A RE-SUBDIVISION OF LOT B OF THAT CERTAIN REVERSION TO ACREAGE FINAL MAP RECORDED ON SEPTEMBER 17, 2010 IN BOOK 8 OF SUBDIVISIONS AT PAGE 53, DOCUMENT 2010-11209 AND LYING WITHIN A PORTION OF SECTION 13, T.1N., R.12E., M.D.M. CALAVERAS COUNTY, CALIFORNIA

LEGEND

- SUBDIVISION BOUNDARY
- SET 3/4" REBAR TAGGED PLS 7403 OR AS NOTED.
- FOUND 3/4" REBAR TAGGED LS 4626 AS PER ()A.
- FOUND 3/4" REBAR TAGGED LS 2716 AS PER ()B.
- CALCULATION POINT, NOTHING FOUND OR SET.
- ()A RECORD DATA AS PER SUB 8-33
- SUB SUBDIVISION MAP, CALAVERAS COUNTY RECORDS.
- R/S RECORD OF SURVEY, CALAVERAS COUNTY RECORDS.
- F.M. PARCEL MAP, CALAVERAS COUNTY RECORDS.
- INST.# INSTRUMENT NUMBER, CALAVERAS COUNTY RECORDS.
- O.R. OFFICIAL RECORDS, CALAVERAS COUNTY.
- B.O.B. BASIS OF BEARINGS.
- (R) RADIAL BEARING.
- CWWD CALAVERAS COUNTY WATER DISTRICT.
- R&M RECORD DATA IS THE SAME AS MEASURED.
- ▨ AREAS CONTAINING STORM DRAINAGE EASEMENTS, OR AS NOTED, OFFERED FOR DEDICATION HEREON. (SEE SHEET 5 FOR DIMENSIONS.)
- ▨ AREAS CONTAINING OPEN SPACE WILDLIFE HABITAT AND STORM DRAINAGE EASEMENT OFFERED FOR DEDICATION HEREON. (SEE SHEET 5 FOR DIMENSIONS.)
- ▨ AREAS SUBJECT TO INUNDATION. (SEE AREAS OF INUNDATION STATEMENT, SHEET 1.)
- ▨ EXCLUSIVE OPENSOURCE EASEMENT PER US ARMY CORPS OF ENGINEERS PERMIT NO 199900702 DATED JULY 9, 2004. (WIDTH VARIES)

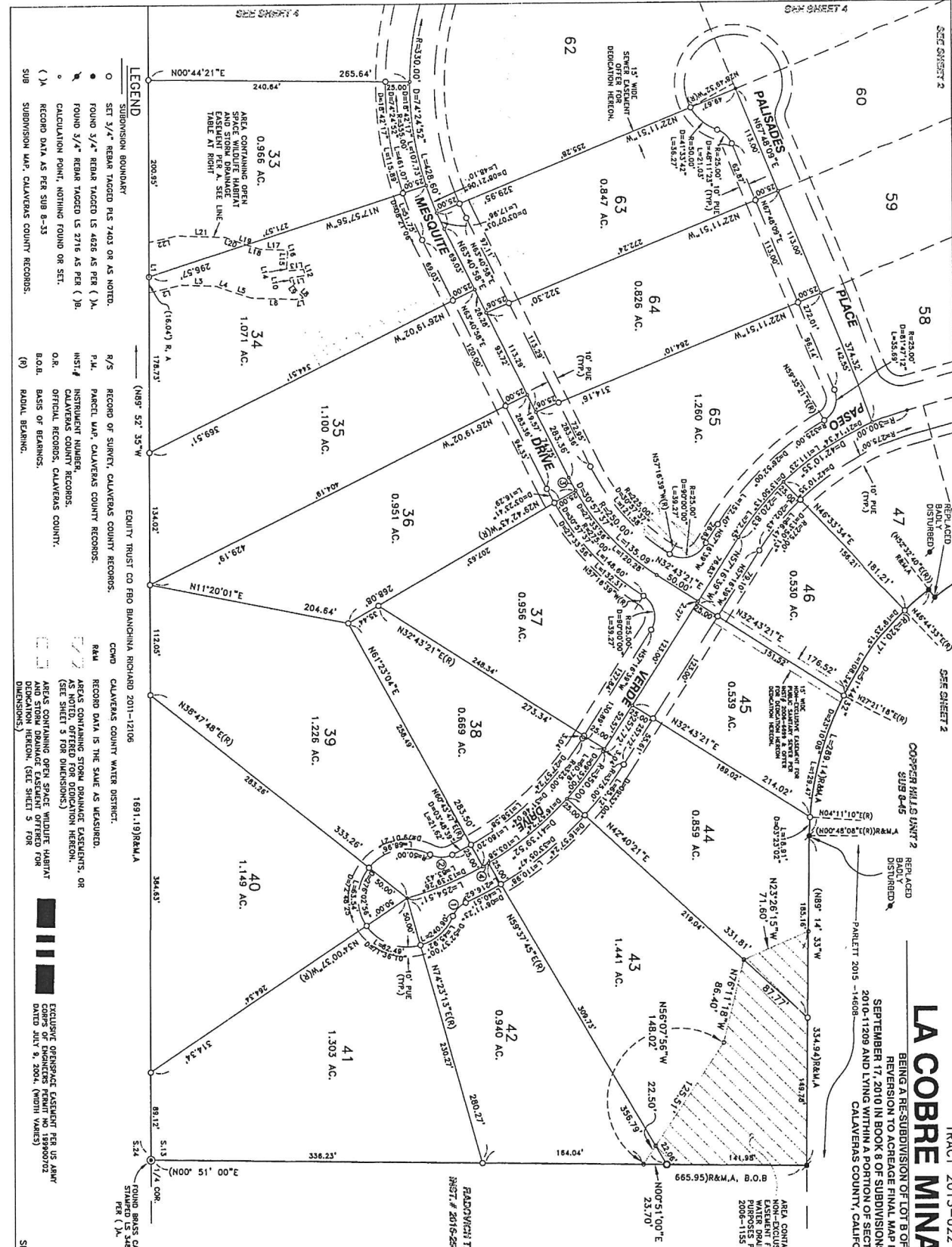
Exhibit A.



LA COBRE MINA UNIT 2

TRACT 2013-022

BEING A RE-SUBDIVISION OF LOT B OF THAT CERTAIN REVERSION TO ACHEAGE FINAL MAP RECORDED ON SEPTEMBER 17, 2010 IN BOOK 8 OF SUBDIVISIONS AT PAGE 53, DOCUMENT 2010-11209 AND LYING WITHIN A PORTION OF SECTION 13, T.1N., R.12E., M.D.M., CALAVERAS COUNTY, CALIFORNIA



MISC. DIMENSIONS
THIS SHEET ONLY

- ① R=423.00'
- ② D=440.735'
- ③ L=114.12'
- ④ R=330.00'
- ⑤ D=330.00'
- ⑥ L=14.81'
- ⑦ R=330.00'
- ⑧ D=330.00'
- ⑨ L=6.72'

LINE	LENGTH	BEARING
L1	31.87	N89°28'57\"
L2	31.87	N89°28'57\"
L3	25.56	N89°28'57\"
L4	25.56	N89°28'57\"
L5	25.56	N89°28'57\"
L6	25.56	N89°28'57\"
L7	25.56	N89°28'57\"
L8	25.56	N89°28'57\"
L9	25.56	N89°28'57\"
L10	25.56	N89°28'57\"
L11	25.56	N89°28'57\"
L12	25.56	N89°28'57\"
L13	25.56	N89°28'57\"
L14	25.56	N89°28'57\"
L15	25.56	N89°28'57\"
L16	25.56	N89°28'57\"
L17	25.56	N89°28'57\"
L18	25.56	N89°28'57\"
L19	25.56	N89°28'57\"
L20	25.56	N89°28'57\"
L21	25.56	N89°28'57\"
L22	25.56	N89°28'57\"
L23	25.56	N89°28'57\"
L24	25.56	N89°28'57\"
L25	25.56	N89°28'57\"
L26	25.56	N89°28'57\"
L27	25.56	N89°28'57\"
L28	25.56	N89°28'57\"
L29	25.56	N89°28'57\"
L30	25.56	N89°28'57\"
L31	25.56	N89°28'57\"
L32	25.56	N89°28'57\"
L33	25.56	N89°28'57\"
L34	25.56	N89°28'57\"
L35	25.56	N89°28'57\"
L36	25.56	N89°28'57\"
L37	25.56	N89°28'57\"
L38	25.56	N89°28'57\"
L39	25.56	N89°28'57\"
L40	25.56	N89°28'57\"
L41	25.56	N89°28'57\"
L42	25.56	N89°28'57\"

- LEGEND**
- SET 3/4" BEAR TAGGED PLS 7403 OR AS NOTED.
 - FOUND 3/4" BEAR TAGGED LS 4826 AS PER () A.
 - FOUND 3/4" BEAR TAGGED LS 2716 AS PER () B.
 - CALCULATION POINT, NOTHING FOUND OR SET.
 - () A RECORD DATA AS PER SUB 8-33
 - SUB SUBDIVISION MAP, CALAVERAS COUNTY RECORDS.

- R/S RECORD OF SURVEY, CALAVERAS COUNTY RECORDS.
- P.M. INSTRUMENT NUMBER, CALAVERAS COUNTY RECORDS.
- O.R. OFFICIAL RECORDS, CALAVERAS COUNTY.
- B.O.B. BASIS OF BEARINGS.
- (R) RADIAL BEARING.

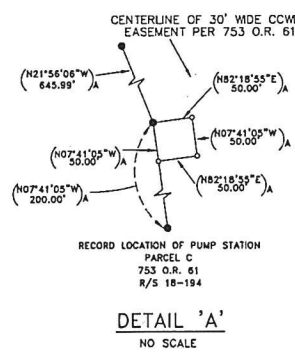
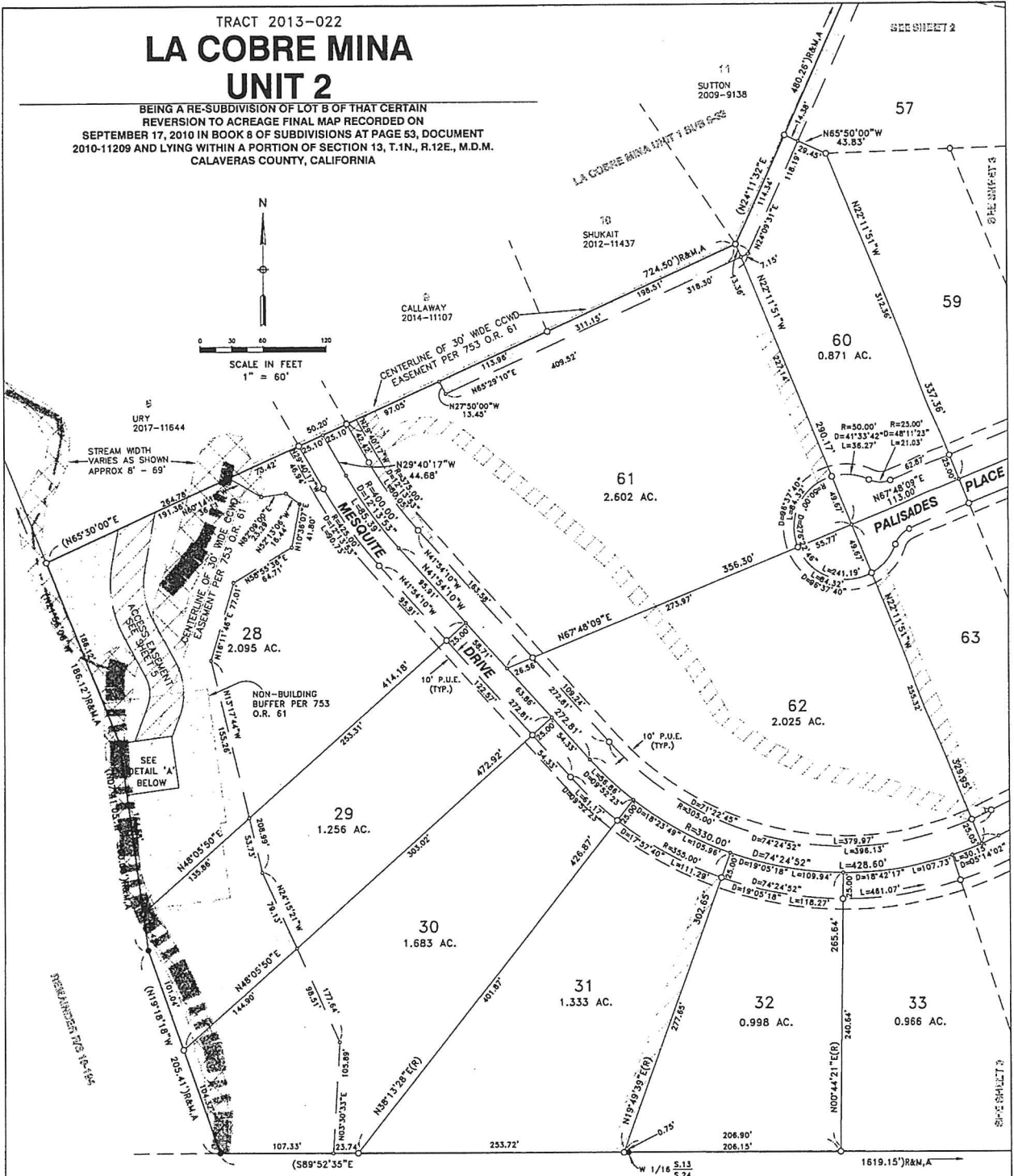
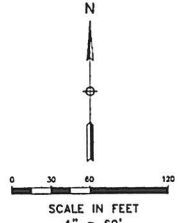
- COMD CALAVERAS COUNTY WATER DISTRICT.
- R&M RECORD DATA IS THE SAME AS MEASURED.
- AREA CONTAINING STORM DRAINAGE EASEMENTS, OR AREAS CONTAINING STORM DRAINAGE EASEMENTS, OR AREAS CONTAINING OPEN SPACE WITHOUT HABITAT AND STORM DRAINAGE EASEMENT OFFERED FOR DEPOSITION HEREON. (SEE SHEET 5 FOR DIMENSIONS).

- EXCLUSIVE OPENSPACE EASEMENT PER US ARMY CORPS OF ENGINEERS PERMIT NO. 39990002 DATED 04/19/2009, (NORTH VARIAS)
- FOUND BRASS CAP STAMPED LS 3482 PER () A.

SHEET 3 OF 6

TRACT 2013-022
**LA COBRE MINA
 UNIT 2**

BEING A RE-SUBDIVISION OF LOT B OF THAT CERTAIN REVERSION TO ACREAGE FINAL MAP RECORDED ON SEPTEMBER 17, 2010 IN BOOK 8 OF SUBDIVISIONS AT PAGE 53, DOCUMENT 2010-11209 AND LYING WITHIN A PORTION OF SECTION 13, T.1N., R.12E., M.D.M. CALAVERAS COUNTY, CALIFORNIA

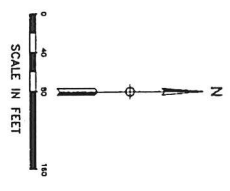


LEGEND

○	SUBDIVISION BOUNDARY	○	AREAS SUBJECT TO INUNDATION. (SEE AREAS OF INUNDATION STATEMENT, SHEET 1.)
●	SET 3/4" REBAR TAGGED PLS 7403 OR AS NOTED.	○	CCWD CALAVERAS COUNTY WATER DISTRICT.
●	FOUND 3/4" REBAR TAGGED LS 4626 AS PER () A.	○	R&M RECORD DATA IS THE SAME AS MEASURED.
●	FOUND 3/4" REBAR TAGGED LS 2716 AS PER () B.	○	AREAS CONTAINING STORM DRAINAGE EASEMENTS, OR AS NOTED, OFFERED FOR DEDICATION HEREON. (SEE SHEET 5 FOR DIMENSIONS.)
○	CALCULATION POINT, NOTHING FOUND OR SET.	○	AREAS CONTAINING OPEN SPACE WILDLIFE HABITAT AND STORM DRAINAGE EASEMENT OFFERED FOR DEDICATION HEREON. (SEE SHEET 5 FOR DIMENSIONS.)
() A	RECORD DATA AS PER SUB 8-33	○	EXCLUSIVE OPENSOURCE EASEMENT PER US ARMY CORPS OF ENGINEERS PERMIT NO 19990702 DATED JULY 9, 2004. (WIDTH VARIES)
SUB	SUBDIVISION MAP, CALAVERAS COUNTY RECORDS.		
R/S	RECORD OF SURVEY, CALAVERAS COUNTY RECORDS.		
P.M.	PARCEL MAP, CALAVERAS COUNTY RECORDS.		
INST.#	INSTRUMENT NUMBER, CALAVERAS COUNTY RECORDS.		
O.R.	OFFICIAL RECORDS, CALAVERAS COUNTY.		
B.O.B.	BASIS OF BEARINGS.		
(R)	RADIAL BEARING.		

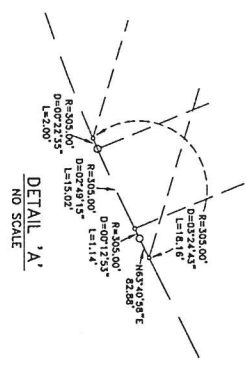
LA COBRE MINA UNIT 2

TRACT 2013-022
 BEING A RESUBDIVISION OF LOT B OF TRACT 2000
 SEPTEMBER 11, 2010 IN BOOK 4 OF SUBDIVISIONS AT PAGE 23, DOCUMENT
 2010-1129 AND LYING WITHIN A PORTION OF SECTION 13, T. 1 N., R. 12 E., M.D.M.
 CALAVERAS COUNTY, CALIFORNIA



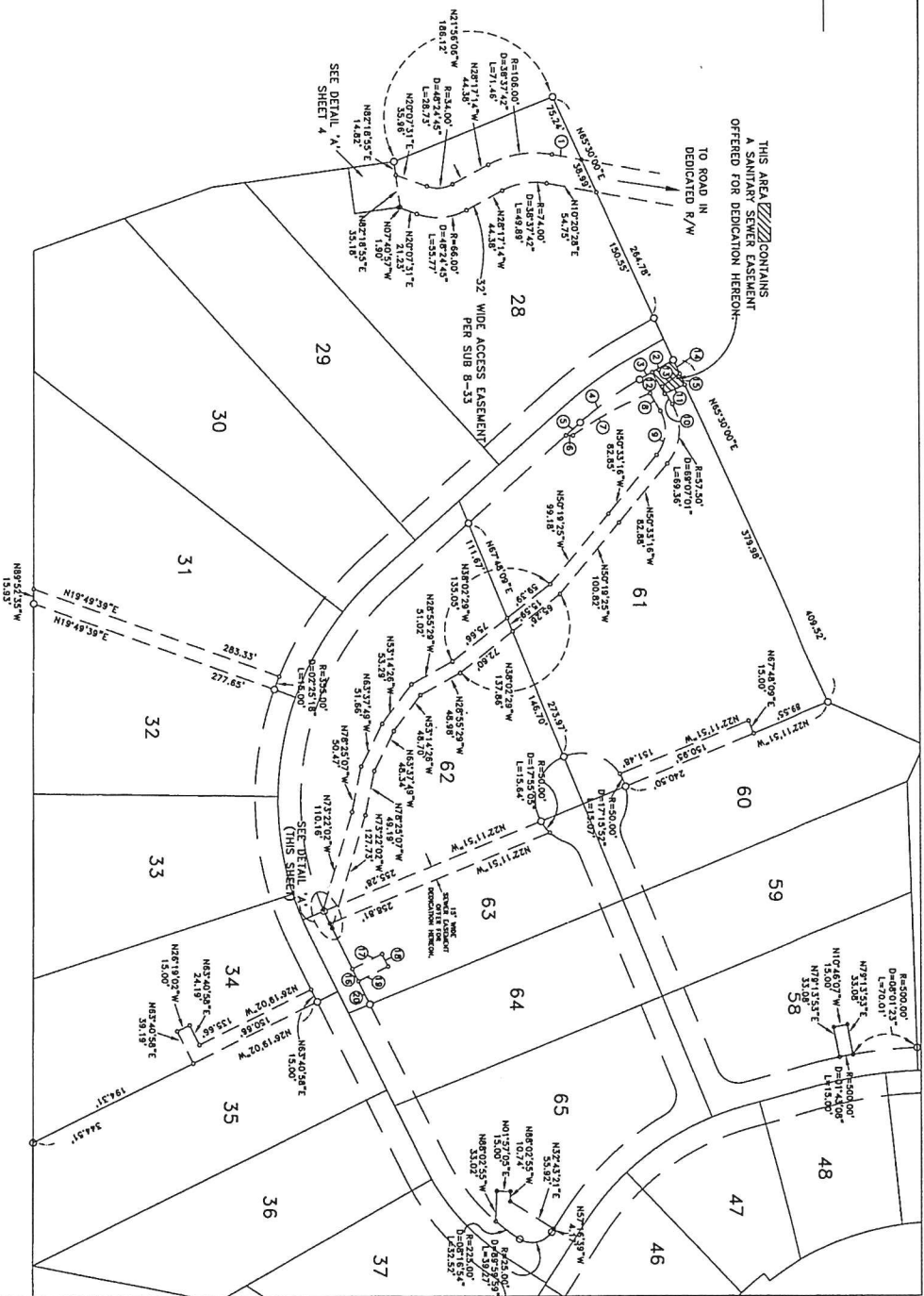
LEGEND

- SUBDIVISION BOUNDARY
- SET 3/4" REBAR TAGGED P15 7403
- FOUND 3/4" REBAR TAGGED LS 4626 AS PER ()A.
- FOUND 3/4" REBAR TAGGED LS 2716 AS PER ()B.
- CALCULATION POINT, NOTHING FOUND OR SET.
- () RECORD DATA AS PER SUB B-33
- SUB SUBDIVISION MAP, CALAVERAS COUNTY RECORDS
- R/S RECORD OF SURVEY, CALAVERAS COUNTY RECORDS.
- P.M. PARCEL MAP, CALAVERAS COUNTY RECORDS.
- INST# INSTRUMENT NUMBER, CALAVERAS COUNTY RECORDS.
- O.R. OFFICIAL RECORDS, CALAVERAS COUNTY.
- B.O.B. BASIS OF BEARINGS.
- (R) RADIAL BEARING.
- CCWD CALAVERAS COUNTY WATER DISTRICT.
- RAM RECORD DATA IS THE SAME AS MEASURED.
- AREAS CONTAINING STORM DRAINAGE EASEMENTS OR AS NOTED, OFFERED FOR DEDICATION HEREOF.



STORM DRAINAGE EASEMENT DIMENSIONS (UNLESS OTHERWISE NOTED)

MISC. DIMENSIONS	
①	N18°29'29"E
②	S21°40'17"W
③	N25°46'17"W
④	R=373.00'
⑤	D=007'11.50"
⑥	N18°29'29"E
⑦	N15°54'10"W
⑧	M15°54'10"W
⑨	N18°19'43"E
⑩	M18°19'43"E
⑪	N04°45'59"E
⑫	S23°40'17"W
⑬	N04°18'30"E
⑭	N07°19'43"E
⑮	N35°40'58"W
⑯	N07°19'43"E
⑰	N07°19'43"E
⑱	N07°19'43"E
⑲	N07°19'43"E
⑳	N07°19'43"E
㉑	N07°19'43"E
㉒	N07°19'43"E
㉓	N07°19'43"E
㉔	N07°19'43"E
㉕	N07°19'43"E
㉖	N07°19'43"E
㉗	N07°19'43"E
㉘	N07°19'43"E
㉙	N07°19'43"E
㉚	N07°19'43"E
㉛	N07°19'43"E
㉜	N07°19'43"E
㉝	N07°19'43"E
㉞	N07°19'43"E
㉟	N07°19'43"E
㊱	N07°19'43"E
㊲	N07°19'43"E
㊳	N07°19'43"E
㊴	N07°19'43"E
㊵	N07°19'43"E
㊶	N07°19'43"E
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㊸	N07°19'43"E
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㊾	N07°19'43"E
㊿	N07°19'43"E



5

Agenda Item

DATE: December 12, 2018

TO: Jeffrey Meyer, Interim General Manager *JM*

FROM: Charles Palmer, District Engineer
Robert Creamer, Engineering Analyst

SUBJECT: Discussion / Action to Approve Agreement with Snowshoe Springs Association for Wholesale Treated Water Service.

RECOMMENDED ACTION:

Motion: _____ / _____ to adopt Resolution No. 2018-____ Approving Agreement with Snowshoe Springs Association for Wholesale Treated Water Service.

SUMMARY:

Under permit by the California State Division of Drinking Water, the Calaveras County Water District (District) provides wholesale and retail water service to communities along the Highway 4 corridor in the Ebbetts Pass area, including the Snowshoe Springs Association (SSA) near Dorrington, CA. Since November 25, 1991, under the Water Service Supply Agreement adopted by Resolution 91-127 (attached), SSA has purchased water from the District at standard rates through a 2" master meter. SSA's point of connection to District's system is on Shoshone Drive and water is drawn from Big Trees Tanks 4 & 5. SSA operates as its own Mutual Water Company and provides retail water service to residents within the Snowshoe Springs community. SSA is entirely responsible for the management and costs associated with the operation and maintenance of its own water system including permitting, water sampling, State reporting, leak repairs, water line replacement, meter reading, customer service and billing.

Early in 2018, SSA approached the District for discussions regarding updating their current water distribution system, including replacing water mains, adding fire hydrants, and increasing to a new 6" master water meter connection (to replace the existing 2" meter). SSA is working to secure a USDA loan to independently fund and make these improvements. While SSA will continue to purchase wholesale water from the District, SSA wishes to retain ownership of its distribution system and still operate as an independent, non-profit, mutual benefit water company as currently permitted by the State. SSA will continue to be responsible for its own operations and maintenance.

SSA is requesting an increase from a 2" master water meter to a 6" master water

meter to allow for continued domestic water supply and for fire flow to supply the fire hydrants being added to SSA's water system. All of SSA and the entire northeast half of the Big Trees Village subdivision rely upon redwood tanks at Big Trees Tanks 4 & 5 for water supply. SSA has recently eliminated a deteriorated and damaged redwood tank from its system and has no plans to replace it due to the added State reporting and water sampling requirements associated with operating and maintaining a water storage tank.

The District's redwood tanks and pumping facilities within Big Trees Village and Dorrington are vulnerable to damage by wildfire. The District has proposed capital improvements to the Big Trees Village water storage and pumping facilities to safeguard against wildfire and assure greater reliability for its customers. Furthermore, the District has recommended replacing the redwood tanks at the Big Trees Tanks 4 & 5 site and has applied for a Cal-OES grant to obtain funding assistance to replace the redwood tanks and install steel tanks.

The attached Agreement for the District to provide wholesale water service to SSA is the successful outcome of several meetings and cooperation between District staff and SSA representatives. The Engineering Committee and the District's legal counsel have reviewed the Agreement. SSA has already accepted the Agreement and is fully authorized by the SSA Board of Directors to execute it upon approval and adoption of the Agreement by Calaveras County Water District's Board of Directors. Staff recommends that the Board approve the Agreement with Snowshoe Springs Association for wholesale treated water service, and authorize the General Manager to execute said Agreement.

FINANCIAL CONSIDERATIONS:

The Snowshoe Springs Association capacity fees and bi-monthly rates are outlined in the proposed Agreement. Under this Agreement, the SSA would pay for a 6" master meter and be given a credit for its existing 2" meter. The capacity fees and bi-monthly renovation and replacement fees paid by SSA customers may in-part be utilized to enlarge, renovate and replace the District's redwood tanks at the Big Trees Tank 4 & 5 site.

Attachments: *Resolution No. 2018-____ Approving Agreement with Snowshoe Springs Association for Wholesale Treated Water Service*
 Water Service Supply Agreement
 Proposed Agreement between Calaveras County Water District and Snowshoe Springs Association for Wholesale Treated Water Service

RESOLUTION NO. 2018-

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

**APPROVING AGREEMENT BETWEEN
CALAVERAS COUNTY WATER DISTRICT AND
SNOWSHOE SPRINGS ASSOCIATION FOR WHOLESALE
TREATED WATER SERVICE**

WHEREAS, the SNOWSHOE SPRINGS ASSOCIATION (SSA), which owns and operates the Snowshoe Springs Mutual Benefit Water Company that serves the Snowshoe Springs community located near Dorrington, CA, has requested an updated Agreement with the CALAVERAS COUNTY WATER DISTRICT to purchase wholesale treated water from the Ebbetts Pass Water System to supply its community; and

WHEREAS, SSA proposes to independently obtain a USDA loan or other funding to replace its water system and, upon making said improvements, has requested to increase its existing 2" water meter to a larger 6" water meter to serve domestic demands and supply fire hydrants being added to the community's water system; and

WHEREAS, upon completion of said improvements by SSA, payment of all applicable capacity fees, and the installation of the new 6" master water meter; this updated Agreement becomes effective and supersedes the Water Service Supply Agreement adopted by Resolution 91-127 on September 12, 1991.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT does hereby approve and adopt the Agreement with Snowshoe Springs Association for Wholesale Treated Water Service as set forth in said Agreement, attached hereto and made a part hereof; and

BE IT FURTHER RESOLVED that the Interim General Manager is authorized to execute said Agreement.

PASSED AND ADOPTED this 12th day of December, 2018 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

/

/

/

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

RESOLUTION NO. 91-127

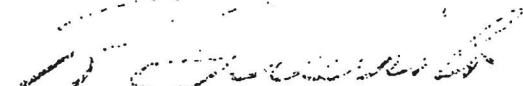
BE IT RESOLVED that the Board of Directors of CALAVERAS COUNTY WATER DISTRICT does hereby authorize the execution of a Water Service Supply Agreement with SNOWSHOE SPRINGS ASSOCIATION, a Mutual Water Company, the terms and conditions more specifically set forth in the said Agreement, attached hereto and made a part hereof.

FURTHER RESOLVED that the President or General Manager are hereby authorized to execute said Agreement.

PASSED AND ADOPTED this 12th day of September, 1991 by the following vote:

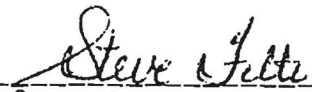
AYES: Directors Weinkle, Dooley, Gleason, Peterson, Queirolo
NOES: None
ABSENT: None

CALAVERAS COUNTY WATER DISTRICT



President

ATTEST:



Secretary

WATER SERVICE SUPPLY AGREEMENT

THIS AGREEMENT made and entered into this 25th day of November, 1991 by and between SNOWSHOE SPRINGS ASSOCIATION (SSA) and CALAVERAS COUNTY WATER DISTRICT (CCWD),

WITNESSETH:

SSA, a Mutual Water Company, provides retail water service to residents within the Snowshoe Springs Association and CCWD provides wholesale and retail water service to residents within Calaveras County.

SSA and CCWD desire to enter into a Water Service Supply Agreement.

CCWD operates a water treatment and distribution system for the Highway 4 corridor from Forest Meadows to Big Trees Village Subdivisions, known as Ebbetts Pass Improvement District No. 5, providing domestic water under permit from the State Department of Health Services. SSA purchases bulk treated water from CCWD via a 2-inch diameter meter and distributes the water through a distribution system to residents of the SSA. The treated water supplied meets all applicable State and Federal requirements for water quality.

The following represents the service conditions under which water will continue to be provided by CCWD to SSA.

Water Delivery. A 2-inch meter located at SSA Tank No. 1, North Murietta Roost, is the delivery point at which SSA will assume responsibility for storage and distribution of water within SSA. SSA is to provide adequate storage to handle peak flow conditions. In the event of water shortages, SSA will be accorded the same priority as other residential customers.

Further, once water is delivered to the SSA system, SSA shall be responsible for water quality. CCWD will furnish to SSA the annual water quality reports on or about April 1st of each year for distribution by SSA to its members.

Fees and Charges. Water is to be provided at a rate established by the CCWD Board of Directors and shall be identical to any other like customer. The rates may be charged upon CCWD providing notice and holding a public hearing. The rates and fees may include monthly service charges, water consumption charges, new building expansion fees, standby fees and other fees charged to other CCWD customers.

In the event that CCWD passes a tiered rate structure, the base tier for minimum rate for SSA will be set at SSA's average rate of use at date of full execution of this Agreement.

Payment Obligations. Monthly invoicing will be submitted to SSA based upon meter readings and is due and payable within 30 days. If not paid within 30 days of billing, CCWD will add finance charges at one percent per month or a portion thereof.

Connection fees for new homes will be invoiced by CCWD based upon new building permits (pursuant to Ordinance No. 91-02 dated May 16, 1991).

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first hereinabove written.

SNOWSHOE SPRINGS ASSOCIATION

By *[Signature]*
Its President, Board of Directors

ATTEST:

Donald R. Bongyels
Secretary

CALAVERAS COUNTY WATER DISTRICT

R. Juarez
President

ATTEST:

Steve Felt
Secretary

**AGREEMENT BETWEEN
CALAVERAS COUNTY WATER DISTRICT AND
SNOWSHOE SPRINGS ASSOCIATION
FOR WHOLESALE TREATED WATER SERVICE**

This Agreement is made effective as of December ___, 2018, by and between the SNOWSHOE SPRINGS ASSOCIATION (“SSA”), a California non-profit mutual benefit corporation and homeowners association organized pursuant to California law, and the CALAVERAS COUNTY WATER DISTRICT (“CCWD”), a California special district organized pursuant to the County Water District Law (Water Code §§ 30000 et seq.). CCWD and SSA are collectively referred to as the “parties” of this Agreement.

RECITALS

WHEREAS under permit by the California State Division of Drinking Water, CCWD owns and operates the Ebbetts Pass Water System and supplies wholesale and retail treated water to SSA and other communities along the State Route 4 highway corridor in Calaveras County, CA; and

WHEREAS under the terms of a prior agreement dated November 25, 1991, SSA has purchased bulk treated water from CCWD via an existing 2-inch master meter, and SSA operates a non-profit mutual benefit water distribution company and has ownership of the water distribution system and redwood storage tanks downstream of this 2-inch meter which exclusively serves its members in the Snowshoe Springs Association , and

WHEREAS the existing distribution system and storage tanks owned and operated by SSA are in poor condition and have reached the end of their useful life, and SSA will be replacing its entire water system to meet current waterworks standards and adding fire hydrants, except SSA will be eliminating the redwood water storage tanks from its system; and

WHEREAS SSA desires to self-finance, retain ownership and have final responsibility for the subject new distribution system serving SSA customers and continue to be an independent non-profit mutual benefit water distribution company permitted by the State’s Division of Drinking Water, but also wishes to enter into a new agreement for CCWD – for payment of specific capacity fees and facility costs agreed herein and subject to CCWD standard rates for water service – to provide bulk water supply via a new 6-inch master meter for continued domestic uses and additionally to provide water storage and supply water flow to fire hydrants throughout the SSA’s water system; and

AGREEMENT

IT IS THEREFORE MUTUALLY AGREED by and between SSA and CCWD as follows:

- 1) Any and all previous agreements between SSA and CCWD will become null and void in their entirety and superseded without exception upon acceptance and implementation of this Agreement, which is to occur within the first 36-months from the date of this Agreement.

- 2) Upon approval/adoption of this Agreement by the SSA Board and CCWD Board, along with such attachments deemed necessary by both parties, it shall be signed and then recorded by CCWD at the Calaveras County Recorder's office and certified copies issued to the parties.
- 3) SSA shall increase the size of their connection from existing 2-inch meter to a new 6-inch meter to provide water for domestic use (serving 294 developed residential units and 68 empty lots) and to accommodate the increased water main sizes and fire hydrants within SSA's new distribution system. This meter shall serve all lots within the Snowshoe Springs Subdivision Units 1 to 6A as currently defined by Calaveras County Subdivision Records, plus three (3) current special members outside of Snowshoe Springs Subdivision Units 1 to 6A that were grandfathered into the system since 1989. SSA shall not contract to supply water to any third party or serve any properties, lots or customers outside the limits and boundaries of the Snowshoe Springs subdivision, as shown on Exhibit 1(members), except as noted above.
- 4) The current capacity fee for a 6-inch meter (50 equivalents) is \$384,550.00. Subtracting \$61,528.00 (8 equivalents) for SSA's existing 2-inch meter, SSA's total connection fee is \$323,022.00 (42 equivalents) to receive a 6-inch meter. SSA shall make an initial payment of \$123,022.00 on or before September 30, 2019 and the remaining balance of \$200,000 is due prior to the installation of the new 6-inch meter. The meter shall be installed upon the completion of the improvements outlined in paragraph 5 below those improvements shall be completed within 36-months from the date of this Agreement. Fees paid by SSA shall be considered capacity fees and treated as such pursuant to CCWD's current policy at the time of payment.
- 5) SSA, by its own funding sources and at its own cost, shall replace its water distribution system within the Snowshoe Spring subdivision to bring the system into compliance with current State waterworks standards and CCWD design and construction standards. The design, construction management and inspection of the new system shall be performed under the direction of a licensed civil engineer. SSA shall allow CCWD access to review the design, materials of construction and installation of SSA's new system and opportunity to provide comments and guidance in regard to conformance with CCWD standards. Also, SSA shall be responsible for construction of the new 6-inch master metering facilities and any water main extension, if needed, to connect to CCWD's system on Shoshone Drive. Notwithstanding the fact that CCWD will review the design, CCWD, however, will have no responsibility, liability or obligation for the design, construction or operation of the SSA distribution system, or system upgrade.
- 6) SSA shall continue to own, operate, and maintain its water distribution system as a non-profit mutual benefit water company under permit by the State Division of Drinking Water. SSA's responsibility shall start at the new 6-inch master meter and continue downstream of the master meter including all water mains, fire hydrants, valves and all other components of its entire water distribution system within the Snowshoe Springs subdivision. SSA shall assure each parcel is individually metered, read meters and bill its own customers for water usage and, that during severe drought, customers conserve water in accordance with State mandates. CCWD has no obligation to service, operate,

maintain or make improvements to SSA's water system downstream of the master meter. SSA will be responsible for all actions for the operation, maintenance, repair and replacement of all SSA facilities in good working order and any facilities improvements, as necessary or useful for SSA to perform all water delivery and other obligations under this Agreement. SSA acknowledges that it is required to comply with all of CCWD's policies and procedures relating to water service customers, including, but not limited to, the requirements applicable to timely paying the bi-monthly water charges.

- 7) CCWD owns, operates and maintains all off-site treatment, pumping, transmission and storage facilities outside of SSA's system up to and including the new 6-inch master meter, and will continue to maintain ownership, possession and access to all CCWD water service facilities. All treated water delivered to the 6-inch master meter will meet applicable government water quality standards for treated water for domestic use in accordance with CCWD's operating permit for the Ebbetts Pass Water System issued by the State's Division of Drinking Water. SSA is responsible for the water quality once the water has passed through the 6 inch master meter.
- 8) SSA bi-monthly charges will include a base charge for a 6-inch meter (50 equivalents) plus tiered rates for water usage in cubic feet (cf). SSA shall be required to pay standard residential water rates as periodically adjusted by CCWD through general rate adoption procedures and Prop.218 proceedings. Attached EXHIBIT 2 provides current bi-monthly base rate charges (Table 1), tiered consumptive rate changes (Table 2), and water shortage rate charges (Table 3) for the period of July 16, 2018 through July 15, 2023. SSA will continue to pay CCWD under the parties current agreement until installation of the 6-inch master meter, at which time the above charges are applicable.
- 9) CCWD cannot guarantee against interruption or disruption of water supply, nor can it guarantee a specific water pressure, or that it will be able to continually provide the amount of water under this Agreement in all circumstances. CCWD shall have, in its sole discretion, the right to proportionally reduce or temporarily curtail the amount of water available to SSA as necessary to maintain supply to equally and equitably serve SSA as well as CCWD's other customers, or in the event that extraordinary maintenance or repairs are required, or if there is a mechanical failure of facilities or inadequate water quality, or supply, due to causes beyond the CCWD's reasonable control, and occurring without CCWD's fault or gross negligence.
- 10) SSA acknowledges that nothing in this Agreement requires or guarantees that CCWD will provide water service to the SSA's customers. Should the SSA want CCWD to provide direct service to its customers that will be the subject of a further agreement and would require payment of additional fees and costs, to be determined at the time per CCWD's normal fee schedule at the time service is requested.
- 11) This Agreement only contemplates the sale of water by CCWD to SSA; this Agreement does not contemplate the sale of any water rights currently held by CCWD to SSA. No sale of water pursuant to this Agreement shall confer any appropriative, groundwater, public trust or other right to water on SSA, or any other person or entity, directly or indirectly. Nothing in this Agreement shall act as a forfeiture, diminution or impairment

of any rights of CCWD after the expiration of the Agreement, and shall in no way prejudice any of CCWD's rights. The Parties agree that no sale of water under this Agreement, nor the Agreement itself, is evidence of the availability of surplus water beyond the term of the Agreement, nor any evidence of lack of beneficial use of the water involved in the sale, and they shall not contend otherwise. The only rights granted to the Parties as a result of this Agreement are those expressly set forth herein.

- 12) SSA shall indemnify, defend and hold harmless CCWD, its elected or appointed officials, employees, agents and authorized representatives from any and all losses, injuries, liability, damages, claims, costs and expenses (including attorneys' fees and court costs), arising out of or resulting from (i) any breach of this Agreement by SSA; (ii) the willful misconduct or negligent acts of SSA in connection with the performance of this Agreement; or (iii) any claims arising out of or relating to SSA's delivery of water, or design and maintenance of the water system on SSA's side of the 6-inch master meter. SSA's indemnity obligations under this Section shall survive termination of this Agreement.
- 13) This Agreement is subject to following additional provisions:
 - a. This Agreement represents the sole and entire agreement with respect to the subject matter, which supersedes any prior written or oral agreements or communications and may only be amended by the mutual, written consent of CCWD and SSA. Notwithstanding this Section the parties shall continue to operate under the November 25, 1991 agreement until SSA's system is connected to CCWD via the new 6-inch meter.
 - b. Neither party may assign this Agreement without the other party's prior written consent. A party's entering into contracts with subcontractors is not considered an assignment.
 - c. If either party fails to require the other to perform any term of this Agreement, that failure does not prevent the party from later enforcing that term. If either party waives the other's breach of a term, that waiver is not treated as waiving a later breach of the term.
 - d. This Agreement binds and inures to the benefit of the parties and their respective successors and (where permitted) assignees.
 - e. If any part of this Agreement is for any reason held to be unenforceable, the rest of it remains fully enforceable.
 - f. The parties acknowledge that each party has reviewed, negotiated, and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any document executed and delivered by any party in connection with the transactions contemplated by this Agreement.
 - g. Each party to this Agreement agrees to do all things that may be necessary, including, without limitation, the execution of all documents which may be required hereunder, in order to implement and effectuate this Agreement.

- h. In the event of a dispute or controversy between the parties arising out of this Agreement, the respective staff of each party will hold an informal meeting or meetings to attempt to resolve the dispute or controversy.
- i. If staff is unable to resolve the matter informally, each party will designate an executive with the required authority to resolve the dispute or controversy. The executives of each party will meet and confer in good faith to attempt to resolve the dispute or controversy and will continue to meet until one party or both parties reasonably determines the parties to be at an impasse. The meeting of the executives is a prerequisite to further mediation or litigation on any dispute or controversy between the parties.
- j. If the matter is not resolved by meeting(s) of the executives, the Parties will proceed to non-binding mediation facilitated by a mutually agreed upon mediator. The Parties will share the cost of the mediator equally, but will bear their own costs and attorneys fees for mediation.
- k. Should the Parties fail to reach a negotiated resolution of the disputed matter, either Party may bring an action in Calaveras County Superior Court. If the Party bringing the action has failed or refused to comply with the alternative dispute resolution mechanisms set forth in 17.1--17.3, the Party defending against the action can bring an action to stay the litigation to allow for the parties to go through the dispute resolution mechanisms.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written as follows:

Dated: _____, 2018

SNOWSHOE SPRING ASSOCIATION

A California Non-Profit Mutual Benefit Corporation and Homeowners Association Organized Pursuant to California Law

By: _____
Richard Mates, President

Dated: _____, 2018

CALAVERAS COUNTY WATER DISTRICT

By: _____
Jeffrey Meyer, Interim General Manager

EXHIBIT 1

Schedule A Bi-Monthly Water Rate Charges

The bi-monthly water base rates by meter size shall be effective as indicated in Table 1. The base rate charge does not include any water or consumption use.

Table 1

Bi-Monthly Water Base Rate Charges by Meter Size

Meter Size	Bi-Monthly Base Rate Charge				
	Jul 16, 2018	Jul 16, 2019	Jul 16, 2020	Jul 16, 2021	Jul 16, 2022
5/8"	\$112.28	\$114.23	\$116.22	\$118.26	\$120.35
3/4"	\$168.43	\$171.34	\$174.33	\$177.39	\$180.53
1"	\$280.71	\$285.57	\$290.55	\$295.65	\$300.89
1.5"	\$561.43	\$571.14	\$581.10	\$591.31	\$601.77
2"	\$898.28	\$913.83	\$929.76	\$946.09	\$962.83
3"	\$1,796.57	\$1,827.66	\$1,859.52	\$1,892.19	\$1,925.66
4"	\$2,807.14	\$2,855.71	\$2,905.50	\$2,956.54	\$3,008.85
6"	\$5,614.00	\$5,711.50	\$5,811.00	\$5,913.00	\$6,017.50
8"	\$8,982.40	\$9,138.40	\$9,297.60	\$9,460.80	\$9,628.00

In addition to the above bi-monthly base rate charges, the bi-monthly water usage rate charges indicated in Table 2 shall apply for each 100 cubic feet (cf) of water used, based on customer type.

Table 2

Bi-Monthly Water Tiered and Consumption Rate Charges (\$/100 cf)

Bi-Monthly Tiered Rates per 100 cf - Residential					
Water Use (cf)	Jul 16, 2018	Jul 16, 2019	Jul 16, 2020	Jul 16, 2021	Jul 16, 2022
0 - 1,000	\$1.09	\$1.11	\$1.13	\$1.15	\$1.17
1,001 - 6,000	\$1.14	\$1.16	\$1.18	\$1.20	\$1.22
6,001 - 12,000	\$1.56	\$1.59	\$1.62	\$1.65	\$1.68
Over 12,000	\$1.77	\$1.80	\$1.83	\$1.86	\$1.90

Bi-Monthly Water Consumption Rates per 100 cf - Non-Residential					
Water Use (cf)	Jul 16, 2018	Jul 16, 2019	Jul 16, 2020	Jul 16, 2021	Jul 16, 2022
0 - 1,000	\$1.47	\$1.49	\$1.52	\$1.55	\$1.57
1,001 - 6,000					
6,001 - 12,000					
Over 12,000					

Bi-Monthly Water Consumption Rates per 100 cf - Irrigation/Landscape/Other					
Water Use (cf)	Jul 16, 2018	Jul 16, 2019	Jul 16, 2020	Jul 16, 2021	Jul 16, 2022
0 - 1,000	\$1.78	\$1.81	\$1.84	\$1.87	\$1.91
1,001 - 6,000					
6,001 - 12,000					
Over 12,000					

Table 3

Bi-Monthly Water Shortage Rate Charges (\$/100 cf)

Only if implemented by the Calaveras County Water District Board of Directors, the bi-monthly water shortage rate charges will be in addition to the water base rate charges indicated in Table 1 and the water usage rate charges indicated in Table 2, and shall apply for each 100 cubic feet of water used.

Bi-Monthly Water Shortage Rate Charges per 100 cf - All					
Stage / Target	Jul 16, 2018	Jul 16, 2019	Jul 16, 2020	Jul 16, 2021	Jul 16, 2022
1 - 10%	\$0.15	\$0.15	\$0.16	\$0.16	\$0.17
2 - 13%	\$0.20	\$0.21	\$0.22	\$0.23	\$0.24
3 - 21%	\$0.35	\$0.36	\$0.37	\$0.38	\$0.39
4 - 38%	\$0.80	\$0.82	\$0.84	\$0.86	\$0.88
5 - 50%	\$1.29	\$1.32	\$1.35	\$1.38	\$1.41

Agenda Item

DATE: December 12, 2018

TO: Jeffrey Meyer, Interim General Manager *JM*

FROM: Charles Palmer, District Engineer
Robert Creamer, Engineering Analyst

SUBJECT: Discussion / Action to Approve Memorandum of Understanding between Calaveras Unified School District and Calaveras County Water District to Provide Sewer Service to the Jenny Lind Elementary School

RECOMMENDED ACTION:

Motion: _____ / _____ to adopt Resolution No. 2018-____ Approving the Memorandum of Understanding (MOU) between the Calaveras Unified School District and Calaveras County Water District to Provide Sewer Service to the Jenny Lind Elementary School.

SUMMARY:

The Calaveras Unified School District (CUSD) has obtained a State Water Resources Control Board (SWRCB) Clean Water State Revolving Fund (CWSRF) Planning Grant to evaluate alternatives for replacement of the wastewater system at the Jenny Lind Elementary School (JLES). The school is located south of Valley Springs along highway State Route 26 near Hagen Court and currently has an existing on-site tertiary wastewater treatment and disposal system that was constructed in 1992, which has now reached the end of its useful life. The JLES is not currently served by the Calaveras County Water District (District).

In June 2018, Weber Ghio and Associates and KASL Consulting Engineers prepared an engineering analysis (attached) and approached the District with a proposal to connect JLES to the La Contenta wastewater system via a new lift station and sewer force main aligned along Berkeseey Lane from Baldwin Lane to Vista Del Lago Drive (attached). District staff determined that sufficient capacity exists in the La Contenta system to serve JLES and that the project was feasible and beneficial to both parties. At this time, CUSD is completing and will be submitting to CWSRF a construction grant application to secure funding for the subject project. The proposed project is consistent with the CWSRF program goal of consolidating small wastewater systems with regional facilities whenever possible, and the CWSRF grant will reimburse capacity fees paid by CUSD.

Upon completion of the proposed project, CUSD will decommission its existing wastewater plant at the school property and cancel its operating permit with the Central

Valley Regional Water Quality Control Board. The District will become the owner and operator of the new lift station and force main from which the additional sewer flows will be conveyed to the La Contenta Wastewater plant for treatment and disposal.

The proposed Memorandum of Understanding (MOU) to provide sewer service to the Jenny Lind Elementary School (attached) is made at the request of CUSD and represents a significant effort and cooperation between both parties over the past several months. The MOU establishes that the District will be able to provide sewer service to the JLES upon CUSD securing a CWSRF construction grant for the project. Furthermore, the MOU is a critical component of and must be submitted with CUSD's CWSRF application. The MOU is scheduled to be adopted by CUSD Board on December 11, 2018, but would be implemented only if CUSD is successful in securing a CWSRF construction grant.

This MOU has been reviewed by legal counsel and was presented to the Engineering Committee review and comment on December 4, 2018. The Engineering Committee recommended that the MOU be forwarded to the Board of Directors for approval, including authorization for the General Manager to execute said MOU.

FINANCIAL CONSIDERATIONS:

Upon securing the CWSRF construction grant, CUSD agrees to pay the capacity fees as stated in the MOU and, upon completing an initial startup and optimization period, service will be subject to the District's standard sewer rates.

Attachments: *Resolution No. 2018-____ Approving Memorandum of Understanding with the Calaveras Unified School District
to provide sewer service for Jenny Lind Elementary School in Valley Springs
Engineering Report
Proposed Alignment for Force Main
Proposed MOU*

RESOLUTION NO. 2018 –

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

**APPROVING MEMORANDUM OF UNDERSTANDING WITH
THE CALAVERAS UNIFIED SCHOOL DISTRICT TO
PROVIDE SEWER SERVICE FOR JENNY LIND ELEMENTARY SCHOOL**

WHEREAS, the Calaveras Unified School District (CUSD) is applying for a Clean Water State Revolving Fund (CWSRF) construction grant to build a proposed new lift station and force main to connect the Jenny Lind Elementary School (JLES) to the La Contenta wastewater system, which the proposed project has been determined to be feasible and beneficial for both parties; and

WHEREAS, assuming that CUSD will be successful in securing CWSRF grant funds to complete the construction of said lift station and sewer force main, CUSD and Calaveras County Water District have jointly prepared a Memorandum of Understanding (MOU) establishing applicable capacity fees, bi-monthly sewer rates and other terms and conditions under which the District agrees to provide sewer service to the JLES.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT does hereby approve and adopt the Memorandum of Understanding with Calaveras Unified School District to provide sewer service for Jenny Lind Elementary School, attached hereto and made a part hereof; and

BE IT FURTHER RESOLVED, the Interim General Manager is hereby authorized to sign and obtain all other signatures necessary to fully executed said MOU.

PASSED AND ADOPTED this 12th day of December, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board



**CUSD WWTP
TOYON MIDDLE SCHOOL AND JENNY LIND ELEMENTARY SCHOOL**

TECHNICAL MEMORANDUM #1. (TM #1) DESIGN FLOWS

INTRODUCTION

The following technical memorandum is prepared as an element of the CUSD WWTP Planning Study for Toyon Middle School (TMS) and Jenny Lind Elementary School (JLES). The purpose of the technical memo is to determine design flows for the TMS and JLES Wastewater Treatment and Disposal Improvements.

OVERVIEW

Review of effluent flow reports available from the TMS and JLES Wastewater Treatment Plant (WWTPs) produced metered flow values that were lower than expected. CCWD metered water charges available for JLES were collected and fixture unit counts were conducted at both TMS and JLES to help evaluate effluent flow information. Literature sources and local standards were also reviewed to “bracket” the range of wastewater flows that could be expected with school enrollment and staff projections for both TMS and JLES.

FLOW MONITORING RECORDS; Wastewater Flows

Toyon Middle School (TMS)

From the 2017 Annual Report prepared by CUSD for TMS and from monthly flow data provided for the period of June 2016 through January 2018, maximum day and average day wastewater volumes were estimated at:

Maximum Day Flows = 4000 gpd
Average Day Flows = ± 2000 gpd

Monthly effluent flow records for TMS are included in the Appendix.

Jenny Lind Elementary School (JLES)

From the 2017 Annual Report prepared for JLES and from monthly flow data provided for the period of June 2016 through January 2018, maximum day and average day wastewater volumes were estimated at:

Maximum Day Flows = 7500 gpd
Average Day Flows = ± 3750 gpd

Monthly effluent flow records for JLES are included in the Appendix.

Suspected infiltration and inflow (I & I) in the JLES wastewater collection system may be the reason that average and maximum day flows at JLES are higher than at TMS.

For both TMS and JLES, monthly flow totals were divided by 18, the estimated average number of days that school is in session per month. Flow data for the months of December, June and July were not included in this determination to discount low flows attributable to winter break and summer break periods.

Maximum day flows are assumed to be twice average day volumes. Since the average flows recorded at the JLES WWTP do take into account I & I, the assumption that maximum day flows are twice the average flows also take into account the increased flows at JLES experienced during winter months.

Metered Water Usage

CCWD supplies water to the JLES. Metered water charges were reviewed for the same period (June 2016 through January 2018) that effluent flow data was provided. JLES supplements treated effluent with domestic water for the irrigation of play fields. Metered water charges for summer periods were, therefore, not used to provide “back up” for the effluent flow volumes recorded for the WWTP. For the 2016 and 2017 months between October and April the water demands at JLES were estimated at:

Maximum Day Water Demand = 4800 gpd
Average Day Water Demand = 2400 gpd

Average day demands were determined by dividing by 18 (school days per month) and a maximum day demand twice the average day demand.

JLES metered water demands validate the lower than expected wastewater effluent flow values available for the same period and also show the influence of I & I at the JLES.

PLUMBING CODE, FIXTURE UNITS

Plumbing fixture unit totals are, typically, used to size water service and drain (wastewater) piping installed in buildings and sized in compliance with the Plumbing Code. Fixture unit totals and a graph of demand loads from Chart A2.1 of the Plumbing Code are presented in the Appendix.

From the fixture unit survey conducted at JLES and at TMS and based on Plumbing Code criteria, the peak water demand determined for TMS and for JLES was approximately 140 gpm and 170 gpm, respectively.

To convert these fixture unit based peak water demands to average daily wastewater flows we have assumed:

- Typical 7 hour day (8:00 a.m.-3:00 p.m.) that students are on campus.
- Fixture units reflect peak water demands and could be adjusted to average day demands by dividing by 3 (peak hour demands are typically 3 times average day demands).

Toyon Middle School (TMS)

With a 367 fixture unit total, a 140 gpm peak demand is determined from Plumbing Code criteria. Adjusting this demand for the estimated school hours per day and applying conversions from peak use to average day demands, maximum day and average day wastewater volumes at TMS can be estimated at:

Maximum Day Flows = 39,200 gpd
 Average Day Flows = 19,600 gpd

Jenny Lind Elementary School (JLES)

Based on a 462 fixture units total, a 170 gpm peak demand is determined from Plumbing Code criteria. Adjusting this demand for a 7 hour school day, and applying conversions from peak use to average day demands, maximum and average day wastewater volumes at JLES can be estimated at:

Maximum Day Flows = 47,600 gpd
 Average Day Flows = 23,800 gpd

These daily flow volume estimates are very high when compared to wastewater flow records and do not take into account the number of low flow (toilet, lavatory) fixtures that have been installed at both schools. Additional conversion factors to accurately adjust peak water demands to average day wastewater flows need to be applied to effectively convert the fixture unit based peak flows to average and maximum day wastewater flows.

CURRENT WDR PERMITTED FLOWS

Toyon Middle School (TMS)

Waste Discharge Requirement (WDR) 97-074 issued by the California Regional Water Quality Control Board (CRWQCB) permits average monthly, dry weather, discharge flows from the Toyon WWTP up to 17,500 gpd.

Jenny Lind Elementary School (JLES)

WDR 92-075 issued by the CRWQCB permits an average monthly daily flow from the JLES WWTP of 13,000 gpd and a maximum monthly daily flow of 25,000 gpd

LITERATURE SOURCES

“Wastewater Engineering, Treatment Disposal and Reuse” (Metcalf and Eddy, Third Edition) provides the following recommended wastewater flow rates for schools comparable to JLES and TMS.

School w/ Cafeteria, Gym and Showers	15 to 30 gal/day/student	25 gal/ day/student, Typical design value
School w/ Cafeteria Only	10 to 20 gal/day/student	15 gal/day/student, Typical design value

At JLES, the current enrollment is 516 students with a projected enrollment of 536 students. At Toyon Middle, the current enrollment is 416 students with a projected enrollment of 620 students (assumes TMS becomes a 6th grade to 8th grade facility in the future).

Toyon Middle School (TMS)

Using the projected TMS enrollment (620 students) and a low range of design flows for schools with cafeteria, gym and showers, the estimated range of design flows for TMS wastewater facilities would be:

$$(620 \text{ students}) (15 \text{ to } 20 \text{ gal/student/day}) = 9300 \text{ to } 12,400 \text{ gpd}$$

Jenny Lind Elementary School (JLES)

Using the projected JLES enrollment (536 students) and a low range of design flows for schools with cafeteria only, the estimated design flow for the JLES wastewater facilities would be:

$$(536 \text{ students}) (10 \text{ to } 15 \text{ gal/student/day}) = 5360 \text{ to } 8040 \text{ gpd}$$

The EPA's Onsite Wastewater Treatment Systems Manual suggests that for schools with cafeteria, gym and shower a range of 15-30 gpcd and for schools with no cafeteria, gym and shower a range of 5-17 gpcd are appropriate for wastewater system planning and design.

Toyon Middle School (TMS)

Using the projected TMS enrollment (620 students) plus staff (60) and a low range of design flows for schools with cafeteria, gym and showers, the range of design flows using EPA criteria for TMS Wastewater facilities is:

$$(620 \text{ students} + 60 \text{ faculty}) (15 \text{ to } 20 \text{ gal/student/day}) = 10,200 \text{ to } 13,600 \text{ gpd}$$

Jenny Lind Elementary School (JLES)

Using the projected JLES enrollment (536 students) plus staff (43) and a low range of design flows for schools without cafeteria, gym and showers, the range of design flows using EPA criteria for JLES wastewater facilities is:

$$(536 \text{ students} + 43 \text{ staff}) (5 \text{ to } 11 \text{ gal/gpcd}) = 2895 \text{ to } 6400 \text{ gpd}$$

COUNTY AND WATER DISTRICT STANDARDS

Calaveras County

In Chapter 4 of their Onsite Wastewater Treatment System Component Design Requirements Calaveras County suggests the following flow rates for design of onsite wastewater systems when specific flow information is not available:

Schools without Cafeterias, 30 gpcd
Gyms and Showers

School with Cafeterias, 50 gpcd
Gyms and Showers

Applying the above Calaveras County Criteria and projected enrollments plus faculty results in the following:

Toyon Middle School (TMS)

(630 students + 60 full time staff) (50 gpcd) = 31,500 gpd

Jenny Lind Elementary School (JLES)

(536 students +43 full time staff) (30 gpcd) = 17,370 gpd

The typical wastewater flows presented in the Calaveras County standards are more conservative when compared to other neighboring counties. Stanislaus County, for example, applies a 20 gpcd for staff, 15 gpcd for elementary schools and 28 gpcd for intermediate schools with a gym, shower and cafeteria.

Calaveras County Water District

CCWD applies a demand factor for wastewater flows that is based on a single-family residence with a wastewater flow of 195 gpd. Schools with a cafeteria, gym and shower have a demand factor of 0.10 and a school with a cafeteria but without gym and shower have a demand factor of 0.06. The resulting, CCWD based, design flows for TMS and JLES are presented in the following table.

TMS and JLES CCWD Design Wastewater Flows

Toyon Middle School				
	Amount	Wastewater Demand per Single Family (gpd)	Demand Factor	Total Waste (gpd)
Students + Faculty	680	195	0.10	13,260

Jenny Lind Elementary School				
	Amount	Wastewater Demand per Single Family	Demand Factor	Total Waste (gpd)

		(gpd)		
Students + Faculty	579	195	0.06	6774

SUMMARY

A summary of maximum day design flows estimated for TMS and JLES is as follows:

Maximum Day or Design Flows (gpd)		
Criteria	TMS	JLES
WWTP Flow Records	4000	7500
CCWD Meter Data	N/A	4800
Plumbing Fixture Units	39,200	23,800
WDR Permitted Flows	35,000 (2x avg. day)	25,000
Metcalf & Eddy	12,400	8040
EPA	13,600	6400
Calaveras County	31,500	17,370
CCWD	13,260	6774

The WWTP flow records and CCWD water meter data represent current conditions and do not reflect school enrollment projections. To account for future enrollments plus staff, TMS flows should be increased by $\pm 40\%$. At JLES a 5% increase in current flow would reflect enrollment projections. Wastewater estimates based on plumbing fixture units do not accurately reflect conversions from water peak demands to maximum wastewater demands. The Calaveras County Standards should only apply when other information is not available.

Based on WWTP flow records, with allowance for enrollment and faculty projections, and the Metcalf and Eddy, EPA and CCWD references, we recommend that the **TMS** Wastewater Treatment Disposal Facilities be designed for a maximum day design flow of **12,500** gpd and that the **JLES** Wastewater Treatment and Disposal Facilities be designed for a maximum day design flow of **8000** gpd.

Selected Maximum Day and Average Day Design Flows (gpd)		
Criteria	TMS	JLES
Metcalf & Eddy	12,400	8040
EPA	13,600	6400
CCWD	13,260	6774
CUSD WWTP Flow Data	5600	7875
Records w/ Projected Enrollment		
Summary		
Suggested Design Criteria Maximum Day Flow	12,500 gpd	8000 gpd
Suggested Design Criteria Average Day Flow	8400 gpd	5400 gpd

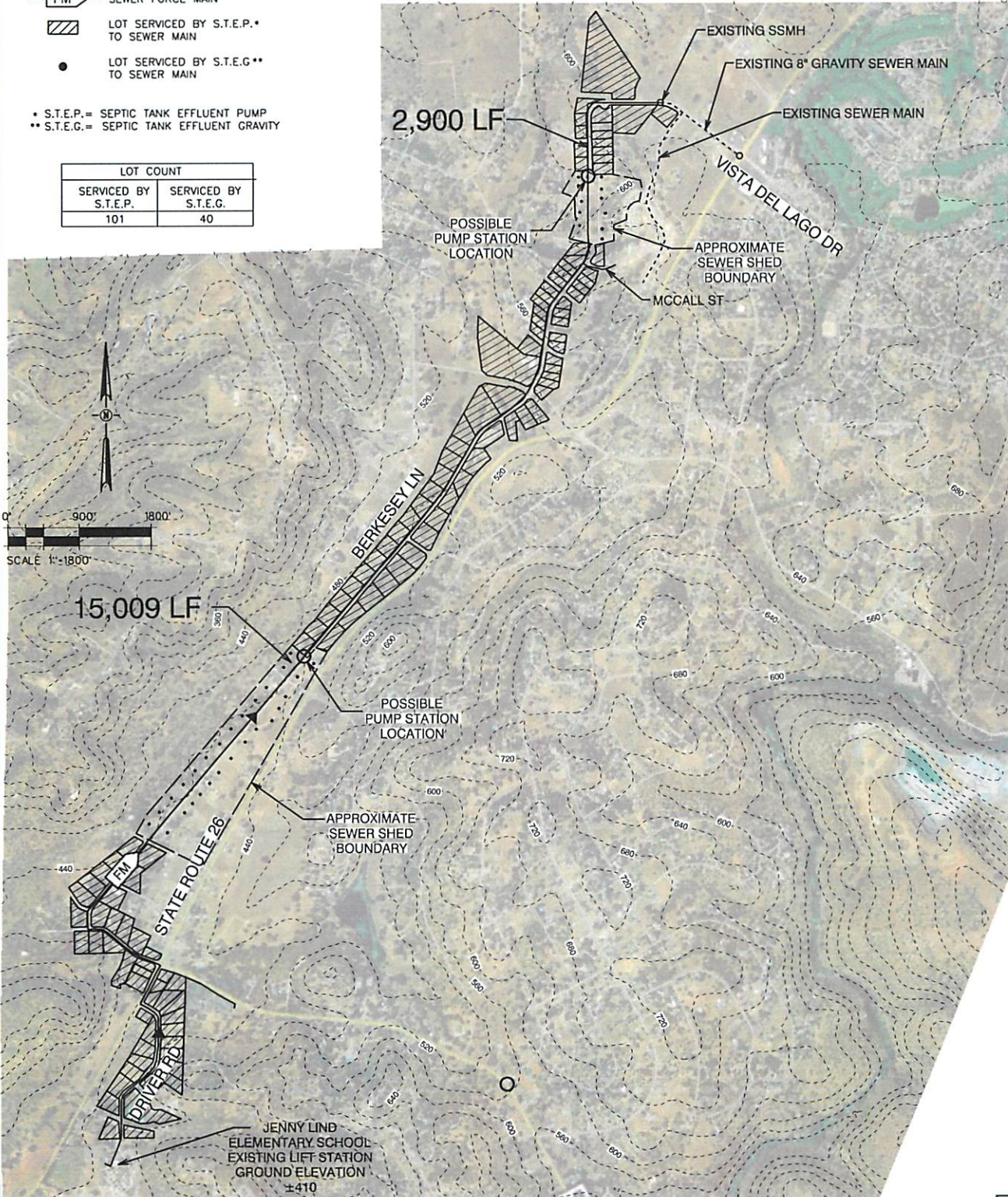
JENNY LIND ELEMENTARY SCHOOL

SUGGESTED OUTFALL SEWER ALIGNMENT AND SEWER SHED BOUNDARIES JLES TO VISTA DEL LAGO DRIVE EXISTING GRAVITY SEWER MAIN

LEGEND

- 680----- EXISTING CONTOUR
 - SEWER SHED BOUNDARY
 - FM — SEWER FORCE MAIN
 - ▨ LOT SERVICED BY S.T.E.P.* TO SEWER MAIN
 - LOT SERVICED BY S.T.E.G.** TO SEWER MAIN
- * S.T.E.P. = SEPTIC TANK EFFLUENT PUMP
 ** S.T.E.G. = SEPTIC TANK EFFLUENT GRAVITY

LOT COUNT	
SERVICED BY S.T.E.P.	SERVICED BY S.T.E.G.
101	40



XXXX

**MEMORANDUM OF UNDERSTANDING BETWEEN
CALAVERAS UNIFIED SCHOOL DISTRICT
AND
CALAVERAS COUNTY WATER DISTRICT**

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made and entered into this 13th day of December, 2018 (“Effective Date”), by and between the Calaveras Unified School District (hereinafter “CUSD”), a California public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California, and the Calaveras County Water District (hereinafter “CCWD”), a California water district duly organized and existing under Part 2 of Division 13 of the California Water Code (either of which is individually a “Party,” and which are collectively “the Parties”).

WHEREAS, CUSD owns and operates a private wastewater treatment facility on its Jenny Lind Elementary School property (hereinafter the “JLE Facility”), which meets the CUSD’s wastewater treatment and disposal requirements from the Regional Water Quality Control Board (RWQCB); and

WHEREAS, the JLE Facility has reached the end of its useful life and requires significant retrofit in order to continue reliable wastewater treatment as required by the RWQCB; and

WHEREAS, CUSD is eligible to receive a grant from the State Revolving Fund (hereinafter “SRF”) for 100% of the costs of all planning and construction to either retrofit the JLE Facility or to Regionalize with another publicly owned wastewater plant in the area (to an \$8 million maximum); and

WHEREAS, after careful study of these two alternatives, and in close collaboration with CCWD, the CUSD’s preferred approach is to regionalize with the CCWD by way of new lift stations and a new pipeline to the existing CCWD wastewater plant (hereinafter the “Project”), and ultimately removing the JLE Facility from active service; and

WHEREAS, the JLE Facility is estimated to require a maximum month average daily flow of 5,400-gpd or 36 equivalent single family units (esfu’s) which CCWD requires a one-time payment by CUSD of capacity fees in the amount of \$700,056 (36 esfu x \$19,446/esfu) to the La Contenta system to be made in order for the Project to proceed; and

WHEREAS, the Parties contemplate that, upon completion of the Project, the CUSD would transfer the ownership of the newly constructed lift stations and pipelines to the CCWD, and CCWD would undertake all compliance and operational responsibilities attendant to the JLE Facility; and

WHEREAS, the Parties wish to collaborate in the Project in accordance with the terms and conditions set forth in this MOU.

NOW, THEREFORE, the Parties hereto agree as follows:

1. The recitals and exhibits attached hereto, if any, are hereby accepted and incorporated into this MOU.
2. CUSD shall be the lead agency for all grant funding requests and CCWD shall cooperate, as necessary and appropriate, in this process. The Project shall be contingent upon CUSD securing full funding from the SRF for all costs of the Project. Absent said funding, this MOU shall terminate without liability of either Party as to the other.
3. Each party shall designate in writing a main contact person for regular Project communications at the time this MOU is executed.
4. SRF must approve all Project contract documents in order for a funding award to be made. CUSD shall be the lead in preparing construction contract documents that are consistent with SRF guidelines.
5. All documents prepared for the procurement of a Project contractor shall be subject to approval by the respective governing bodies of CUSD and CCWD. The Parties agree that time is of the essence in obtaining said approvals throughout the term of this MOU.
6. CUSD shall retain necessary consultant(s) to design the Project. However, the Parties agree that the work of the Project shall comply with CCWD engineering standards and all applicable local, state, and federal requirements, and that CCWD shall have the right to review Project design documents and submit comments during the Project's design phase.
7. CUSD shall procure a Project contractor in accordance with applicable public project competitive bidding requirements.
8. CUSD shall, at its sole cost, provide all project management, construction management, and quality control for the Project. CCWD is welcome to attend any and all construction management meetings at its own costs.
9. Upon completion of the Project, CUSD agrees to transfer to CCWD all newly constructed assets ("Asset Transfer"), necessary access and utility easements including deeds to real property upon which sewer lift stations, pipelines and associated facilities are situated. The Parties shall in good faith prepare any documents and take all actions needed to accomplish said Asset Transfer. Such Asset Transfer, access and easements shall allow unencumbered and unobstructed access by CCWD to said facilities without prohibitions or restrictions regarding operation, maintenance, upgrades, improvements and reconstruction. CCWD will make every effort to operate and maintain said facilities in a manner that minimizes impacts and is compatible with school schedules, classroom activities and student safety. CCWD will notify CUSD in the event of any emergencies or non-routine activities relating to its work on the subject facilities.
10. Upon completion of the Asset Transfer, CCWD shall assume full and complete responsibility for the wastewater operation and infrastructure beginning at the inlet to the new lift station (i.e., the "interceptor") including new lift stations, force mains and associated buildings, equipment and electrical systems. CUSD shall have no ownership

interest in, or responsibility for, infrastructure for transmission, treatment or disposal of wastewater from the JLE. CUSD shall, however, continue to own the pre-existing private sewer lateral at the JLE. CUSD shall be responsible for all sewer collection systems within the JLE facility ground including all sewers and manholes serving all buildings and structures on the site. CUSD responsibility shall end at the point the JLE facility's on-site sewer first enters the interceptor lift station.

11. Upon completion of the transfer of assets provided for in section 9, above, CUSD will be responsible to properly abandon its regulatory permit from the RWQCB.
12. CUSD shall further relinquish any and all interest in future connections to the wastewater infrastructure that CCWD may authorize, as long as the wastewater capacity of JLE School is the primary design consideration to ensure continuous service at its full build-out along the wastewater pipeline. That is, the Parties agree that JLE School has priority rights to the full capacity assigned to it in the Project design for the new pipeline, treatment plant, and disposal and thus has a priority right to use 100% of its assigned capacity.
13. The Parties agree that CUSD shall have a right to acquire wastewater capacity from CCWD at a one-time capacity fee of \$700,056 (or 36 esfu's x \$19,446/esfu) based upon standard fees effective July 1, 2018 until such time as the current Project application and funding are approved by SRF. CCWD will reserve capacity for CUSD for the duration of the subject SRF project application and subsequent construction until startup and operation of the facilities. If the current Project under consideration is not approved by the SRF, CUSD will relinquish any reservation of capacity or agreed fees previously granted by CCWD.
14. CUSD shall pay standard bi-monthly rates same as other CCWD customers subject to change and increases adopted by general Prop.218 proceedings. The initial bi-monthly rate shall be based on 20 esfu's (e.g. for 2019 a bi-monthly rate of \$187.23 per esfu or \$3,744.60 is applicable). Thereafter, according to CCWD standard policy, commercial accounts can be periodically reviewed every two (2) years, or after improvements are made to the school, or when school enrollment significantly changes (increases or decreases), in order to adjust bi-monthly charges for wastewater usage. Unless subsequently amended by both parties in writing, the following schedule shall apply:

Max. Month Average Daily Flow (gpd)	Equivalent Single Family Unit Flow (gpd/esfu)	Equivalents (Bi-monthly Rate Factor)
3,000	150	20
3,300	150	22
3,600	150	24
3,900	150	26
4,200	150	28
4,500	150	30
4,800	150	32
5,100	150	34
5,400	150	36

15. Upon Project completion and Asset Transfer to CCWD, the Parties agree to enter into a long-term agreement for service under which CCWD will continue to provide CUSD sewer service for JLE School at its standard bi-monthly rates, as stated above. This service agreement may have a temporary provision for an initial startup and optimization period at an adjusted annual cost that takes into consideration the value, beyond normal capacity fees, and benefits of a regionalization project recognized by CCWD under this MOU. The Engineering team will continue project design discussions after the SRF funding commitment is in place (likely in spring 2019).
16. Each Party, at its sole cost and expense, shall procure and maintain such policies of general and other insurance as shall be necessary to insure its employees, agents and affiliates against any claim or claims for damages arising by reason of personal injuries or death occasioned directly or indirectly in connection with the performance of each Party's obligations under this MOU, the use of any property and facility.
17. During the project period funded by the State Revolving Fund (SRF), CCWD shall indemnify, hold harmless and defend CUSD and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by CUSD or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly from the negligent or intentional acts or omissions of CCWD or any of its officers, directors, board members, employees, agents or volunteers in the performance of this MOU; provided nothing herein shall constitute a waiver of governmental immunities including California Government Code Section 810 et seq.
18. During the project period funded by the State Revolving Fund (SRF), CUSD shall indemnify, hold harmless and defend CCWD and each of its officers, directors, trustees, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by CCWD or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising directly or indirectly from the negligent or intentional acts or omissions of CUSD or any of its officers, officials, employees, agents or volunteers in the performance of this MOU; provided nothing herein shall constitute a waiver of governmental immunities including California Government Code Section 810 et seq.
19. This MOU contains the entire agreement between the Parties with respect to the matters covered herein, and supersedes all prior agreements, written or oral, between the Parties. No other agreement, statement, or promise made by any Party not contained herein shall be binding or valid. This MOU shall be construed as one document and all of the agreements herein are in exchange for and in consideration of the commitments of each and all of the Parties herein as set out above.

20. This MOU may be amended only by a writing signed by the Parties.
21. Should any provision of this MOU be declared or determined by any court of competent jurisdiction to be illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions shall not be affected thereby and said illegal, unenforceable, or invalid part, term, or provision shall be deemed not to be part of this MOU.
22. This MOU shall be construed, determined and enforced in accordance with the laws of the State of California with venue in Calaveras County, California.
23. The Parties agree that each Party has independently reviewed this MOU; and that any rules of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in any interpretation of this MOU or any amendments or exhibits thereto.
24. This MOU may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.
25. If either party is required to commence any proceeding or legal action to enforce or interpret any term, covenant or condition of this MOU, the prevailing party in such proceeding or action shall be entitled to recover from the other party its reasonable attorney's fees and legal expenses.
26. CUSD and CCWD are acting as independent contractors. Neither party, nor any of its officers, associates, agents, or employees shall be deemed an employee, partner, or agent of the other for any purpose.
27. Neither party shall use discriminatory practices in their respective performance under this MOU on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, and ethnicity, status as a disabled veteran or veteran of the Vietnam era.
28. The waiver by either party of a breach by the other of any provision of this MOU shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this MOU. No provisions of this MOU may be waived unless in writing and signed by all parties to this MOU. Waiver of any one provision herein shall not be deemed to be a waiver of any other provision herein.
29. The Parties, through their authorized representatives, have executed this MOU as of the day and year first written above.
30. All notices and other communications required hereunder or related hereto shall be directed, respectively, to:

Calaveras Unified School District
Mark Campbell, Superintendent

Calaveras County Water District
Jeffrey Meyer, Interim General Manager

_____	(email)	_____	(email)
_____	(facsimile)	_____	(facsimile)
_____	(telephone)	_____	(telephone)

IN WITNESS WHEREOF the Parties hereto have executed this MOU as of the date first above written.

DATED: _____

CALAVERAS UNIFIED SCHOOL DISTRICT

By: _____

DATED: _____

CALAVERAS COUNTY WATER DISTRICT

By: _____

APPROVED AS TO FORM:

Bryan G. Martin, Legal Counsel for
Calaveras Unified School District

Mathew Weber, Legal Counsel for
Calaveras County Water District

Agenda Item

DATE: December 12, 2018

TO: Board of Directors

FROM: Jeffrey Meyer, Interim General Manager *JM*

SUBJECT: Presentation of the Audited Financial Statements for the Fiscal Year Ending June 30, 2018 by Richardson & Company, LLP

RECOMMENDED ACTION:

Motion: _____ / _____ to receive and file the Audited Financial Statements for the Fiscal Year Ending June 30, 2018 by the auditing firm of Richardson & Company, LLP.

SUMMARY:

Staff is pleased to present the Independent Auditor's Report and Financial Statements for the Calaveras County Water District for the fiscal year ending June 30, 2017, completed by Richardson & Company, LLP, Certified Public Accountants. The purpose of the report is to provide the Board of Directors, District staff, rate-payers, bondholders and other interested parties with useful information concerning the District's operations and financial position. The District is responsible for the accuracy, completeness, and fairness of the data presented in this report.

There are four main sections of this report:

Basic Financial Statements – Includes the Balance Sheets, the Statements of Revenues, Expenses, and Changes in Net Positions, the Statements of Cash Flow, the Statement of Fiduciary Net Position (Assessment Districts), and the Notes to the Basic Financial Statements.

Required Supplementary Information – The Schedules of Proportional Share of Net Pension Liability and Contributions to the Pension Plan, and the Schedule of Funding Progress for Other Postemployment Benefits (OPEB).

Other Supplementary Information – The Combining Schedule of Fiduciary Net Position, and the Debt Service Coverage Ratios for the Water and Sewer Funds.

Compliance Report – Independent Auditor's Report on Internal Control over Financial Reporting, Compliance, and other matters based on the audit.

Audit Opinion

At the conclusion of the audit Richardson & Company issued an opinion that the District's Financial Statements, for the Fiscal Year ending June 30, 2018, present fairly the respective financial position of the business-type activities of each major fund and the fiduciary funds of the District in all material respects in accordance with generally accepted accounting principles and government accounting standards.

Brian Nash, CPA, of Richardson & Company will make a presentation to the Board and will answer any questions the Board or general public may have regarding the Audited Financial Statements for FY 2017-18.

FINANCIAL CONSIDERATIONS:

None.

Attachment: Audited Financial Statements for the Fiscal Year Ending June 30, 2018

DRAFT

CALAVERAS COUNTY WATER DISTRICT

AUDITED FINANCIAL STATEMENTS

June 30, 2018

CALAVERAS COUNTY WATER DISTRICT

AUDITED FINANCIAL STATEMENTS

June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Calaveras County Water District
San Andreas, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, each major fund and the fiduciary funds of the Calaveras County Water District (the District) as of and for the year ending June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund and the fiduciary funds of the District as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

To the Board of Directors
Calaveras County Water District

Emphasis of Matter

As described in Note M to the financial statements, during the year ended June 30, 2018 the District adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Report on Summarized Comparative Information

We have previously audited the District's 2017 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated December 6, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of the proportionate share of the net pension liability, schedule of contributions to the pension plan, schedule of changes in the net OPEB liability and related ratios and schedule of contributions to the OPEB plan, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

_____, 2018

MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the Calaveras County Water District's (“District”) Audited Financial Statements provides management’s discussion and analysis of the District’s financial performance for the period ending June 30, 2018. Readers are encouraged to consider the information presented here as complementary to the information contained in the accompanying financial statements.

The Management’s Discussion and Analysis is presented under the following headings:

- Organization and Business
- Overview of the Basic Financial Statements
- Financial Analysis of the District
- Capital Assets and Debt Administration
- Economic Condition and Outlook
- Requests for Information

ORGANIZATION AND BUSINESS

The District has operated continuously since 1946 under the laws of the State of California as a county water district for the purpose of providing water and wastewater services to residents and businesses of Calaveras County. The District is a political subdivision of the State of California and is not a part of, or under the control of, Calaveras County.

Under State law, the District has broad general powers over the use of the water within its boundaries, including the right of eminent domain, authority to acquire, control, distribute, store, spread, sink, treat, purify, reclaim, process and salvage any water for beneficial use, to provide sewer service, to sell treated or untreated water, to acquire or construct hydroelectric facilities and sell the power and energy produced to public agencies or public utilities engaged in the distribution of power, to contract with the United States, other political subdivisions, public utilities, or other persons, and, subject to Article XIII A of the California State Constitution, to levy taxes for improvements.

The District is located in the central Sierra Nevada foothills, approximately 100 miles east of San Francisco and 60 miles southeast of Sacramento. The District’s boundaries encompass approximately 1,037 square miles of land ranging from the San Joaquin Valley to the Sierra Nevada mountains. With elevations ranging from 200 feet in the west to over 8,000 feet in the east, the District’s facilities cover a diverse geographical area with numerous water, wastewater and hydroelectric projects.

The District currently provides water service to approximately 13,098 residential and commercial customer accounts in five major water service areas. With the exception of the Wallace service area, the District uses surface water from the Mokelumne, Calaveras and Stanislaus rivers to service its customers. Wallace customers are served by groundwater pumped from wells owned and operated by the District. The District also operates and maintains five major wastewater service areas that provide sanitary sewer services to approximately 4,856 customers.

In addition to water and wastewater operations, the District owns hydroelectric facilities inclusive of major dams, reservoirs, tunnels and generation facilities which are governed and licensed by the Federal

Energy Regulatory Commission (“FERC”) and operated by other entities, and aside from augmenting revenues these assets are not addressed in this report.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The District is a proprietary entity and uses enterprise fund accounting to report its activities for financial statement purposes in accordance with the Government Accounting Standards Board (“GASB”). Proprietary funds are reported using the accrual basis of accounting and account for activities in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed primarily through user rates, fees, and charges.

The Audited Financial Statements provide readers with a broad overview of the District’s finances, and include the following four sections: the Basic Financial Statements, Required Supplementary Information, Other Supplementary Information, and the Compliance Report (see below for further details). Another key component of the Audit is this section, Management’s Discussion and Analysis.

REQUIRED FINANCIAL STATEMENTS

The required financial statements include the Balance Sheet, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows, which when taken in its totality offer both short and long-term financial information about the District’s activities.

The *Balance Sheet* includes all of the District’s assets, deferred outflows, liabilities, and deferred inflows, which provide information about the nature, and amounts, of investments in assets and obligations to District creditors. The *Statement of Revenues, Expenses and Changes in Net Position* accounts for current year’s revenues and expenses and measures the District’s operations over the past year, and can be used to determine the extent to which the District has successfully recovered its costs through its rates, fees, facility capacity charges, and other charges.

The *Statement of Cash Flows* provides information about the District’s cash receipts and payments during the reporting period, as well as net changes in cash resulting from operations, investing, and financing activities, while excluding such non-cash accounting measures as the depreciation of assets. The statement explains where cash came from, where cash was used, and the change in the cash balance during the reporting period.

NOTES TO BASIC FINANCIAL STATEMENTS

The *Notes to the Basic Financial Statements* provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The Notes to the Basic Financial Statements are an integral part of, and can be found immediately following, the financial statements.

OTHER INFORMATION

The Basic Financial Statements also present certain required supplemental information. This includes a *Schedule of the District’s Proportionate Share of the Net Pension Liability*, a *Schedule of Contributions to the Pension Plan*, a *Combining Statement of Fiduciary Net Position Assessment District Agency Fund*, and the *Debt Service Coverage Ratios for the Water and Sewer Funds*.

FINANCIAL ANALYSIS OF THE DISTRICT

The District analyzes changes in its major funds (water, sewer and public financing authority) “in total.” For the next reporting period, fiscal year 2018-19, the District will consider analyzing changes in each major fund as well as “in total.” Until that change occurs, the financial analysis of the funds is “in total.”

Below are some of the key financial highlights for the fiscal year ending June 30, 2018 and how they compare to the prior fiscal year (FY 2016-17). The source documents for the following condensed tables (A-1 through A-7) can be found in the *Basic Financial Statements*. A detailed analysis of the tables’ categories and year-to-year changes follows each table.

- The District’s Net Position, total assets and deferred outflows less total liabilities and deferred inflows, decreased by \$5.1 million
- Operating Revenues increased by \$0.1 million
- Non-operating Revenues increased by \$0.2 million
- Operating Expenses increased by \$1.6 million
- Non-operating Expenses increased by \$0.5 million
- Capital assets, net of depreciation, are \$108.3 million, a \$1.3 million decrease
- Long-term liabilities, as reported in Note D, decreased 18.23%, or \$1.9 million

BALANCE SHEETS

The District’s condensed balance sheets are displayed below:

Table A-1
Condensed Balance Sheets
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Current assets	\$ 13.8	\$ 13.4	\$ 0.4	2.99%
Noncurrent assets	25.7	24.3	1.4	5.76%
Other noncurrent and OPEB assets	0.0	1.2	(1.2)	-100.00%
Capital assets, net of accumulated depreciation	108.3	109.6	(1.3)	-1.19%
Deferred outflows of resources	4.6	3.0	1.6	53.33%
Total assets and deferred outflows of resources	152.4	151.5	0.9	0.59%
Current liabilities	3.4	4.1	(0.7)	-17.07%
Noncurrent liabilities	26.5	20.0	6.5	32.50%
Deferred inflows of resources	0.6	0.4	0.2	50.00%
Net position	121.9	127.0	(5.1)	-4.02%
Total liabilities, deferred inflows and net position	152.4	151.5	0.9	0.59%
Detail of net position				
Net investment in capital assets	103.3	100.7	2.6	2.58%
Restricted for expansion and construction	22.8	19.5	3.3	16.92%
Restricted for debt service	0.7	0.7	0.0	0.00%
Unrestricted	(5.0)	6.1	(11.1)	-181.97%
Total net position:	\$ 121.9	\$ 127.0	\$ (5.1)	-4.02%

Current Assets

Includes unrestricted cash and investments, receivables, inventory, and prepaid expenses.

As of June 30, 2018, current assets totaled \$13.8 million, \$0.4 million higher than the prior year.

Noncurrent Assets

Includes restricted cash and investments, and other receivables.

As of June 30, 2018, noncurrent assets totaled \$25.7 million, which is \$1.5 million higher than FY 2016-17. The two main categories, restricted cash and investments, experienced the largest increases as collections of restricted revenue outpaced spending.

Other Noncurrent and OPEB Assets

Includes Other Post-Employment Benefits (“OPEB”) assets.

Other noncurrent and OPEB assets totaled zero dollars, a \$1.2 million decrease from the prior year. For more information on OPEB see Note J of the *Notes to the Basic Financial Statements*.

Net Capital Assets

Includes property, plants, equipment, and construction in progress, net of accumulated depreciation.

As of June 30, 2018, net capital assets totaled \$108.3 million. Although \$3.2 million in assets were added to capital assets, the sale of property and equipment, disposal of equipment, the sale of the District’s “old” administration building and land, and current year depreciation expense resulted in a \$1.3 million decrease in net capital assets compared to the prior year.

Deferred Outflows of Resources

Deferred outflows of resources are classified as a consumption of net assets that are applicable to a future reporting period.

Deferred outflows of resources totaled \$4.6 million. The increase of \$1.6 million in deferred outflows reported as a change in assumptions is related to the CalPERS pension plan and is mainly due to a decline in the discount rate of the cost sharing pool in which the District participates. For more information on pension liability, see Note I of the *Notes to the Basic Financial Statements*.

Current Liabilities

Liabilities that are due within one year are considered current liabilities. They include accounts payable, accrued liabilities, and the current portion of long-term liabilities.

As of June 30, 2018, current liabilities totaled \$3.4 million, \$0.6 million lower than the prior year. The change is a result of decreased amounts owed to outside contractors due to the completion of the Ebbetts Pass Reach 3a Transmission project, and due to a decrease in the current portion of long-term debt.

Noncurrent Liabilities

Noncurrent liabilities are liabilities net of current portion. They include long-term debt and loans due after one year and net pension liability.

Noncurrent liabilities totaled \$26.5 million as of June 30, 2018. With the implementation of GASB No. 75 (Other Post-Employment Benefits), and the ongoing GASB No. 68 (Pension Liability) valuation calculation the combined pension and OPEB liabilities increased \$9.2 million from the prior year. A reduction in the current portion of long-term debt, \$1.8 million, along with some miscellaneous changes resulted in a net increase in noncurrent liabilities of \$6.5 million.

Deferred Inflows of Resources

An acquisition of resources that is applicable to a future reporting period, or deferred pension inflows.

Deferred inflows of resources totaled \$0.6 million, \$0.2 million more than FY 2016-17. For more information on the pension plan, see Note I of the *Notes to the Basic Financial Statements*.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The table below displays a condensed version of the Statement of Revenues, Expenses and Changes in Net Position for the year ending June 30, 2018. The District's Net Position in 2018 decreased from \$127.0 million to \$121.9 million, or \$5.1 million. This change is due in part to the District's adoption of GASB Statement No. 75, which resulted in recording a restatement that decreased the net position by \$7.1 million as of July 1, 2017.

Table A-2
Condensed Statement of Revenues, Expenses and Changes in Net Position
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Operating revenues	\$ 12.3	\$ 12.2	\$ 0.1	0.82%
Nonoperating revenues	4.3	4.1	0.2	4.88%
Total revenues	<u>16.6</u>	<u>16.3</u>	<u>0.3</u>	<u>1.84%</u>
Operating expenses	16.3	14.7	1.6	10.88%
Depreciation	3.9	3.8	0.1	2.63%
Nonoperating expenses	0.8	0.3	0.5	166.67%
Total expenses	<u>21.0</u>	<u>18.8</u>	<u>2.2</u>	<u>11.70%</u>
Net (Loss) income before capital contributions	<u>(4.4)</u>	<u>(2.5)</u>	<u>(1.9)</u>	<u>76.00%</u>
Expansion fees	0.6	0.7	(0.1)	-14.29%
Capital renovation and replacement (R&R) fees	4.4	4.4	0.0	0.00%
Other capital contributions	0.8	0.8	0.0	0.00%
Ebbetts Pass Reach 3a Pipeline (USDA) Grant	0.6	0.7	(0.1)	100.00%
Total capital contributions and transfers	<u>6.4</u>	<u>6.6</u>	<u>(0.2)</u>	<u>-3.03%</u>
Change in net position	2.0	4.1	(2.1)	-51.22%
Net position at beginning of year				
as previously reported	127.0	122.9		
Restatement	<u>(7.1)</u>			
Net position at beginning of year - as restated	<u>119.9</u>	<u>122.9</u>		
Net position at end of year	<u>\$ 121.9</u>	<u>\$ 127.0</u>	<u>\$ (5.1)</u>	<u>-4.02%</u>

Operating Revenues

Operating revenues account for approximately seventy-four percent (74%) of the District's revenues. The majority of the revenues come from water sales, including base rates and consumptive revenues.

Table A-3
Operating Revenues
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Water sales and sewer charges	\$ 11.8	\$ 11.7	\$ 0.1	0.85%
Water and sewer fees	0.5	0.5	0.0	0.00%
Total operating revenues	<u>\$ 12.3</u>	<u>\$ 12.2</u>	<u>\$ 0.1</u>	<u>0.82%</u>

A growth in new accounts and increased customer water consumption in FY 2017-18 led to a \$0.1 million increase in operating revenues over the prior fiscal year.

Nonoperating Revenues

Nonoperating revenues include property taxes, hydroelectric power sales, and investment income.

Nonoperating revenues, increased \$0.2 million, from \$4.1 million in FY 2016-17 to \$4.3 million in FY 2017-18. Increases in hydroelectric generation, slightly higher interest revenues, and property tax growth contributed to the increase.

Table A-4
Nonoperating Revenues
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Property taxes and assessments	\$ 2.9	\$ 2.7	\$ 0.2	7.41%
Investment income	0.4	0.3	0.1	33.33%
Power sales	0.8	0.8	0.0	0.00%
Other income	0.2	0.2	0.0	0.00%
Grant revenues	0.1	0.1	0.0	0.00%
Total operating expenses, excluding depreciation	<u>\$ 4.3</u>	<u>\$ 4.1</u>	<u>\$ 0.2</u>	<u>4.88%</u>

Operating Expenses, Excluding Depreciation

Approximately sixty-two percent (62%) of the District's operating expenses are salaries and benefits, followed by utility services and professional services. Other significant operating expenses include other operating expenses and repairs and maintenance.

Table A-5
Operating Expenses, Excluding Depreciation
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Salaries and benefits	\$ 10.1	\$ 8.6	\$ 1.5	17.44%
Repairs and maintenance	1.0	1.0	0.0	0.00%
Materials and supplies	0.9	0.8	0.1	12.50%
Utility services	1.1	1.3	(0.2)	-15.38%
Professional services	1.4	1.2	0.2	16.67%
Vehicle and equipment	0.3	0.4	(0.1)	-25.00%
Other operating expenses	1.1	1.1	0.0	0.00%
Travel and training	0.1	0.1	0.0	0.00%
Director costs	0.1	0.1	0.0	0.00%
Postemployment benefits	0.1	0.1	0.0	0.00%
Total operating expenses, excluding depreciation	<u>\$ 16.3</u>	<u>\$ 14.7</u>	<u>\$ 1.6</u>	<u>10.88%</u>

Total FY 2017-18 operating expenses, excluding depreciation, were \$16.3 million, \$1.5 million greater than the prior year. Benefit increases are due to higher CalPERS normal and unfunded liability costs, increased retiree health contributions, and MOU increases, which resulted in higher salary costs.

Nonoperating Expenses

Includes gain/(loss) on the sale of capital assets, and debt service interest expense.

Table A-6
Nonoperating Expenses
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Gain/(loss) on sale of capital assets	\$ 0.6	\$ -	\$ 0.6	
Interest expense	0.3	0.3	0.0	0.00%
Total nonoperating expenses	<u>\$ 0.8</u>	<u>\$ 0.3</u>	<u>\$ 0.5</u>	<u>166.67%</u>

Nonoperating expenses were \$0.8 million, The loss on the sale of capital assets (\$0.6 million) was a result of the sale of the former administration building; interest expense remains relatively unchanged from the prior year.

Net Operating Income (Loss), Excluding Depreciation and Amortization

An important measure of an organization's performance.

Table A-7
Net Operating Income, Excluding Depreciation
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Operating revenues	\$ 12.3	\$ 12.2	\$ 0.1	0.82%
Operating expenditures	(16.3)	(14.7)	(1.6)	10.88%
Net operating income/(loss), excluding depreciation	\$ (4.0)	\$ (2.5)	\$ (1.5)	60.00%

In spite of increased water sales, the FY 2017-18 net operating loss, excluding depreciation, is \$1.5 million greater than FY 2016-17. The increase in operating expenditures are a result of increased salary and benefits expenses, including CalPERS and retiree health, and higher utility services costs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

Additions and deletions to capital assets encompass a broad range of infrastructure, including water and sewer plants, recycled water facilities, construction in progress, and other assets such as vehicles, equipment, office equipment, and furniture. All capital asset increases are consistent with the District's implementation of its capital improvement program. Details of the District's capital assets, net of accumulated depreciation, are listed in the following table:

Table A-8
Capital Assets, Net of Accumulated Depreciation
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Capital assets, not being depreciated				
Land	\$ 13.4	\$ 13.6	\$ (0.2)	-1.47%
Construction in progress	2.9	6.2	(3.3)	-53.23%
Total capital assets, not being depreciated	16.3	19.8	(3.5)	-17.68%
Capital assets, being depreciated				
Buildings	7.6	8.3	(0.7)	-8.43%
Utility system - infrastructure	82.2	79.8	2.4	3.01%
Machinery and equipment	2.2	1.7	0.5	29.41%
Total capital assets, being depreciated	92.0	89.8	2.2	2.45%
Total capital assets, net	\$ 108.3	\$ 109.6	\$ (1.3)	-1.19%

Additional information about capital assets is presented in Note C of the *Notes to the Basic Financial Statements*.

Net capital assets totaled approximately \$108.3 million, \$1.3 million lower than the prior year. An increase of \$3.2 million in capital assets was offset by reductions of \$0.7 million in retirements, and \$3.9 million in current year depreciation expense.

The major capital asset additions for fiscal year 2017-18 include:

- \$1.0 million for the Jenny Lind Water Treatment Plant Pretreatment Project
- \$0.6 million for Ebbetts Pass Reach 3a Transmission Pipeline Replacement Project
- \$0.4 million for the Ebbetts Pass Reach 1 Water Line Replacement Project
- \$0.3 million for the Jenny Lind Regulating Station
- \$0.1 million for the Pipeline Replacement

LONG-TERM DEBT AND LOANS

As of June 30, 2018, the District had \$7.8 million in long-term debt and loans outstanding, and a compensated absences balance of \$0.9 million. Total long-term liabilities decreased \$1.9 million, or -18.23% from FY 2016-17 as the District continued to make scheduled principal payments on its water and sewer revenue loans, the U.S. Bureau of Reclamation Note, and its PERS Side Fund Pension Loan.

A condensed summary of the District's long-term liabilities are as follows:

Table A-9
Condensed Long Term Liabilities
(in millions)

	As of June 30		Dollar Change	Percent Change
	2018	2017		
Water Fund:				
Water Revenue Loans	\$ 3.4	\$ 4.5	\$ (1.1)	-24.44%
U.S. Bureau of Reclamation Note	0.3	0.3	0.0	0.00%
Pension Loan	0.2	0.4	(0.2)	-50.00%
Total Water Fund loans and notes	3.9	5.2	(1.3)	-25.00%
Compensated absences	0.6	0.6	0.0	0.00%
Total Water Fund liabilities	4.5	5.8	(1.3)	-22.41%
Sewer Fund:				
Sewer Revenue Loans	1.1	1.6	(0.4)	-25.00%
U.S. Bureau of Reclamation Note	0.1	0.1	0.0	0.00%
Pension Loan	0.1	0.2	(0.1)	-50.00%
Total Sewer Fund loans and notes	1.3	1.9	(0.5)	-26.32%
Compensated absences	0.3	0.3	0.0	0.00%
Total Sewer Fund liabilities	1.6	2.2	(0.5)	-22.73%
Public Financing Authority				
Water Revenue Bonds	2.6	2.6	0.0	0.00%
Total long-term liabilities	\$ 8.7	\$ 10.6	\$ (1.9)	-18.23%

Additional information on the District's debt and loans can be found in Note D of the *Notes to the Basic Financial Statements*.

ECONOMIC CONDITION AND OUTLOOK

Calaveras County's employment picture continued to improve as the unemployment rate dropped from an adjusted 4.7 percent (4.7%) in June 2017 to 4.1 percent (4.1%) in June 2018. The county's economy has been creating jobs at a rate of 3.2%, which is greater than the entire California economy's job creation rate of 2.0 percent (2.0%). The largest job gains were recorded in construction, retail and leisure services. The county has now reached a "full employment" scenario where future job growth will be minimal and the unemployment rate will not experience significant declines. Furthermore, the county's population is projected to decline annually 0.2 percent (0.2%) from 2018 to 2023. As a result, wage growth is expected to slow to 1.3 percent (1.3%) per year between 2018 and 2023.

While the public sector remains the County's largest employer, accounting for approximately twenty-eight percent (28%) of all jobs, future job gains are expected to occur in leisure services, healthcare and education, and retail trade. It is likely that a portion of these new jobs will be filled by non-county residents due to the aging of the county's current workforce and projected county population declines. With fewer people moving into the county, demand for construction of new housing units will likely remain low. Thus, the number of new water and sewer service connections will also remain low, as will capacity fee revenues. Conversely, slower growth does delay the need to expand the water and sewer systems to accommodate new connections.

The District, through its Capital Renovation and Replacement ("Capital R&R") water and sewer rates, continues its commitment to fund the renovation and replacement of its capital infrastructure – pipeline, lift stations, storage tanks, etc. The Capital R&R rate revenues, in conjunction with the water and sewer loans and grants, have provided the much-needed funding for capital projects. The District's Board of Directors annually reviews and adopts the District's Five-Year Capital Improvement Program (CIP), which is the basis for the subsequent year's CIP budget.

The state recently passed SB 606 and AB 1668 which establishes an indoor, per person water use goal of 55 gallons per day starting in 2022 and lowers it to 50 gallons per day starting in 2030. Targets for outdoor water use will be set differently for each area taking into account factors like local precipitation and climate zone. It is unknown at this time how consumptive water sales and revenues will be affected. Although the District has ample water supplies to meet customer demands, the District's customers have yet to return to pre-drought consumptive levels.

The District recently adopted a five-year water and sewer rate plan that runs from 2018 through 2023. These additional operating revenues will help offset the costs of operating and maintaining water and sewer systems on a 24/7 basis, as much of the treatment and regulatory costs are fixed. Although the District remains vigilant in implementing cost-cutting and efficiency measures to reduce expenses, these measures cannot be allowed to compromise the District's ability to meet public health and safety requirements. As always, the District is committed to monitoring its fiscal condition as well as the state of the local economy.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, customers, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need any additional information, contact the District at (209) 754-3543 or via our website at www.ccwtd.org.

BASIC FINANCIAL STATEMENTS

CALAVERAS COUNTY WATER DISTRICT

BALANCE SHEET - PROPRIETARY FUNDS

June 30, 2018

(With Prior Year Data for Comparative Purposes Only)

	Business-type Activities - Enterprise Funds			Totals for Comparative Purposes Only	
	Water	Sewer	Public Financing Authority	2018	2017
ASSETS AND DEFERRED					
OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and cash equivalents	\$ 8,420,084			\$ 8,420,084	\$ 7,519,203
Investments	578,161			578,161	1,191,914
Accounts receivable	1,931,012	\$ 884,919		2,815,931	2,679,549
Taxes receivable	146,880	38,373		185,253	234,187
Grants receivable	462,794	25,530		488,324	1,256,258
Interest receivable	58,009	8,642		66,651	32,317
Prepaid expenses and other assets	83,176	30,764		113,940	100,845
Deposits	3,285	1,215		4,500	
Due from other funds	1,126,267			1,126,267	346,633
TOTAL CURRENT ASSETS	12,809,668	989,443		13,799,111	13,360,906
NONCURRENT ASSETS					
Restricted Assets:					
Cash and cash equivalents	15,918,857	5,635,448		21,554,305	17,894,220
Investments	1,093,087	627,547		1,720,634	3,266,435
Interest receivable	42,181	15,461		57,642	26,940
Due from other funds					716,110
Interfund loans		2,351,139		2,351,139	2,362,011
Total Restricted Assets	17,054,125	8,629,595		25,683,720	24,265,716
Other noncurrent assets	27,819	10,290		38,109	35,764
Notes receivable	7,842	2,900		10,742	10,742
Other postemployment benefits asset					1,110,358
Capital assets:					
Nondepreciable	6,401,223	9,907,317		16,308,540	19,804,788
Depreciable, net	61,170,234	30,795,860		91,966,094	89,790,490
Total Capital Assets, Net	67,571,457	40,703,177		108,274,634	109,595,278
TOTAL NONCURRENT ASSETS	84,661,243	49,345,962		134,007,205	135,017,858
TOTAL ASSETS	97,470,911	50,335,405		147,806,316	148,378,764
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan	2,485,992	919,477		3,405,469	3,039,687
Other postemployment benefits	946,210	282,634		1,228,844	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 100,903,113	\$ 51,537,516	\$ -	\$ 152,440,629	\$ 151,418,451

CALAVERAS COUNTY WATER DISTRICT

BALANCE SHEET - PROPRIETARY FUNDS (Continued)

June 30, 2018

(With Prior Year Data for Comparative Purposes Only)

	Business-type Activities - Enterprise Funds			Totals for Comparative Purposes Only	
	Water	Sewer	Public Financing Authority	2018	2017
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
CURRENT LIABILITIES					
Accounts payable and accrued expenses	\$ 425,552	\$ 244,896		\$ 670,448	\$ 830,953
Deposits payable	68,929	24,054		92,983	84,954
Accrued interest payable	28,082	9,575	\$ 19,239	56,896	67,979
Due to other funds					346,633
Current portion of long-term liabilities	1,799,670	763,979	43,700	2,607,349	2,699,063
TOTAL CURRENT LIABILITIES	2,322,233	1,042,504	62,939	3,427,676	4,029,582
NONCURRENT LIABILITIES					
Due to other funds		1,126,267		1,126,267	716,110
Interfund loans	2,351,139			2,351,139	2,362,011
Retention payable	12,723			12,723	182,034
Noncurrent portion of long-term liabilities	2,620,032	912,174	2,535,600	6,067,806	7,910,790
Net pension liability	7,476,672	2,765,344		10,242,016	8,797,338
Net other postemployment benefits liability	4,863,946	1,798,994		6,662,940	
TOTAL NONCURRENT LIABILITIES	17,324,512	6,602,779	2,535,600	26,462,891	19,968,283
TOTAL LIABILITIES	19,646,745	7,645,283	2,598,539	29,890,567	23,997,865
DEFERRED INFLOWS OF RESOURCES					
Pension plan	357,194	132,113		489,307	385,085
Other postemployment benefits	108,826	32,506		141,332	
TOTAL DEFERRED INFLOWS OF RESOURCES	466,020	164,619		630,639	385,085
NET POSITION					
Net investment in capital assets	63,882,255	39,453,126		103,335,381	100,660,566
Restricted for expansion and construction	14,525,275	8,303,810		22,829,085	19,554,032
Restricted for debt service	520,464	192,500		712,964	712,964
Unrestricted	1,862,354	(4,221,822)	(2,598,539)	(4,958,007)	6,107,939
TOTAL NET POSITION	80,790,348	43,727,614	(2,598,539)	121,919,423	127,035,501
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 100,903,113	\$ 51,537,516	\$ -	\$ 152,440,629	\$ 151,418,451

The accompanying notes are an integral part of these financial statements

CALAVERAS COUNTY WATER DISTRICT

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - PROPRIETARY FUNDS

For the Year Ended June 30, 2018
(With Prior Year Data for Comparative Purposes Only)

	Business-type Activities - Enterprise Funds			Totals for Comparative Purposes Only	
	Water	Sewer	Public Financing Authority	2018	2017
OPERATING REVENUE					
Water sales and sewer charges	\$ 7,588,569	\$ 4,242,121		\$ 11,830,690	\$ 11,699,110
Water and sewer fees	346,412	105,761		452,173	458,382
TOTAL OPERATING REVENUE	7,934,981	4,347,882		12,282,863	12,157,492
OPERATING EXPENSES					
Salaries and benefits	6,950,205	3,191,671		10,141,876	8,527,791
Repairs and maintenance	692,601	339,040		1,031,641	970,949
Materials and supplies	453,559	451,515		905,074	793,094
Utility services	665,757	455,642		1,121,399	1,307,743
Professional services	1,004,712	415,413		1,420,125	1,277,462
Vehicle and equipment	198,559	111,890		310,449	352,547
Other operating expenses	648,395	446,578		1,094,973	1,121,821
Travel and training	36,449	16,235		52,684	72,419
Director costs	91,705	32,506		124,211	103,942
Postemployment benefits	(23,376)	133,140		109,764	139,482
Depreciation	2,656,687	1,210,174		3,866,861	3,826,922
TOTAL OPERATING EXPENSES	13,375,253	6,803,804		20,179,057	18,494,172
NET LOSS FROM OPERATIONS	(5,440,272)	(2,455,922)		(7,896,194)	(6,336,680)
NONOPERATING REVENUES (EXPENSES)					
Property taxes and assessments	2,289,765	594,243		2,884,008	2,741,136
Investment income	263,827	126,926		390,753	281,507
Power sales	552,143	204,217		756,360	769,488
Other income	183,699	6,467		190,166	202,974
Grant revenues	46,479	31,539		78,018	110,368
Gain/(loss) on sale of capital assets	(444,942)	(108,566)		(553,508)	(31,354)
Interest expense	(156,747)	(57,968)	\$ (57,959)	(272,674)	(290,721)
TOTAL NONOPERATING REVENUES (EXPENSES)	2,734,224	796,858	(57,959)	3,473,123	3,783,398
NET (LOSS) INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(2,706,048)	(1,659,064)	(57,959)	(4,423,071)	(2,553,282)
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Expansion fees	430,858	136,809		567,667	702,869
Capital renovation and replacement (R & R) fees	3,272,222	1,177,119		4,449,341	4,388,694
Other capital contributions	770,880			770,880	806,666
Ebbetts Pass Reach 3A Pipeline (USDA) grant			629,795	629,795	748,205
Transfers in	4,022,406	90,057	100,519	4,212,982	18,906
Transfers (out)	(190,576)	(49,712)	(3,972,694)	(4,212,982)	(18,906)
TOTAL CAPITAL CONTRIBUTIONS AND TRANSFERS	8,305,790	1,354,273	(3,242,380)	6,417,683	6,646,434
CHANGE IN NET POSITION	5,599,742	(304,791)	(3,300,339)	1,994,612	4,093,152
Net position at beginning of year - as previously reported	80,452,517	45,881,184	701,800	127,035,501	122,942,349
Restatement	(5,261,911)	(1,848,779)		(7,110,690)	
Net position at beginning of year - as restated	75,190,606	44,032,405	701,800	119,924,811	122,942,349
NET POSITION AT END OF YEAR	\$ 80,790,348	\$ 43,727,614	\$ (2,598,539)	\$ 121,919,423	\$ 127,035,501

The accompanying notes are an integral part of these financial statements

CALAVERAS COUNTY WATER DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the Year Ended June 30, 2018
(With Prior Year Data for Comparative Purposes Only)

	Business-type Activities - Enterprise Funds			Totals for Comparative Purposes Only	
	Water	Sewer	Public Financing Authority	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	\$ 7,866,926	\$ 4,285,239		\$ 12,152,165	\$ 12,199,894
Cash paid to suppliers for goods and services	(3,295,937)	(2,285,402)		(5,581,339)	(5,931,892)
Cash paid to employees for services	(6,974,131)	(2,955,117)		(9,929,248)	(9,582,472)
NET CASH USED FOR OPERATING ACTIVITIES	<u>(2,403,142)</u>	<u>(955,280)</u>		<u>(3,358,422)</u>	<u>(3,314,470)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Property taxes and assessments	2,316,183	616,759		2,932,942	2,649,921
Power sales	552,143	204,217		756,360	769,488
Other income	183,806	6,360		190,166	202,973
Operating grants from outside agencies	(60,148)	51,227		(8,921)	37,227
Interfund transfers	(461,374)	461,374			
NET CASH (USED) PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>2,530,610</u>	<u>1,339,937</u>		<u>3,870,547</u>	<u>3,659,609</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital contributions received	4,580,628	1,313,928	\$ 1,378,000	7,272,556	6,004,897
Acquisition of capital assets	(2,098,900)	(515,161)	(1,028,582)	(3,642,643)	(4,861,727)
Proceeds from disposals of capital assets	103,926	40,206		144,132	60,951
Interfund capital transfers	251,593		(251,593)		
Proceeds from long-term liabilities					2,592,000
Principal paid on long-term liabilities	(1,322,191)	(561,827)	(42,700)	(1,926,718)	(2,590,907)
Interest payments on long-term liabilities	(164,736)	(61,204)	(57,817)	(283,757)	(289,128)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>1,350,320</u>	<u>215,942</u>	<u>(2,692)</u>	<u>1,563,570</u>	<u>916,086</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Maturities of investments	(46,675)	1,150,414		1,103,739	1,988,973
Purchases of investments	1,675,533	(619,718)		1,055,815	(3,132,122)
Interest received	211,684	114,033		325,717	45,599
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>1,840,542</u>	<u>644,729</u>		<u>2,485,271</u>	<u>(1,097,550)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS					
	3,318,330	1,245,328	(2,692)	4,560,966	163,675
Cash and cash equivalents at beginning of year	21,020,611	4,390,120	2,692	25,413,423	25,249,748
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 24,338,941</u>	<u>\$ 5,635,448</u>	<u>\$ -</u>	<u>\$ 29,974,389</u>	<u>\$ 25,413,423</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE COMBINING BALANCE SHEET					
Cash and cash equivalents	\$ 8,420,084			\$ 8,420,084	\$ 7,519,203
Restricted cash and cash equivalents	15,918,857	\$ 5,635,448		21,554,305	17,894,220
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 24,338,941</u>	<u>\$ 5,635,448</u>	<u>\$ -</u>	<u>\$ 29,974,389</u>	<u>\$ 25,413,423</u>

CALAVERAS COUNTY WATER DISTRICT

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Continued)

For the Year Ended June 30, 2018
(With Prior Year Data for Comparative Purposes Only)

	Business-type Activities - Enterprise Funds			Totals for Comparative Purposes Only	
	Water	Sewer	Public Financing Authority	2018	2017
RECONCILIATION OF NET LOSS FROM OPERATIONS TO NET CASH USED FOR OPERATING ACTIVITIES:					
Net loss from operations	\$ (5,440,272)	\$ (2,455,922)		\$ (7,896,194)	\$ (6,336,680)
Adjustments to reconcile net loss from operations to net cash used for operating activities:					
Depreciation	2,656,687	1,210,174		3,866,861	3,826,922
Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources:					
Accounts receivable	(71,752)	(64,630)		(136,382)	32,544
Prepaid expenses and other assets	(8,551)	(4,544)		(13,095)	48,184
Deposits	(3,285)	(1,215)		(4,500)	
Deferred charges	(1,354)	(991)		(2,345)	1,465
Other postemployment benefits asset					(408,754)
Net pension liability and related deferred inflows and outflows of resources	388,567	369,647		758,214	(198,454)
Accounts payable and accrued expenses	71,888	(2,918)		68,970	(332,337)
Deposits payable	5,051	2,978		8,029	8,393
Compensated absences	(121)	(7,859)		(7,980)	44,247
NET CASH USED FOR OPERATING ACTIVITIES	<u>\$ (2,403,142)</u>	<u>\$ (955,280)</u>	<u>\$ -</u>	<u>\$ (3,358,422)</u>	<u>\$ (3,314,470)</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:					
Change in unrealized gain/loss on investments	\$ 38,193	\$ 14,126		\$ 52,319	\$ (242,965)
Capital asset purchases payable	\$ (56,506)				\$ (398,786)
Change in bond proceeds receivable					\$ 162,215

The accompanying notes are an integral part of these financial statements.

CALAVERAS COUNTY WATER DISTRICT

STATEMENT OF FIDUCIARY NET POSITION
ASSESSMENT DISTRICT AGENCY FUND

June 30, 2018

(With Prior Year Data for Comparative Purposes Only)

	Agency Funds	
	2018	2017
ASSETS		
Cash and cash equivalents	\$ 1,141,438	\$ 1,093,452
Interest receivable	2,956	1,419
Tax proceeds receivable		12,938
Due from County of Calaveras	21,999	15,357
Restricted assets:		
Cash and cash equivalents with fiscal agents	527,289	521,862
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,693,682</u>	<u>\$ 1,645,028</u>
LIABILITIES		
Accounts payable		\$ 4,966
Notes payable	\$ 10,742	10,742
Due to other governments	223,959	298,790
Due to bond holders	1,458,981	1,330,530
	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>\$ 1,693,682</u>	<u>\$ 1,645,028</u>

The accompanying notes are an integral part of these financial statements.

CALAVERAS COUNTY WATER DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2018

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The Calaveras County Water District (the District) was formed on September 6, 1946 under the County Water District Law (California Water Code Sections 30000-33901) for the purpose of assisting residents of Calaveras County in establishing and protecting their water resources. The District's boundaries are the same as the boundary lines of the County of Calaveras, which encompasses approximately 640,000 acres. The District provides retail water services to approximately 13,100 municipal, residential and commercial customers; retail sewer services to approximately 4,900 customers; and provides wholesale treated water to two independent retail water service providers. Water and sewer services are provided to five major operational areas and three smaller service areas within the boundaries of the District. The District is also engaged in the development of hydroelectric power for financial support and maximizing its water supply. The District has 76,300 acre-feet of post-1914 water rights on the North Fork of the Stanislaus River, 1,830 acre-feet of water rights on the Bear Creek tributary to the Middle Fork of the Mokelumne River, a contractual allocation of 31,278 acre-feet of the U.S. Bureau of Reclamation's water rights in the New Hogan Reservoir on the Calaveras River and water rights from various other sources. The District's facilities consist of five water treatment plants, twenty-eight treated water storage facilities and thirteen sewer treatment facilities.

The District has two power generating facilities operated by other governmental agencies under contracts where the District receives a contractual monthly payment and the other agencies receive the rights to power generated and are responsible for the operating costs of the hydroelectric power generating facilities. The Northern California Power Agency is responsible for the power generating facility on the North Fork of the Stanislaus River. The other power generating facility is at the New Hogan Reservoir, which is operated by the Modesto Irrigation District. However, in the case of the New Hogan Reservoir, the District and the Stockton East Water District reimburse the Army Corps of Engineers proportional shares of the operating and maintenance costs of the reservoir's dam and water storage.

The District's Federal Energy Regulatory Commission (FERC) license for both of these facilities expire in 2032. The FERC relicensing costs will be reported as part of construction in progress and will result in an intangible asset being reported when the license is issued that will be amortized over the license period.

The financial statements include the financial activities of the Calaveras County Water District Public Financing Authority (the Authority), which was formed under a joint exercise of power agreement between the District and the Independent Cities Finance Authority (ICFA). The Authority was established on April 4, 2016 to provide assistance to the District in the issuance of debt (see Note D). The Authority is a component unit of the District because the District's Board of Directors serves as the Board of Directors of the Authority and the District is financially accountable for the Authority. The JPA agreement provides that the liabilities of the Authority do not constitute liabilities of the District or ICFA, but requires the District and Authority to indemnify the ICFA for any and all costs and liabilities arising directly or indirectly from the Authority's activities. The District has a residual interest in any property held by the Authority upon its dissolution. The activity of the Authority is reported as the Public Financing Authority Enterprise Fund due to the separate reporting requirements under the joint exercise of powers agreement. The Authority does not issue separate financial statements.

The District is also a member of the following joint power authorities/agencies (JPAs) where the District is not responsible for the liabilities of the JPAs under the JPA agreements and only has a residual interest in any assets held by the JPAs upon termination of the agreements: Association of California Water Agencies (ACWA) and ACWA Joint Powers Insurance Authority, Calaveras-Amador Mokelumne River Authority, Calaveras Public Power Agency, Tuolumne-Stanislaus Integrated Regional Water Management Joint Powers Authority, Upper Mokelumne River Watershed Authority, and Eastern San Joaquin Groundwater Authority.

Basis of Presentation – Fund Accounting: The District's resources are allocated to and accounted for in these basic financial statements using the enterprise fund type of the proprietary fund group. A fund is a self-balancing set of accounts. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Net position for the enterprise fund represents the amount available for future operations.

The District reports the following major proprietary funds:

Water Fund — This fund accounts for the activities of providing water to rate payers of the District.

Sewer Fund — This fund accounts for the activities of providing sewer management to rate payers of the District.

Public Financing Authority Fund— This fund accounts for the activities of the Calaveras County Water District Public Financing Authority. The Authority was established to assist the District in the issuance of certain debt used for a water pipeline project, as discussed in Note D.

The District also reports the following fiduciary fund:

Agency Fund — This fund is used to account for assets held by the District as an agent for nine special assessment districts within its boundaries used to finance improvements within the special assessment districts, including improvements financed with special assessment bonds.

Basis of Accounting: The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on the flow of economic resources measurement focus and agency funds have no measurement focus. Under the flow of economic resources measurement focus, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the fund are included on the balance sheet. Net position is segregated into the net investment in capital assets, amounts restricted and amounts unrestricted. Enterprise fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position. Enterprise funds and agency funds use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the District, including providing water service, water supply development and planning, wastewater treatment and disposal and recycling. Operating revenues consist primarily of water sales, sewer charges and related fees. Operating expenses consist of the cost of sales and services, administration and depreciation on capital assets. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or ancillary activities. Cost reimbursement grant revenues are recognized as revenue when the reimbursable costs are incurred under the accrual basis of accounting.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents: For purposes of the statement of cash flows, the District considers all highly liquid investments with original maturity of three months or less, including restricted assets, to be cash equivalents, which includes investments in the California Local Agency Investment Fund (LAIF), money market mutual funds and certificates of deposit.

Accounts Receivable: Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. Receivables include a year-end accrual for water and sewer utility services provided through the end of the fiscal year that were not billed at year-end. Accounts receivable are reported net of an allowance for uncollectible accounts of \$33,975 and \$16,765 for the Water and Sewer Funds, respectively.

Restricted Assets: Restricted assets consist of unspent expansion and capital renovation and replacement (R & R) fees that are restricted to certain expansion and construction projects. Restricted assets also include unspent

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

bond proceeds that are restricted to future bond payments. Fiscal agent cash and cash equivalents in the Agency Funds represents amounts required to be held for future debt payments by the related bond indenture. Amounts payable from restricted assets in the Water and Sewer Funds at June 30, 2018 totaled \$3,525,416 and \$1,158,275, respectively, including accounts payable and principal payable on the Umpqua Bank 2014 Water and Sewer Revenue Loans as described in Note D.

Interfund Transactions: During the course of operations, numerous transactions occur between individual enterprise funds that may result in an amount owed between funds. “Due to and from other funds” represents short-term interfund receivables and payables. Interfund loans represent the noncurrent portion of interfund borrowings. The interfund loan outstanding between the Water and Sewer Fund at year-end includes a building loan for the District’s operations headquarters project and a loan to cover debt service for the Jenny Lind water expansion funds loan. Repayment terms are discussed in Note E.

Capital Assets: Capital assets are recorded at historical cost. Donated capital assets are recorded at the acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation and amortization are calculated using the straight-line method over the following estimated useful lives.

	<u>Years</u>
Buildings	50
Improvements other than buildings	15 - 50
Machinery and equipment	4 - 10
Vehicles	8 - 10
Computer equipment and software	3 - 4

It is the District’s policy to capitalize assets with a cost of \$5,000 or more with useful lives in excess of one year. The cost of assets sold or retired (and the related amounts of accumulated depreciation) is eliminated from the balance sheet in the year of sale or retirement, and the resulting gain or loss is recognized in operations.

Deferred Inflows and Outflows of Resources: In addition to assets and liabilities, the balance sheet will sometimes report separate sections for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources represent an acquisition of net position that is applicable to a future reporting period. These amounts will not be recognized as an outflow of resources (expense) or an inflow of resources (revenue) until the earnings process is complete. Deferred outflows and inflows of resources include amounts deferred related to the District’s pension plan under GASB Statement No. 68 as described in Note I and OPEB plan under GASB Statement No. 75 as described in Note J.

Compensated Absences: A total of 22 to 32 days of Personal Time Off (PTO) leave per year may be accumulated by each employee. Compensation time and holiday hours are also accrued as compensated absences. Employees are paid 100% of their PTO leave hours upon death, termination or retirement. The liability for compensated absences is recorded as a liability in the statement of net position. The current portion of this liability is estimated based on historical trends. The cost of compensated absences is recorded in the period it is incurred and is liquidated in the Water and Sewer Funds.

Pension Plan: For purposes of measuring the net pension liability, deferred outflows/inflows of resources and pension expense related to the pension plan, information about the fiduciary net position of the District’s CalPERS plan (Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Plan investments are reported at fair value.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Postemployment Benefits Plan (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense, information about the fiduciary net position of the plan held by PARS and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Budgetary Principles: The Board of Directors does not operate under any legal budgeting constraints. Budget integration is employed as a management control device. Budgets are formally adopted by the Board and take effect on each July 1.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. The District allocates general and administrative expenses 73% to the Water Fund and 27% to the Sewer Fund according to the relative number of water and sewer accounts.

Property Taxes: Secured and unsecured property taxes are levied on July 1 by the County of Calaveras. Secured property taxes are due in two installments, the first installment is due on November 1 and delinquent with penalties after December 10; the second installment is due February 1 and delinquent with penalties after April 10th, on property taxes assessed on July 1. Unsecured property taxes are payable in one installment on or before August 31. Property tax revenues are recognized in the fiscal year in which they are levied.

Comparative Totals: The financial statements include certain prior-year summarized comparative information in total but not by fund. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2017 from which the summarized information was derived.

Reclassifications: Certain 2017 expense balances have been reclassified to conform to the 2018 financial statement presentation. These reclassifications had no effect on total assets, liabilities, net position or change in net position.

New Pronouncements: In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*. The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. For governments that

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE A – REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

extinguish debt, whether through a legal extinguishment or through an in-substance defeasance, this Statement requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

In April 2018, the GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement improves the information that is disclosed in the notes to government financial statements and clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences and significant subjective acceleration clauses. For notes to the financial statement there is a requirement that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for the reporting periods beginning after June 15, 2018.

The District will fully analyze the impact of these new Statements prior to the effective dates listed above.

NOTE B – CASH AND INVESTMENTS

Cash and investments were reported in the financial statements as follows at June 30, 2018:

	Proprietary Funds	Fiduciary Funds	Total
Cash and cash equivalents	\$ 8,420,084	\$ 1,141,438	\$ 9,561,522
Investments	578,161		578,161
Restricted cash and cash equivalents	21,554,305		21,554,305
Restricted cash and cash equivalents with fiscal agents		527,289	527,289
Restricted investments	1,720,634		1,720,634
	<u>\$ 32,273,184</u>	<u>\$ 1,668,727</u>	<u>\$ 33,941,911</u>

Cash and investments were classified according to GASB Statement No. 40 as follows at June 30, 2018:

	Proprietary Funds	Fiduciary Funds	Total
Cash on hand	\$ 600		\$ 600
Bank deposits	4,965,347	\$ 691,459	5,656,806
Total cash and deposits	<u>4,965,947</u>	<u>691,459</u>	<u>5,657,406</u>
Medium term corporate notes	44,175		44,175
Local Agency Investment Fund (LAIF)	25,008,442	449,979	25,458,421
Non-negotiable certificates of deposit	2,254,620		2,254,620
Investments with fiscal agents:			
Money market mutual funds		207,314	207,314
Local Agency Investment Fund (LAIF)		319,975	319,975
Total investments	<u>27,307,237</u>	<u>977,268</u>	<u>28,284,505</u>
	<u>\$ 32,273,184</u>	<u>\$ 1,668,727</u>	<u>\$ 33,941,911</u>

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE B – CASH AND INVESTMENTS (Continued)

Investment policy: California statutes authorize governments to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized by the California Government Code (or the District’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. The District’s permissible investments included the following instruments:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Minimum Credit Quality
Local district bonds	5 years	50%	AA
U.S. Treasury obligations	5 years	100%	N/A
State of California obligations	5 years	100%	A
Other state obligations	5 years	20%	AA
California local district obligations	5 years	50%	AA
U.S. agency securities	5 years	100%	AAA
Bankers acceptances	180 days	40%	A
Commercial paper	270 days	25%	AA
Negotiable certificates of deposit	5 years	30%	N/A
Repurchase agreements	1 year	20%	None
Reverse repurchase agreements	92 days	20% of base	A
Medium term corporate notes	5 years	30%	A
Money market mutual funds	N/A	20%	(1)
Joint Powers Authority	N/A	20%	None
Collateralized bank deposits	5 years	20%	AA
Time deposits	2 years	20%	N/A
Local Agency Investment Fund (LAIF)	N/A	No limit	N/A
County pooled investment funds	N/A	30%	None
Non-negotiable certificates of deposit	2 years	40%	None

(1) Must be the highest rating by 2 of the 3 nationally recognized rating agencies.

The District complied with the provisions of the California Government Code pertaining to the types of investments held, the institutions in which deposits were made and the security requirements.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE B – CASH AND INVESTMENTS (Continued)

Investments Authorized by Debt Agreements: The District must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt agreements. These funds are unexpended bond proceeds or are pledged reserves to be used if the District fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with District resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Minimum Credit Quality
Local district bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
State of California obligations	5 years	100%	None
Other state obligations	5 years	None	None
California local district obligations	5 years	None	None
U.S. agency securities	5 years	None	None
Bankers acceptances	180 days	40%/30%	None
Commercial paper	270 days	25% or 10%	A1/P1/F1
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	Various
Reverse repurchase agreements	92 days	20% of base	A
Medium term corporate notes	5 years	30%	A or >
Money market mutual funds	N/A	20%	(1)
Joint Powers Authority	N/A	None	None
Collateralized bank deposits	5 years	None	AA
Time deposits	5 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
County pooled investment funds	N/A	None	None
Non-negotiable certificates of deposit	5 years	100%	None

(1) Must be highest rating by 2 of 3 of the nationally recognized rating agencies.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided in the following table that shows the distribution of the District's investments by maturity at June 30, 2018:

Investment Type	Total	12 Months or Less	13 to 24 Months	25 to 60 Months
Medium term corporate notes	\$ 44,175	\$ 44,175		
LAIF	25,458,421	25,458,421		
Non-negotiable certificates of deposit	2,254,620		\$ 325,180	\$ 1,929,440
Investments with fiscal agent:				
Money market mutual funds	207,314	207,314		
LAIF	319,975	319,975		
Total Investments	\$ 28,284,505	\$ 26,029,885	\$ 325,180	\$ 1,929,440

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE B – CASH AND INVESTMENTS (Continued)

California Local Agency Investment Fund: The District is a voluntary participant in the Local Agency Investment Fund (LAIF), which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills and corporate securities. The carrying value of LAIF approximates fair value.

Credit Risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of year-end for each investment type at June 30, 2018.

Investment Type	Total	Minimum Rating	Ratings as of Year End Not Rated
Medium term corporate notes ⁽¹⁾	\$ 44,175	A	\$ 44,175
LAIF	25,458,421	N/A	25,458,421
Non-negotiable certificates of deposit	2,254,620	None	2,254,620
Investments with fiscal agent:			
Money market mutual funds	207,314	N/A	207,314
LAIF	319,975	N/A	319,975
Total Investments	<u>\$ 28,284,505</u>		<u>\$ 28,284,505</u>

(1) Investment in Lehman Brothers note. Corporation filed for bankruptcy in 2008 and rating was withdrawn.

Concentration of Credit Risk: The investment policy of the District limits the amount that can be invested in any one issuer by the California Government Code. The California Government Code limits the amount that may be invested in any one issuer, as disclosed in the preceding table. GASB Statement No. 40 requires disclosure of investments with one issuer exceeding 5% of total investments, with the exception of U.S. Treasury obligations, mutual funds and external investment pools. The District's non-negotiable certificate of deposit with Wells Fargo Bank NA in the amount of \$1,929,440 exceeded 5% of total investments.

Custodial credit risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE B – CASH AND INVESTMENTS (Continued)

At June 30, 2018, the carrying amount of the District's deposits, including Agency Fund deposits and certificates of deposit, was \$7,911,426 and the balance in financial institutions was \$7,979,411. Of the balance in financial institutions, \$500,000 was covered by federal depository insurance and the remaining amount of \$7,479,411 was secured by a pledge of securities by the financial institution, but not in the name of the District. The California local district obligations, medium term corporate notes and money market mutual funds are held by the same broker-dealers (counterparty) used by the District to buy the securities.

On September 15, 2008, Lehman Brothers Holdings Inc. declared bankruptcy, which has had a direct and negative impact on the District's investment holdings. After consultation with the District's investment broker, the District decided to permanently write-down the carrying amount of the securities to the estimated recoverable market value and hold the securities through the bankruptcy proceedings. There is a market for selling the security and the District is able to determine a fair value. As of June 30, 2018, the District carried the Lehman securities at the estimated recoverable fair value provided by the investment broker of \$44,175. The amount ultimately recovered may differ from this estimate. The District recovered \$40,384 on the securities during the year-ended June 30, 2018.

California Local Agency Investment Fund (LAIF): LAIF is stated at fair value. LAIF is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The total fair value amount invested by all public agencies in LAIF is \$88,798,232,977, which is managed by the State Treasurer. Of that amount, 2.67 percent is invested in structured notes and asset-backed commercial paper. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consist of five members as designated by State Statute. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The weighted average maturity of investments held by LAIF was 193 days at June 30, 2018.

Fair Value Measurements: The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2018:

- Medium term corporate notes of \$44,175 are valued based on the estimated recoverable value based on information learned during the Lehman Brothers Holdings Inc. bankruptcy, which includes unobservable inputs (Level 3 inputs).

The District's investment in LAIF, non-negotiable certificates of deposit and money market mutual funds are not subject to fair value measurements or are measured at the net asset value of the underlying investments.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE C – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance at July 1, 2017	Additions	Retirements	Transfers and Adjustments	Balance at June 30, 2018
Capital assets, not being depreciated:					
Land	\$ 13,610,073	\$ 44,930	\$ (265,660)		\$ 13,389,343
Construction in progress	6,194,715	2,643,224	(15,277)	(5,903,465)	2,919,197
Total capital assets, not being depreciated	<u>19,804,788</u>	<u>2,688,154</u>	<u>(280,937)</u>	<u>(5,903,465)</u>	<u>16,308,540</u>
Capital assets, being depreciated:					
Buildings	18,603,518		(871,044)		17,732,474
Utility system - infrastructure	154,858,608	27,750	(44,839)	6,379,333	161,220,852
Machinery and equipment	17,928,987	527,953	(439,107)	(475,868)	17,541,965
Total capital assets, being depreciated	<u>191,391,113</u>	<u>555,703</u>	<u>(1,354,990)</u>	<u>5,903,465</u>	<u>196,495,291</u>
Less accumulated depreciation for:					
Buildings	(10,272,957)	(342,525)	502,807	(2,208)	(10,114,883)
Utility system - infrastructure	(75,129,044)	(3,159,134)	5,841	(790,603)	(79,072,940)
Machinery and equipment	(16,198,622)	(365,202)	429,639	792,811	(15,341,374)
Total accumulated depreciation	<u>(101,600,623)</u>	<u>(3,866,861)</u>	<u>938,287</u>		<u>(104,529,197)</u>
Total capital assets, being depreciated, net	<u>89,790,490</u>	<u>(3,311,158)</u>	<u>(416,703)</u>	<u>5,903,465</u>	<u>91,966,094</u>
Total capital assets, net	<u>\$ 109,595,278</u>	<u>\$ (623,004)</u>	<u>\$ (697,640)</u>	<u>\$ -</u>	<u>\$ 108,274,634</u>

NOTE D – LONG-TERM LIABILITIES

The activity of the District's long-term liabilities during the year ended June 30, 2018 was as follows:

	Balance at July 1, 2017	Additions	Retirements	Balance at June 30, 2018	Current Portion
Water Fund:					
Series 2013 Refunding Water Revenue Loan	\$ 442,726		\$ (442,726)		
Umpqua Bank 2014 Water Revenue Loan	4,061,933		(650,340)	\$ 3,411,593	\$ 1,113,008
U.S. Bureau of Reclamation Note - Hogan	322,291		(44,682)	277,609	39,917
Umpqua Bank Pension Loan	356,576		(184,443)	172,133	172,133
Total Water Fund loans and notes	<u>5,183,526</u>		<u>(1,322,191)</u>	<u>3,861,335</u>	<u>1,325,058</u>
Compensated absences	558,488	\$ 558,367	(558,488)	558,367	474,612
Total Water Fund liabilities	<u>5,742,014</u>	<u>558,367</u>	<u>(1,880,679)</u>	<u>4,419,702</u>	<u>1,799,670</u>
Sewer Fund:					
Series 2013 Refunding Sewer Revenue Loan	19,120		(19,120)		
Umpqua Bank 2014 Sewer Revenue Loan	1,494,792		(347,418)	1,147,374	374,311
Vac-Con Truck Loan	68,939		(68,939)		
U.S. Bureau of Reclamation Note - Hogan	113,237		(10,560)	102,677	14,764
Umpqua Bank Pension Loan	200,573		(115,790)	84,783	84,783
Total Sewer Fund loans and notes	<u>1,896,661</u>		<u>(561,827)</u>	<u>1,334,834</u>	<u>473,858</u>
Compensated absences	349,178	341,319	(349,178)	341,319	290,121
Total Sewer Fund liabilities	<u>2,245,839</u>	<u>341,319</u>	<u>(911,005)</u>	<u>1,676,153</u>	<u>763,979</u>
Public Financing Authority Fund:					
Series 2016 Water Enterprise Revenue Bonds	2,622,000		(42,700)	2,579,300	43,700
Total long-term liabilities	<u>\$ 10,609,853</u>	<u>\$ 899,686</u>	<u>\$ (2,834,384)</u>	<u>\$ 8,675,155</u>	<u>\$ 2,607,349</u>

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE D – LONG-TERM LIABILITIES (Continued)

Description of Water Fund Loans and Notes:

Series 2013 Refunding Water Revenue Loan: On February 1, 2013, the District obtained a loan from Compass Mortgage Corporation in the amount of \$7,188,541 to refund the 2004 Revenue Bonds. The loan is payable from a pledge on the District's net water revenues as defined in the agreement and the District must collect rates, fees and charges during the term of the loan that are at least equal to 125% of the debt service payments on this loan and all other parity debt. Annual principal payments were due each September 1 and the final principal payment of \$442,726 and final semi-annual interest payment of \$3,498 at 1.58% was paid September 1, 2017.

Umpqua Bank 2014 Water Revenue Loan: In April 2014, the District obtained a loan from Umpqua Bank for \$4,061,933 to fund various water improvement projects. The loan is payable from a pledge on the District's net water revenue as defined in the agreement and the District must collect rates, fees and charges during the term of the loan that are at least equal to 125% of the debt service payments on this loan and all other parity debt. Semi-annual principal and interest payments ranging from \$587,005 to \$593,471 are due beginning in September 1, 2018 through March 1, 2021. The interest rate on the loan is 2.12%.

Description of Sewer Fund Loans and Notes:

Series 2013 Refunding Sewer Revenue Loan: On February 1, 2013, the District obtained a loan from Compass Mortgage Corporation in the amount of \$310,459 to refund the 2004 Revenue Bonds. The loan is payable from a pledge on the District's net wastewater revenue as defined in the agreement and the District must collect rates, fees and charges that are at least equal to 125% of the debt service payments on this loan and all other parity debt. Annual principal payments were due each September 1 and the final principal payment of \$19,120 and the final semi-annual interest payment of \$151 at 1.58% was paid September 1, 2017.

Umpqua Bank 2014 Sewer Revenue Loan: In April 2014, the District obtained a loan from Umpqua Bank for \$2,337,528 to fund various wastewater improvement projects. The loan is payable from a pledge on the District's net wastewater revenue as defined in the agreement and the District must collect rates, fees and charges during the term of the loan that are at least equal to 125% of the debt service payments on this loan and all other parity debt. Semi-annual principal and interest payments ranging from \$197,428 to \$199,605 are due each September 1 and March 1 at 2.12% through September 1, 2021.

Vac-Con Truck Loan: On April 25, 2013, the District obtained a loan from Umpqua Bank in the amount of \$328,623 for the purchase of a Vac-Con truck. The loan is payable from a pledge on the District's net wastewater revenue as defined in the agreement and the District must collect rates, fees and charges that are at least equal to 140% of the debt service payments on the loan. The loan was paid quarterly in installments of \$17,628 including interest at 2.675% and the final payment was made in April 2018.

Description of Shared Water Fund and Sewer Fund Loans and Notes:

U.S. Bureau of Reclamation Note: Under the terms of a contract dated August 25, 1970, between the United States of America, the Stockton-East Water District and Calaveras County Water District, the two districts agreed to repay the United States of America 36.2% of the construction cost of the New Hogan Dam, excluding recreation features. Under the terms of a side agreement, the payment of all obligations under the Bureau contract is split between the two districts, whereby Stockton-East Water District is responsible for 43.5% of the repayments and Calaveras County Water District is responsible for 56.5% of the payments. The agreement required the Calaveras County Water District to make annual payments based on a variable computation to Stockton-East Water District through 2010 with no interest. The unpaid balance at September 2010 began to bear interest at 4.5%. Annual principal payments range from \$48,837 to \$55,242 and annual interest payments range from \$2,198 to \$17,113 through June 10, 2025. The remaining balance on the contract at June 30, 2018 was \$380,286.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE D – LONG-TERM LIABILITIES (Continued)

The contract also requires the District to make payments to Stockton-East Water District for the Calaveras County Water District's share of expenses for operations, maintenance, replacements and contract administration. These costs are expensed as incurred.

Umpqua Bank Pension Loan: On March 28, 2012, the District obtained a loan from Umpqua Bank for \$1,974,792 in order to pay off its side-fund with CalPERS in the same amount. The side fund represented the District's unfunded pension liability when the District joined a CalPERS cost-sharing pension plan. The loan is paid in monthly payments of \$26,051 including interest at 2.9%, maturing on April 1, 2019. The loan is secured by a pledge of a certificate of deposit in the amount of \$325,180 at June 30, 2018, maturing in May 2019.

Description of Public Financing Authority Fund Debt:

U.S. Department of Agriculture Bonds: On June 16, 2016, the Calaveras County Water District Public Financing Authority issued Series 2016 Water Enterprise Revenue Bonds with a borrowing limit of \$2,622,000 to assist in the funding of the Ebbetts Pass Reach 3A Pipeline Replacement Project. The Bonds will be paid solely from installment sale payments made from the District's net water system revenues to purchase the project assets. The bonds will be paid annually each September 1 in principal amounts ranging from \$43,700 to \$99,500 and semi-annual interest payments ranging from \$1,119 to \$29,017 at 2.25% from September 1, 2018 to September 1, 2055.

The annual requirements to amortize the outstanding loans and notes payable at June 30, 2018 were as follows:

Years ending June 30	Water Fund			Sewer Fund			Public Financing Authority Fund		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,325,058	\$ 82,136	\$ 1,407,194	\$ 473,858	\$ 28,428	\$ 502,286	\$ 43,700	\$ 57,543	\$ 101,243
2020	1,177,283	54,127	1,231,410	397,292	18,583	415,875	44,700	56,548	101,248
2021	1,201,954	27,641	1,229,595	405,601	9,602	415,203	45,700	55,531	101,231
2022	40,326	7,048	47,374	14,915	2,607	17,522	46,700	54,492	101,192
2023	40,326	5,234	45,560	14,915	1,936	16,851	47,700	53,430	101,130
2024-2028	76,388	5,023	81,411	28,253	1,858	30,111	255,200	250,364	505,564
2029-2033							285,200	219,998	505,198
2034-2038							318,800	186,001	504,801
2039-2043							356,300	148,121	504,421
2044-2048							398,300	105,711	504,011
2049-2053							445,100	58,321	503,421
2054-2056							291,900	9,951	301,851
	<u>\$ 3,861,335</u>	<u>\$ 181,209</u>	<u>\$ 4,042,544</u>	<u>\$ 1,334,834</u>	<u>\$ 63,014</u>	<u>\$ 1,397,848</u>	<u>\$ 2,579,300</u>	<u>\$ 1,256,011</u>	<u>\$ 3,835,311</u>

Pledged Revenues: The District has pledged future Water Fund and Sewer (wastewater) Fund revenues, net of specified operating expenses, to repay each of its Water Fund, Sewer Fund and Public Financing Authority loans and bonds as described above. Proceeds from the loans and bonds were used to fund certain water and sewer improvements, to purchase capital assets or refund certain prior debt issuances as described above. The loans and bonds are payable through September 1, 2055. Annual principal and interest on the loans and bonds are expected to be 75% or less (60% or less for the Vac-Con truck loan) of net revenues as required by the loan and bond covenants. Total principal and interest remaining to be paid on the loans and bonds are reported in the "Total" column for the Water Fund and Sewer Fund on the table above. Total principal and interest paid on all debt payable from net revenues in the Water and Sewer Funds was \$1,598,316 and \$623,031, respectively, and total water and sewer system net revenues were \$4,073,544 and \$1,040,378 for the year ended June 30, 2018. At June 30, 2018, the District's total water and sewer system net revenues were 255% and 167% of debt service payments, respectively, as described in the debt service coverage ratio calculation in the Other Supplementary Information section of the financial statements.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE E – INTERNAL LOAN

On January 11, 2012, the Board of Directors approved a building loan of \$3,000,000 from certain water and sewer expansion funds to pay for the construction of the District’s operations headquarters. This resulted in an internal loan outstanding of \$1,940,000 from the Sewer Fund to the Water Fund at June 30, 2018. The internal loan will be repaid with operating funds over ten years at an interest rate of 2.5% or the weighted average of the District's current return on investments each year, whichever is higher. The internal loan will be repaid on an "interest only" basis for the first five years and then principal payments of \$645,741 will be made each year thereafter in addition to yearly interest payments. As part of the fiscal year 2017-18 budget adoption (June 28, 2017), the Board approved delaying the start of the principal pay down one year (to fiscal year 2018-19), which extends the “interest only” period to six years. Thus, the revised term will be eleven years, including six years with interest only payments and five years with principal and interest payments.

On June 13, 2012, the Board of Directors approved a loan from special project funds in the District’s interest reserve funds to cover debt service payments for the Jenny Lind water expansion funds loan. The outstanding loan balance as of June 30, 2018 was \$1,522,736. This resulted in an internal loan of \$411,139 from the Sewer Fund to the Water Fund at June 30, 2018. The Jenny Lind water expansion funds debt service obligation ended September 2017. Future additional internal loan funds may be necessary. The internal loan is non-interest bearing and will be repaid from new water connection fees from the Jenny Lind service area as available.

NOTE F – INTERFUND TRANSACTIONS

Interfund balances at June 30, 2018 were as follows:

<u>Due from other funds</u>	<u>Due to other funds</u>	<u>Amount</u>
Water Fund	Sewer Fund	<u>\$ 1,126,267</u>
Total due to/from		<u>\$ 1,126,267</u>

Due from/to other funds typically result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, (3) payments between funds are made, or (4) revenue earned by a fund is not received until just after the end of the fiscal year. The amount the Sewer Fund owed to the Water Fund represents a cash deficit subsidized by the Water Fund, which does not bear interest. The Sewer Fund has not demonstrated the ability to repay the interfund borrowing within one year of the financial statement date. The District’s Sewer Rate Study dated April 2018 included repayment of this operating deficit over a period of 10 years at 2% interest with payments of \$193,540 per year, including interest.

Interfund transfers for the year ended June 30, 2018 were as follows:

<u>Fund Receiving Transfer</u>	<u>Fund Making Transfer</u>	<u>Amount</u>
Water Fund	Sewer Fund	\$ 49,712
Sewer Fund	Water Fund	90,057
Water Fund	Public Financing Authority Fund	3,972,694
Public Financing Authority Fund	Water Fund	<u>100,519</u>
Total interfund transfers		<u>\$ 4,212,982</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the funds that statute or budget requires to expend them, (2) move receipts restricted to debt service from the Funds collecting the receipts to the debt service fund as debt service payments become due and (3) subsidize operating losses. The Public Financing Authority transferred all of its capital assets to the Water Fund during the year.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE G – SPECIAL ASSESSMENT DISTRICT DEBT

The District acts as agent for the bondholders of five of the nine special assessment districts in the District’s service area. Each of these special assessment districts has issued bonds to finance improvements within the related district. The bonds are secured solely by liens on real property in the related assessment district. Calaveras County collects special assessments from the property owners in these special assessment districts. The special assessments collected are forwarded to the District, which directs payment to the bondholders through the designated paying agent. The District is not obligated in any manner in the event of default of this debt, which is not included in the District's financial statements. The outstanding principal amounts of these special assessment bonds at June 30, 2018, were as follows:

<u>District</u>	<u>Amount</u>
Westpoint Acres #3A	\$ 18,000
Arnold Sewer #9S4 A/B	134,000
Saddle Creek Refinance 2001	1,545,000
DaLee/Cassidy	775,000
Fly-In Acres	<u>1,800,000</u>
Total	<u>\$ 4,272,000</u>

Additionally, the La Contenta Assessment District (AD 604) remains in default/foreclosure. The District will continue to act as the agent for La Contenta as foreclosure counsel works with the remaining three delinquent property owners. One property was sold in November 2016 by the Calaveras County Treasurer-Tax Collector in a Public Auction for non-payment of property taxes. The County paid excess proceeds available after the sale to the District in March 2018. The other two properties are in foreclosure and have had summary judgements filed against them. At this time the value of the properties (both unimproved) are significantly less than the lien amounts.

NOTE H – NET POSITION

Net Position: Net position is categorized as the net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Net position restricted for expansion and construction consisted of unspent capital renovation and replacement (R&R) and expansion fee revenues, offset by liabilities recorded at year-end.

Unrestricted Net Position – This category represents net position not restricted for any project or other purpose.

Designations of Unrestricted Net Position: Designations of unrestricted net position may be imposed by the Board of Directors to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended or removed by Board action. They are reported as part of the District’s unrestricted net position.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE H – NET POSITION (Continued)

Designations of unrestricted net position consisted of the following designations limited to the amount of unrestricted net position available to designate in each fund and the amounts as approved by the Board of Directors at June 30, 2018:

	Limited to Unrestricted Net Position			As Approved		
	Water Fund	Sewer Fund	Public Financing Authority Fund	Water Fund	Sewer Fund	Public Financing Authority Fund
Designated:						
90 Day Emergency Operating Reserve				\$ 2,920,000	\$ 1,080,000	
Water Rights Reserve				3,000,000		
CIP Cash Flow Reserve	\$ 890,758			1,241,000	459,000	
Special Projects Reserve	971,078			971,078	359,166	
Total designated	1,861,836					
Undesignated		\$ (4,221,822)	\$ (2,598,539)	\$ 8,132,078	\$ 1,898,166	\$ -
Total unrestricted net position	\$ 1,861,836	\$ (4,221,822)	\$ (2,598,539)			

NOTE I – PENSION PLAN

Plan Description: All qualified permanent and probationary employees are eligible to participate in the District’s cost-sharing multiple employer defined benefit pension plan (the Plan) administered by the California Public Employees’ Retirement System (CalPERS). The District participates in the Miscellaneous Risk Pool and the following rate plans:

- Miscellaneous Plan First Tier
- Miscellaneous Plan Second Tier
- PEPRA Miscellaneous Plan

Benefit provisions under the Plan are established by State statute and Board resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided: CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (52 for PEPRA Miscellaneous Plan) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the following: the Optional Settlement 2W Death Benefit. The cost of living adjustments for each rate plan are applied as specified by the Public Employees’ Retirement Law. Plan provisions and benefits in effect for the year ended June 30, 2018 are summarized as follows:

Hire date	Miscellaneous Plan First Tier (Prior to August 1, 2012)	Miscellaneous Plan Second Tier (August 1, 2012 to December 31, 2012)	PEPRA Miscellaneous Plan (On or after January 1, 2013)
Benefit formula (at full retirement)	2.7% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.00-2.70%	1.092%-2.418%	1.0% to 2.5%
Final average compensation period	One year	Three years	Three years
Required employee contribution rates	7.951%	6.900%	6.250%
Required employer contribution rates	11.675%	7.200%	6.533%

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE I – PENSION PLAN (CONTINUED)

The first-tier rate plan is closed to all new participants while the second-tier rate plan is closed to new members that are not already CalPERS eligible participants.

Contributions: Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2018 the employer contributions for the Plan (all rate plans combined) were \$1,012,621, including the contribution for the employer unfunded accrued liability.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions: As of June 30, 2018 the District reported a net pension liability for its proportionate share of the net pension liability of the Plan (all rate plans combined) of \$10,242,016.

The District’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan as of June 30, 2018 is measured as of June 30, 2017, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures as required by GASB Statement No. 68. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District’s proportionate share of the net pension liability for the Plan as of June 30, 2018 was as follows:

Proportion - June 30, 2017	0.25186%
Proportion - June 30, 2018	0.25981%
Change - Increase (Decrease)	0.00795%

For the year ended June 30, 2018 the District recognized pension expense of \$2,195,739. At June 30, the District reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,012,621	
Differences between actual and expected experience	13,092	\$ (187,573)
Changes in assumptions	1,624,457	(123,866)
Differences between the employer's contributions and the employer's proportionate share of contributions		(177,868)
Change in employer's proportion	387,914	
Net differences between projected and actual earnings on plan investments	367,385	
Total	<u>\$ 3,405,469</u>	<u>\$ (489,307)</u>

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE I – PENSION PLAN (Continued)

The \$1,012,621 reported as deferred outflows of resources at June 30, 2018 related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as net deferred outflows (inflows) of resources related to pensions will be recognized as pension expense as follows as of June 30, 2018:

Year Ended June 30	
2018	\$ 528,982
2019	991,693
2020	600,990
2021	<u>(218,124)</u>
Total	<u>\$ 1,903,541</u>

Actuarial Assumptions: The total pension liabilities in the June 30, 2017 actuarial valuations for each of the rate plans were determined using the following actuarial assumptions:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service (1)
Investment Rate of Return	7.375%
Mortality	Derived using CalPERS Membership Data for all Funds (2)

(1) Varying by service, including inflation.

(2) The mortality table used was developed based on CalPERS specific data. The mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for fiscal years 1997 to 2011, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found on the CalPERS website under Forms and Publications.

Change of Assumptions:

During the year ended June 30, 2018, the financial reporting discount rate for the Plan was lowered from 7.65% to 7.15%. Deferred outflows of resources for changes of assumptions presented in the Schedule of Collective Pension Amounts represents the unamortized portion of this change in assumption.

Discount Rate: The discount rates used by CalPERS to measure the total pension liability was 7.15% in the June 30, 2017 accounting valuation. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE I – PENSION PLAN (Continued)

deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees’ Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at the CalPERS website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds’ asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated per each PERF C fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class for each of the rate plans as of the measurement date of June 30, 2017. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	47.0%	4.90%	5.38%
Global Fixed Income	19.0%	0.80%	2.27%
Inflation Sensitive	6.0%	0.60%	1.39%
Private Equity	12.0%	6.60%	6.63%
Real Estate	11.0%	2.80%	5.21%
Infrastructure and Forestland	3.0%	3.90%	5.36%
Liquidity	2.0%	(0.40)%	(0.90)%
Total	<u>100.0%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the District’s proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Net Pension Liability	<u>\$ 15,596,692</u>	<u>\$ 10,242,016</u>	<u>\$ 5,807,177</u>

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE I – PENSION PLAN (Continued)

Pension Plan Fiduciary Net Position: Detailed information about the Plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan: At June 30, 2018 the District had \$23,587 of outstanding contributions payable to the Plan.

NOTE J – OTHER POSTEMPLOYMENT BENEFITS PLAN

Plan Description: The District’s other postemployment benefits (OPEB) plan (the Plan) is an agent-multiple employer defined benefit healthcare plan administered by Public Agency Retirement Services (PARS). PARS maintains the Plan’s assets in a trust fund that complies with Section 115 of the Internal Revenue Code and provides administration of benefits and investment services. The Plan assets are invested by PARS together with assets of other participating employers. The Plan provides medical, dental and vision insurance benefits to eligible retirees and surviving spouses. Employees who retire directly from the District and their dependents are eligible for the District paid benefits if they meet the following criteria under Board Resolution 2007-106:

Medical Post Retirement Benefits: Employees hired by the District on or before July 31, 2001 who retire from the District with a minimum of five (5) years of service credit for work performed at the District may elect to be provided post-employment medical insurance coverage.

Employees hired by the District on or after August 1, 2001 who retire from the District with a minimum of five (5) years of service at the District and ten (10) years of CalPERS service credit are eligible to be provided post-employment medical coverage under the vesting schedule and provisions of Government Code 22893.

Dental and Vision Post Retirement Benefits: Employees hired on or before December 31, 2007 who retire from the District with at least five (5) years of service at the District may elect to be provided post-employment dental and vision coverage at no cost to the retiree.

Employees hired on or after January 1, 2008 are not eligible to receive any post-employment dental or vision coverage.

The District’s Board of Directors establishes and amends benefit provisions. The Plan itself and PARS do not issue separate publicly available financial statements.

Employees Covered by Benefit Terms: At June 30, 2017, the following employees were covered by the benefit terms:

<u>Category</u>	<u>Count</u>
Active employees	65
Inactive employees or beneficiaries currently receiving benefit payments	47

Contributions: The District’s Board of Directors has the authority to establish and amend the contribution requirements of the District and employees under the authority granted to it under the California Water Code. The District has a policy of contributing to the PARS trust based on the actuarially determined contribution (ADC) in addition to paying premiums due on a pay-as-you-go basis. Employees are not required to contribute to the Plan. During the fiscal year ended June 30, 2018, the District’s cash contributions to the trust were \$694,176 and the benefit payments were \$534,668, resulting in total payments of \$1,228,844.

The District contributes, at a minimum, a percentage of the weighted average cost of the four basic health benefit plans that had the largest state enrollment in the previous benefit year. This percentage is based upon each participant’s years of service according to the following scale:

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE J – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Credited Years of Service	Percentage of the Weighted Average Cost	Credited Years of Service	Percentage of the Weighted Average Cost
Less than 10	0%	15	75%
10	50%	16	80%
11	55%	17	85%
12	60%	18	90%
13	65%	19	95%
14	70%	20 or more	100%

Net OPEB Liability: The District’s net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017.

Actuarial Assumptions: The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2017
Measurement date	June 30, 2017
Actuarial cost method	Entry-age normal cost method
Actuarial assumptions:	
Discount rate	7.00%
Inflation	2.00%
Aggregate salary increases	3.25%
Investment rate of return	7.00%
Healthcare cost trend rates	8.40% and 5.00% in the first year for pre-65 and post-65, respectively, trending down to 5.00% until 2033 and thereafter.
Mortality rates	Derived using CalPERS membership data

Mortality was based on the 2014 CalPERS Mortality study and morbidity factors were based on the 2013 CalPERS study. It was assumed 100% of eligible participants would participate in the Plan and 80% of future retirees would cover spouses at retirement. Retirement rates used were the rates in the most recent CalPERS Miscellaneous 2% at 55 Risk Pool for active employees hired before January 1, 2013 and the 2% at 62 Risk Pool for active employees hired on or after January 1, 2013,

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) was used and developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Investment Class	Target Allocation	Long-term Expected Real Rate of Return
Equity	48.25%	5.65%
Fixed income	45.00%	1.39%
REITs	1.75%	5.06%
Cash	5.00%	0.00%
Total	100.00%	

The table above shows the target asset allocation in the PARS Moderate investment policy.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE J – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

Discount Rate: The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that District contributions will continue based upon the current funding policy. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make projected future benefit payments for current members for all future years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2017	\$ 12,409,189	\$ 5,253,264	\$ 7,155,925
Changes for the year:			
Service cost	339,078		339,078
Interest on the total OPEB liability	873,640		873,640
Contribution - employer		1,156,609	(1,156,609)
Net investment income		564,907	(564,907)
Benefit payments	(544,601)	(544,601)	
Administrative expense		(15,813)	15,813
Net changes	<u>668,117</u>	<u>1,161,102</u>	<u>(492,985)</u>
Balance at June 30, 2018	<u>\$ 13,077,306</u>	<u>\$ 6,414,366</u>	<u>\$ 6,662,940</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates: The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Net OPEB liability	\$ 8,508,304	\$ 6,662,940	\$ 5,147,825

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
	7.40% decreasing to 4.00%	8.40% decreasing to 5.00%	9.40 decreasing to 6.00%
Net OPEB liability	\$ 8,382,084	\$ 6,662,940	\$ 5,140,496

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources: For the year ended June 30, 2018, the District recognized OPEB expense of \$803,940. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE J – OTHER POSTEMPLOYMENT BENEFITS PLAN (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Net differences between projected and actual earnings on OPEB plan investments		\$ (141,332)
Total	<u>\$ -</u>	<u>\$ (141,332)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	
<u> </u>	
2019	\$ (35,333)
2020	(35,333)
2021	(35,333)
2022	<u>(35,333)</u>
	<u>\$ (141,332)</u>

There were no amounts payable to the Plan at year-end.

NOTE K – RISK MANAGEMENT

The District participates in the Association of California Water Agencies Joint Powers Insurance Authority (JPIA), a public entity risk pool of water agencies in California, for general, automobile, public officials' errors and omissions liability, property damage and business interruption coverage. Through its membership in the JPIA, the District is provided with excess coverage for these items through commercial insurance. Loss contingency reserves established by the JPIA are funded by contributions from member agencies. The District pays an annual premium to the JPIA that includes its pro-rata share of excess insurance premiums, charges for pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the JPIA. Financial statements for the JPIA may be obtained at 2100 Professional Drive, Roseville, California 95661-3700 or www.acwajpia.com.

The District's self-insured retention levels and limits on coverage under the JPIA were as follows at June 30, 2018:

Coverage	ACWA/JPIA	Commercial Insurance	Deductible
<u> </u>	<u> </u>	<u> </u>	<u> </u>
General liability	\$ 5,000,000	\$ 55,000,000	None
Auto liability	5,000,000	55,000,000	\$ 1,000
Public officials liability	5,000,000	55,000,000	None
Property damage, including buildings, personal property, fixed equipment, mobile equipment and other	100,000	500,000,000	1,000 to 50,000
Crime	100,000	1,000,000	1,000
Workers compensation	2,000,000	Statutory	None
Employers liability	2,000,000	Statutory	None
Cyber liability		3,000,000/5,000,000 occurrence/aggregate	None

Settled claims have not exceeded insurance coverage in any of the past three fiscal years and no significant changes or reductions in insurance coverage have occurred.

CALAVERAS COUNTY WATER DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

June 30, 2018

NOTE L — COMMITMENTS AND CONTINGENT LIABILITIES

The District had the following capital project commitments outstanding as of June 30, 2018:

Copper Cove Force Main Rehabilitation	\$ 346,265
Jenny Lind Pre-Treatment Facility	<u>3,044,760</u>
Total	<u>\$ 3,391,025</u>

Grant Contingency: Amounts received or receivable under grant agreements are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, could possibly need to be returned to the granting agency. The amount, if any, of expenditures that may be disallowed by the grantors cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Legal Contingencies: A claim was filed by La Contenta Investors, Ltd. (La Contenta), a local golf course, against the District where La Contenta claimed it is entitled to \$1.8 million in sewer credits under a contract provision that provides La Contenta with sewer credits in exchange for its use of recycled water for irrigation. If La Contenta prevails in the claim, the District would be required to provide up to \$1.8 million of credits for future sewer hookups to the District's system, less any credits previously exercised. Management does not believe La Contenta is due the full \$1.8 million of sewer credits.

Various other claims and suits are filed against the District in the normal course of business. Although the outcome of these claims is not presently determinable, in the opinion of the District's management, after consultation with counsel, the resolution of any claims outstanding will not have a material adverse effect on the financial condition of the District.

NOTE M – CHANGE IN ACCOUNTING PRINCIPLE

During the year ended June 30, 2018, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Due to implementation of this Statement, the District eliminated its \$1,110,358 OPEB asset, recorded an OPEB liability of \$7,155,925, recorded deferred outflows of resources of \$ 1,155,593 and net position decreased by \$7,110,690 as of July 1, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

CALAVERAS COUNTY WATER DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2018

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY - MISCELLANEOUS PLAN (UNAUDITED)**

Last 10 Years

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of the Net Pension Liability	0.25981%	0.25186%	0.25186%	0.21557%
Proportionate Share of the Net Pension Liability	\$ 10,242,016	\$ 8,797,338	\$ 6,909,619	\$ 5,327,739
Covered Payroll - Plan Measurement Period	\$ 5,526,427	\$ 5,155,786	\$ 4,776,189	\$ 4,868,194
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	185.33%	170.63%	144.67%	109.44%
Plan Fiduciary Net Position	\$ 26,867,804	\$ 25,711,678	\$ 25,880,156	\$ 26,064,984
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.86%	74.51%	78.93%	83.03%

SCHEDULE OF CONTRIBUTIONS TO THE PENSION PLAN - MISCELLANEOUS PLAN (UNAUDITED)

Last 10 Years

	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 1,012,621	\$ 946,214	\$ 535,436	\$ 725,590
Contributions in Relation to the Actuarially Determined Contributions	1,012,621	946,214	535,436	725,590
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll - Employer Fiscal Year	\$ 5,379,180	\$ 5,256,427	\$ 5,155,786	\$ 4,776,189
Contributions as a Percentage of Covered Payroll	18.82%	18.00%	10.39%	15.19%
Notes to Schedule:				
Valuation date:	June 30, 2017	June 30, 2015	June 30, 2014	June 30, 2013
Measurement date:	June 30, 2016	June 30, 2016	June 30, 2015	June 30, 2014
Investment Rate of Return and discount rate used to compute contribution rates	7.375%	7.50%	7.50%	7.50%
Benefit Changes: There were no changes to benefit terms.				

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Method	Entry Age Normal Cost Method
Amortization Method	Difference Between Projected and Actual Earnings is Amortized Straight-line Over 5 Years. All Other Amounts are Amortized Straight-line Over Average Remaining Service Life of Participants
Remaining Amortization Period	Not Stated
Asset Valuation Method	5-year Smoothed Market
Inflation	2.75%
Salary Increases	Varies depending on Entry Age and Service
Retirement Age	50-67 Years. Probabilities of Retirement are Based on the 2010 CalPERS Experience Study for the Period 1997 to 2007.
Mortality	CalPERS Specific Data from January 2014 Actuarial Experience Study for the Period 1997 to 2011 that Uses 20 Years of Mortality Improvements Using Society of Actuaries Scale BB.

Covered payroll in the first table above was revised in 2017 to be the covered payroll at the measurement date.

Omitted Years: GASB Statement No. 68 was Implemented During the Year Ended June 30, 2015. No information was Available Prior to this Date. Future years will be reported prospectively as they become available.

CALAVERAS COUNTY WATER DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2018

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (UNAUDITED)

	2018
Total OPEB liability:	
Service cost	\$ 339,078
Interest	873,640
Benefit payments	(544,601)
Net change in total OPEB liability	668,117
Total OPEB liability - beginning	12,409,189
Total OPEB liability - ending (a)	\$ 13,077,306
Plan fiduciary net position:	
Contributions - employer	\$ 1,156,609
Net investment income	564,907
Benefit payments	(544,601)
Administrative expenses	(15,813)
Net change in plan fiduciary net position	1,161,102
Plan fiduciary net position - beginning	5,253,264
Plan fiduciary net position - ending (b)	\$ 6,414,366
Net OPEB liability - ending (a)-(b)	\$ 6,662,940
Plan fiduciary net position as a percentage of the total OPEB liability	49.05%
Covered-employee payroll - measurement period	\$ 5,256,427
Net OPEB liability as percentage of covered-employee payroll	126.76%
Notes to schedule:	
Valuation date	June 30, 2017
Measurement period - fiscal year ended	June 30, 2017

Benefit changes. None.

Changes in assumptions. None

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

CALAVERAS COUNTY WATER DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended June 30, 2018

SCHEDULE OF CONTRIBUTIONS TO THE OPEB PLAN (UNAUDITED)

	2018
Actuarially determined contribution - employer fiscal year	\$ 746,759
Contributions in relation to the actuarially determined contributions	(1,156,609)
Contribution deficiency (excess)	\$ (409,850)
Covered-employee payroll - employer fiscal year	\$ 5,379,180
Contributions as a percentage of covered-employee payroll	21.50%

Notes to Schedule:

Valuation date	June 30, 2017
Measurement period - fiscal year ended	June 30, 2017
Actuarial cost method	Entry age normal cost method
Amortization method	Straight-line amortization. 5 years for investment gains
Discount rate	7.00%
Inflation	2.00%
Aggregate salary increases	3.25%
Investment rate of return	7.00%
Retirement age	CalPERS Miscellaneous Risk Pool age
Mortality	CalPERS 2014 study
Healthcare cost trend rates	8.40% and 5.00% in the first year for pre-65 and post-65, respectively, trending down to 5.00% in 2033 and thereafter.

An actuarially determined contribution rate was not calculated. The required contributions reported represent the actuarially determined contributions.

Omitted years: GASB Statement No. 75 was implemented during the year ended June 30, 2018. No information was available prior to this date. Information will be added prospectively as it becomes available until 10 years are reported.

OTHER SUPPLEMENTARY INFORMATION

CALAVERAS COUNTY WATER DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ASSESSMENT DISTRICT AGENCY FUND

June 30, 2018

(With Prior Year Data for Comparative Purposes Only)

	West Point Acres Fund	Wilseyville Fund	Arnold Sewer Fund	New Hogan/ La Contenta Fund	Lake Tulloch Fund
ASSETS					
Cash and cash equivalents	\$ 33,173	\$ 6	\$ 75,531	\$ 103,098	\$ 1
Interest receivable	84		192	262	
Tax proceeds receivable					
Due from County of Calaveras	513		1,392		
Restricted assets:					
Cash and cash equivalents with fiscal agents				3	
TOTAL ASSETS	<u><u>\$ 33,770</u></u>	<u><u>\$ 6</u></u>	<u><u>\$ 77,115</u></u>	<u><u>\$ 103,363</u></u>	<u><u>\$ 1</u></u>
LIABILITIES					
Accounts payable					
Notes payable					\$ 10,742
Due to other governments		\$ 6			(10,741)
Due to bond holders	<u>\$ 33,770</u>		<u>\$ 77,115</u>	<u>\$ 103,363</u>	
TOTAL LIABILITIES	<u><u>\$ 33,770</u></u>	<u><u>\$ 6</u></u>	<u><u>\$ 77,115</u></u>	<u><u>\$ 103,363</u></u>	<u><u>\$ 1</u></u>

Saddle Creek Fund	DaLee/ Cassidy Fund	Fly in Acres Fund	Wallace Fund	Totals for Comparative Purposes Only	
				2018	2017
\$ 513,979	\$ 73,401	\$ 110,591	\$ 231,658	\$ 1,141,438	\$ 1,093,452
1,306	187	281	644	2,956	1,419
7,299	3,601	6,802	2,392	21,999	12,938
320,966	68,613	137,707		527,289	15,357
<u>\$ 843,550</u>	<u>\$ 145,802</u>	<u>\$ 255,381</u>	<u>\$ 234,694</u>	<u>\$ 1,693,682</u>	<u>\$ 1,645,028</u>
					\$ 4,966
				\$ 10,742	10,742
			\$ 234,694	223,959	298,790
<u>\$ 843,550</u>	<u>\$ 145,802</u>	<u>\$ 255,381</u>		<u>1,458,981</u>	<u>1,330,530</u>
<u>\$ 843,550</u>	<u>\$ 145,802</u>	<u>\$ 255,381</u>	<u>\$ 234,694</u>	<u>\$ 1,693,682</u>	<u>\$ 1,645,028</u>

CALAVERAS COUNTY WATER DISTRICT
 OTHER SUPPLEMENTARY INFORMATION
 DEBT SERVICE COVERAGE RATIO - WATER FUND

For the Years Ended June 30, 2018 and 2017

	2018	2017
REVENUES		
Water operating revenues	\$ 7,934,981	\$ 7,833,129
Property taxes	2,289,765	2,028,441
Investment income	263,827	173,643
Expansion Fees	430,858	541,297
Power sales	552,143	569,956
Capital R&R fees	3,272,222	3,216,530
Other income	183,699	146,804
TOTAL REVENUES	14,927,495	14,509,800
EXPENSES		
Total Operating Expenses	13,375,253	11,979,226
<i>Less: Depreciation</i>	(2,656,687)	(2,606,062)
Transfers (in), excluding noncash transfers	(55,191)	(2,718)
Transfers out	190,576	16,188
TOTAL EXPENSES	10,853,951	9,386,634
NET REVENUES	4,073,544	5,123,166
Debt Service Payments *	1,280,923	1,846,745
Debt Coverage Ratio - Actual	3.18	2.77
Required Ratio - 2013 Refunding, 2014 Water Revenue Loans and 2016 Revenue Bonds	1.25	1.25
<i>Annual Debt Service Payments</i>		
<i>* Includes Compass Bank (Series 2013 Refunding Water Revenue Loan), Umpqua Bank (Series 2014 Water Revenue Loan) and USDA (Series 2016 Water Enterprise Revenue Bonds).</i>		
NET REVENUES	\$ 4,073,544	\$ 5,123,166
Debt Service Payments (ALL)**	1,598,316	2,212,608
Debt Coverage Ratio - Actual	2.55	2.32
Required Ratio - Wallace WestAmerica Loan	1.15	1.15
Required Ratio - 2013 Refunding, 2014 Water Revenue Loans and 2016 Revenue Bonds	1.25	1.25

** Includes all debt payments.

CALAVERAS COUNTY WATER DISTRICT
OTHER SUPPLEMENTARY INFORMATION
DEBT SERVICE COVERAGE RATIO - SEWER FUND

For the Years Ended June 30, 2018 and 2017

	2018	2017
REVENUES		
Sewer operating revenues	\$ 4,347,882	\$ 4,324,363
Property taxes	594,243	712,695
Investment income	126,926	107,864
Expansion Fees	136,809	161,572
Power sales	204,217	199,532
Capital R&R fees	1,177,119	1,172,164
Other income	6,467	56,170
TOTAL REVENUES	6,593,663	6,734,360
EXPENSES		
Total Operating Expenses	6,803,804	6,514,946
<i>Less: Depreciation</i>	(1,210,174)	(1,220,860)
Transfers (in)	(90,057)	
Transfers out	49,712	
TOTAL EXPENSES	5,553,285	5,294,086
NET REVENUES	1,040,378	1,440,274
Debt Service Payments *	397,010	397,011
Debt Coverage Ratio - Actual	2.62	3.63
Required Ratio - 2013 Refunding and 2014 Sewer Revenue Loans	1.25	1.25
<i>Annual Debt Service Payments</i>		
<i>* Includes payments on Compass Bank (Series 2013 Refunding Sewer Revenue Loan), plus parity debt from Umpqua Bank (Series 2014 Sewer Revenue Loan).</i>		
NET REVENUES	\$ 1,040,378	\$ 1,440,274
Debt Service Payments (ALL)**	623,031	651,239
Debt Coverage Ratio - Actual	1.67	2.21
Required Ratio - Wallace WestAmerica Loan	1.15	1.15
Required Ratio - 2013 Refunding and 2014 Sewer Revenue Loans	1.25	1.25
Required Ratio - Vac-Con Truck Loan	1.40	1.40

** Includes all debt payments.

Agenda Item

DATE: December 12, 2018

TO: Jeffrey Meyer, Interim General Manager

FROM: Peter Martin, Manager of Water Resources

SUBJECT: Discussion / Action regarding the Adoption of the 2018 Mokelumne-Amador-Calaveras Integrated Regional Water Management Plan Update

RECOMMENDED ACTION:

Motion: _____ / _____ adopt Resolution No. 2018 - _____ adopting the 2018 Mokelumne-Amador-Calaveras Integrated Regional Water Management Plan.

SUMMARY:

The Calaveras County Water District (District) has participated in the Mokelumne-Amador-Calaveras Integrated Regional Water Management Program (MAC IRWM) planning process since 2006, as an original signatory to the Memorandum of Understanding creating the Regional Water Management Group. In 2009, the Upper Mokelumne River Watershed Authority (UMRWA) assumed lead agency responsibilities for the MAC IRWM and created the Regional Participants Committee (RPC), which is made up a variety of local stakeholders including cities, counties, federal agencies, non-governmental organizations and special districts. The RPC has routinely met from time to time to maintain the required MAC IRWM Plan and the list of desired water resources projects and programs contained in the plan. The listed projects are eligible for specific state-funded grant programs as a result of their inclusion in the plan.

Since the MAC IRWM Plan was last the updated in 2013, the state has instituted several new requirements for IRWM Plans. A consultant was selected for the plan update in early 2018, and several workshops and meetings were held to begin efforts to update the plan. Updates to the plan were focused on addressing the new state requirements and capturing updated regional information since the 2013 MAC Plan was developed. The RPC held two workshops and met several times over the past six months to finalize the plan and update the project list, which includes several District project proposals in the Mokelumne and Calaveras watersheds.

A final draft version of the updated plan was released in September 2018 and comments were accepted from September 20 to October 11. Furthermore, the RPC held a public workshop on October 25 to review the plan and accept additional comments. The RPC accepted revisions and comments were then finalized and the

Final MAC IRWM 2018 Plan Update was released on November 1, 2018. The complete MAC IRWM Plan can be found on the UMRWA website at the following address:

http://www.umrwa.org/uploads/MAC%20Plan%20Update_Combined.pdf

Selected excerpts from the 2018 MAC IRWM Plan Update are attached.

In order to remain eligible for Proposition 1 funding, UMRWA will adopt the plan at their January 25, 2019 meeting. UMRWA is requesting all member agencies with projects included in the 2018 MAC IRWM Plan Update do the same. Furthermore, it is a state requirement that individual project applicants adopt the plan in order to receive funding. Staff recommends the Board of Directors adopt the 2018 MAC IRWM Plan Update.

FINANCIAL CONSIDERATIONS:

None

*Attachment: Resolution No. 2018-____ Adopting the Updated Mokelumne-Amador-Calaveras 2018 Integrated Regional Water Management Plan
- Selected Excerpts - 2018 MAC Plan Update: Table of Contents, Update Overview, Appendix H: Project List*

RESOLUTION NO. 2018 -

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

**ADOPTING THE UPDATED MOKELUMNE-AMADOR-CALAVERAS 2018
INTEGRATED REGIONAL WATER MANAGEMENT PLAN**

WHEREAS, in 2002 the California legislature enacted Division 6, Part 2.2, of the California Water Code, known as the Integrated Regional Water Management Planning Act of 2002 ("Act") for, among other things, the purpose of encouraging local agencies to work together to manage their available water supplies and to improve the quality, quantity, and availability of those supplies; and

WHEREAS, the Mokelumne-Amador-Calaveras Integrated Water Regional Water Management (MAC IRWM) planning region is an established region as determined by Department of Water Resources acceptance process; and

WHEREAS, the benefits of integrated regional planning for water resources management activities are intended to include increased efficiency and effectiveness, enhanced collaboration across agencies and stakeholders, and improved responsiveness to regional needs and priorities; and

WHEREAS, Calaveras County Water District is a member of the Upper Mokelumne River Watershed Authority, the designated regional water management group for the MAC IRWM.

WHEREAS, the State electorate approved Proposition 1 on November 4, 2014, which contains a total of \$7.545 billion for ecosystems and watershed protection and restoration, water supply infrastructure projects, including surface and groundwater storage, and drinking water protection, including \$510 million for the Integrated Regional Water Management Program with \$13 million of that amount allocated to the Mountain Counties Funding Area; and

WHEREAS, the original 2006 MAC IRWM Plan and subsequent MAC IRWM Plan updates, developed and adopted under then-existing rules and guidelines, must be updated to comply with new rules and guidelines established by DWR in July 2016 and to be eligible for future grant funding; and

WHEREAS, the 2018 MAC IRWM Plan Update was developed according the Department of Water Resources rules and guidelines, in a transparent and publicly vetted process that included Calaveras County Water District participation; and

WHEREAS, the updated MAC IRWM Plan, developed over the past 6 months under the direction of the Regional Participants Committee and vetted in two community

workshops, is herewith presented for adoption by the Calaveras County Water District Board of Directors; and

WHEREAS, adoption of the updated IRWM MAC Plan does not entail a direct commitment of resources, and implementation of each project listed in the MAC IRWM Plan will be the responsibility of individual project proponents, and there is no joint commitment or responsibility by the MAC Plan participants to implement any or all of the projects; and

WHEREAS, the adoption of the updated MAC IRWM Plan is exempt from the California Environmental Quality Act pursuant to CEQA Guidelines §15262 and §15306 because the Plan involves planning studies for possible actions that participating agencies have not yet approved and consists of basic data collection that would not result in the disturbance of any environmental resource; and

WHEREAS, the MAC IRWM Plan is meant to be complementary to participating agencies' individual plans and programs and does not supersede any Calaveras County Water District plans and programs, and adoption of the MAC IRWM Plan does not prohibit nor affect in any way a participating agencies' planning effort separate from the MAC IRWM Plan.

NOW, THEREFORE BE IT RESOLVED, the Board of Directors does hereby adopt the Updated Mokelumne-Amador-Calaveras 2018 Integrated Regional Water Management Plan.

PASSED AND ADOPTED this 12th day of December, 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

MOKELUMNE/AMADOR/CALAVERAS

Integrated Regional Water Management Plan Update

November 2018



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Update Overview

In November 2006, the Mokelumne/Amador/Calaveras (MAC) regional partners completed the MAC Integrated Regional Water Management Plan (IRWMP or Plan). The 2006 version of the MAC IRWMP (MAC Plan) was based on guidelines and standards included in Proposition 50 as interpreted by the California Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB). In September 2008, Governor Schwarzenegger signed SB X2 1, which contains appropriations for the IRWM program from Propositions 84 and 1E (Prop 84/1E) along with criteria that DWR must apply in updating statewide standards for IRWMPs. These revised State standards for IRWMPs were released in August of 2010 and provided the guidelines by which the MAC Plan Update will be prepared. The MAC Plan Update was developed to comply with the 2012 Guidelines that were finalized by DWR in December 2012.

The 2008 MAC IRWMP update began with a reconstituted stakeholder committee (called the Regional Participants Committee or RPC), the development of Governing Procedures to guide the RPC's work, and the preparation of a Community Outreach Plan. The 2008 Update was conducted under a governance structure different than that developed for the original plan development. Specifically, the Upper Mokelumne River Watershed Authority (UMRWA), a regional water management group as defined by the California Water Code (CWC), assumed lead agency responsibility for the preparation and adoption of the updated IRWMP and established two subcommittees to oversee the document update. A Regional Participants Committee (or RPC) was formed to directly oversee the Plan update. The Board Advisory Committee was also established (replacing the earlier Steering Committee) with Board representatives from three UMRWA member agencies. This committee was charged with reconciling conflicts that may occur at the RPC, providing guidance to the Executive Officer and consultants, and ultimately recommending the updated plan for adoption by the UMRWA governing board. In addition to the updating of selected Plan sections in 2008, UMRWA also completed the Region Acceptance Process (RAP), as required by DWR, in order to become an approved IRWM region. Furthermore, because IRWM Plans are not required to follow the exact outline of the IRWM Plan Standards, the 2013 Plan Update applied a revised organization that provides a more logical progression of topics and information, hopefully making the Plan a more useful tool for the region's water managers.

This 2018 MAC Plan Update was initiated to capture updated regional information since the 2013 MAC Plan was developed and respond to updated state requirements. All required Plan elements as identified in the 2016 IRWM Plan Standards are met by this MAC Plan 2018 Update, as summarized in the following table. Appendix A includes the Standards Review Form which indicates the location of each requirement outlined in the 2016 IRWM Plan Standards.

Location of IRWM Plan Standards in the MAC IRWM Plan Update

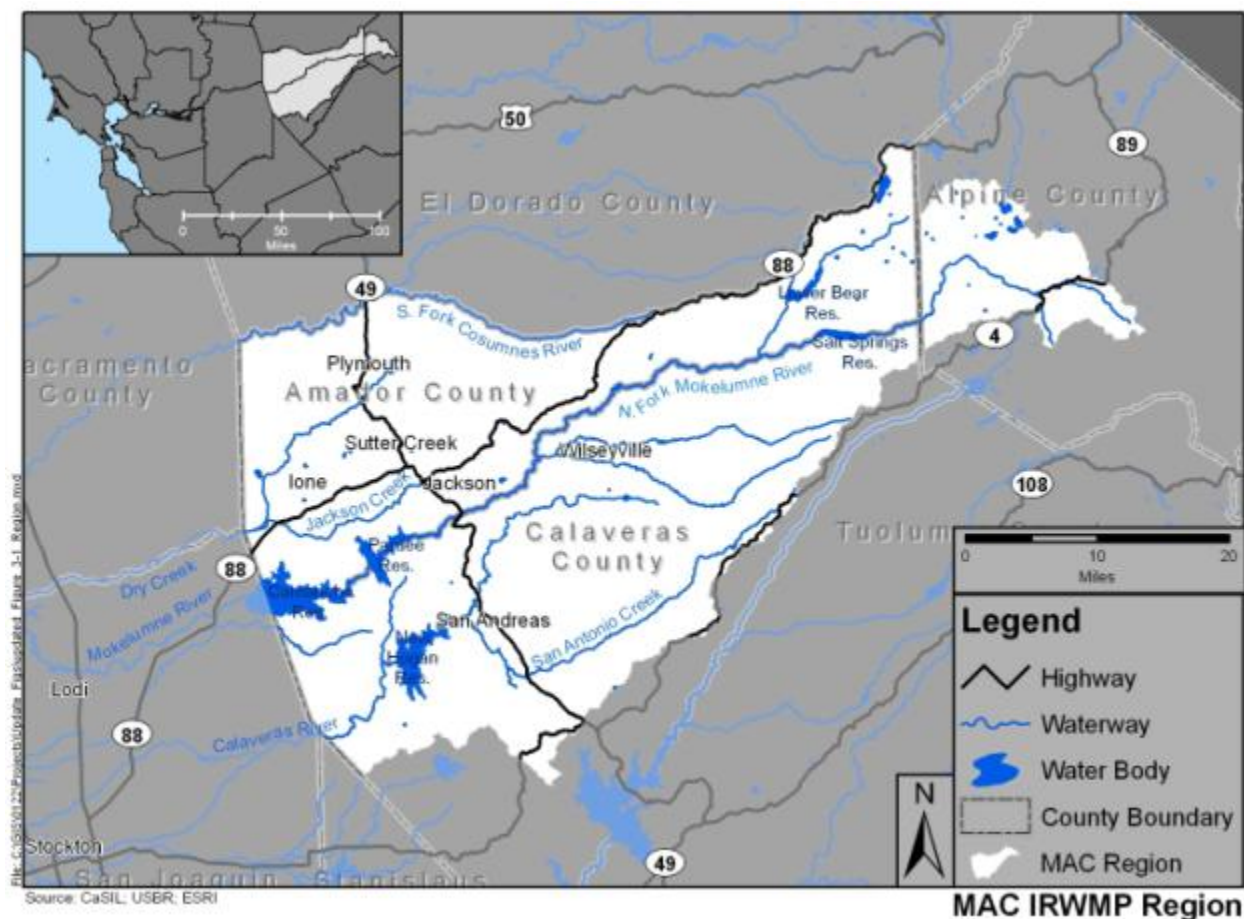
Plan Standard No.	IRWM Plan Standard	MAC IRWMP Update Section
1	Governance	<u>Section 2</u> Governance
2	Region Description	<u>Section 1</u> MAC Region
3	Objectives	<u>Section 3.1</u> Policies, Goals, and Objectives
4	Resource Management Strategies	<u>Section 3.2</u> Resource Management Strategies
5	Integration	<u>Section 2.4</u> Integration and <u>Section 4.1.5</u> Project Integration
6	Project Review Process	<u>Section 4.1</u> Project Review Process
7	Impact and Benefit	<u>Section 4.3</u> Impact and Benefit Analysis
8	Plan Performance and Monitoring	<u>Section 5.1</u> Plan Performance and Monitoring
9	Data Management	<u>Section 5.2</u> Data Management
10	Finance	<u>Section 4.4</u> Financing Plan
11	Technical Analysis	<u>Section 4.5</u> Technical Analysis
12	Relation to Local Water Planning	<u>Section 4.2</u> Coordination with Water and Land Use Agencies
13	Relation to Local Land Use Planning	<u>Section 4.2</u> Coordination with Water and Land Use Agencies
14	Stakeholder Involvement	<u>Section 2.3</u> Stakeholder Involvement
15	Coordination	<u>Section 2.5</u> Coordination with Other IRWM Regions and State and Federal Agencies
16	Climate Change	Various locations, see Appendix A

1. MAC Region

1.1. Regional Geography

The MAC IRWMP Region (MAC Region) incorporates all of Amador County and sizeable portions of Alpine and Calaveras counties. Included within the region’s boundary are cities, water and irrigation districts, watershed management areas, portions of groundwater basins, disadvantaged communities, and large tracts of federally-owned and private lands. Figure 1-1 shows the MAC Region.

Figure 1-1: MAC Region



The approximately 950,000 acre region (about 1,460 square miles) is located in the Sierra Nevada foothills, approximately 45 miles southeast of Sacramento. Situated in a transitional zone between the San Joaquin Valley and the Sierra Nevada, the region stretches across varied topography and microclimates. Warm, dry summers and mild winters are predominant in the western foothills with temperatures ranging from the middle 30s to the high 90s (in degrees Fahrenheit, °F). Mild summers and cold winters characterize the mountainous eastern region with temperatures ranging from the low 20s to the middle 80s. Hot, dry summers and mild winters prevail in the Central Valley portion of the region with temperatures ranging from the middle 30s to highs in excess of 100°F.

The primary sources of water in the region are the Mokelumne and Calaveras River watersheds (and to a lesser extent, the Cosumnes River watershed), with snowmelt and rainfall from the Sierra Nevada transported via the rivers and their tributaries. Although the region is famous for its historic mining and existing active mines (asbestos, gold, industrial minerals, limestone, sand, and gravel), current land uses also include cattle ranching, orchards, timber, vineyards, and row crops.

The MAC Region was formed using physical, political, and social boundaries. The Mokelumne River watershed forms the eastern border, while the Calaveras River watershed forms the southern boundary. The Amador County boundary generally follows the Mokelumne watershed boundary and roughly defines the northern border. The western boundary of the region extends to the intersection of the San Joaquin County and the Calaveras County boundaries. This region was defined based on similar water supply and demand characteristics and the opportunities to facilitate water resources protection, development, and security.

1.1.1. Regional Boundary

The boundaries of the MAC Region were determined using a variety of physical, political, and water management considerations as discussed below. The primary physical determinant in establishing the region was the Mokelumne River watershed. The secondary determinant was the Calaveras River watershed. These two rivers and their watersheds are the predominant water features in the region, and during the past 150 years, they have supported a myriad of activities including hydropower generation, agriculture, mining, timber harvesting, cattle grazing, domestic water supply, recreation, fisheries and more. The upper reaches of the watershed include large portions of the Eldorado and Stanislaus National Forests.

The Mokelumne River is the boundary between Amador and Calaveras counties, and the Eldorado and Stanislaus National Forests. The river has long served the needs of cities, communities, and forested habitats within these counties as well as for downstream users in San Joaquin County. Since the 1920s, the Mokelumne River has been the primary source of water used by East Bay Municipal Utility District (EBMUD) to serve East Bay communities. Thus, for nearly one hundred years, the local governments and water agencies of Amador and Calaveras counties have competed with EBMUD, San Joaquin County, and the environment for Mokelumne River water supply. During this period, there have been many water rights decisions, court decrees, agreements, and contracts pertaining to the Mokelumne River, some of which have settled, to some degree, the many disputes that have arisen between Amador and Calaveras agencies, downstream Mokelumne River users in San Joaquin County, and EBMUD. However, as the foothill and East Bay communities continue to grow, so does the need for additional water supply. Consequently, one of the primary purposes in establishing the MAC Region has been to promote and facilitate a collaborative planning process to develop program and project solutions that address future Amador, Calaveras, and East Bay water resource needs.

While the Mokelumne River represents a key central feature in the MAC Region, the geographic boundaries of the region define its relationship to neighboring regions. Presented below are the four primary regional boundaries and the reasons these boundaries were used in defining the MAC Region.

Northern Boundary: The northern boundary defining the MAC Region is the political boundary of Amador County. The county boundary was selected as the MAC Region's northern border because (1) the City of Plymouth, the one incorporated community outside the Mokelumne River watershed in Amador County, receives water from the Mokelumne River by Amador Water Agency (AWA); and (2) the entire area south of the county boundary lies within Amador County and within AWA's service area. Both of these two Amador agencies (the County and AWA) are members of UMRWA, the regional water management group responsible for the MAC Plan Update and implementation.

It should be noted that the southern boundary of the Cosumnes, American, Bear & Yuba (CABY) IRWM region encroaches into the northern area of the MAC Region. The CABY IRWM region uses the South Fork Cosumnes River watershed boundary as its regional delineator. In the Plymouth area, the Amador County border and Cosumnes River watershed boundaries overlap, resulting in an overlapping boundary between the two regions. This overlap is not considered to be a significant planning obstacle, and the entities involved in IRWM development have agreed to communicate information on proposals relevant to the overlapping area.

Southern Boundary: The Calaveras River watershed forms the southern boundary of the MAC Region. This watershed lies within Calaveras County. The Calaveras River watershed was selected to represent the southern border of the MAC Region because (1) the proximity of the Calaveras River watershed and New Hogan Reservoir to the Mokelumne River and Camanche Reservoir may present feasible water management opportunities during the regional planning process; (2) western Calaveras County overlies the upper reach of the Eastern San Joaquin Groundwater Basin that provides conjunctive use opportunities; (3) the Stanislaus River watershed, south of the Calaveras River watershed, is a major water source for communities in southern Calaveras and Tuolumne counties; and (4) the Stanislaus River watershed is included in the Tuolumne-Stanislaus IRWM region.

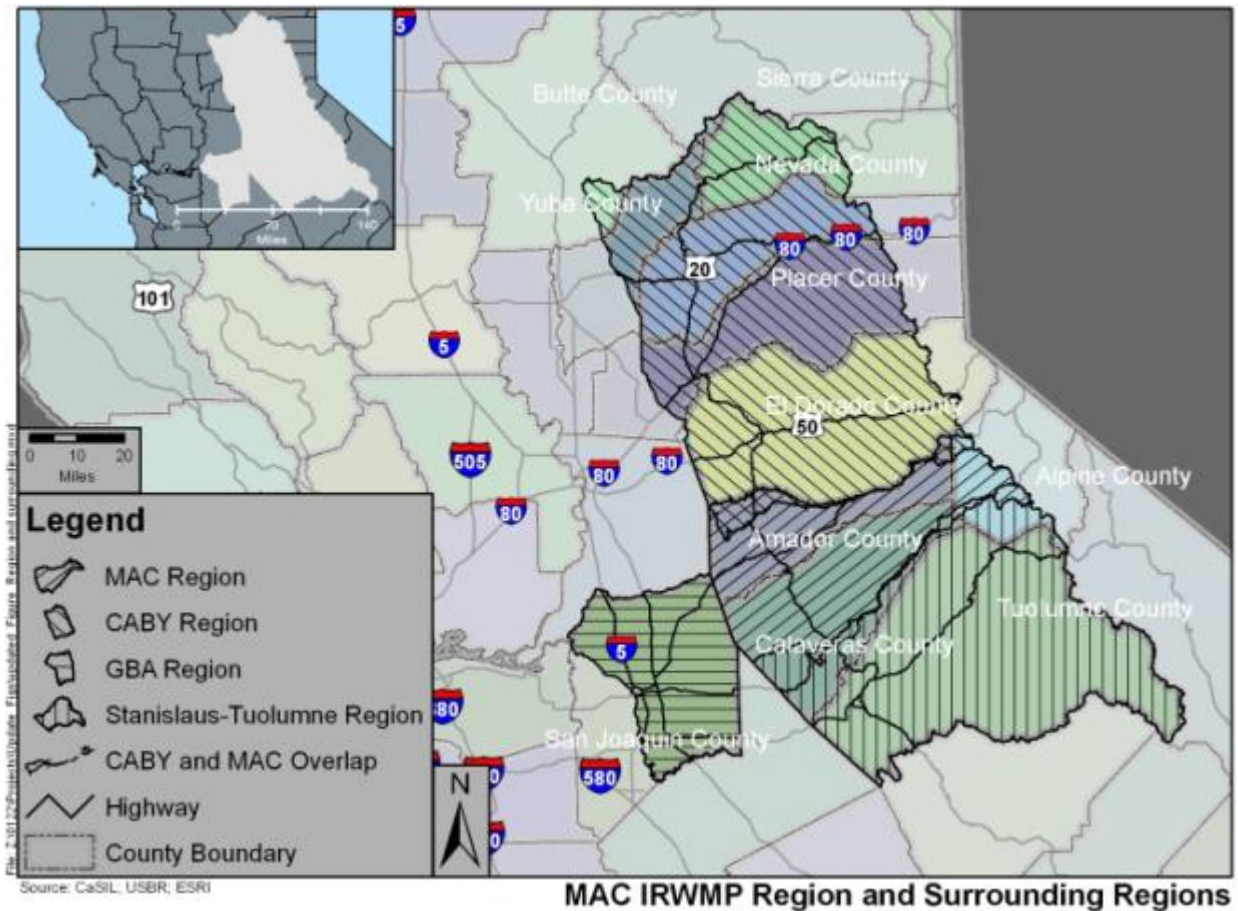
Eastern Boundary: The eastern MAC boundary is defined by the eastern-most portion of the Mokelumne River watershed, which lies in Alpine County. There is also a small portion of the South Fork American River watershed (a portion of Amador County near Kirkwood Meadows) included in the region along the eastern boundary. The hydrologic boundary of the Mokelumne River watershed was selected to represent the eastern MAC regional boundary because (1) this area is the headwaters of the river system which is a critical water supply source for MAC Region communities, and (2) lands adjacent to and east of this boundary are generally contained in watersheds that drain eastward to the Carson River watershed, away from the MAC Region.

Western Boundary: The political boundaries that separate Amador and Calaveras counties from their western neighbor, San Joaquin County, form the western boundary of the MAC Region. This border was determined to be the best western extent of the MAC Region because (1) the water supply issues facing the western portions of Amador and Calaveras counties must be addressed by water agencies with the authority and jurisdiction to do so (AWA, Calaveras County Water District [CCWD], Jackson Valley Irrigation District [JVID], and Calaveras Public Utilities District [CPUD]); and (2) other than the western portion of Calaveras County that overlies the Eastern San Joaquin Groundwater Basin, the groundwater resource issues that predominately characterize the Eastern San Joaquin IRWM Region are very different from the predominately surface water issues that must be addressed by the MAC Region.

1.1.2. Neighboring and Overlapping Regions

The MAC Region has three neighboring IRWM regions. To the north is the CABY Region, which generally encompasses the Cosumnes, American, Bear and Yuba river watersheds. The Eastern San Joaquin region is near the western boundary of the MAC Region, and the Tuolumne-Stanislaus integrated water management region is immediately south. For each of these neighboring regions, the nature of its interface with the MAC Region – overlapping or adjacent – and the primary differences between the neighboring regions and the MAC Region are described below. Figure 1-2 shows the geographic relationship of these neighboring regions to the MAC Region.

Figure 1-2: MAC Region and Surrounding Regions



CABY Region: The CABY Region, which lies directly north of and adjacent to the MAC Region, overlaps the MAC Region in two locations. These overlaps between the two regions are in part due to CABY’s preference to establish all of its boundaries coincident with hydrologic boundaries. The MAC Region instead has factored physical, political and water management considerations in determining region boundaries.

These different approaches to establishing regional boundaries result in two overlap areas: the northwest corner of Amador County, which lies within the South Fork Cosumnes River watershed (hereafter referred to as the *Cosumnes Overlap*), and the northeast corner of Amador County, which lies within the South Fork American River basin (referred to as the *American Overlap*).

The vast majority of the *Cosumnes Overlap* area is sparsely developed and contained within unincorporated Amador County. The balance of the area is contained within the City of Plymouth, also located in Amador County. The City of Plymouth obtains water from the Mokelumne River and provides domestic water to its city customers. Both Amador County and the City of Plymouth are represented on the MAC Plan RPC, and the current MAC Plan includes projects located in this area.

The *American Overlap* area is also entirely within Amador County. This area, and contiguous adjacent lands that lie within El Dorado and Alpine counties, comprise the uppermost ‘headwaters’ of the South Fork American River. Aside from the Kirkwood Ski Area, this area is very sparsely developed with seasonal homes and cabins. There are no representatives from this overlap area serving on the MAC Plan RPC.

CABY and MAC Region officials have discussed the two overlap areas and acknowledge the different approaches used by the two regions in formulating their boundaries. In June 2009 the two regions entered into an Memorandum of Understanding (MOU) outlining methods for communication and collaboration.

Eastern San Joaquin Region: The eastern border of the East San Joaquin Region is near the western border of the MAC Region. The county line between Amador County and San Joaquin County, and the county line between Calaveras County, Stanislaus County, and portions of San Joaquin County, constitute the interface between the two regions. The two regions have remained separate IRWM regions because the water supply issues are significantly different (predominately groundwater in the East San Joaquin Region versus surface water in the MAC Region), the number of agencies and non-governmental organizations interested in water resource issues is significant in both the valley and the foothills, and the travel distances between the outlying areas of the two regions are great and therefore would be an impediment to participation.

The MAC Region and the Eastern San Joaquin Region have been engaged in regular coordination and communication for more than 10 years. The Mokelumne River Forum (MRF), a facilitated discussion between agencies involved in both regions, was effective in developing improved understanding among the valley interests and the foothill interests. This improved understanding resulted in a four-party agreement between San Joaquin, Amador and Calaveras counties and EBMUD to jointly investigate water supply and conjunctive use opportunities. That collaborative engagement resulted in UMRWA and the Eastern San Joaquin GWA entering into an MOU in October 2012 which led to the two regions receiving a \$605,000 Prop 84 planning grant to prepare the Mokelumne Watershed Interregional Sustainability Evaluation. The MokeWISE final report was completed in June 2015.

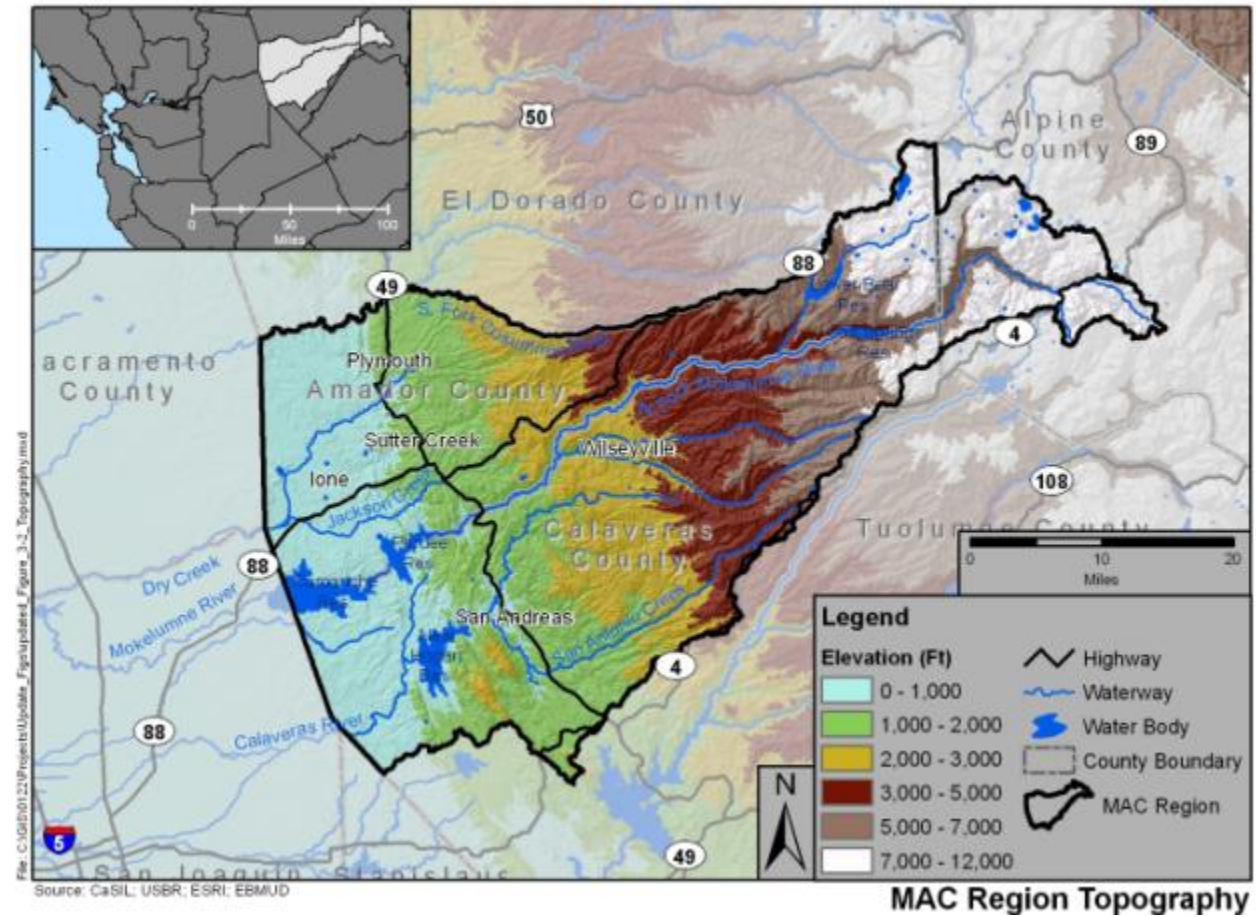
Tuolumne-Stanislaus Region: The Tuolumne-Stanislaus (T-S) Region is immediately south of the MAC Region with its northern boundary reflecting the watershed boundary of the North Fork Stanislaus River. The southern boundary of the MAC Region, as stated previously, is the southern boundary of the South Fork of the Calaveras River. CCWD, a MAC Region member, is also participating in the T-S IRWM program and will serve as a liaison between the IRWM regions. By participating in both IRWM efforts, CCWD will keep members of both regions informed of progress and activity and will identify potential conflicts in the event they arise.

1.1.3. Internal Water-Related Boundaries

The following sections present the water-related components of the MAC Region. These components include the physical elements - both natural and human-made - and institutional elements (i.e., the groups that manage these components or influence their management) as described in Section 0 of this Plan.

The topography of the MAC Region varies greatly. The western boundary of the MAC Region is in the Central Valley, west of the City of Ione, which is very close to sea level. The eastern boundary of the MAC Region is in the Sierra Nevada at the headwaters of the Mokelumne River at an elevation well over 10,000 feet. The terrain from east to west becomes gentler as the mountains and foothills give way to the Central Valley. Figure 1-3 depicts the topography of the region.

Figure 1-3: MAC Region Topography



The topography of the MAC Region has defined multiple watersheds within the region. The two watersheds (Mokelumne and Calaveras) that comprise the bulk of the region are described below. The watersheds of the region, as defined by the California Interagency Watershed Mapping Committee, are shown in Figure 1-4.

Appendix H: Project List and Associated Scores

MAC IRWMP
Project Review Process Results

#	General Project Information			Tier 1, Step 1 Screening			Tier 1, Step 2 Screening		Tier 2, Step 2 Prioritization												
	Entity	Project Name	Project Status	Total Goals	Total State-wide Priors.	Result	Total RMS	Result	Econ. Benefit	Goals Addressed	RMS Integrated	Technical Feasibility	Multi-Agency Benefits	Climate Change Adaptation Benefit	Climate Change Mitigation Benefit	DAC Benefits	Native American Tribal Benefits	No EJ Concerns	Impl. Risk	Best Project for Intended Purpose	Result
1	ARCD	Soil Health & Climate Resilient Agriculture Education Program	Planning/Initial Study	5	1	PASS	3	PASS	High	High	Medium	High	Low	Medium	High	Low	Low	High	High	High	Medium
2	AWA	Groundwater Banking Conjunctive Use Study	Planning/Initial Study	7	7	PASS	14	PASS	High	High	High	High	High	High	Low	Medium	Medium	High	High	High	High
3	AWA	Groundwater Capacity in Amador County	Planning/Initial Study	7	7	PASS	14	PASS	High	High	High	High	High	Medium	Low	Medium	Medium	High	High	High	High
4	AWA	Amador Canal Water Conservation Project	Planning/Initial Study	9	7	PASS	14	PASS	High	High	High	High	Low	High	Medium	Medium	Medium	High	High	High	High
5	AWA	PG&E Storage Recovery	Planning/Initial Study	7	7	PASS	10	PASS	High	High	High	High	High	High	Medium	Medium	Medium	High	Medium	High	High
6	AWA	Lower Bear River Reservoir Expansion Study	Planning/Initial Study	7	7	PASS	10	PASS	High	High	High	High	High	High	High	Medium	Medium	High	Low	Medium	High
7	AWA	Surface Storage Feasibility Study	Planning/Initial Study	7	7	PASS	10	PASS	High	High	High	High	High	High	Medium	Medium	Medium	High	Medium	Medium	High
8	AWA	Lake Camanche Recycling Water Project	Conceptual Design	7	7	PASS	14	PASS	Medium	High	High	High	Low	High	Low	Medium	Low	High	High	High	Medium
9	AWA	Amador Water Agency System Computer Modeling	Planning/Initial Study	10	9	PASS	25	PASS	High	High	High	High	High	High	Medium	Medium	Medium	High	High	High	High
10	AWA	Amador Water Agency Master Plan	Planning/Initial Study	10	9	PASS	25	PASS	High	High	High	High	High	High	Medium	Medium	Medium	High	High	High	High
11	AWA	Highway 88 Corridor Sewer Trunk Line Study	Planning/Initial Study	8	7	PASS	13	PASS	High	High	High	High	High	Medium	Low	High	Low	High	Medium	High	High
12	AWA	Camanche Area Regional Water Supply Project Phase II (CARWSP II)	In Design	5	7	PASS	10	PASS	High	High	High	High	Medium	Low	Low	High	Low	High	High	High	Medium
13	AWA	Ione WTP Planning Study	Conceptual Design	4	7	PASS	7	PASS	High	Medium	High	High	High	Low	Low	Medium	Low	High	High	High	Medium
14	AWA	Upper-Lower Water System Reliability Intertie Project	Planning/Initial Study	3	3	PASS	3	PASS	High	Medium	Medium	High	High	High	Low	Medium	Medium	High	Medium	High	Medium
15	AWA	Lake Camanche Transmission Main Project	Design Complete	6	7	PASS	6	PASS	High	High	High	High	Medium	Low	Medium	Medium	Low	High	High	High	Medium
16	AWA	Amador Water Agency Low Pressure Fire Flow Improvements	Conceptual Design	4	3	PASS	3	PASS	Medium	Medium	Medium	High	High	High	Low	Medium	Medium	High	High	High	Medium
17	AWA	CAWP Fire Protection Project	Conceptual Design	6	4	PASS	3	PASS	High	High	Medium	High	High	High	Medium	Medium	Low	High	High	High	High
18	AWA	CAWP Tanks Replacement and Consolidation Project	Conceptual Design	7	4	PASS	3	PASS	High	High	Medium	High	High	High	High	Medium	Low	High	High	High	High
19	AWA	Floating Covers Replacement Project	Conceptual Design	3	4	PASS	3	PASS	High	Medium	Medium	High	High	High	Low	High	Medium	High	High	High	High
20	AWA	Lake Camanche Water Service Replacement – Phase IV	Design Complete	7	6	PASS	9	PASS	High	High	High	High	Low	High	High	High	Low	High	High	High	High
21	AWA	Amador Water Agency Treated Water Supply Study	Planning/Initial Study	9	7	PASS	14	PASS	High	High	High	High	Low	Medium	Low	High	Medium	High	High	High	High
22	AWA	Community Leachfield Groundwater Nitrate Study	Planning/Initial Study	8	7	PASS	13	PASS	High	High	High	High	Low	High	Medium	Medium	Medium	High	High	High	High
23	AWA	Martell Wastewater Lift Station Reduction Project	Planning/Initial Study	6	6	PASS	7	PASS	High	High	High	High	Low	Low	High	High	Low	High	High	High	High
24	AWA	Regional Wastewater Treatment and Recycling Project	Conceptual Design	8	7	PASS	16	PASS	High	High	High	High	High	High	Medium	Medium	High	High	High	High	High
25	AWA	Lake Camanche Regional Wastewater System	Conceptual Design	9	7	PASS	14	PASS	High	High	High	High	Medium	High	Low	High	Low	High	High	High	High
26	AWA	Tanner WTP Rehabilitation and Efficiency Project	In Design	6	7	PASS	7	PASS	High	High	High	High	High	Medium	Low	High	Medium	High	High	High	High
27	AWA	Water Storage Reoperation Study	Planning/Initial Study	7	7	PASS	10	PASS	High	High	High	High	High	High	Low	Medium	Medium	High	High	High	High
28	AWA	SGMA Implementation for Amador County	Planning/Initial Study	7	7	PASS	14	PASS	High	High	High	Medium	High	Medium	Low	Medium	Medium	High	High	High	High
29	AWA	Fishery Habitat Improvements	Planning/Initial Study	6	4	PASS	9	PASS	High	High	High	High	High	Medium	Low	Low	Low	High	High	High	Medium
30	AWA	New York Ranch Reservoir Conservation and Management	Planning/Initial Study	7	8	PASS	16	PASS	High	High	High	High	Medium	Medium	Low	Medium	Medium	High	Medium	High	Medium
31	AWA	MAC Conservation Program Implementation	Planning/Initial Study	5	7	PASS	12	PASS	High	High	High	High	High	High	High	Medium	Medium	High	High	High	High
32	CCWD	Sheep Ranch Drinking Water Treatment & Distribution Compliance Project	Design Complete	3	3	PASS	3	PASS	Medium	Medium	Medium	High	Low	High	Low	High	Low	High	High	High	Medium
33	CCWD	West Point Automated Meter Reading Project	Conceptual Design	4	2	PASS	2	PASS	High	Medium	Low	High	Low	Low	Medium	High	Low	High	High	High	Medium
34	CCWD	West Point Water Treatment Plant Drinking Water Compliance Project	Design Complete	3	1	PASS	3	PASS	High	Medium	Medium	High	Low	Medium	Low	High	High	High	High	High	Medium
35	CCWD	Wilson Dam Meadow Restoration and Habitat Enhancement Plan	Planning/Initial Study	5	3	PASS	3	PASS	High	High	Medium	High	Low	High	Low	High	Low	High	High	High	Medium
36	Foothill	Amador Household Water Efficiency Project	Conceptual Design	6	3	PASS	3	PASS	High	High	Medium	High	Low	High	High	Medium	Medium	High	High	High	High
37	Foothill	Mokelumne High Country Meadow Restoration	Planning/Initial Study	8	4	PASS	9	PASS	High	High	High	High	Medium	Medium	High	Medium	Medium	High	High	High	High
38	Foothill	Riparian Noxious Weed Abatement Plan	Planning/Initial Study	3	1	PASS	6	PASS	High	Medium	High	High	Medium	High	Low	Medium	Medium	High	High	High	High
39	Foothill	Restoring the Upper Mokelumne's Anadromous Fish	Planning/Initial Study and Conceptual Design	4	1	PASS	6	PASS	Medium	Medium	High	High	High	Medium	Low	Medium	Medium	High	High	High	Medium
40	Foothill	Upper Mokelumne Watershed Landowner Guide	Planning/Initial Study	7	1	PASS	11	PASS	High	High	High	High	High	Medium	Medium	Medium	Medium	High	High	High	High
41	Jackson	Jackson Creek Sewer Line Relocation - Conceptual Design/Feasibility Study	Planning/Initial Study	2	3	PASS	3	PASS	Medium	Medium	Medium	High	Low	Low	Low	High	Low	High	High	High	Medium
42	UMRWA	Hemlock Forest Restoration Water Yield Project Study	Environmental Review Complete	5	3	PASS	3	PASS	High	High	Medium	High	High	High	Low	Medium	Medium	High	High	High	High
43	UMRWA	MAC Region DAC Small Communities Water and WW Needs Assessment	Planning/Initial Study	4	3	PASS	2	PASS	High	Medium	Low	High	High	Low	Low	High	Medium	High	High	High	Medium
44	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Plan	Planning/Initial Study	4	3	PASS	6	PASS	High	Medium	High	High	High	Low	Low	Medium	Medium	High	High	High	Medium
45	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Project	Planning/Initial Study	4	3	PASS	6	PASS	Medium	Medium	High	High	High	Low	Low	Medium	Medium	High	High	High	Medium
46	UMRWA	Upper Mokelumne Erosion and Water Quality Assessment and Restoration Plan	Planning/Initial Study and Conceptual Design	5	4	PASS	10	PASS	High	High	High	High	High	Medium	Low	Medium	Medium	High	High	High	High
47	CAFT	South Fork Mokelumne River Watershed Program	Environmental Review Complete	6	5	PASS	8	PASS	High	High	High	High	High	Medium	Medium	Medium	Medium	High	High	High	High

Tier 1 - Screening
Step 2 - Resource Management Strategies Incorporated

Project No.	Submitted by	Project Name	Project Status	Agricultural Water Use Efficiency	Urban Water Use Efficiency	Flood Management	Conveyance - Delta	Conveyance - Regional / local	System Reoperation	Water Transfers	Conjunctive Management & Groundwater Storage	Desalination - Brackish and Sea Water	Recycled Municipal Water	Precipitation Enhancement	Surface Storage - CALFED	Surface Storage - Regional / local	Drinking Water Treatment & Distribution	Groundwater and Aquifer Remediation	Matching Quality to Use	Pollution Prevention	Salt & Salinity Management	Urban Stormwater Runoff Management	Agricultural Lands Stewardship	Ecosystem Restoration	Forest Management	Land Use Planning and Management	Recharge Area Protection	Sediment Management	Watershed Management	Economic Incentives	Outreach and Engagement	Water and Culture	Water-Dependent Recreation	Crop Idling for Water Transfers	Dewaporation or Atmospheric Pressure Desalination	Fog Collection	Irrigated Land Retirement	Rainfed Agriculture	Snow Fences	Waterbag Transport / Storage Technology	TOTAL RMS	Capital Costs	Overall Result							
1	ARCD	Soil Health & Climate Resilient Agriculture Education Program	Planning/Initial Study	✓																																					3	\$70,000	Medium							
2	AWA	Groundwater Banking Conjunctive Use Study	Planning/Initial Study	✓	✓																																						14	\$200,000	High					
3	AWA	Groundwater Capacity in Amador County	Planning/Initial Study	✓	✓																																						14	\$300,000	High					
4	AWA	Amador Canal Water Conservation Project	Planning/Initial Study	✓	✓	✓																																						14	\$250,000	High				
5	AWA	PG&E Storage Recovery	Planning/Initial Study																																								10	\$100,000	High					
6	AWA	Lower Bear River Reservoir Expansion Study	Planning/Initial Study		✓																																							10	\$200,000	High				
7	AWA	Surface Storage Feasibility Study	Planning/Initial Study		✓																																							10	\$200,000	High				
8	AWA	Lake Camanche Recycling Water Project	Conceptual Design	✓	✓																																							14	\$14,000,000	Medium				
9	AWA	Amador Water Agency System Computer Modeling	Planning/Initial Study	✓	✓	✓																																							25	\$70,000	High			
10	AWA	Amador Water Agency Master Plan	Planning/Initial Study	✓	✓	✓																																							25	\$250,000	High			
11	AWA	Highway 88 Corridor Sewer Trunk Line Study	Planning/Initial Study	✓	✓																																								13	\$50,000	High			
12	AWA	Camanche Area Regional Water Supply Project Phase II (CARWSP II)	In Design		✓																																								10	\$6,500,000	Medium			
13	AWA	Ione WTP Planning Study	Conceptual Design		✓																																								7	\$200,000	Medium			
14	AWA	Upper-Lower Water System Reliability Intertie Project	Planning/Initial Study																																										3	\$75,000	Medium			
15	AWA	Lake Camanche Transmission Main Project	Design Complete		✓																																								6	\$900,000	Medium			
16	AWA	Amador Water Agency Low Pressure Fire Flow Improvements	Conceptual Design																																										3	\$2,000,000	Medium			
17	AWA	CAWP Fire Protection Project	Conceptual Design																																										3	\$150,000	High			
18	AWA	CAWP Tanks Replacement and Consolidation Project	Conceptual Design																																										3	\$2,500,000	High			
19	AWA	Floating Covers Replacement Project	Conceptual Design																																										3	\$150,000	High			
20	AWA	Lake Camanche Water Service Replacement - Phase IV	Design Complete		✓																																								9	\$495,000	High			
21	AWA	Amador Water Agency Treated Water Supply Study	Planning/Initial Study	✓	✓	✓																																								14	\$100,000	High		
22	AWA	Community Leachfield Groundwater Nitrate Study	Planning/Initial Study	✓	✓																																									13	\$100,000	High		
23	AWA	Martell Wastewater Lift Station Reduction Project	Planning/Initial Study	✓	✓																																									7	\$150,000	High		
24	AWA	Regional Wastewater Treatment and Recycling Project	Conceptual Design	✓	✓																																									16	\$100,000	High		
25	AWA	Lake Camanche Regional Wastewater System	Conceptual Design	✓	✓																																									14	\$14,000,000	High		
26	AWA	Tanner WTP Rehabilitation and Efficiency Project	In Design		✓																																									7	\$10,000,000	High		
27	AWA	Water Storage Reoperation Study	Planning/Initial Study		✓																																									10	\$50,000	High		
28	AWA	SGMA Implementation for Amador County	Planning/Initial Study	✓	✓																																										14	\$100,000	High	
29	AWA	Fishery Habitat Improvements	Planning/Initial Study																																											9	\$100,000	Medium		
30	AWA	New York Ranch Reservoir Conservation and Management	Planning/Initial Study	✓	✓	✓																																									16	\$35,000	Medium	
31	AWA	MAC Conservation Program Implementation	Planning/Initial Study		✓																																										12	\$1,664,000	High	
32	CCWD	Sheep Ranch Drinking Water Treatment & Distribution Compliance Project	Design Complete																																											3	\$4,000,000	Medium		
33	CCWD	West Point Automated Meter Reading Project	Conceptual Design		✓																																										2	\$500,000	Medium	
34	CCWD	West Point Water Treatment Plant Drinking Water Compliance Project	Design Complete																																												3	\$1,250,000	Medium	
35	CCWD	Wilson Dam Meadow Restoration and Habitat Enhancement Plan	Planning/Initial Study																																												3	\$290,000	Medium	
36	Foothill	Amador Household Water Efficiency Project	Conceptual Design		✓																																										3	\$695,000	High	
37	Foothill	Mokelumne High Country Meadow Restoration	Planning/Initial Study																																												9	\$1,500,000	High	
38	Foothill	Riparian Noxious Weed Abatement Plan	Planning/Initial Study																																												6	\$25,000	High	
39	Foothill	Restoring the Upper Mokelumne's Anadromous Fish	Planning/Initial Study and Conceptual Design																																												6	\$2,100,000	Medium	
40	Foothill	Upper Mokelumne Watershed Landowner Guide	Planning/Initial Study	✓																																											11	\$50,000	High	
41	Jackson	Jackson Creek Sewer Line Relocation - Conceptual Design/Feasibility Study	Planning/Initial Study																																												3	\$200,000	Medium	
42	UMRWA	Hemlock Forest Restoration Water Yield Project Study	Environmental Review Complete																																												3	\$0	High	
43	UMRWA	MAC Region DAC Small Communities Water and WW Needs Assessment	Planning/Initial Study		✓																																										2	\$200,000	Medium	
44	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Plan	Planning/Initial Study			✓																																									6	\$225,000	Medium	
45	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Project	Planning/Initial Study			✓																																										6	\$2,000,000	Medium
46	UMRWA	Upper Mokelumne Erosion and Water Quality Assessment and Restoration Plan	Planning/Initial Study and Conceptual Design																																													10	\$250,000	High
47	CAFT	South Fork Mokelumne River Watershed Program	Environmental Review Complete																																												8	\$64,990	High	

Tier 2 - Evaluation
Step 1 - Apply Evaluation Criteria

Project No.	Submitted by	Project Name	Project Status	TOTAL GOALS	TOTAL RMS	Economic Benefit	Goals Addressed	RMS Integrated	Technical Feasibility	Climate Change Adaptation Benefit	Climate Change Mitigation Benefit	Multi-Agency Benefits	DAC Benefits	Native American Tribal Benefits	EJ Concerns	Best Project for Intended Purpose	Minimize Implementation Risk
1	ARCD	Soil Health & Climate Resilient Agriculture Education Program	Planning/Initial Study	5	3	High	High	Medium	High	Medium	High	Low	Low	Low	High	High	High
2	AWA	Groundwater Banking Conjunctive Use Study	Planning/Initial Study	7	14	High	High	High	High	High	Low	High	Medium	Medium	High	High	High
3	AWA	Groundwater Capacity in Amador County	Planning/Initial Study	7	14	High	High	High	High	Medium	Low	High	Medium	Medium	High	High	High
4	AWA	Amador Canal Water Conservation Project	Planning/Initial Study	9	14	High	High	High	High	High	Medium	Low	Medium	Medium	High	High	High
5	AWA	PG&E Storage Recovery	Planning/Initial Study	7	10	High	High	High	High	High	Medium	High	Medium	Medium	High	High	Medium
6	AWA	Lower Bear River Reservoir Expansion Study	Planning/Initial Study	7	10	High	High	High	High	High	High	High	Medium	Medium	High	Medium	Low
7	AWA	Surface Storage Feasibility Study	Planning/Initial Study	7	10	High	High	High	High	High	Medium	High	Medium	Medium	High	Medium	Medium
8	AWA	Lake Camanche Recycling Water Project	Conceptual Design	7	14	Medium	High	High	High	High	Low	Low	Medium	Low	High	High	High
9	AWA	Amador Water Agency System Computer Modeling	Planning/Initial Study	10	25	High	High	High	High	High	Medium	High	Medium	Medium	High	High	High
10	AWA	Amador Water Agency Master Plan	Planning/Initial Study	10	25	High	High	High	High	High	Medium	High	Medium	Medium	High	High	High
11	AWA	Highway 88 Corridor Sewer Trunk Line Study	Planning/Initial Study	8	13	High	High	High	High	Medium	Low	High	High	Low	High	High	Medium
12	AWA	Camanche Area Regional Water Supply Project Phase II (CARWSP II)	In Design	5	10	High	High	High	High	Low	Low	Medium	High	Low	High	High	High
13	AWA	lone WTP Planning Study	Conceptual Design	4	7	High	Medium	High	High	Low	Low	High	Medium	Low	High	High	High
14	AWA	Upper-Lower Water System Reliability Intertie Project	Planning/Initial Study	3	3	High	Medium	Medium	High	High	Low	High	Medium	Medium	High	High	Medium
15	AWA	Lake Camanche Transmission Main Project	Design Complete	6	6	High	High	High	High	Low	Medium	Medium	Medium	Low	High	High	High
16	AWA	Amador Water Agency Low Pressure Fire Flow Improvements	Conceptual Design	4	3	Medium	Medium	Medium	High	High	Low	High	Medium	Medium	High	High	High
17	AWA	CAWP Fire Protection Project	Conceptual Design	6	3	High	High	Medium	High	High	Medium	High	Medium	Low	High	High	High
18	AWA	CAWP Tanks Replacement and Consolidation Project	Conceptual Design	7	3	High	High	Medium	High	High	High	High	Medium	Low	High	High	High
19	AWA	Floating Covers Replacement Project	Conceptual Design	3	3	High	Medium	Medium	High	High	Low	High	High	Medium	High	High	High
20	AWA	Lake Camanche Water Service Replacement – Phase IV	Design Complete	7	9	High	High	High	High	High	High	Low	High	Low	High	High	High
21	AWA	Amador Water Agency Treated Water Supply Study	Planning/Initial Study	9	14	High	High	High	High	Medium	Low	Low	High	Medium	High	High	High
22	AWA	Community Leachfield Groundwater Nitrate Study	Planning/Initial Study	8	13	High	High	High	High	High	Medium	Low	Medium	Medium	High	High	High
23	AWA	Martell Wastewater Lift Station Reduction Project	Planning/Initial Study	6	7	High	High	High	High	Low	High	Low	High	Low	High	High	High
24	AWA	Regional Wastewater Treatment and Recycling Project	Conceptual Design	8	16	High	High	High	High	High	Medium	High	Medium	Medium	High	High	High
25	AWA	Lake Camanche Regional Wastewater System	Conceptual Design	9	14	High	High	High	High	High	Low	Medium	High	Low	High	High	High
26	AWA	Tanner WTP Rehabilitation and Efficiency Project	In Design	6	7	High	High	High	High	Medium	Low	High	High	Medium	High	High	High
27	AWA	Water Storage Reoperation Study	Planning/Initial Study	7	10	High	High	High	High	High	Low	High	Medium	Medium	High	High	High
28	AWA	SGMA Implementation for Amador County	Planning/Initial Study	7	14	High	High	High	Medium	Medium	Low	High	Medium	Medium	High	High	High
29	AWA	Fishery Habitat Improvements	Planning/Initial Study	6	9	High	High	High	High	Medium	Low	High	Low	Low	High	High	High
30	AWA	New York Ranch Reservoir Conservation and Management	Planning/Initial Study	7	16	High	High	High	High	Medium	Low	Medium	Medium	Medium	High	High	Medium
31	AWA	MAC Conservation Program Implementation	Planning/Initial Study	5	12	High	High	High	High	High	High	High	Medium	Medium	High	High	High
32	CCWD	Sheep Ranch Drinking Water Treatment & Distribution Compliance Project	Design Complete	3	3	Medium	Medium	Medium	High	High	Low	Low	High	Low	High	High	High
33	CCWD	West Point Automated Meter Reading Project	Conceptual Design	4	2	High	Medium	Low	High	Low	Medium	Low	High	Low	High	High	High
34	CCWD	West Point Water Treatment Plant Drinking Water Compliance Project	Design Complete	3	3	High	Medium	Medium	High	Medium	Low	Low	High	High	High	High	High
35	CCWD	Wilson Dam Meadow Restoration and Habitat Enhancement Plan	Planning/Initial Study	5	3	High	High	Medium	High	High	Low	Low	High	Low	High	High	High
36	Foothill	Amador Household Water Efficiency Project	Conceptual Design	6	3	High	High	Medium	High	High	High	Low	Medium	Medium	High	High	High
37	Foothill	Mokelumne High Country Meadow Restoration	Planning/Initial Study	8	9	High	High	High	High	Medium	High	Medium	Medium	Medium	High	High	High
38	Foothill	Riparian Noxious Weed Abatement Plan	Planning/Initial Study	3	6	High	Medium	High	High	High	Low	Medium	Medium	Medium	High	High	High
39	Foothill	Restoring the Upper Mokelumne's Anadromous Fish	Planning/Initial Study and Conceptual Design	4	6	Medium	Medium	High	High	Medium	Low	High	Medium	Medium	High	High	High
40	Foothill	Upper Mokelumne Watershed Landowner Guide	Planning/Initial Study	7	11	High	High	High	High	Medium	Medium	High	Medium	Medium	High	High	High
41	Jackson	Jackson Creek Sewer Line Relocation - Conceptual Design/Feasibility Study	Planning/Initial Study	2	3	Medium	Medium	Medium	High	Low	Low	Low	High	Low	High	High	High
42	UMRWA	Hemlock Forest Restoration Water Yield Project Study	Environmental Review Complete	5	3	High	High	Medium	High	High	Low	High	Medium	Medium	High	High	High
43	UMRWA	MAC Region DAC Small Communities Water and WW Needs Assessment	Planning/Initial Study	4	2	High	Medium	Low	High	Low	Low	High	High	Medium	High	High	High
44	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Plan	Planning/Initial Study	4	6	High	Medium	High	High	Low	Low	High	Medium	Medium	High	High	High
45	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Project	Planning/Initial Study	4	6	Medium	Medium	High	High	Low	Low	High	Medium	Medium	High	High	High
46	UMRWA	Upper Mokelumne Erosion and Water Quality Assessment and Restoration Plan	Planning/Initial Study and Conceptual Design	5	10	High	High	High	High	Medium	Low	High	Medium	Medium	High	High	High
47	CAFT	South Fork Mokelumne River Watershed Program	Environmental Review Complete	6	8	High	High	High	High	Medium	Medium	High	Medium	Medium	High	High	High

Text Color Coding Key:
Purple: Project proponent checked a box but did not provide a rationale OR the project proponent did not check a box
Orange: Project reviewer disagreed with the project proponent's score in that category and changed the score
Black: Project proponent checked the "yes" box and provided an explanation OR checked the "no" box

Tier 2 - Evaluation
Step 2 - Prioritize Projects

Project No.	Submitted by	Project Name	Project Status	RESULT (3 HIGHS)	RESULT (5 HIGHS)	RESULT (Recommended Approach)
1	ARCD	Soil Health & Climate Resilient Agriculture Education Program	Planning/Initial Study	High	High	Medium
2	AWA	Groundwater Banking Conjunctive Use Study	Planning/Initial Study	High	High	High
3	AWA	Groundwater Capacity in Amador County	Planning/Initial Study	High	High	High
4	AWA	Amador Canal Water Conservation Project	Planning/Initial Study	High	High	High
5	AWA	PG&E Storage Recovery	Planning/Initial Study	High	High	High
6	AWA	Lower Bear River Reservoir Expansion Study	Planning/Initial Study	High	High	High
7	AWA	Surface Storage Feasibility Study	Planning/Initial Study	High	High	High
8	AWA	Lake Camanche Recycling Water Project	Conceptual Design	High	High	Medium
9	AWA	Amador Water Agency System Computer Modeling	Planning/Initial Study	High	High	High
10	AWA	Amador Water Agency Master Plan	Planning/Initial Study	High	High	High
11	AWA	Highway 88 Corridor Sewer Trunk Line Study	Planning/Initial Study	High	High	High
13	AWA	Ione WTP Planning Study	Conceptual Design	High	High	Medium
14	AWA	Upper-Lower Water System Reliability Intertie Project	Planning/Initial Study	High	High	Medium
15	AWA	Lake Camanche Transmission Main Project	Design Complete	High	High	Medium
16	AWA	Amador Water Agency Low Pressure Fire Flow Improvements	Conceptual Design	High	Medium	Medium
17	AWA	CAWP Fire Protection Project	Conceptual Design	High	High	High
18	AWA	CAWP Tanks Replacement and Consolidation Project	Conceptual Design	High	High	High
19	AWA	Floating Covers Replacement Project	Conceptual Design	High	High	High
20	AWA	Lake Camanche Water Service Replacement – Phase IV	Design Complete	High	High	High
21	AWA	Amador Water Agency Treated Water Supply Study	Planning/Initial Study	High	High	High
22	AWA	Community Leachfield Groundwater Nitrate Study	Planning/Initial Study	High	High	High
23	AWA	Martell Wastewater Lift Station Reduction Project	Planning/Initial Study	High	High	High
24	AWA	Regional Wastewater Treatment and Recycling Project	Conceptual Design	High	High	High
25	AWA	Lake Camanche Regional Wastewater System	Conceptual Design	High	High	High
26	AWA	Tanner WTP Rehabilitation and Efficiency Project	In Design	High	High	High
27	AWA	Water Storage Reoperation Study	Planning/Initial Study	High	High	High
28	AWA	SGMA Implementation for Amador County	Planning/Initial Study	High	High	High
29	AWA	Fishery Habitat Improvements	Planning/Initial Study	High	High	Medium
30	AWA	New York Ranch Reservoir Conservation and Management	Planning/Initial Study	High	High	Medium
31	AWA	MAC Conservation Program Implementation	Planning/Initial Study	High	High	High
32	CCWD	Sheep Ranch Drinking Water Treatment & Distribution Compliance Project	Design Complete	High	Medium	Medium
33	CCWD	West Point Automated Meter Reading Project	Conceptual Design	High	Medium	Medium
34	CCWD	West Point Water Treatment Plant Drinking Water Compliance Project	Design Complete	High	High	Medium
35	CCWD	Wilson Dam Meadow Restoration and Habitat Enhancement Plan	Planning/Initial Study	High	High	Medium
36	Foothill	Amador Household Water Efficiency Project	Conceptual Design	High	High	High
37	Foothill	Mokelumne High Country Meadow Restoration	Planning/Initial Study	High	High	High
38	Foothill	Riparian Noxious Weed Abatement Plan	Planning/Initial Study	High	High	High
39	Foothill	Restoring the Upper Mokelumne's Anadromous Fish	Planning/Initial Study and Conceptual Design	High	Medium	Medium
40	Foothill	Upper Mokelumne Watershed Landowner Guide	Planning/Initial Study	High	High	High
41	Jackson	Jackson Creek Sewer Line Relocation - Conceptual Design/Feasibility Study	Planning/Initial Study	High	Medium	Medium
42	UMRWA	Hemlock Forest Restoration Water Yield Project Study	Environmental Review Complete	High	High	High
43	UMRWA	MAC Region DAC Small Communities Water and WW Needs Assessment	Planning/Initial Study	High	High	Medium
44	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Plan	Planning/Initial Study	High	High	Medium
45	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Project	Planning/Initial Study	High	Medium	Medium
46	UMRWA	Upper Mokelumne Erosion and Water Quality Assessment and Restoration Plan	Planning/Initial Study and Conceptual Design	High	High	High
47	CAFT	South Fork Mokelumne River Watershed Program	Environmental Review Complete	High	High	High

Appendix I: Project Type and Financing Summary

Project No.	Project Proponent	Project Name	Project Type	Capital Cost	Annual O&M Cost	Primary Funding Source(s) for Capital Cost ¹	Primary Funding Source(s) for O&M Costs ¹
1	ARCD	Soil Health & Climate Resilient Agriculture Education Program	Conservation Project - Outreach and Education	\$70,000	\$180,000	Grants	Grants
2	AWA	Groundwater Banking Conjunctive Use Study	Groundwater Project - Conjunctive Use	\$200,000	\$0	Grants and Loans	Not applicable
3	AWA	Groundwater Capacity in Amador County	Groundwater Project - Groundwater Supply Development	\$300,000	\$0	Grants and Loans	Not applicable
4	AWA	Amador Canal Water Conservation Project	Potable Water Supply Project - Conveyance Facilities	\$250,000	\$0	Grants and Loans	Not applicable
5	AWA	PG&E Storage Recovery	Potable Water Supply Project - Storage Facilities	\$100,000	\$0	Grants and Loans	Not applicable
6	AWA	Lower Bear River Reservoir Expansion Study	Potable Water Supply Project - Storage Facilities	\$200,000	\$0	Grants and Loans	Not applicable
7	AWA	Surface Storage Feasibility Study	Potable Water Supply Project - Storage Facilities	\$200,000	\$0	Grants and Loans	Not applicable
8	AWA	Lake Camanche Recycling Water Project	Recycled Water Project - Conveyance and Treatment Facilities	\$14,000,000	\$500,000	Grants and Loans	Rates
9	AWA	Amador Water Agency System Computer Modeling	Potable Water Supply Project - Conveyance Facilities and Storage Operations	\$70,000	\$0	Grants and Loans	Not applicable
10	AWA	Amador Water Agency Master Plan	Potable Water Supply Project - Conveyance Facilities	\$250,000	\$0	Grants and Loans	Not applicable
11	AWA	Highway 88 Corridor Sewer Trunk Line Study	Wastewater Project - Conveyance Facilities	\$50,000	\$0	Grants and Loans	Not applicable
12	AWA	Camanche Area Regional Water Supply Project Phase II (CARWSP II)	Potable Water Supply Project - Treatment and Conveyance Facilities	\$6,500,000	\$70,000	Grants and Loans	Rates
13	AWA	Ione WTP Planning Study	Potable Water Supply Project - Treatment Facilities	\$200,000	\$0	Grants and Loans	Not applicable
14	AWA	Upper-Lower Water System Reliability Intertie Project	Potable Water Supply Project - Conveyance Facilities	\$75,000	\$0	Grants and Loans	Not applicable
15	AWA	Lake Camanche Transmission Main Project	Potable Water Supply Project - Conveyance Facilities	\$900,000	\$4,000	Grants and Loans	Rates
16	AWA	Amador Water Agency Low Pressure Fire Flow Improvements	Potable Water Supply Project - Storage and Conveyance Facilities	\$2,000,000	\$50,000	Grants and Loans	Rates
17	AWA	CAWP Fire Protection Project	Potable Water Supply Project - Storage and Conveyance Facilities	\$150,000	\$0	Grants and Loans	Not applicable
18	AWA	CAWP Tanks Replacement and Consolidation Project	Potable Water Supply Project - Storage Facilities	\$2,500,000	\$25,000	Grants and Loans	Rates
19	AWA	Floating Covers Replacement Project	Potable Water Supply Project - Storage Facilities	\$150,000	\$2,000	Grants and Loans	Rates
20	AWA	Lake Camanche Water Service Replacement – Phase IV	Potable Water Supply Project - Conveyance Facilities	\$495,000	\$5,000	Grants and Loans	Rates
21	AWA	Amador Water Agency Treated Water Supply Study	Potable Water Supply Project - Storage and Conveyance Facilities	\$100,000	\$0	Grants and Loans	Not applicable
22	AWA	Community Leachfield Groundwater Nitrate Study	Groundwater Project - Groundwater Supply Development	\$100,000	\$0	Grants and Loans	Not applicable
23	AWA	Martell Wastewater Lift Station Reduction Project	Wastewater Project - Conveyance Facilities	\$150,000	\$0	Grants and Loans	Not applicable
24	AWA	Regional Wastewater Treatment and Recycling Project	Recycled Water Project - Conveyance and Treatment Facilities	\$100,000	\$0	Grants and Loans	Not applicable
25	AWA	Lake Camanche Regional Wastewater System	Wastewater Project - Conveyance Facilities	\$14,000,000	\$250,000	Grants and Loans	Rates
26	AWA	Tanner WTP Rehabilitation and Efficiency Project	Potable Water Supply Project - Treatment Facilities	\$10,000,000	\$350,000	Grants and Loans	Rates
27	AWA	Water Storage Reoperation Study	Potable Water Supply Project - Storage Facilities	\$50,000	\$0	Grants and Loans	Not applicable
28	AWA	SGMA Implementation for Amador County	Groundwater Project - Groundwater Supply Development	\$100,000	\$0	Grants and Loans	Not applicable
29	AWA	Fishery Habitat Improvements	Ecosystem Restoration and Protection Project - Restoration	\$100,000	\$0	Grants and Loans	Not applicable

30	AWA	New York Ranch Reservoir Conservation and Management	Ecosystem Restoration and Protection Project - Land Conservation	\$35,000	\$0	Grants and Loans	Not applicable
31	AWA	MAC Conservation Program Implementation	Conservation - Economic Incentives and Outreach and Education	\$1,664,000	\$122,000	Grants and Loans	Rates
32	CCWD	Sheep Ranch Drinking Water Treatment & Distribution Compliance Project	Potable Water Supply Project - Treatment Facilities	\$4,000,000	\$0	Grants	Not applicable
33	CCWD	West Point Automated Meter Reading Project	Potable Water Supply Project - Conveyance Facilities	\$500,000	\$0	Grants	Not applicable
34	CCWD	West Point Water Treatment Plant Drinking Water Compliance Project	Potable Water Supply Project - Treatment Facilities	\$1,250,000	\$10,000	Customer Rates, Operations Budgets	Rates
35	CCWD	Wilson Dam Meadow Restoration and Habitat Enhancement Plan	Ecosystem Restoration and Protection Project - Restoration	\$290,000	\$0	Customer Rates, Operations Budgets	Not applicable
36	Foothill	Amador Household Water Efficiency Project	Conservation - Economic Incentives and Outreach and Education	\$695,000	\$35,000	Grants, Foundation and Corporate Funding	Grants, Foundation and Corporate Funding
37	Foothill	Mokelumne High Country Meadow Restoration	Ecosystem Restoration and Protection Project - Restoration	\$1,500,000	\$0	Grants	Not applicable
38	Foothill	Riparian Noxious Weed Abatement Plan	Ecosystem Restoration and Protection Project - Invasive Species Removal	\$25,000	\$0	Grants, RCD Funds	Not applicable
39	Foothill	Restoring the Upper Mokelumne's Anadromous Fish	Ecosystem Restoration and Protection Project - Restoration	\$2,100,000	\$30,000	Grants, Foundation and Corporate Funding	Grants, Foundation and Corporate Funding
40	Foothill	Upper Mokelumne Watershed Landowner Guide	Conservation Project - Outreach and Education and Urban Runoff Management Project - Pollution Prevention	\$50,000	\$500	Grants, Foundation and Corporate Funding, In-Kind Donations	Grants, Foundation and Corporate Funding, In-Kind Donations
41	Jackson	Jackson Creek Sewer Line Relocation - Conceptual Design/Feasibility Study	Wastewater Project - Conveyance Facilities	\$200,000	\$0	Grants	Not applicable
42	UMRWA	Hemlock Forest Restoration Water Yield Project Study	Ecosystem Restoration and Protection Project - Restoration	\$0	\$550,000	Not applicable	Grants and Private Capital (previously secured)
43	UMRWA	MAC Region DAC Small Communities Water and WW Needs Assessment	Water and Wastewater Project - Conveyance, Storage, and Treatment Facilities	\$200,000	\$0	Grants	Not applicable
44	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Plan	Ecosystem Restoration and Protection Project - Restoration	\$225,000	\$0	Grants	Not applicable
45	UMRWA	North Fork Mokelumne Watershed Erosion Control & Water Quality Restoration Project	Ecosystem Restoration and Protection Project - Restoration	\$2,000,000	\$0	Grants	Not applicable
46	UMRWA	Upper Mokelumne Erosion and Water Quality Assessment and Restoration Plan	Ecosystem Restoration and Protection Project - Restoration	\$250,000	\$0	Grants	Not applicable
47	CAFT	South Fork Mokelumne River Watershed Program	Ecosystem Restoration and Protection Project - Restoration	\$64,990	\$0	Grants	Not applicable

1. The percent of total cost to be paid by each funding source will be determined as information becomes available, and the longevity and certainty of project-specific funding sources will be assessed moving forward and prior to project implementation. This information is provided at a programmatic level in Table 4-3.



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Agenda Item

DATE: December 12, 2018
TO: Jeffrey Meyer, Interim General Manager *JM*
FROM: Peter Martin, Manager of Water Resources
SUBJECT: Update on Local Forest Management Initiatives

RECOMMENDED ACTION:

Informational update only. No action requested at this time.

SUMMARY:

This agenda item originally appeared on the November 14, 2018 Agenda but was requested to be rescheduled for the subsequent December meeting.

The Board has requested an update on local forest management initiatives and projects of importance to the region. Mr. Pat McGreevy, a founding member of the Calaveras-Amador Forestry Team will be in attendance to provide an update and presentation on proposed fuels management projects of significance to Calaveras County that include the targeted protection of CCWD operated facilities and properties. The Board will also receive a brief update on fuel thinning and fire risk reduction projects being implemented by the Upper Mokelumne River Watershed Authority through the Master Stewardship Agreements with the US Forest Service and the Bureau of Land Management.

FINANCIAL CONSIDERATIONS:

None.

Agenda Item

DATE: December 12, 2018

TO: Board of Directors

FROM: Jeffrey Meyer, Interim General Manager *JM*

SUBJECT: Discussion/Direction Regarding Funding Recommendation for District's PERS Unfunded Pension Liability

RECOMMENDED ACTION:

Discussion/Direction Regarding Funding Recommendations for District's PERS Unfunded Pension Liability.

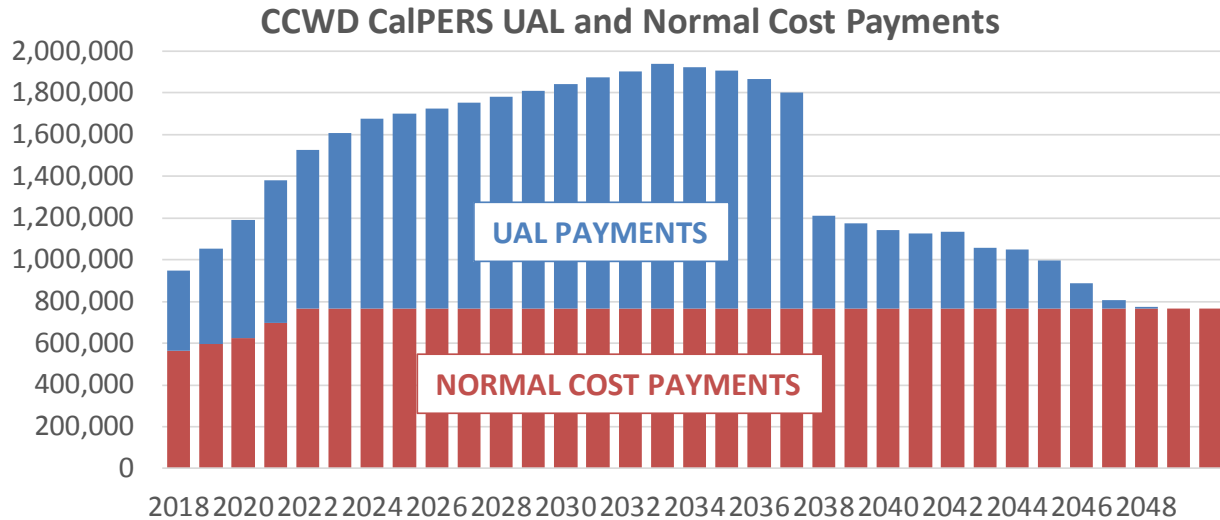
SUMMARY:

At the November 14, 2018 Board of Directors meeting Eric Scriven of NHA Advisors provided an overview of the District's participation in and the costs associated with the California Public Employees' Retirement System ("PERS"), a defined benefit pension plan. The presentation focused on the District's Miscellaneous Plan (2.7% at 55) and in particular, the District's contributions, which are based on the plan's benefit formula and are the sum of two components, the normal cost and the unfunded accrued liability.

The normal cost is the annual cost of service accrual for active employees and is a percentage of payroll. The unfunded accrued liability (UAL) is the amortized dollar amount needed to fund past service credit earned (or accrued) for active members and members who are currently receiving retirement benefits. The funded status of the District's Miscellaneous Plan and projected future UAL contributions are included in pages 5, 9, 10, 11 and 12 of the June 30, 2017 CalPERS Actuarial Valuation (attached).

Over the past several years the District's normal and UAL pension costs have increased significantly. The UAL has grown from approximately \$6 million to over \$10 million, with the funding status of the plan decreasing from about 81% to 74%. As shown in the chart below, the projected estimated pension payments are increasing from \$1.0 million in FY 2017-18 to \$1.5 million in FY 2020-21. These payments are projected to grow annually to approximately \$2.0 million by FY 2029-30, before dropping off abruptly in FY 2037-38.

As depicted in the "blue" bars, the UAL repayment schedule is driving the fluctuating shape of overall payments. This is due to the fact that there are multiple amortization components (called "bases") of the District's total \$10 million UAL. From a budget predictability and financial sustainability perspective, this shape is not optimal.



Mr. Scriven’s also discussed CalPERS cost trends, updated projections, and various alternative repayment strategies. These strategies included participation in the CalPERS Fresh Start program and the option of restructuring a portion of the UAL with a loan. Private Placement (borrowing from bank) and Public Offering (issuing bonds to investors) loan options were shown, as well as different loan amounts and amortization periods (maturity length).

After extensive review and analysis of several options between District staff and NHA Advisors, the proposed financing plan includes paying off approximately \$5.7 million of the District’s total \$10 million UAL through a private placement. This option best meets the District’s objectives by:

- Reducing the interest rate paid on pension debt to create present value savings and maximize overall cash flow savings to District and ratepayers
- Creating a “smoother” and more predictable payment shape to minimize impact on rate payers, improve budget predictability and enhance future fiscal sustainability
- Amortizing new loan over period of 20 years or less
- Increasing the funding level of pension plan from 74% to between 85%-90%
- Minimizing the loan/debt size so that the above objectives can be met

Staff and Mr. Scriven will be available to answer questions regarding the proposal. Staff will also request conceptual approval of the financing plan with guidance that staff begin to assemble financing team and finalize the finance plan. Formal approval of the financing pal and the financing team is expected to take place in January 2019.

FINANCIAL CONSIDERATIONS:

None at this time.

Attachment: GASB 68 Accounting Valuation Report for CCWD’s Miscellaneous Plan, dated June 30, 2017, pages 5, 9,10,11 & 12

Plan's Funded Status

		June 30, 2016		June 30, 2017
1. Present Value of Projected Benefits (PVB)	\$	41,386,440	\$	44,452,862
2. Entry Age Normal Accrued Liability (AL)		35,707,446		38,216,333
3. Plan's Market Value of Assets (MVA)		25,884,352		28,447,247
4. Unfunded Accrued Liability (UAL) [(2) - (3)]		9,823,094		9,769,086
5. Funded Ratio [(3) / (2)]		72.5%		74.4%

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

Projected Employer Contributions

The table below shows projected employer contributions (before cost sharing) for the next six fiscal years. Projected results reflect the adopted changes to the discount rate described in Appendix A, "Statement of Actuarial Data, Methods and Assumptions" of the Section 2 report. The projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period.

Fiscal Year	Required Contribution	Projected Future Employer Contributions (Assumes 7.25% Return for Fiscal Year 2017-18)				
	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Normal Cost %	13.182%	14.0%	14.0%	14.0%	14.0%	14.0%
UAL Payment	\$682,625	\$772,000	\$879,000	\$969,000	\$1,019,000	\$1,073,000

Changes in the UAL due to actuarial gains or losses as well as changes in actuarial assumptions or methods are amortized using a 5-year ramp up. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of Section 2. This method phases in the impact of unanticipated changes in UAL over a 5-year period and attempts to minimize employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years where there is a large increase in UAL the relatively small amortization payments during the ramp up period could result in a funded ratio that is projected to decrease initially while the contribution impact of the increase in the UAL is phased in.

Due to the adopted changes in the discount rate for next year's valuation in combination with the 5-year phase-in ramp, the increases in the required contributions are expected to continue for six years from Fiscal Year 2019-20 through Fiscal Year 2024-25.

For projected contributions under alternate investment return scenarios, please see the "Analysis of Future Investment Return Scenarios" in the "Risk Analysis" section.

Schedule of Plan's Amortization Bases

There is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2017.
- The employer contribution determined by the valuation is for the fiscal year beginning two years after the valuation date: Fiscal Year 2019-20.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the payment on the UAL for the fiscal year and adjusting for interest. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Reason for Base	Date Established	Ramp Up/Down 2019-20	Amortization Period	Balance 6/30/17	Payment 2017-18	Balance 6/30/18	Payment 2018-19	Amounts for Fiscal 2019-20	
								Balance 6/30/19	Scheduled Payment for 2019-20
SHARE OF PRE-2013 POOL UAL	06/30/13	No Ramp	17	\$3,936,651	\$307,537	\$3,903,568	\$313,084	\$3,862,342	\$321,587
ASSET (GAIN)/LOSS	06/30/13	100% →	26	\$3,346,809	\$135,143	\$3,449,496	\$182,904	\$3,510,166	\$234,888
NON-ASSET (GAIN)/LOSS	06/30/13	100% →	26	\$12,675	\$512	\$13,064	\$693	\$13,293	\$890
ASSET (GAIN)/LOSS	06/30/14	80% ↗	27	\$(2,676,745)	\$(73,223)	\$(2,794,978)	\$(111,418)	\$(2,882,228)	\$(152,631)
NON-ASSET (GAIN)/LOSS	06/30/14	80% ↗	27	\$3,009	\$82	\$3,142	\$125	\$3,240	\$172
ASSUMPTION CHANGE	06/30/14	80% ↗	17	\$1,735,902	\$64,623	\$1,794,830	\$98,741	\$1,822,697	\$135,237
ASSET (GAIN)/LOSS	06/30/15	60% ↗	28	\$1,623,398	\$22,860	\$1,717,420	\$46,342	\$1,793,940	\$71,424
NON-ASSET (GAIN)/LOSS	06/30/15	60% ↗	28	\$(135,244)	\$(1,904)	\$(143,077)	\$(3,861)	\$(149,452)	\$(5,950)
ASSET (GAIN)/LOSS	06/30/16	40% ↗	29	\$1,968,810	\$0	\$2,111,549	\$29,301	\$2,234,292	\$60,217
NON-ASSET (GAIN)/LOSS	06/30/16	40% ↗	29	\$(247,288)	\$0	\$(265,216)	\$(3,680)	\$(280,633)	\$(7,563)
ASSUMPTION CHANGE	06/30/16	40% ↗	19	\$602,933	\$(19,338)	\$666,672	\$12,580	\$701,978	\$25,850
ASSET (GAIN)/LOSS	06/30/17	20% ↗	30	\$(976,371)	\$0	\$(1,047,158)	\$0	\$(1,123,077)	\$(15,567)
NON-ASSET (GAIN)/LOSS	06/30/17	20% ↗	30	\$(51,162)	\$0	\$(54,871)	\$0	\$(58,849)	\$(816)
ASSUMPTION CHANGE	06/30/17	20% ↗	20	\$625,708	\$(32,299)	\$704,521	\$(33,227)	\$790,010	\$14,888
TOTAL				\$9,769,085	\$403,993	\$10,058,962	\$531,584	\$10,237,719	\$682,626

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed on the previous page. These (gain)/loss bases will be amortized according to Board policy over 30 years with a 5-year ramp-up.

If the total Unfunded Liability is negative (i.e., plan has a surplus), the scheduled payment is \$0, because the minimum required contribution under PEPRA must be at least equal to the normal cost.

Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze the current amortization schedule and illustrate the advantages of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on: 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternate "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. Note that the payments under each alternate scenario increase by 2.875 percent for each year into the future. **The schedules do not attempt to reflect any experience after June 30, 2017 that may deviate from the actuarial assumptions. Therefore, future amortization payments displayed in the Current Amortization Schedule may not match projected amortization payments shown in connection with Projected Employer Contributions provided elsewhere in this report.**

The Current Amortization Schedule typically contains individual bases that are both positive and negative. Positive bases result from plan changes, assumption changes or plan experience that result in increases to unfunded liability. Negative bases result from plan changes, assumption changes or plan experience that result in decreases to unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years such as:

- A positive total unfunded liability with a negative total payment,
- A negative total unfunded liability with a positive total payment, or
- Total payments that completely amortize the unfunded liability over a very short period of time

In any year where one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over a reasonable period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy.

Amortization Schedule and Alternatives

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	15 Year Amortization		10 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2019	10,237,720	682,625	10,237,720	930,925	10,237,720	1,269,675
6/30/2020	10,273,018	759,116	10,015,874	957,689	9,665,059	1,306,178
6/30/2021	10,231,659	843,998	9,750,227	985,223	9,013,077	1,343,731
6/30/2022	10,099,397	909,372	9,436,806	1,013,548	8,274,937	1,382,363
6/30/2023	9,889,843	933,843	9,071,328	1,042,688	7,443,273	1,422,106
6/30/2024	9,639,755	960,691	8,649,175	1,072,665	6,510,154	1,462,992
6/30/2025	9,343,731	988,310	8,165,372	1,103,504	5,467,043	1,505,053
6/30/2026	8,997,641	1,016,724	7,614,555	1,135,230	4,304,748	1,548,323
6/30/2027	8,597,035	1,045,955	6,990,949	1,167,868	3,013,375	1,592,837
6/30/2028	8,137,112	1,076,026	6,288,331	1,201,444	1,582,277	1,638,631
6/30/2029	7,612,703	1,106,962	5,500,001	1,235,985		
6/30/2030	7,018,236	1,138,787	4,618,745	1,271,520		
6/30/2031	6,347,712	1,171,527	3,636,798	1,308,076		
6/30/2032	5,594,669	1,156,337	2,545,802	1,345,683		
6/30/2033	4,802,762	1,139,304	1,336,762	1,384,372		
6/30/2034	3,971,082	1,100,563				
6/30/2035	3,119,225	1,035,221				
6/30/2036	2,273,277	444,539				
6/30/2037	1,977,719	410,993				
6/30/2038	1,695,472	375,151				
6/30/2039	1,429,881	359,692				
6/30/2040	1,161,045	370,033				
6/30/2041	862,008	292,699				
6/30/2042	621,380	283,763				
6/30/2043	372,560	230,981				
6/30/2044	160,363	121,455				
6/30/2045	46,210	39,672				
6/30/2046	8,475	8,777				
6/30/2047						
6/30/2048						
Totals		20,003,116		17,156,418		14,471,888
Interest Paid		9,765,396		6,918,699		4,234,169
Estimated Savings				2,846,699		5,531,229

* This schedule does not reflect the impact of adopted discount rate changes that will become effective beyond June 30, 2017. For Projected Employer Contributions, please see page 5.

Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan, as determined by the annual actuarial valuation. It does not account for prepayments or benefit changes made during a fiscal year.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)
2016 - 17	11.634%	\$382,247
2017 - 18	11.675%	\$455,629
2018 - 19	12.212%	\$564,813
2019 - 20	13.182%	\$682,625

Funding History

The funding history below shows the plan's actuarial accrued liability, share of the pool's market value of assets, share of the pool's unfunded liability, funded ratio, and annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	\$ 24,689,869	\$ 17,374,973	\$ 7,314,896	70.4%	\$ 4,767,494
06/30/2012	26,478,269	19,192,208	7,286,061	72.5%	4,549,070
06/30/2013	28,147,059	21,591,834	6,555,225	76.7%	4,654,277
06/30/2014	31,517,667	25,510,146	6,007,521	80.9%	4,320,373
06/30/2015	33,192,692	25,752,255	7,440,437	77.6%	4,342,774
06/30/2016	35,707,446	25,884,352	9,823,094	72.5%	4,209,783
06/30/2017	38,216,333	28,447,247	9,769,086	74.4%	4,333,545