



RESOLUTION NO. 2018-46
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, September 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. **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.

3. **CONSENT AGENDA**

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

3a Approval of Minutes for the Board Meeting of August 8, 2018

3b Review Board of Directors Monthly Time Sheets for August 2018

BOARD OF DIRECTORS

Scott Ratterman, President
Terry Strange, Director

Russ Thomas, Vice President
Bertha Underhill, Director

Jeff Davidson, Director

- 3c Approve the Cancellation of the Regular Board Meeting of September 26, 2018
(Dave Eggerton, General Manager)
- 3d Ratify Claim Summary #558 Secretarial Fund in the Amount of \$3,260,073.43
for August 2018. (Jeffrey Meyer, Director of Administrative Services) **RES 2018-_____**
- 3e Approval to Amend Appendix A of District Policy No. 5070 - Conflict of Interest Code
(Rebecca Hitchcock, Clerk to the Board) **RES 2018-_____**

4. NEW BUSINESS

- 4a Discussion regarding Meter Sizing and Capacity Fees for Residential Fire Sprinkler Systems
(Charles Palmer, District Engineer)
- 4b Discussion / Action Adopting the District's Financial Management Policy – Policy No.
5.12 – Debt Management Policy
(Jeffrey Meyer, Director of Administrative Services) **RES 2018-_____**
- 4c Discussion/Action regarding Refinancing of Outstanding Limited Obligation Improvement
Bonds and Appointing Financial Consultants
(Jeffrey Meyer, Director of Administrative Services) **RES 2018-_____**
- 4d Update on the Calaveras Public Power Agency (CPPA)
(Peter Martin, Manager of Water Resources)

5. OLD BUSINESS

- 5a* Update on Actions of the Eastside Groundwater Sustainability Agency and JPA
(Peter Martin, Manager of Water Resources)

6. GENERAL MANAGER REPORT

7.* BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS

8. NEXT BOARD MEETINGS

- Wednesday, Sept 26, 2018, 1:00 p.m., Regular Board Meeting (cancellation proposed)
- Wednesday, October 10, 2018, 1:00 p.m., Regular Board Meeting

9. CLOSED SESSION

- 9a Conference with Real Property Negotiators Government Code §54956.8
Property: APN's 072-046-004, 074-008-001, and 046-016-070, Valley Springs.
District Negotiator: Dave Eggerton and Robert Creamer
Under Negotiation: price and other terms
- 9b Conference with Legal Counsel – Potential Litigation Government Code § 54956.9

10. REPORTABLE ACTION FROM CLOSED SESSION

11. ADJOURNMENT

CALAVERAS COUNTY WATER DISTRICT

Board of Directors

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

Legal Counsel

Matthew Weber, Esq.
Downey Brand, LLP

Financial Services

Umpqua Bank
US Bank
Wells Fargo Bank

Auditor

Richardson & Company, LLP

CCWD Committees

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

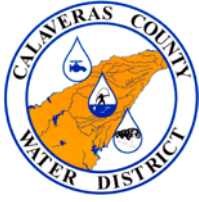
Other Regional Organizations of Note

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.



RESOLUTION NO. 2018-42
RESOLUTION NO. PFA-03
ORDINANCE NO. 2018-02

MINUTES

CALAVERAS COUNTY WATER DISTRICT REGULAR BOARD MEETING

August 8, 2018

Directors Present: Scott Ratterman, President
Russ Thomas, Vice President
Bertha Underhill, Director
Jeff Davidson, 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
Robert Creamer, Engineering Analyst

Others Present: Elaine St. John

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

President Ratterman called the Regular Board Meeting to order at approximately 1:01 p.m. and led the pledge of allegiance.

2. PUBLIC COMMENT

There was no public comment.

3. CONSENT AGENDA

MOTION: Directors Davidson / Underhill – Approved Consent Agenda Items:
3a, Board of Directors Monthly Time Sheets for July 2018, 3b, Ratify Claim Summary #557 Secretarial Fund in the Amount of \$1,937,855.03 for July, 2018, Approve to File a California Environmental Quality Act Notice of Exemption for Water Deliveries to the Existing Land Ownership under the Frank B. Smith and Heather Ann Smith Family Trust

- 3a Review Board of Directors Monthly Time Sheets for July 2018
- 3b Approve to Ratify Claim Summary #557 Secretarial Fund in the Amount of \$1,937,855.03 for July, 2018
(Jeffrey Meyer, Director of Administrative Services) **RES 2018-42**
- 3c Approve to File a California Environmental Quality Act Notice of Exemption for Water Deliveries to the Existing Land Ownership under the Frank B. Smith and Heather Ann Smith Family Trust
(Peter Martin, Manager of Water Resources) **RES 2018-43**

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

4. NEW BUSINESS

- 4a Annual High School Senior Scholarship Winners
(Joel Metzger, Manager of External Affairs, Conservation, and Grants)

DISCUSSION: Mr. Metzger reported on the Annual High School Senior Scholarship Program that the District awards each year. Two seniors were chosen for their essays submitted to CCWD and awarded \$500 each. High school seniors Claudia Loomis and Sierra Stephens of Bret Harte High School were selected. Ms. Loomis and Ms. Stephens were present and read their essays to the Board. The Board thanked them and wished them both well in their studies at college.

PUBLIC COMMENT: There was no public comment.

- 4b Discussion/Direction Regarding Sewer Fund Repayment Agreement between the Sewer Fund (Fund 500) and the Water Fund (Fund 300)
(Jeffrey Meyer, Director of Administrative Services) **RES 2018-44**

MOTION: **Directors Davidson / Underhill – Adopted Resolution No. 2018-44 Approving the Sewer Fund Repayment Agreement between the Sewer (Fund 500) and the Water Fund (Fund 300)**

DISCUSSION: Mr. Meyer reviewed the agreement, which was discussed in depth at previous meetings. There was a brief discussion on the terms of the loan.

PUBLIC COMMENT: There was no public comment.

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

- 4c Discussion/Action Regarding the Authorization of the General Manager to enter into contracts for sale of contracted water supplies from New Hogan Reservoir
(Peter Martin, Manager of Water Resources) **RES 2018-45**

MOTION: Directors Davidson / Thomas - Adopted Resolution No. 2018-45
Authorizing the General Manager to enter into contracts for sale of
contracted water supplies from New Hogan Reservoir

DISCUSSION: Mr. Martin explained the need for the General Manager to have authorization to sign contracts for the District regarding the provision of water supplies from New Hogan Reservoir to local agriculturists. Mr. Martin responded to questions from the Board on the matter.

PUBLIC COMMENT: There was no public comment.

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

4d Discussion/Action Regarding State Legislation in the 2018/19 Session
(Joel Metzger, Manager of External Affairs, Conservation, and Grants)

DISCUSSION: Mr. Metzger discussed the proposed SB 998 (Dodd) Water Service Shut-Off Bill. Mr. Metzger stated that ACWA has officially moved its position on the bill from “oppose unless amended” to “oppose.” He reviewed the proposed new rules for shutting off water for non-payment. This bill creates very stringent requirements for all water agencies to follow before they would be able to turn off water service, and it could also create some Prop 218 challenges for the District. There was significant discussion between the Board and staff. Mr. Metzger recommended the Board take an “oppose” position on this bill. Director Strange commented that he could only agree if it was “oppose unless amended” as he sees some good qualities in the bill for disadvantaged communities.

MOTION: Directors Davidson / Underhill – by Minute Entry “Oppose” SB 998
(Dodd) - Water Service Shut-Off Bill

PUBLIC COMMENT: There was no public comment.

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

DISCUSSION: Mr. Metzger discussed the proposed AB 2649 (Arambula): Water Rights: Water Management Bill. This legislation would recognize groundwater recharge, in and of itself, as a beneficial use of water resources, subject to certain requirements necessary to achieve consensus within the water agency community. This bill could help local efforts to achieve groundwater recovery in compliance with the Sustainable Groundwater Management Act (SGMA). Mr. Metzger recommended the Board take a “support if amended” position to allow for additional amendments necessary to achieve consensus with export agencies. There was significant discussion on the bill.

MOTION: Directors Davidson / Thomas – by Minute Entry “Support if Amended”
AB2649 Water Rights: Water Management

PUBLIC COMMENT: There was no public comment.

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

DISCUSSION: Mr. Metzger updated the Board on additional legislature items. SB 623 Water Quality: Safe and Affordable Drinking Water Fund; Long Term Water Conservation; and the Mokelumne River Wild and Scenic Designation legislation.

5. **OLD BUSINESS**
Nothing to Report

6. **GENERAL MANAGER REPORT**

Mr. Eggerton reported on the following activities: 1) CCWD staff are continuing to work with Snowshoe Springs HOA to develop a framework for providing their community with fire flow for hydrant installation and other improvements; 2) CCWD staff have continued to meet with representatives of Jenny Lind Elementary School regarding their desire to achieve state-funded wastewater system improvements for incorporation into CCWD's La Contenta wastewater system; and 3) the release of the Final Draft Supplemental Environmental Document for Phase 1 of the State Water Board's Bay-Delta Water Quality Control Plan Update. Additional information regarding this ongoing regulatory process will be provided at the next Board meeting.

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

Director Underhill is very pleased with the collaboration of CCWD staff with various local entities and stakeholders such as Snowshoe HOA. In addition, she mentioned that John Daniel Leary from Ebbetts Pass Fire District Board passed away and the memorial service had a large turnout.

Director Thomas attended the groundbreaking ceremony for La Cobra Mina Phase 2 in Copperopolis. He is very optimistic about what this means for the economic development of the area. In addition, he spoke about the concerns of various T-Stan agencies regarding the possible flow requirements from the State Water Board. Most agencies oppose the proposed new requirements.

Director Davidson expressed his concerns about the issuance of a comment letter from a Calaveras County Supervisor to the President of the United States apparently without coordination with the Board of Supervisors or local water purveyors.

Director Strange spoke about the Delta flow-setting process and associated environmental and water quality issues and the need for collaboration between many stakeholders to best address the underlying challenges.

Director Ratterman expressed his support for the two-by-two meetings with the County Board of Supervisors, which he thinks have been very beneficial. He also noted the CAMRA meeting is next week, and CPUD is having their rate hearing next week as well.

8. **NEXT BOARD MEETINGS**

- Wednesday, Aug 22, 2018, 1:00 p.m., Regular Board Meeting
- Wednesday, Sept 12, 2018, 1:00 p.m., Regular Board Meeting

The Open Session ended at 2:30 p.m.

The meeting adjourned into Closed Session at approximately 2:31 p.m. Those present were Board Members: Scott Ratterman, Terry Strange, Russ Thomas, Bertha Underhill and Jeff Davidson, staff members Dave Eggerton, General Manager, Stacey Lollar, Director of Human Resources and Customer Service (for item 9c), and Matt Weber, General Counsel.

9. CLOSED SESSION

- 9a Conference with Legal Counsel – Existing Litigation
Government Code § 54956.9(a) La Contenta Investors, LTD vs. CCWD (Calaveras County Superior Court #11CV37713)
- 9b Conference with Legal Counsel – Potential Litigation Government Code §54956.9(d)(4) – 1 case
- 9c Conference with Labor Negotiators, Management and Confidential Unit Government Code §54957.6 Negotiators: Dave Eggerton and Stacey Lollar

10. REPORTABLE ACTION FROM CLOSED SESSION

The Board reconvened into Open Session at approximately 3:30 p.m. There was no reportable action.

11. ADJOURNMENT

With no further business, the meeting adjourned at approximately 3:32 p.m.

By:

ATTEST:

Dave Eggerton
General Manager

Rebecca Hitchcock
Clerk to the Board

Agenda Item

DATE: Sept 12, 2018

TO: Dave Eggerton, General Manager

FROM: Rebecca Hitchcock, Clerk to the Board

SUBJECT: Review Board of Directors Time Sheets for August, 2018

RECOMMENDED ACTION:

For information only.

SUMMARY:

Pursuant to direction from the Board of Directors, copies of the Board's monthly time sheets from which the Board is compensated from, are included in the monthly agenda package for information. Attached are copies of the Board's time sheets for the month of August, 2018.

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

FINANCIAL CONSIDERATIONS:

Monthly compensation and mileage reimbursement costs are included in the FY 18-19 budget.

Attachments: Board of Directors Time Sheets for August, 2018

**CALAVERAS COUNTY WATER DISTRICT
DIRECTOR REIMBURSEMENT FORM**

For	Payroll	<input checked="" type="checkbox"/>
Admin Use	Expense	

Month/Yr August 2018
Name S. Rafterman

Activity Date	Meeting or Other Expense Description	Designated Rep.		Association List		Prior Approval		Cost		Total Miles
		Yes	No	Yes	No	Yes	No	Meeting	Expense	
8/8	CCWO Reg Mts							\$120.-		7
8/21	Business Comm Mts							120.-		7
8/22	CCWO Reg Mts							120.-		7
For Totals line, multiply miles by the IRS rate:		1/1/18	\$0.545							14

COPY

Pursuant to Board Policy 4030, receipts required; report/materials required. **Totals** (use IRS mileage rate) \$ 240.- Expense \$

The undersigned, under penalty of perjury states: This claim and the items set forth herein are true and correct; that expenses incurred, meetings attended and business conducted are necessary to District affairs; that this claim is proper and within the scope of California Water Code Section 20200 et seq, and District Ordinance 2015-02; that the service was actually rendered; and that the amount(s) herein are justly true.

Administrative Review: _____ Date: 8/23/18 Orig to Finance Dept.

Signature of Claimant: _____

CALAVERAS COUNTY WATER DISTRICT DIRECTOR REIMBURSEMENT FORM

For Admin Use Payroll Expense

Month/yr August/2018
Name Terry Strange

Activity Date	Meeting or Other Expense Description	Designated Rep.		Association List		Prior Approval		Cost		Total Miles
		Yes	No	Yes	No	Yes	No	Meeting	Expense	
Aug 8	CCWD Board Meeting							120		54
Aug 14	CPUD Public Hearing							120		54
Aug 14	MAC Community Capacity workshop - AWA							120		48
Aug 22	CCWD Board Meeting							120		54
COPY										
								480		210
		For Totals line, multiply miles by the IRS rate:		1/1/16	\$0.546					
		Totals (use IRS mileage rate)						\$ 480	\$	\$ 114.45

Pursuant to Board Policy 4030, receipts required; report /materials required. The undersigned, under penalty of perjury states: This claim and the items set forth herein are true and correct; that expenses incurred, meetings attended and business conducted are necessary to District affairs; that this claim is proper and within the scope of California Water Code Section 20200 et seq, and District Ordinance 2010-01; that the service was actually rendered; and that the amount(s) herein are justly true.

Signature of Claimant:
Terry Strange

Administrative Review: *[Signature]*

Date: 8/23/18

Orig to Finance Dept.

CALAVERAS COUNTY WATER DISTRICT DIRECTOR REIMBURSEMENT FORM

For Admin Use Payroll Expense

Month/Yr AUGUST, 2018

Name BARBARA E. UNDERHILL

Activity Date	Meeting or Other Expense Description	Designated Rep.		Association List		Prior Approval		Cost		Total Miles
		Yes	No	Yes	No	Yes	No	Meeting	Expense	
7-28-18	FOREST FRIENDS HOMEOWNERS ASSOCIATION MEETING							120		34
8-1-18	EPPOC									
8-8-18	BOARD MEETING							120		84
8-13-18	WWPA / CCWD							120		57
8-15-18	CAMRA							120		84
8-21-18	... MEETING w/ GM							120		84
8-22-18	BOARD MEETING							120		84
COPY										
For Totals line, multiply miles by the IRS rate:		11/18	\$0.545							427
				Totals (use IRS mileage rate)				\$ 720	\$	\$ 232.70

Pursuant to Board Policy 4030, receipts required; report /materials required.

The undersigned, under penalty of perjury states: This claim and the items set forth herein are true and correct; that expenses incurred, meetings attended and business conducted are necessary to District affairs; that this claim is proper and within the scope of California Water Code Section 20200 et seq, and District Ordinance 2015-02; that the service was actually rendered; and that the amount(s) herein are justly true.

Signature of Claimant: Barbara E Underhill

Administrative Review: [Signature] Date: 8/23/18 Orig to Finance Dept.

CALAVERAS COUNTY WATER DISTRICT DIRECTOR REIMBURSEMENT FORM

For Admin Use	Payroll Expense
<input type="checkbox"/>	<input checked="" type="checkbox"/>

Month/Yr August, 2018

Name Russ Thomas

Activity Date	Meeting or Other Expense Description	Designated Rep.		Association List		Prior Approval		Cost		Total Miles
		Yes	No	Yes	No	Yes	No	Meeting	Expense	
2-Aug	Highway 4 Working Group - in Murphys							120		52
7-Aug	CCWD Engineering Committee Meeting							120		44
8-Aug	East San Joaquin Ground Water Meeting							120		45
8-Aug	CCWD Board Meeting							0		47
13-Aug	2x2 Meeting with UWPA - Angels Camp							120		52
20-Aug	2x2 CCWD / Calaveras County Coordination Mtg.							120		44
22-Aug	CCWD Board Meeting							120		44
COPY										
For Totals line, multiply miles by the IRS rate:		1/1/18	\$0.545					\$ 720	\$0.00	328
Pursuant to Board Policy 4030, receipts required; report/materials required.										\$178.76

The undersigned, under penalty of perjury states: This claim and the items set forth herein are true and correct; that expenses incurred, meetings attended and business conducted are necessary to District affairs; that this claim is proper and within the scope of California Water Code Section 20200 et seq, and District Ordinance 2015-02; that the service was actually rendered; and the amount(s) herein are justified and true.

Signature of Claimant:
Russ Thomas

Administrative Review: [Signature] Date: 8/23/18 Original to Finance Dept.

CALAVERAS COUNTY WATER DISTRICT DIRECTOR REIMBURSEMENT FORM

For Payroll Expense
 Admin Use

Month/Yr Aug-18
 Name Jeff Davison

Activity Date	Meeting or Other Expense Description	Designated Rep.		Association List		Prior Approval		Cost		Total Miles	
		Yes	No	Yes	No	Yes	No	Meeting	Expense		
8-Aug	CCWD Board Meeting							120		28	
7-Aug	CCWD Engineering Committee							120		28	
22-Aug	CCWD Board Meeting							120		28	
Total											
Totals		1/1/18	\$0.545						360		84
<i>Pursuant to Board Policy 4030, receipts required; report materials required.</i>											
<i>The undersigned, under penalty of perjury states: This claim and the items set forth herein are true and correct; that expenses incurred, meetings attended and business conducted are necessary to District affairs; that this claim is proper and within the scope of California Water Code Section 20200 et seq. and District Ordinance 2015-02; that the service was actually rendered; and that the amount(s) herein are justly true.</i>											

COPY

Signature of Claimant:

Date: 8/22/18

Administrative Review: Orig to Finance Dept.

Agenda Item

DATE: September 12, 2018

TO: Board of Directors

FROM: Dave Eggerton, General Manager

SUBJECT: Cancellation of Board Meeting of September 26, 2018

RECOMMENDED ACTION:

Motion: _____ / _____ by Minute Entry approve cancelling the Regular Board Meeting of September 26, 2018.

SUMMARY:

Due to scheduling conflicts on September 26, 2018, staff proposes to cancel the regularly scheduled Board Meeting. The next meeting on October 10, 2018, would proceed as scheduled.

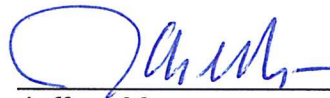
FINANCIAL CONSIDERATIONS:

Board meeting costs.

**Calaveras County Water District
Claim Summary # 558**

Certificate of Administrative Officer

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



Jeffrey Meyer
Director of Administrative Services

1. August 2018 payroll checks issued on 08/15/2018	158,863.63
2. August 2018 payroll checks issued on 08/31/2018	160,092.66
3. August 2018 compensation to Directors	2,003.11
4. Vendor payments for August 1 through 31, 2018	2,667,390.03
5. Other payroll related costs	<u>271,724.00</u>

Claim Summary Total \$3,260,073.43

Calaveras County Water District
AP Disbursement Summary
August 1-31, 2018

CCWD Operating Expenditures		\$ 1,313,333.09
Expenditures to be reimbursed from other agencies	(A)	397,019.20
Expenditures to be reimbursed from grant agreements	(B)	151,411.34
Fiduciary Payments (funds collected prior to expenditure)	(C)	662,292.76
Partial Reimbursement	(D)	114,090.64
Capital R&R Projects	(E)	19,078.49
Capital Outlay	(F)	10,164.51
Total Payments		\$ 2,667,390.03

CCWD
AP DISBURSEMENTS
AUGUST 1-31, 2018

Check No.	Vendor/Employee	Transaction Description	Date	Amount	
130322	A T & T	Internet Service 08/18 - LC	08/08/2018	40.00	
130425	A T & T	Leased Lines 08/18	08/17/2018	66.26	
130471	A T & T	Phone 08/18 - SA Shop	08/24/2018	106.06	
130514	A T & T	Internet Service 08/18 - LC Complex	08/31/2018	50.00	
130323	A T & T CALNET2	District Radio Tower 07/18 - Camp Connell	08/08/2018	375.20	
130472	A T & T CALNET3	Phone 08/18 - Dorrington P/S	08/24/2018	20.97	
130475	A T & T CALNET3	Phone 08/18 - District Wide	08/24/2018	1,684.46	
130476	A T & T CALNET3	Phone 08/18 - Hunter's	08/24/2018	20.97	
130477	A T & T CALNET3	Phone 08/18 - Azalea L/S	08/24/2018	19.31	
130478	A T & T CALNET3	Phone 08/18 - CCWHSE	08/24/2018	7.87	
130479	A T & T CALNET3	Phone 08/18 - OP HQ Back Up	08/24/2018	194.97	
130480	A T & T CALNET3	T Line 08/18	08/24/2018	165.13	
130474	A T & T CALNET3	Phone/Fax 08/18 - JLTC	08/24/2018	128.72	
130515	A T & T MOBILITY	Cell Phone July/Aug - Brown	08/31/2018	167.38	
130482	ACWA	FY 18-19 NWRA Membership	08/24/2018	2,000.00	
130483	ACWA/JPIA	Dental Insurance, Employees 08/18	08/24/2018	6,529.48	(D)
130483	ACWA/JPIA	Vision Insurance, Employees 08/18	08/24/2018	1,317.76	
130483	ACWA/JPIA	EAP 08/18	08/24/2018	152.75	
130483	ACWA/JPIA	Dental Insurance, Retirees 08/18	08/24/2018	2,426.32	
130483	ACWA/JPIA	Vision Insurance, Retirees 08/18	08/24/2018	723.84	
130393	ADP INC	Payroll Processing 07/18	08/10/2018	738.38	
130516	ADP INC	Payroll Processing 08/18	08/31/2018	978.40	
130326	AFLAC	Aflac 07/18	08/08/2018	2,018.70	(C)
130389	ALCAL GLASS AND SUPPLY	Broom/Rake/Spray Paint/Plug/Extension Cords/Nipple/Adapters - EP	08/09/2018	167.94	
130394	ALCAL GLASS AND SUPPLY	Hand Torch/Rock Hammer/Tarp/Dies - EP Barn	08/10/2018	90.67	
130426	ALHAMBRA DRINKING WATER	Water Cooler Service 08/18 - JLWTP	08/17/2018	97.05	
130485	ALHAMBRA DRINKING WATER	Water Cooler Service 08/18 - LCWWTP	08/24/2018	94.16	
130518	ALL PHASE ELECTRIC SUPPLY CO.	Switches/Lights - Wallace WWTP	08/31/2018	286.88	
130518	ALL PHASE ELECTRIC SUPPLY CO.	Cable - LCWWTP	08/31/2018	125.48	
130327	AL'S TIRE SERVICE	Mount/Balance Tires (2) - Vehicle #525	08/08/2018	31.00	
130517	AL'S TIRE SERVICE	Dismount/Mount Tires - T-11	08/31/2018	36.00	
130328	AMERIPRIDE SERVICES,INC	Uniform Service 07/18	08/08/2018	2,501.41	
130329	ANGELS HEATING AND AIR CONDITIONING	AC/Heating Units Service Contract	08/08/2018	4,384.41	
130519	ANGELS HEATING AND AIR CONDITIONING	AC/Heating Unit Repair - JLWTP	08/31/2018	799.46	
EFT	ANTHEM-BLUE CROSS	Health Insurance, Employees 08/18	08/07/2018	107,561.16	(D)
EFT	ANTHEM-BLUE CROSS	Health Insurance, Retirees 08/18	08/07/2018	37,473.74	
130395	APPLEGATE, JOHN	SWRCB Wastewater Treatment Plant Op, Grade 2 Exam Fee Reimbursement	08/10/2018	155.00	
130520	AQUA TECH COMPANY	Tank Repairs - EP Area	08/31/2018	2,850.00	
130330	AQUIONICS, INC	Sensor Recalibration - DF/VCTO WWTP	08/08/2018	628.13	
130331	ARNOLD TIRE AND AUTO CARE	Tires (2) Mounted/Balanced - Vehicle #719	08/08/2018	46.00	
130522	B&K VALVES & EQUIPMENT, INC	Swing Check Valves (3) - JLWTP Pre-Treatment Facility	08/31/2018	8,910.28	(B)

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130332	BIG VALLEY FORD LINCOLN MERCURY	Map Sensor - Vehicle #134	08/08/2018	115.89
130332	BIG VALLEY FORD LINCOLN MERCURY	Vacuum Pump Seal - Vehicle #621	08/08/2018	35.80
130332	BIG VALLEY FORD LINCOLN MERCURY	Antifreeze/Clip/Spring Leaf - Vehicle #709	08/08/2018	669.19
130332	BIG VALLEY FORD LINCOLN MERCURY	Thermostat/Gaskets - Vehicle #711	08/08/2018	193.89
130427	BIG VALLEY FORD LINCOLN MERCURY	Tie Rods/Fuel Injector - Vehicle #132	08/17/2018	600.36
130486	BNN, LLC	Rent 09/18 - SA Shop	08/24/2018	3,000.00
130486	BNN, LLC	Utility Reimbursement 07/18 - SA Shop	08/24/2018	244.56
130333	BURKE, TIFFANY	Post Office Travel Reimbursement 07/18	08/08/2018	11.99
130487	BURKE, ZACHARY	Mileage Reimbursment DF/VCTO Call Out	08/24/2018	16.90
130334	BUY & SELL	Collection Systems Worker Recruitment Ad	08/08/2018	87.30
130335	CABRAL	Tow Hooks/Side Mirror/Harness - Vehicle #721	08/08/2018	365.54
130311	CALAVERAS AUTO SUPPLY	Flush Kit/AC Hoses - Vehicle #124	08/07/2018	117.94
130311	CALAVERAS AUTO SUPPLY	Mud Flaps/Light Toggle Switches - Vehicle #126	08/07/2018	41.62
130311	CALAVERAS AUTO SUPPLY	Air Filter - Vehicle #128	08/07/2018	161.18
130311	CALAVERAS AUTO SUPPLY	Oil/Wrenches/Brake Fluid/Lubricant/Glass Cleaner - SA Shop	08/07/2018	388.11
130396	CALAVERAS AUTO SUPPLY	Coolant - Vehicle #621	08/10/2018	83.59
130396	CALAVERAS AUTO SUPPLY	Lubricant/Brake Pads - Vehicle #707	08/10/2018	37.23
130396	CALAVERAS AUTO SUPPLY	Diesel Exhaust Fluid - Vehicle #723	08/10/2018	33.27
130396	CALAVERAS AUTO SUPPLY	Magnetic Pick-Up Tool/Threadlocker Sticks/Absorbent - SA Shop	08/10/2018	93.51
130396	CALAVERAS AUTO SUPPLY	Shop Towels - Electricians	08/10/2018	21.44
130396	CALAVERAS AUTO SUPPLY	Degreaser/Hose Clamps - CC B Tank Generator	08/10/2018	14.30
130336	CALAVERAS COUNTY ENVIRONMENTAL HEALTH	Haz Mat Response Plan/CUPA - Wallace WTP	08/08/2018	227.00
130336	CALAVERAS COUNTY ENVIRONMENTAL HEALTH	Haz Mat Response Plan/CUPA - Wallace WWTP	08/08/2018	227.00
130337	CALAVERAS LUMBER CO INC	Pliers - Vehicle #531	08/08/2018	36.46
130337	CALAVERAS LUMBER CO INC	Janitorial Supplies - FMWWTP	08/08/2018	32.45
130337	CALAVERAS LUMBER CO INC	Cleaning Supplies/Drill Bits/Extension Cord/Wheelbarrow - CalFire	08/08/2018	636.74
130337	CALAVERAS LUMBER CO INC	Screws/Lumber/Wire - Sheriffs Tower	08/08/2018	39.56
130337	CALAVERAS LUMBER CO INC	Paint/Brushes/Tape/Trays/Rust Treatment - DF/VCTO WWTP MBR Tanks	08/08/2018	310.89
130397	CALIFORNIA TEES	T-Shirts/Sweatshirts/Hats - District Staff Uniforms	08/10/2018	7,217.99
130338	CALIFORNIA WASTE RECOVERY SYSTEMS	Refuse Disposal - District Wide	08/08/2018	1,490.69
EFT	CALPERS	GASB 68 Actuarial Valuation Reports as of June 30, 2017	08/22/2018	1,050.00
130339	CALTEL	Phone 07/18	08/08/2018	1,404.05
EFT	CARD SERVICES	NWRA Western Water Seminar Lodging Deposit - Eggerton	08/09/2018	169.00
EFT	CARD SERVICES	Brown Act Manual - Hitchcock	08/09/2018	16.24
EFT	CARD SERVICES	Agenda/Ethics Webinars - Hitchcock	08/09/2018	110.00
EFT	CARD SERVICES	Internet E-Mail Back Up 07/18 - OP HQ	08/09/2018	29.90
EFT	CARD SERVICES	Internet Service 07/18 - Hunter's	08/09/2018	76.87
EFT	CARD SERVICES	Rackspace Hosted E-Mail 07/18	08/09/2018	487.45
EFT	CARD SERVICES	Rebar - Sheriffs Tower	08/09/2018	818.21
EFT	CARD SERVICES	Ewell Tour Boat Rental (cancelled/credit pending)	08/09/2018	630.70
EFT	CARD SERVICES	Employee Relations Supplies	08/09/2018	204.97

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EFT	CARD SERVICES	Vehicle Log Books	08/09/2018	77.10
130429	CARSON HILL ROCK PRODUCTS	Coarse Sand - FMWWTP Tank Pad	08/17/2018	825.67
130526	CARSON HILL ROCK PRODUCTS	Class II Road Base - LCWHSE Stock	08/31/2018	4,894.61
130527	CARUS CORPORATION	Sodium Permanganate - JLWTP	08/31/2018	8,450.76
130340	CDK SUPPLY	Connectors/Cable Ties/Struts/Strut Pads/Receptacles - SA Shop	08/08/2018	226.69
130341	CED CREDIT	Conduit/Fittings/Wire/Clamps/Straps/Hinge Enclosure - Sheriffs Tower	08/08/2018	2,001.96
130341	CED CREDIT	Switch - SA Shop	08/08/2018	166.77
130528	CED CREDIT	AC Drive - Southworth WWTP	08/31/2018	374.37
130528	CED CREDIT	Copper Wire/Reducing Washers - Sheriffs Tower	08/31/2018	218.44
130528	CED CREDIT	UPS/Relays - Electricians Stock	08/31/2018	2,046.95
130528	CED CREDIT	UPS - CCWWTP	08/31/2018	599.77
130528	CED CREDIT	Speed Drive - JL Huckleberry L/S	08/31/2018	8,062.25
130528	CED CREDIT	Pump Panel/Conduit/Connectors - CCWWTP Sprayfield	08/31/2018	1,735.22
130342	CENTRAL CALIFORNIA GENERATOR	Diagnose/Repair Generator - JL Huckleberry L/S	08/08/2018	737.00
130529	CITY OF ANGELS	Sewer July/August - Six Mile Village	08/31/2018	9,390.46
130344	CLARK PEST CONTROL	Pest Control June/July - Wallace WTP	08/08/2018	244.00
130344	CLARK PEST CONTROL	Pest Control 07/18 - AWWTP	08/08/2018	87.00
130488	CLARK PEST CONTROL	Pest Control 06/18 - JLWTP	08/24/2018	203.00
130488	CLARK PEST CONTROL	Pest Control 06/18 - OP HQ	08/24/2018	125.00
130530	CLARK PEST CONTROL	Pest Control 08/18 - LCWWTP	08/31/2018	294.00
130489	COLLABORATIVE STRATEGIES CONSULTING	Executive Coaching/Training	08/24/2018	5,375.00
130345	COLUMBIA COMMUNICATIONS	Vehicle Cloud Service 08/18	08/08/2018	700.00
130346	COMCAST	Internet Service 08/18 - DF/VCTO WWTP	08/08/2018	80.93
130347	COMCAST	Internet Service 08/18 - OP HQ	08/08/2018	85.93
130490	COMCAST	Internet Service 09/18 - JLTC	08/24/2018	85.93
130531	COMCAST	Internet Service 09/18 - JLWTP	08/31/2018	171.86
130313	CONDOR EARTH TECHNOLOGIES INC	Groundwater Monitoring Well Reports Feb-July 2018	08/07/2018	6,570.00
130348	CONETH SOLUTIONS INC	IT Infrastructure Support Services 08/18	08/08/2018	1,325.00
130349	COPPEROPOLIS FIRE PROTECTION DISTRICT	Hydrant Maintenance - CC	08/08/2018	3,037.46
130399	CPPA	Power 07/18	08/10/2018	86,425.02
130534	CPUD	Water Service July/August - OP HQ	08/31/2018	439.10
130535	CWEA	Collection System Maintenance, Grade 1 Cert Renewal - DuBurg	08/31/2018	87.00
130535	CWEA	Electrical/Instrumentation, Grade 2 Application - McCloskey	08/31/2018	185.00
130351	DATAPROSE	UB Statement Processing 07/18	08/08/2018	6,096.34
130536	DAVIDSON, JEFF	Travel July/August	08/31/2018	91.56
130537	DEAMICIS, GABRIEL	Distribution Exam Review Class Travel Reimbursement	08/31/2018	170.72
130400	DELTA TRUCK CENTER	A/C Hose - Vehicle #123	08/10/2018	56.31
130314	DOWNEY BRAND ATTORNEYS LLP	Legal Services 06/18	08/07/2018	10,174.30
130540	DOWNEY BRAND ATTORNEYS LLP	Legal Services 07/18	08/31/2018	586.50
130401	DUBURG, MICHAEL	DMV Class A License Renewal Reimbursement	08/10/2018	45.00
130353	EBBETTS PASS GAS SERVICE	Fuel 07/18	08/08/2018	2,828.17

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130431	EBBETTS PASS LUMBER	Hacksaw/Soap/Organizer - Hunter's WTP	08/17/2018	29.09	
130431	EBBETTS PASS LUMBER	Muriatic Acid/Leaf Blower/Oil/Gas Can/Keyring - FMWWTP	08/17/2018	434.13	
130431	EBBETTS PASS LUMBER	Lumber/Clips/Bar Ties/Tiewire - Sheriffs Tower	08/17/2018	201.95	
130431	EBBETTS PASS LUMBER	Bar Tie Tool/Manual - Vehicle #531	08/17/2018	38.27	
130541	ECORP CONSULTING, INC	White Pines Gaging Project 07/18	08/31/2018	1,105.38	
130493	EGGERTON, DAVE	Twain Harte CSD Operations Manager Lunch Reimb-Interview Panel	08/24/2018	11.02	
130493	EGGERTON, DAVE	SEWD Meeting Travel Reimbursement	08/24/2018	28.64	
130493	EGGERTON, DAVE	ACWA Workshop Lodging Reimbursement	08/24/2018	128.80	
130493	EGGERTON, DAVE	NWRA Conference Travel Reimbursement	08/24/2018	1,038.18	
130315	EUROFINS EATON ANALYTICAL, INC	Water Testing 04/18 - CCWTP	08/07/2018	360.00	
130402	FASTENAL	Gloves/Shovels/Pest Control Supplies/Connectors/Batteries/Paint - JL	08/10/2018	1,390.63	
130354	FEDERAL ENERGY REGULATORY COMM	FERC Admin Fees FY 2017-18	08/08/2018	397,019.20	(A)
130494	FEDERAL EXPRESS	Shipping 08/18 - AD604 Documents	08/24/2018	129.18	(C)
130316	FERGUSON ENTERPRISES, INC 1423	Nipples/Flanges - FMWWTP DAF Unit	08/07/2018	226.63	
130403	FERGUSON ENTERPRISES, INC 1423	Marking Paint/Hydrant Meters/Connectors/Valve Boxes - CCWHSE	08/10/2018	7,156.05	
130403	FERGUSON ENTERPRISES, INC 1423	Pipe - WP Warehouse 2017 Storm Project	08/10/2018	287.96	
130403	FERGUSON ENTERPRISES, INC 1423	Hydrant Meters - LCWHSE	08/10/2018	3,208.53	
130403	FERGUSON ENTERPRISES, INC 1423	Brass Nipples - WPWWTP	08/10/2018	151.16	
130432	FERGUSON ENTERPRISES, INC 1423	Redi-Clamps - LCWHSE	08/17/2018	2,230.82	
130543	FERGUSON ENTERPRISES, INC 1423	Traffic Cones/Lane Closed Signs/Cross Brace - CCWHSE	08/31/2018	1,032.80	
130495	FGL ENVIRONMENTAL	Waste Water Testing 08/18	08/24/2018	2,756.52	
130495	FGL ENVIRONMENTAL	Water Testing 08/18	08/24/2018	4,901.48	
130544	FOOTHILL PORTABLE TOILETS	Portable Toilet Rental 08/18 - Sheep Ranch	08/31/2018	93.50	
130404	FOOTHILL PRINTING & GRAPHICS	Self Inking Stamp	08/10/2018	71.26	
130545	FROGGY'S AUTO WASH & LUBE	Oil/Lube/Wash - Vehicle #140	08/31/2018	64.51	
130546	GAMBI DISPOSAL INC.	Bio-Solids Removal - AWWTP	08/31/2018	617.50	
130546	GAMBI DISPOSAL INC.	Bio-Solids Removal - FMWWTP	08/31/2018	760.00	
130434	GARCIA AND ASSOCIATES	Archaeological Investigation - JLWTP Pre-Treatment Facility	08/17/2018	9,498.35	(B)
130390	GENERAL PLUMBING SUPPLY CO INC	Redi-Clamps - CCWHSE	08/09/2018	833.46	
130405	GEORGE REED INC	3/8 Cutback - LCWHSE	08/10/2018	1,873.68	
130357	GOVCONNECTION, INC	Replacement Laptop Battery	08/08/2018	85.96	
130406	GOVCONNECTION, INC	Printer Ink - WPWTP	08/10/2018	85.99	
130406	GOVCONNECTION, INC	External DVD Drives - Electricians	08/10/2018	140.78	
130406	GOVCONNECTION, INC	Docking Station/Cable - SCADA Laptop	08/10/2018	238.96	
130547	GOVCONNECTION, INC	Server Upgrade - OP HQ	08/31/2018	10,164.51	(F)
130407	GRAINGER	Shop Vac/Straps/Brackets/Cord/Cable/Electric Stethoscope - SA Shop	08/10/2018	1,188.44	
130407	GRAINGER	Bushings/Valve/Safety Glasses/V Belt/Dressing - JLWTP	08/10/2018	242.55	
130407	GRAINGER	Mixer/Tool Chest - Wallace WTP	08/10/2018	834.81	
130548	GRAINGER	Check Valve/Fittings/Hose Bib - Wallace WWTP	08/31/2018	211.38	
130548	GRAINGER	Two Way Radio - JLWTP	08/31/2018	58.10	
130548	GRAINGER	Strain Relief Cord - SA Shop	08/31/2018	86.05	

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130548	GRAINGER	Reversing Starter - DF/VCTO WWTP	08/31/2018	595.98
130548	GRAINGER	Pressure Switches - Wallace WTP	08/31/2018	208.31
130548	GRAINGER	Pressure Switches - Wallace WWTP	08/31/2018	117.17
130408	HACH COMPANY	Ice Pic Calibration - JLWTP	08/10/2018	321.25
130408	HACH COMPANY	Stablcal/Formazin/Salt Bridge/Buffer/pH Probe - WPWTP	08/10/2018	1,434.60
130408	HACH COMPANY	Lab Maintenance Kit - Wallace WTP	08/10/2018	279.02
130550	HACH COMPANY	Sensor Cap/Pipet Tips/Swift Test Dispenser/Colorimeter - CCWTP	08/31/2018	843.61
130550	HACH COMPANY	Tubes - WPWWTP	08/31/2018	147.99
130409	HERD'S MACHINE & WELD SHOP	Flat Bar/Welding Oxygen - SA Shop	08/10/2018	58.98
130435	HERD'S MACHINE & WELD SHOP	FY 17-18 Cylinder Rental	08/17/2018	1,920.00
130496	HOBGOODS CLEANING	Janitorial Service 08/18 - OP HQ	08/24/2018	1,985.00
130552	HOLT OF CALIFORNIA	Trash Pump - Collections Crew	08/31/2018	1,581.94
130436	HOPKINS TECH. PRODUCTS	Chlorine Sensor/Sensor Cap Kit - CCWTP	08/17/2018	1,726.45
130359	HUGHESNET	Internet Service 08/18 - FMWWTP	08/08/2018	82.23
130437	HUGHESNET	Internet Service 09/18 - AWWTP	08/17/2018	80.94
130410	HUNT & SONS, INC	Fuel - JLWTP	08/10/2018	2,461.00
130553	HUNT & SONS, INC	Fuel - Copper	08/31/2018	1,736.65
130553	HUNT & SONS, INC	Fuel - West Point	08/31/2018	2,220.80
130411	INDUSTRIAL ELECTRICAL CO	Blower Repair - JLWTP	08/10/2018	1,971.38
130411	INDUSTRIAL ELECTRICAL CO	Pump - CCWWTP Sprayfields	08/10/2018	3,417.93
130412	INKS, KEVIN	Crane Service - EP Meadowmont P/S Pump	08/10/2018	320.00
130360	IRON MOUNTAIN	Document Destruction 07/18	08/08/2018	65.02
130317	JAMESVILLE OFFICE FURNITURE	Office Furniture - OP HQ	08/07/2018	5,764.31
130555	KASL CONSULTING ENGINEERS	Engineering/Environmental Permitting/Design Services - EP Reach 1 Project	08/31/2018	19,078.49 (E)
130438	KENNEDY/JENKS CONSULTANTS	Hazardous Materials Business Plan Information Update 07/18	08/17/2018	6,170.00
130413	KIRSCHMAN, NATHANIEL	Meal Reimbursement Overtime/On Call 07/18	08/10/2018	21.89
130440	KIRSCHMAN, NATHANIEL	Class A Drivers School Fee Reimbursement	08/17/2018	350.00
130441	KOFF & ASSOCIATES, INC	Comprehensive Salary/Benefits Review and Analysis	08/17/2018	256.00
130414	LAWSON PRODUCTS INC	Screws/Locknuts/Washers - SA Shop Stock	08/10/2018	391.56
130556	LEE & RO, INC	Engineering Services - Copper Cove Wastewater Master Plan Update	08/31/2018	1,571.35
130361	LES SCHWAB TIRE CENTER	Tire Repair - Vehicle #128	08/08/2018	329.96
130557	LIEBERT CASSIDY WHITMORE	Legal Services 07/18	08/31/2018	8,407.80
130498	LOOMIS, CLAUDIA	CCWD 2018 Scholarship Award	08/24/2018	500.00
130415	LOWE'S	Table Saw/Air Compressor - OP HQ	08/10/2018	612.13
130415	LOWE'S	Tape/Splices - Vehicle #720	08/10/2018	57.80
130415	LOWE'S	Water/Gatorade/Cleaning Agent/Trash Bags - WPWTP	08/10/2018	77.05
130499	MAIL FINANCE	Maintenance Lease Agreement June-Sept - Mailing Equipment	08/24/2018	983.27
130442	MANTECA TRUCK ACCESSORIES	Steps - Vehicle #721/723/724	08/17/2018	600.78
130443	MATHESON TRI-GAS, INC	Liquid Oxygen - CCWTP	08/17/2018	9,053.54
130559	MATHESON TRI-GAS, INC	Liquid Oxygen - JLWTP	08/31/2018	5,063.02
130560	MAXIM CRANE WORKS, LP	Crane Service - EP Meadowmont P/S Pumps/Motors	08/31/2018	1,755.00

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130561	MEAD & HUNT INC	Engineering Services - La Contenta Dam Inundation Study	08/31/2018	1,232.50
130417	MEYER, JEFFREY	Travel Reimbursement July/August	08/10/2018	61.46
130362	MODESTO AIRCO GAS & GEAR	Cylinder Rental 08/18	08/08/2018	85.80
130363	MOTHER LODE ANSWERING SERVICE	Answering Service 08/18	08/08/2018	624.56
130363	MOTHER LODE ANSWERING SERVICE	Pagers (10)	08/08/2018	527.44
130364	MOUNTAIN OASIS PURIFIED WATER	Water Cooler Service/Supplies 07/18 - District Wide	08/08/2018	166.40
130319	MUNICIPAL MAINTENANCE EQUIP	Fan Motor/Coupler/Troubleshoot Hydraulic Pump - Vehicle #126	08/07/2018	4,602.72
130445	MUNICIPAL MAINTENANCE EQUIP	Filters/Hydrostatic Pump - Vehicle #126	08/17/2018	9,229.47
130445	MUNICIPAL MAINTENANCE EQUIP	Gauge/Cylinder/Lever/Handle/Gasket/Throttle Retainer - Vehicle #123	08/17/2018	730.19
130445	MUNICIPAL MAINTENANCE EQUIP	Mud Flaps/Brackets/Locknut/Washers - Vehicle #135	08/17/2018	287.70
130565	MUNICIPAL MAINTENANCE EQUIP	Catch Basin Nozzle - Vehicle #135	08/31/2018	737.15
130565	MUNICIPAL MAINTENANCE EQUIP	Pipe Nipples - Pumper Trucks	08/31/2018	128.11
130446	NASH CHEVRON	Tires (4) Mounted/Balanced - Vehicle #538	08/17/2018	106.87
130566	NEOFUNDS BY NEOPOST	Postage July/August	08/31/2018	2,000.00
130366	NEOPOST USA INC	Ink/Solution - Mailing Equipment	08/08/2018	172.67
130418	NEOPOST USA INC	Maintenance Agreement Folder/Sorter 08/18	08/10/2018	407.61
130567	NEW FRONTIER AUTO SUPPLY INC	Fuel Filter - V 531	08/31/2018	85.79
130567	NEW FRONTIER AUTO SUPPLY INC	Shop Towels - Collections Trailer	08/31/2018	6.84
130447	NEW YORK LIFE	Life Insurance 07/18	08/17/2018	1,108.16 (C)
130501	NHU DESIGN	Website Update	08/24/2018	200.00
130448	NORTHSTAR CHEMICAL	Sodium Hydroxide - AWWTP	08/17/2018	6,800.85
130448	NORTHSTAR CHEMICAL	Sodium Hypochlorite - JLWTP	08/17/2018	3,446.90
130448	NORTHSTAR CHEMICAL	Sodium Hypochlorite - CCWTP	08/17/2018	2,996.88
130448	NORTHSTAR CHEMICAL	Sodium Hypochlorite - Hunter's WTP	08/17/2018	5,744.82
130568	NORTHSTAR CHEMICAL	Sodium Hydroxide - LCWWTP	08/31/2018	2,471.04
130568	NORTHSTAR CHEMICAL	Sodium Hypochlorite - AWWTP	08/31/2018	1,627.69
130568	NORTHSTAR CHEMICAL	Sodium Hypochlorite - JLWTP	08/31/2018	2,393.67
130449	NTU TECHNOLOGIES INC	Pro Pac 926 Polymer - JLWTP	08/17/2018	7,742.00
130419	O'CONNELL & DEMPSEY, LLC	Federal Legislative Advocacy Consulting Services - 07/18	08/10/2018	4,000.00
130497	OFFICES OF JOHN S. MILLS	Strategic Water Resource Planning Consulting Services 06/18	08/24/2018	856.25
130450	O'REILLY AUTO PARTS	Antifreeze/Penetrant/Brake Light - Vehicle #143	08/17/2018	55.29
130450	O'REILLY AUTO PARTS	Oil/Filters - Vehicle #718	08/17/2018	71.77
130450	O'REILLY AUTO PARTS	Oil/Filters - Vehicle #719	08/17/2018	71.76
130450	O'REILLY AUTO PARTS	Brake Cleaner/Floor Dry/Oil - Wallace WWTP	08/17/2018	48.10
130450	O'REILLY AUTO PARTS	Floor Sweep/Transfer Case Fluid - SA Shop	08/17/2018	71.57
130367	P G & E	Power 07/18 - District Wide	08/08/2018	2,074.00
130368	P G & E	Power 07/18 - JLTC	08/08/2018	316.52
130369	P G & E	Power 07/18 - Warmwood L/S	08/08/2018	19.73
130370	P G & E	Power 07/18 - Woodgate L/S	08/08/2018	26.76
130371	P G & E	Power 07/18 - OP HQ	08/08/2018	15.63
130420	P G & E	Power 07/18 - CC Water Tank	08/10/2018	36.62

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130451	P G & E	Power 07/18 - SA Shop	08/17/2018	436.39	
130502	P G & E	Power 08/18 - Hwy 26	08/24/2018	11.26	
130569	P G & E	Power 08/18 - Wallace Spray Fields	08/31/2018	22.71	
130570	PACE SUPPLY CORP 23788-00	Couplings/Sewer Lid/G5 Box/Gate Valve - Wallace WWTP	08/31/2018	1,059.82	(C)
130372	PARCELQUEST	Software Renewal 09/18-08/19	08/08/2018	2,600.00	
130503	PAYMENTUS GROUP INC	Payment Processing 07/18	08/24/2018	5,401.00	
130504	PETERSON BRUSTAD INC	Engineering Services - Copper Cove Master Plan Update 07/18	08/24/2018	5,792.33	
130571	PK SAFETY SUPPLY	Service Gas Detectors/Replace Oxygen Sensor - Collections	08/31/2018	275.96	
130452	POTRERO HILLS LANDFILL	Bio-Solids Disposal - AWWTP	08/17/2018	263.40	
130452	POTRERO HILLS LANDFILL	Bio-Solids Disposal - FMWWTP	08/17/2018	194.10	
130421	R.E. SMITH CONTRACTORS, INC.	Construction Contract - JLWTP Pre-Treatment Facility Project	08/10/2018	131,810.50	(B)
130573	RATTERMAN, SCOTT	Travel July/August	08/31/2018	19.08	
130453	RICHARDSON & COMPANY	Auditing Services FY 2017/18	08/17/2018	14,415.00	
130575	RYAN HERCO PRODUCTS CORP.	Pipe Fittings - WPWTP	08/31/2018	159.46	
130575	RYAN HERCO PRODUCTS CORP.	Pipe Fittings - WPWWTP	08/31/2018	47.15	
130375	SAFE T LITE	Rebar Cutter Bender - Construction Crew	08/08/2018	430.03	
130454	SAFE T LITE	Vehicle Decals	08/17/2018	111.54	
130376	SEIU LOCAL 1021	Union Dues 07/18	08/08/2018	2,749.39	(C)
130320	SENDERS MARKET INC	Screwdrivers/Pliers/Fittings/Cable Ties/Septic Pump/Valve - Collections Crew	08/07/2018	1,454.60	
130320	SENDERS MARKET INC	Gloves/Door Knob/Trim/Shovel/Chargers/Paint/Cleaning Agents - LCWHSE	08/07/2018	187.55	
130320	SENDERS MARKET INC	Sprayer Valve/Shutoff Valve - JLWTP	08/07/2018	17.36	
130320	SENDERS MARKET INC	Oil - Vehicle #525	08/07/2018	16.17	
130320	SENDERS MARKET INC	Fire Extinguisher/Bracket/Hat - Southworth WWTP	08/07/2018	68.93	
130320	SENDERS MARKET INC	Hammer - Vehicle #121	08/07/2018	16.40	
130455	SENDERS MARKET INC	Water Tank/Elbows/Tubing/Coupler - JLWTP Pre-Treatment Facility	08/17/2018	1,192.21	(B)
130455	SENDERS MARKET INC	Flags/Sprinkler/Bulb/Hose/Towels/Antifreeze/Sealant/Clock - LCWHSE	08/17/2018	409.67	
130455	SENDERS MARKET INC	Bushing/Reducer/Check Valve/Shop Towels/Hose/Bibb/Faucet - JLWTP	08/17/2018	64.56	
130455	SENDERS MARKET INC	Chain/Clevis/Clamps/Netting - Southworth WWTP Aerator	08/17/2018	164.28	
130455	SENDERS MARKET INC	Salt/Hose Valve - Collections Crew	08/17/2018	132.21	
130455	SENDERS MARKET INC	Pipe Flaring Tool/Copper Tube - SA Shop	08/17/2018	36.66	
130455	SENDERS MARKET INC	Hose - Wallace WTP	08/17/2018	36.45	
130455	SENDERS MARKET INC	Carburetor/Fuel Stabilizer - Southworth WWTP Weedeater Repair	08/17/2018	86.12	
130455	SENDERS MARKET INC	Socket Set/Adapter Set - Vehicle #134	08/17/2018	54.04	
130456	SIMPLE SOLUTIONS DISTRIBUTING LLC	Activated Carbon - CC L/S #13/16	08/17/2018	529.24	
130506	SKRBINA, CHRISTOPHER	Safety Boot Reimbursement	08/24/2018	200.00	
130457	SKRBINA, CORINNE	County Offices Mileage Reimbursement May-August	08/17/2018	22.67	
130458	SLAKEY BROS - JACKSON	Couplings - EP Barn	08/17/2018	1,261.37	
130578	SLAKEY BROS - JACKSON	Floats - Collections Stock	08/31/2018	355.50	
130580	STERLING WATER TECHNOLOGIES, LLC	Polymer - WPWTP	08/31/2018	1,299.20	
130581	STRANGE, TERRY	Travel 08/18	08/31/2018	114.45	
130459	SULLIVAN, RYAN	Safety Boot Reimbursement	08/17/2018	200.00	

CCWD
AP DISBURSEMENTS
AUGUST 1-31, 2018

Check No.	Vendor/Employee	Transaction Description	Date	Amount
130379	SWRCB	Wastewater Treatment Plant Operator, Grade 3 Exam Application - DeAmicis	08/08/2018	295.00
130582	SWRCB	Drinking Water Distribution Operator, Grade D1 Cert Renewal - Hutson	08/31/2018	70.00
130460	THATCHER COMPANY, INC	Chlorine - Wallace WTP	08/17/2018	63.51
130460	THATCHER COMPANY, INC	Chlorine - Wallace WWTP	08/17/2018	63.51
130460	THATCHER COMPANY, INC	Chlorine - Southworth WWTP	08/17/2018	63.51
130461	THE CAR DOCTOR	Oil/Lube/Rotate Tires - Vehicle #712	08/17/2018	96.33
130583	THOMAS, RUSS	Travel July/August	08/31/2018	347.71
130321	TIFCO INDUSTRIES	Screws/Washers/Nuts/Terminals/Grease/Fittings/Fuses - SA Shop Stock	08/07/2018	814.66
130462	TIFCO INDUSTRIES	Fittings/Organizer - Hunter's WTP	08/17/2018	977.69
130462	TIFCO INDUSTRIES	Washers/Rivets - SA Shop	08/17/2018	57.07
130462	TIFCO INDUSTRIES	Sawzall - Vehicle #143	08/17/2018	317.70
130463	TIRE RACK	Tires (2) - Vehicle #525	08/17/2018	383.12
130463	TIRE RACK	Tires (4) - Vehicle #538	08/17/2018	734.40
130463	TIRE RACK	Tires (2) - Vehicle #621	08/17/2018	413.84
130381	TREATS GENERAL STORE INC	Meeting Supplies	08/08/2018	16.81
130381	TREATS GENERAL STORE INC	Ties/Cord/Tees/Caps/Hardware/Dish Soap - OP HQ	08/08/2018	106.57
130585	UMPQUA BANK	Capital R&R Loan Principal/Interest Payment - Sewer	08/31/2018	199,574.30
130585	UMPQUA BANK	Capital R&R Loan Principal/Interest Payment - Water	08/31/2018	593,413.05
130586	UNDERHILL, BERTHA	Travel July/August	08/31/2018	322.10
130383	UNION DEMOCRAT	Collections System Worker Recruitment Ad	08/08/2018	550.33
130384	UNION PUBLIC UTILITY DISTRICT	Water Service 07/18 - Vallecito	08/08/2018	159.00
130423	UNITED PARCEL SERVICE	Shipping 07/18	08/10/2018	137.68
130587	UNITED PARCEL SERVICE	Shipping 08/18	08/31/2018	136.80
130465	UNIVAR USA INC	SLS 45 - CC Lower Thompson L/S	08/17/2018	1,472.70
130509	US BANK CORP TRUST SVCS	Dalee/Cassidy AD Improvement Bond - Principal/Interest Payment	08/24/2018	42,093.75 (C)
130509	US BANK CORP TRUST SVCS	FIA AD Limited Obligation Improvement Bond - Principal/Interest Payment	08/24/2018	86,215.63 (C)
130509	US BANK CORP TRUST SVCS	Saddle Creek AD Refunding Bond - Principal/Interest Payment	08/24/2018	526,918.13 (C)
130510	US HEALTHWORKS MEDICAL GROUP	DOT Exam - Field Staff (1)	08/24/2018	99.00
130466	USA BLUE BOOK	Bulkhead Fittings/Log Books/Tank/Chlorine Reagents - JLWTP	08/17/2018	361.35
130466	USA BLUE BOOK	Buret Brush/Filters/Zero Oxygen Standard - DF/VCTO WWTP	08/17/2018	479.09
130466	USA BLUE BOOK	Chlorine Analyzer - Hunter's WTP	08/17/2018	3,788.86
130466	USA BLUE BOOK	Feed Pump/Tubing/Repair Kit - EP Sawmill P/S	08/17/2018	889.06
130588	USA BLUE BOOK	Tubing - WPWWTP	08/31/2018	27.84
130588	USA BLUE BOOK	Tubing/Fittings - WPWWTP	08/31/2018	234.95
130588	USA BLUE BOOK	Bendable Plug - Hunter's WTP	08/31/2018	1,022.84
130391	VERIZON WIRELESS	Cell Phone Service 06/18	08/09/2018	2,502.75
130511	VERIZON WIRELESS	Cell Phone Service 07/18	08/24/2018	2,515.33
130386	VOLCANO TELEPHONE COMPANY	Phone/Internet 07/18 - WPWWTP	08/08/2018	359.81
130386	VOLCANO TELEPHONE COMPANY	Phone/Internet 07/18 - WPWWTP	08/08/2018	152.15
130512	WAGeworks	FSA Admin 07/18	08/24/2018	215.00
130392	WEDEL, JEFFREY	Claim Settlement	08/09/2018	149.00

CCWD
AP DISBURSEMENTS
AUGUST 1-31, 2018

Check No.	Vendor/Employee	Transaction Description	Date	Amount
130467	WEST POINT LUMBER INC	Batteries/Distilled Water/Trash Bags/Brass Nipples - WPWTP	08/17/2018	43.35
130467	WEST POINT LUMBER INC	Nozzle/Marking Flags/Washers/Glass Cleaner/Baking Soda/Water - WP	08/17/2018	44.63
130590	WESTECH ENGINEERING, INC	Grating/Gaskets - CCWTP Filter	08/31/2018	12,726.76
130424	WESTERN UTILITIES UNDERGROUND	Membership - Hampton	08/10/2018	60.00
EFT	WEX BANK	Fuel 07/18	08/08/2018	13,367.41
130592	WILSON, JIM	Road Repair - CC Poker Flat Area	08/31/2018	7,910.00
130468	WOOD ENVIRON & INFRASTRUCTURE SOLUTIONS	Local Hazard Mitigation Plan (LHMP) Services 07/18	08/17/2018	1,592.81
130387	WQI	Water Distribution Exam Review Class, Grade 4 - Sullivan	08/08/2018	500.00
130387	WQI	Wastewater Exam Review Class, Grade 3 - DeAmicis	08/08/2018	700.00
130593	WQI	Wastewater Exam Review Class, Grade 2 - Applegate	08/31/2018	700.00
130469	XYLEM WATER SOLUTIONS USA, INC	Sensor Brushes/UV Bulbs - FMWWTP	08/17/2018	2,582.36
130513	XYLEM WATER SOLUTIONS USA, INC	Quartz Sleeves/Bulb Connectors - FMWWTP	08/24/2018	4,013.00
130470	YOUNG'S COPPER ACE HARDWARE	Soap/Propane/Phone/Batteries/Fittings/Nuts/Bolts - CC	08/17/2018	362.42
130594	ZOOM SMOG & AUTOMOTIVE	Oil/Lube/Fuel Filter Service - Vehicle #135	08/31/2018	438.65
130594	ZOOM SMOG & AUTOMOTIVE	Oil/Lube/Filter - Vehicle #144	08/31/2018	97.53
	Employee Medical Reimbursements (3)			531.46
	Retiree Health Reimbursements (27)			6,880.31
	Customer Refunds (7)			383.32
Total August 2018 AP Disbursements				<u><u>2,667,390.03</u></u>

RESOLUTION NO. 2018 – __

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

RATIFYING CLAIM SUMMARY NO. 558

WHEREAS, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT has reviewed and considered Claim Summary Number 558 at the Regular Meeting held on September 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 558 in the amount of \$3,260,073.43 for the month of August, 2018.

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

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman
President, Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

Agenda Item

DATE: September 12, 2018

TO: Board of Directors

FROM: Rebecca Hitchcock, Clerk to the Board

SUBJECT: Consideration of Amendment of the District's Conflict of Interest Code, Appendix "A"

RECOMMENDED ACTION:

Motion: _____ / _____ adopting Resolution No. 2018-____ amending Appendix "A" of the District's Conflict of Interest Code, Policy Number 5070, by updating the designation of employees and their disclosure categories.

SUMMARY:

The District adopted its original Conflict of Interest Code in 1996 by Resolution No. 96-146. The Political Reform Act requires each local government agency to review its conflict of interest code biennially and make amendments as necessary to meet the requirements of the law.

On August 22, 2018, the Board of Directors approved the Management and Confidential Unit schedule, which included a new position. Although the new position listed in the schedule has not been filled, in conducting the biennial review of the District's Conflict of Interest Code it is timely to amend Appendix "A" to include the position which may be filled at some point in the future. Thus, it is recommended the list of designated employees and their disclosure categories listed in Appendix "A" of the Conflict of Interest Code be updated to *add* Deputy Director of Operations.

FINANCIAL CONSIDERATIONS:

None.

Attachments: Current Policy No. 5070, Conflict of Interest and 5070.60, Appendix "A"
Resolution Approving Policy No. 5070, Conflict of Interest Code
Policy No. 5070, Conflict of Interest and 5070.60, Proposed Appendix "A"

Conflict of Interest Code

5070.10 Policy Purpose

The purpose of this policy is to establish procedures developed in compliance with the terms of the Political Reform Act and related regulations concerning the adoption of Conflict of Interest Codes in the state of California.

5070.20 Policy Statement

The Political Reform Act, Government Code Section 81000, *et seq.* requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation, 2 California Code of Regulations, Section 18730, which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference and which may be amended by the FPPC to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18370 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference as the Conflict of Interest Code of the Calaveras County Water District (District). The Standard Conflict of Interest Code requires a list of District positions subject to its provisions, and Appendix A attached hereto and incorporated herein, defines designated employees and disclosure categories.

5070.30 Policy Implementation

The requirements of when and where to file Statements of Economic Interests are as provided in Title 2 Section 18754, which is incorporated herein by reference. All designated employees and District Board and Joint Powers Agency members shall file Statements of Economic Interests, on forms required by the FPPC, with the Clerk to Board of the District or respective Joint Powers Agency, no later than April 1 of each calendar year. Members of the District's designated positions shall file such statements also upon assuming office and leaving office.

The Clerk to the Board of the District shall be responsible to ensure Statements of Economic Interests are completed and filed as required. Individuals holding designated positions shall file Statements of Economic Interests with the District's Clerk to the Board, and shall have available and annually review the current provisions of Title 2, California Code of Regulations Section 18370 to ensure District compliance with its requirements.

5070.40 Policy Review

In accordance with Government Code 87306.5, the Conflict of Interest Code of the District is reviewed in even-numbered years and Appendix A is updated, if necessary. A completed notice of review will be filed with the Clerk of the Calaveras County Board of Supervisors. Revisions to the District's Conflict of Interest Code or its Appendix A, approved by the District Board of Directors will be forwarded to the Clerk of the Calaveras County Board of Supervisors.

5070.50 Related Policies

Employee Handbook Policy Section 1020, Conflict of Interest, shall incorporate Board Policy 5070 by reference, and a copy shall be provided therefor.

Members of the Board of Directors are directed to Board Policy 4010, Ethics, which incorporates conflict of interest concerns directly related to Board member responsibilities.

. . . .

Attachment: Appendix A

**Conflict of Interest Code
5070.60 Appendix A**

Disclosure Categories

1. A person in this category must report investments, interests in real property or income affected by actions and activity of District decisions, and whether he/she owns or has interests in business entities in which he/she is a director, officer, partner, trustee, employee, or holds any position of management or fiscal oversight which may be affected by actions and activities of the District.
2. A person who makes or participates in making decisions which may foreseeably have a material financial effect on any financial interest of the District must report as in 1., above.

Note: Consultants are included in the list of designated employees, and shall disclose pursuant to Category 1 subject to the following limitation:

The General Manager may make a determination, in writing, that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements. Such written determination shall include a description of the consultant/legal counsel’s duties, and, based upon that description, a statement of the extent of disclosure requirements. The General Manager’s determination is a public record and shall be retained for public inspection.

Designated Employees:

Position	Disclosure Category
1. Board Members	1
2. General Manager	1
3. District Engineer	2
4. Director of Administrative Services	1
5. Information Systems Administrator	2
6. District Counsel (Consultant, see above note)	1
7. Manager of Water Resources	2
8. Maintenance Manager	1
9. Field Operations Manager	1
10. Plant Operations Manager	2
11. Director of Operations	1
12. Distribution / Collections Manager	2
13. Director of Human Resources and Customer Service	1
14. Manager of External Affairs, Conservation, and Grants 1/II	1
15. Legislative Consultant	2

RESOLUTION NO. 2018 –

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

AMENDING THE DISTRICT’S CONFLICT OF INTEREST CODE, APPENDIX “A”

WHEREAS, on December 18, 1996, the Board of Directors of the Calaveras County Water District (District) adopted a Conflict of Interest Code by Resolution No. 96-146 and amendments thereafter; and

WHEREAS, pursuant to the terms of the California Political Reform Act the District must undertake a biennial review of its Conflict of Interest Code, and thereafter adopt necessary amendment(s); and

WHEREAS, since last amending Appendix “A”, changes in staffing titles have occurred necessitating the change of the following designated positions: adding the position of Deputy Director of Operations.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors does hereby amend only its Appendix “A”, Designated Employees, of its Conflict of Interest Code, Policy 5070, as attached hereto and made a part hereof, and hereby rescinds all previous approvals to Appendix “A”, Designated Employee Positions.

FURTHER RESOLVED, that the Board of Directors remaining Policy 5070, Conflict of Interest, adopted September 22, 2010, shall remain in full force and effect.

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

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman
President, Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

Policy Title: Conflict of Interest
Policy Number 5070

Date Approved: 8/12/14

Revised: 3/12/08
9/22/10
12/8/10 (Appendix A)
5/23/12 (Appendix A)
4/10/13 (Appendix A)
2/12/14 (Appendix A)
12/9/15 (Appendix A)
5/24/17(Appendix A)
9/12/18(Appendix A)

Conflict of Interest Code

5070.10 Policy Purpose

The purpose of this policy is to establish procedures developed in compliance with the terms of the Political Reform Act and related regulations concerning the adoption of Conflict of Interest Codes in the state of California.

5070.20 Policy Statement

The Political Reform Act, Government Code Section 81000, *et seq.* requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted a regulation, 2 California Code of Regulations, Section 18730, which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference and which may be amended by the FPPC to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18370 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference as the Conflict of Interest Code of the Calaveras County Water District (District). The Standard Conflict of Interest Code requires a list of District positions subject to its provisions, and Appendix A attached hereto and incorporated herein, defines designated employees and disclosure categories.

5070.30 Policy Implementation

The requirements of when and where to file Statements of Economic Interests are as provided in Title 2 Section 18754, which is incorporated herein by reference. All designated employees and District Board and Joint Powers Agency members shall file Statements of Economic Interests, on forms required by the FPPC, with the Clerk to Board of the District or respective Joint Powers Agency, no later than April 1 of each calendar year. Members of the District's designated positions shall file such statements also upon assuming office and leaving office.

The Clerk to the Board of the District shall be responsible to ensure Statements of Economic Interests are completed and filed as required. Individuals holding designated positions shall file Statements of Economic Interests with the District's Clerk to the Board, and shall have available and annually review the current provisions of Title 2, California Code of Regulations Section 18370 to ensure District compliance with its requirements.

5070.40 Policy Review

In accordance with Government Code 87306.5, the Conflict of Interest Code of the District is reviewed in even-numbered years and Appendix A is updated, if necessary. A completed notice of review will be filed with the Clerk of the Calaveras County Board of Supervisors. Revisions to the District's Conflict of Interest Code or its Appendix A, approved by the District Board of Directors will be forwarded to the Clerk of the Calaveras County Board of Supervisors.

5070.50 Related Policies

Employee Handbook Policy Section 1020, Conflict of Interest, shall incorporate Board Policy 5070 by reference, and a copy shall be provided therefor.

Members of the Board of Directors are directed to Board Policy 4010, Ethics, which incorporates conflict of interest concerns directly related to Board member responsibilities.

. . . .

Attachment: Appendix A

**Conflict of Interest Code
5070.60 Appendix A**

Disclosure Categories

1. A person in this category must report investments, interests in real property or income affected by actions and activity of District decisions, and whether he/she owns or has interests in business entities in which he/she is a director, officer, partner, trustee, employee, or holds any position of management or fiscal oversight which may be affected by actions and activities of the District.
2. A person who makes or participates in making decisions which may foreseeably have a material financial effect on any financial interest of the District must report as in 1., above.

Note: Consultants are included in the list of designated employees, and shall disclose pursuant to Category 1 subject to the following limitation:

The General Manager may make a determination, in writing, that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements. Such written determination shall include a description of the consultant/legal counsel’s duties, and, based upon that description, a statement of the extent of disclosure requirements. The General Manager’s determination is a public record and shall be retained for public inspection.

Designated Employees:

Position	Disclosure Category
1. Board Members	1
2. General Manager	1
3. District Engineer	2
4. Director of Administrative Services	1
5. Information Systems Administrator	2
6. District Counsel (Consultant, see above note)	1
7. Manager of Water Resources	2
8. Maintenance Manager	1
9. Field Operations Manager	1
10. Plant Operations Manager	2
11. Deputy Director of Operations (added)	2
11. 12. Director of Operations	1
12. 13. Distribution / Collections Manager	2
13. 14. Director of Human Resources and Customer Service	1
14. 15. Manager of External Affairs, Conservation, and Grants I/II	1
15. 16. Legislative Consultant	2

Agenda Item

DATE: September 12, 2018

TO: Dave Eggerton, General Manager

FROM: Charles Palmer, District Engineer
Jeffrey Meyer, Director of Administrative Services

SUBJECT: Discussion regarding Meter Sizing and Capacity Fees for Residential Fire Sprinkler Systems

RECOMMENDED ACTION:

Discussion only.

SUMMARY:

The Home Fire Sprinkler Coalition (HFSC) was formed in 1996 to advocate for home fire sprinkler protection. HFSC is a 501(c) (3) charitable organization and the leading resource for independent, noncommercial information about residential fire sprinklers. The effort to mandate automatic sprinkler systems in all newly constructed one- and two-family dwellings in California was supported by the National Fire Protection Association (NFPA) and its Fire Sprinkler Initiative, and by local and state fire marshals.

The California Building Standards Commission approved and adopted the 2010 California Residential Code (California Code of Regulations, Title-24, Part 2.5), with an effective date of January 1, 2011. Section R313.2 of the Code reads: "An automatic residential fire sprinkler system shall be installed in one- and two-family dwellings." Fire sprinklers systems have been required in multi-family dwellings for many years prior.

The installation of home fire sprinkler systems, specifically the interface between the domestic water system and the residential fire sprinkler, can be accomplished in many ways. Two of the more common methods are:

- 1) Add a second meter (fire detector check), which provides a discrete domestic and fire suppression circuit similar to commercial installations
- 2) Utilize a single meter providing domestic and fire supply

Both approaches have advantages and disadvantages. Generally, the most economical method is a single meter approach, although it often requires upsizing the meter size to meet the fixture count and flow criteria. Water utilities that support both approaches

have rates to recover expenses proportional to the service levels provided with the additional value of fire suppression systems.

In California, local building officials (County Building Department) review and approve the sprinkler design – the District is typically not involved in this process. It is the designer’s obligation to ensure that the meter size and other components meet the sprinkler system’s discharge criteria from the existing conditions of the water utility’s system. The attached Fact Sheet prepared by the International Residential Code (IRC) Fire Sprinkler Coalition discusses some of the myths and facts about water supplies for home fire sprinkler systems.

As California law requires all water services to be metered, correct service and meter size may influence the performance of a sprinkler system. Water meters are rated to perform across ranges and variations within the water supply system and on-site conditions relating to service pressure and pipe size, length, material, corrosion and other factors which the designer must take into consideration. Often, due to the flow requirements of a residential fire sprinkler system with numerous sprinkler heads (like a home with more fixtures), the designer may wish to have a larger meter able to provide greater flow at equal or less pressure loss. Water meter performance varies by meter size, and individual meter performance can be found on the manufacturer’s data sheets. The attached data sheets show the performance of 5/8”, 3/4” and 1” meters for both conventional and ultrasonic meters. Ultrasonic meters provide improved flow and accuracy and help overcome some of the performance limitations and inaccuracies of conventional mechanical meters.

The District’s water capacity fees and rates are based on meter size and are established in accordance with its policies and procedures, and applicable government codes and laws. A capacity fee is charged to recover the costs associated with providing water capacity to new users or existing users requiring greater capacity. Capacity fees exist to achieve an equitable distribution of the cost of expanding the District’s water utility system. The water capacity fee is based solely on meter size, which accounts for required water flows and system pressure. As such, meter size provides an accurate estimate of the amount of demand placed on the system.

The vast majority of the District’s customers have standard 5/8” residential water meters. The 5/8” meter historically defines one “meter equivalent” for a single-family residential unit, a parameter used in calculating capacity fees. The capacity fees for all other meters (3/4”, 1”, 2” 4” and larger) are based upon a multiple or “meter equivalents” in comparison to a standard 5/8” meter as listed below:

Meter Size	Capacity Multiple	Number of Customers
5/8" (<i>standard residential</i>)	1	13,241
3/4"	1.5	11
1"	2.5	111
1-1/2"	5	34
2"	8	33
3"	16	2
4"	25	2

Altering the size of the standard residential meter has a potential domino effect requiring the District to re-evaluate not only system demands and infrastructure needs, but also the relationship across the entire range of all meter sizes, including a comparison of residential versus commercial services and the corresponding water rate structure.

The District's water rates also use meter size to calculate the appropriate base rate (consumptive rates are not based on meter size). The recently adopted five-year water rate plan, completed in accordance with Proposition 218 and recent court rulings, also used the standard 5/8" water meter as the one "meter equivalent," a parameter used in calculating the water base rates for progressively larger meter sizes (see table above). Any change in the size of the standard meter (5/8") will affect the calculation of the water base rates for the larger meter sizes and put the District at risk of having rates that are not proportional, equable and defensible under Proposition 218. Thus it would be necessary to hire a rate consultant to perform a supplementary rate study and conduct a Proposition 218 notification and public hearing process in order to amend rates accordingly.

On September 6, 2018, CCWD's General Manager met with Mike and Eric Lemke of Miramont Homes, Michael Evans and Dana Tsubota of DeNova Homes, Robert Raymer of the California Building Industry Association, and Kathryn Gallino, Economic Development Director for Calaveras County to discuss these issues and the request for assistance to find a more cost-effective alternative to existing policy, rates and charges related to new residential construction with required fire sprinklers. Representatives of Miramont Homes and DeNova Homes will be at the Board meeting to participate in this discussion and will be meeting with CCWD engineering and financial staff immediately prior to the Board meeting to explore these issues in more detail. With this agenda item, the Board will be asked to provide direction to staff as to possible next steps.

FINANCIAL CONSIDERATIONS:

Unknown at this time.

Attachment: Fire Sprinkler Coalition Fact Sheet
- Data Sheet Neptune T-10 Standard Meter
- Data Sheet Neptune Ultrasonic Meter



FACT SHEET

Water Supplies for Home Fire Sprinkler Systems

This document has been developed to dispel myths by providing factual information about water supply requirements for home fire sprinkler systems.

MYTH: *Home fire sprinkler systems require expensive upgrades to a new home's water supply system.*

FACTS: Home fire sprinkler systems have become so efficient that they can often be designed to use the same or even less water than a new home's plumbing system.

- Fire sprinklers typically require only 7 pounds-per-square-inch (psi) to operate, which is less than the minimum required pressure for residential plumbing fixtures.
Plumbing systems require:
 - 8 psi minimum pressure for any plumbing fixture.¹
 - 20 psi minimum pressure for temperature controlled shower valves (these are mandatory in new homes).²
 - 40 psi minimum pressure for the main supply connection (applies to all homes with indoor plumbing, even those supplied by wells).³
- A single fire sprinkler can use as little as 8 gallons-per-minute (gpm). With home fire sprinkler systems typically designed to accommodate two simultaneously flowing sprinklers, 16 gpm may be all that's needed to supply fire sprinklers. This is actually less than the 18 gpm minimum that would be required by the Plumbing Code to supply plumbing fixtures in a typical entry-level home with 3 bedrooms, 2 bathrooms and 2 outdoor hose connections.⁴
- Fire sprinklers will typically require more water in larger, more expensive homes, but such homes tend to have more plumbing fixtures, which require an increased water supply for plumbing as well. One or two sprinklers must flow for a minimum of 7-10 minutes, which can be provided by a well and/or a small tank when sprinklers are not supplied by a water distribution system.

MYTH: *Home fire sprinkler systems require big, expensive water meters.*

FACTS: When a fire sprinkler system is supplied by a water distribution system, water meter size is based on the required pressure and flow, which as stated above, may actually be greater for plumbing than for fire sprinklers. Fire sprinklers won't lead to increased meter or tap fees when the sprinkler system is able to be supplied by the same size meter that serves household plumbing.

A typical 5/8-inch meter will flow up to 20 gpm, which is adequate to operate a fire sprinkler system in many homes.⁵ A 3/4-inch meter, which will flow well over 30 gpm, is capable of handling just about any home fire sprinkler system. Most often, the size of underground pipe leading to a house is much more limiting than the meter itself. Upsizing the underground piping

¹ International Residential Code (IRC) Table P2903.1

² IRC Section P2708

³ IRC Section P2903.3

⁴ IRC Table P2903.6 [17.5 fixture units: 2 bathroom groups, 1 kitchen group, 1 laundry group and 2 hose bibs], and IRC Table P2903.6(1)

⁵ IRC Table P2904.6.2(2) [This is the prescriptive allowance for any meter. When a meter of known flow characteristics flows more, the higher flow may be used.]

between the meter and the house is an easy and inexpensive way to improve pressure and flow for all plumbing, including fire sprinklers, without a larger meter.

It's important to note some meter manufacturers' literature specify lesser flow limits, focusing on the range over which a meter will accurately measure continuous flow. With respect to supplying home fire sprinklers, meter flow limits should be evaluated based on the maximum flow rate rather than continuous flow accuracy limits. Water authorities should recognize that sprinklers will always use less water than fire hoses connected to unmetered fire hydrants that would otherwise be needed to put out a fire, so there is no legitimate value in requiring accurate measurement of sprinkler flow in the event of a fire

MYTH: Fire sprinkler systems require expensive backflow preventers.

FACTS: National plumbing codes never require backflow protection for home fire sprinkler systems fabricated with materials approved for household plumbing, such as CPVC, PEX or copper.⁶ Occasionally, a local plumbing authority may nevertheless request a backflow preventer, not recognizing that fire sprinkler systems can be safety connected directly to a potable water supply.

Where backflow prevention is an issue because of a local requirement, there are several options whereby additional backflow controls for fire sprinklers can be avoided.

- Fire sprinklers can be incorporated as part of a multipurpose plumbing system that feeds both sprinklers and plumbing fixtures from a home's cold water plumbing pipes.
- Fire sprinklers can be supplied by a separate water connection, with a toilet connected to the end of sprinkler piping to ensure that the piping is occasionally purged by flushing the toilet to prevent stagnant water. This arrangement is referred to as "passive purge."
- Where a yard irrigation system is installed, backflow prevention will be required because such systems are subject to backflow of non-potable water. Fire sprinklers can share the irrigation backflow preventer; thereby, eliminating the need for an additional device.

MYTH: Rural water distribution systems and wells don't have enough water to supply home fire sprinklers.

FACTS: As indicated above, if the water distribution system or well provides enough water to supply household plumbing needs, the supply may be adequate for fire sprinklers. In some cases a larger pump or tank may be needed for sprinklers, but standard, off-the-shelf pumps and tanks suitable for plumbing systems are permitted. When such upgrades are provided, they actually benefit the owner on a daily basis beyond fire protection, because the home's plumbing system will be more robust. Additional water storage can also be invaluable for emergency use in the event of a natural disaster that interrupts utilities.

It should also be noted that, were a rural water distribution system found to be inadequate to supplying 16 gpm for fire sprinklers, it would probably fall short of the minimum code-required plumbing demand, and it would surely fall far short of the 1,000+ gpm needed from fire hydrants to support a fire department extinguishing a fire in an unsprinklered home.

About IRC Fire Sprinkler Coalition

Founded in 2007, the IRC Fire Sprinkler Coalition has grown to include more than 100 international, national and regional public safety organizations, including associations representing 45 states, all of whom support the mission of promoting residential fire sprinkler systems in new home construction. More information can be found at www.IRCFireSprinkler.org.

⁶ IRC Section P2904.1



A PRODUCT SHEET OF NEPTUNE TECHNOLOGY GROUP

T-10 Meter

SIZES $\frac{5}{8}$ ", $\frac{3}{4}$ ", AND 1"

Every T-10® water meter meets or exceeds the latest AWWA C700 Standard. Its nutating disc, positive displacement principle has been time-proven for accuracy and dependability since 1892, ensuring maximum utility revenue.

Construction

The T-10 water meter consists of three major assemblies: a register, a lead free, high-copper alloy maincase, and a nutating disc measuring chamber.

The T-10 meter is available with a variety of register types. For reading convenience, the register can be mounted in one of four positions on the meter.

The corrosion-resistant, lead-free, high-copper alloy maincase will withstand most service conditions; internal water pressure, rough handling, and in-line piping stress.

The innovative floating chamber design of the nutating disc measuring element is unaffected by meter position or in-line piping stresses while the unique chamber seal extends the low-flow accuracy by sealing the chamber outlet port to the maincase outlet port. The nutating disc measuring element utilizes corrosion-resistant materials throughout and a thrust roller to minimize wear.

Warranty

Neptune® provides a limited warranty with respect to its T-10 water meters for performance, materials, and workmanship.

When desired, maintenance is easily accomplished either by replacement of major assemblies or individual components.

Guaranteed Systems Compatibility

All T-10 water meters are guaranteed adaptable to our ARB®V, ProRead™ (ARB VI) AutoDetect, ProCoder™, E-CODER® (ARB VII), E-CODER®)R900i™, E-CODER®)R450i™, E-CODER®)L900i™, TRICON®/S, TRICON/E®3, and Neptune meter reading systems without removing the meter from service.

Systems Compatibility

Adaptability to all present and future systems for flexibility is available only with Neptune's ARB® Utility Management Systems™.



KEY FEATURES

REGISTER

Magnetic-driven, low-torque registration ensures accuracy

Impact-resistant register

High-resolution, low-flow leak detection

Bayonet-style register mount allows in-line serviceability

Tamperproof seal pin deters theft

Date of manufacture, size, and model stamped on dial face

LEAD FREE MAINCASE

Made from lead free, high-copper alloy

NSF/ANSI 372, NSF/ANSI 61

Lifetime guarantee

Resists internal pressure stresses and external damage

Handles in-line piping variations and stresses

Lead free, high-copper alloy provides residual value vs. plastic or composite

Electrical grounding continuity

NUTATING DISC MEASURING CHAMBER

Positive displacement

Widest effective flow range for maximum revenue

Proprietary polymer materials maximize long-term accuracy

Floating chamber design is unaffected by meter position or in-line piping stresses

Specifications

- NSF/ANSI 372, NSF/ANSI 61
- National Type Evaluation Program (NTEP) certification

Application

- Cold water measurement of flow in one direction in residential service applications

Maximum Operating Water Pressure

- 150 psi (1034 kPa)

Maximum Operating Water Temperature

- 80°F

Measuring Chamber

- Nutating disc technology design made from proprietary synthetic polymer

Options

Sizes

- $\frac{5}{8}$ " , $\frac{5}{8}$ " x $\frac{3}{4}$ "
- $\frac{3}{4}$ " , $\frac{3}{4}$ " SL, $\frac{3}{4}$ " x 1"
- 1" , 1" x 1 $\frac{1}{4}$ "

Units of Measure:

- U.S. gallons, imperial gallons, cubic feet, cubic metres

Register Types

- Direct reading: bronze box and cover (standard)

Remote Reading:

- ProRead, ProCoder, E-CODER, E-CODER)R900i, E-CODER)R450i, E-CODER)L900i, TRICON/S, TRICON/E3

- Reclaim

Bottom Caps

- Synthetic polymer ($\frac{5}{8}$ " only)
- Cast iron
- Lead free, high-copper alloy

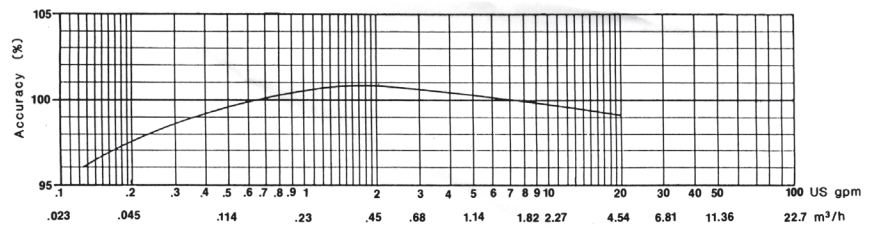
Connections

- Lead free, high-copper alloy, straight or bent

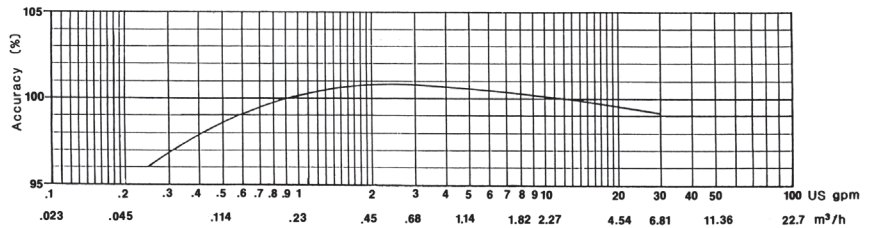
Environmental Conditions

- Operating temperature:
+33° F to +149° F (0° C to +65° C)
- Storage temperature:
+33° F to +158° F (0° C to +70° C)

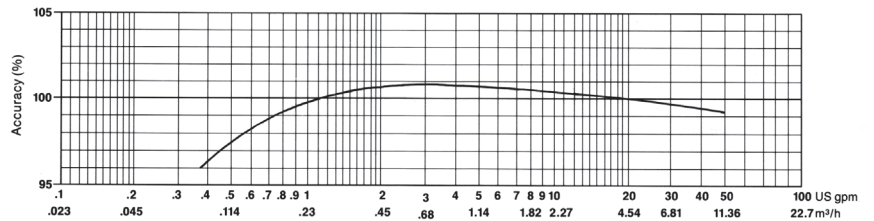
$\frac{5}{8}$ " ACCURACY



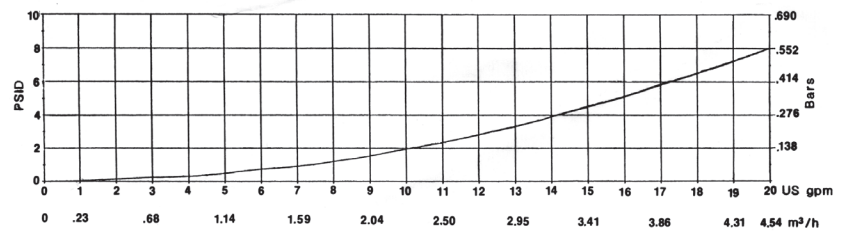
$\frac{3}{4}$ " ACCURACY



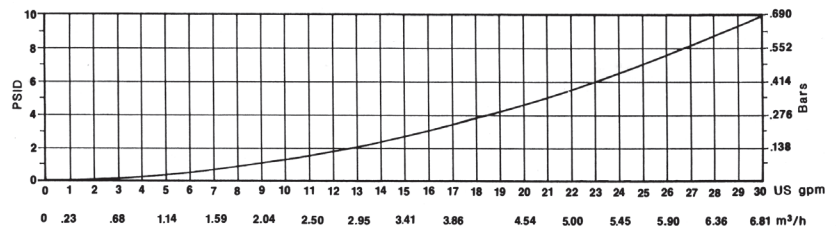
1" ACCURACY



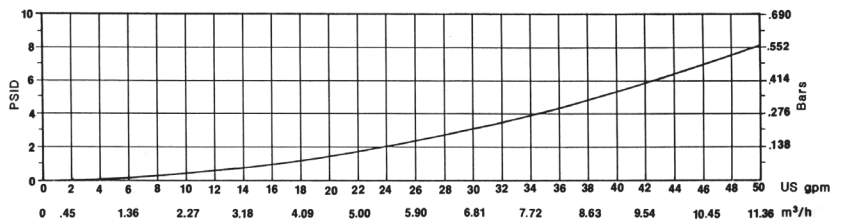
$\frac{5}{8}$ " PRESSURE LOSS



$\frac{3}{4}$ " PRESSURE LOSS

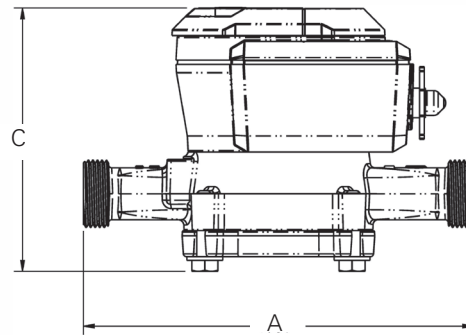
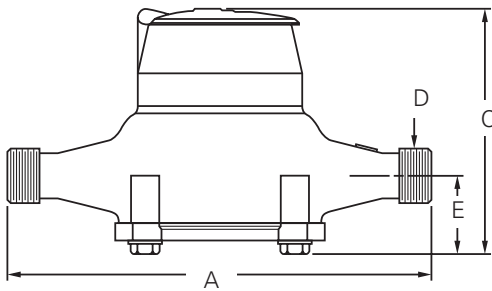
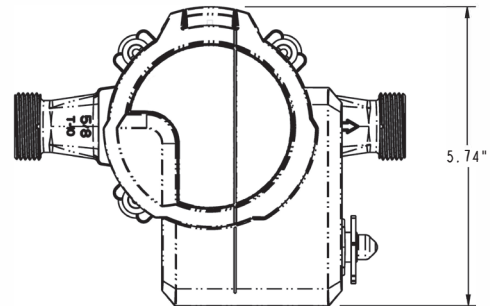
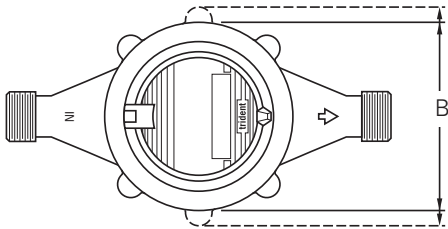


1" PRESSURE LOSS



Dimensions

Meter Size	A	B	C					D-	E-	Weight lbs/kg
	in/mm	in/mm	Std. in/mm	ARB in/mm	ProCoder™ or E-CODER®	ProCoder™) R900i™ or ProCoder™) R450i™	E-CODER®) R900i™ or E-CODER®) R450i™	NPSM Thread	in/mm	
5/8	7½ 191	3⅝ 92	4⅜ 111	5¼ 133	5¼ 133	5¼ 133	5¼ 133	¾" - 14	1½ 38	3¼ 1.4
5/8 x ¾	7½ 191	3⅝ 92	4⅜ 111	5¼ 133	5¼ 133	5¼ 133	5¼ 133	1" - 11½	1½ 38	3⅝ 1.5
Pre 2011 ⅝	7½ 191	3⅝ 92	4⅞ 124	5½ 146	5½ 139	5½ 139	5½ 139	¾" - 14	1⅝ 41	3¾ 1.7
Pre 2011 ⅝ x ¾	7½ 191	3⅝ 92	4⅞ 124	5½ 146	5½ 139	5½ 139	5½ 139	1" - 11½	1⅝ 41	4 1.8
¾	9 229	4⅜ 111	5½ 140	6¼ 159	6¼ 159	6¼ 159	6¼ 159	1" - 11½	1⅞ 48	6 2.7
¾" SL	7½ 911	4⅜ 111	5½ 140	6¼ 159	6¼ 159	6¼ 159	6¼ 159	1" - 11½	1⅞ 48	5½ 2.5
¾ x 1"	9 229	4⅜ 111	5½ 140	6¼ 159	6¼ 159	6¼ 159	6¼ 159	1¼" - 11½	1⅞ 48	6½ 2.9
1"	10¾ 273	6½ 165	6⅝ 162	7 178	7 178	7 178	7 178	1¼" - 11½	2⅞ 54	9¾ 4.4
1" x 1¼	10¾ 273	6½ 165	6⅝ 162	7 178	7 178	7 178	7 178	1½" - 11½	2⅞ 54	10¼ 4.6



Operating Characteristics

Meter Size	Normal Operating Range @ 100% Accuracy (+/- 1.5%)	AWWA Standard	Low Flow @ 95% Accuracy
5/8"	1/2 to 20 US gpm 0.11 to 4.55 m ³ /h	1 to 20 US gpm 0.23 to 4.5 m ³ /h	1/8 US gpm 0.03 m ³ /h
3/4"	3/4 to 30 US gpm 0.17 to 6.82 m ³ /h	2 to 30 US gpm 0.45 to 6.8 m ³ /h	1/4 US gpm 0.06 m ³ /h
1"	1 to 50 US gpm 0.23 to 11.36 m ³ /h	3 to 50 US gpm 0.68 to 11.4 m ³ /h	3/8 US gpm 0.09 m ³ /h

Registration

ProRead Registration (per sweep hand revolution)		5/8"	3/4" & 1"
10	US Gallons	√	√
10	Imperial Gallons	√	√
1	Cubic Foot	√	√
0.1	Cubic Metre	√	√
Register Capacity ProRead, ProCoder, and E-CODER		5/8"	3/4" & 1"
10,000,000	US Gallons	√	√
10,000,000	Imperial Gallons	√	√
1,000,000	Cubic Feet	√	√
100,000	Cubic Metres	√	√
ProCoder and E-CODER High Resolution (8-digit reading)		5/8"	3/4" & 1"
0.1	US Gallons	√	√
0.1	Imperial Gallons	√	√
0.01	Cubic Feet	√	√
0.001	Cubic Metres	√	√



#winyourday
neptunetg.com

Neptune Technology Group
1600 Alabama Highway 229
Tallahassee, AL 36078
800-633-8754 f 334-283-7293

Be Confident with Sustained Accuracy Over Time

Neptune® MACH 10® Ultrasonic Meter



The MACH 10® ultrasonic water meter features solid state metrology with no degradation of accuracy over time. Combined with a corrosion-resistant, lead-free, high-copper alloy maincase, the MACH 10 is built to withstand demanding service conditions and deliver sustained accuracy over the life of the meter.

- Sizes 5/8", 3/4", and 1"
- Extended low-flow range and accuracy
- No maintenance
- Accuracy sustained over meter life
- Advanced ultrasonic technology
- MACH 10®)R900i™ seamlessly integrates R900® radio for easy installation

Specifications

AWWA C715 Compliant

NSF/ANSI 61 Certified

UL327B Certified (¾", 1")

Application

- Cold water measurement of flow in residential potable, combination potable and fire service, and reclaim/secondary water applications.

Maximum Operating Water Pressure

- 175 psi

Operating Water

Temperature Range

- +33°F to +122°F (+0.5°C to +50°C)

Options

Sizes

- ⅝", ⅝" x ¾"
- ¾", ¾" x 1"
- 1", 1" x 1¼"

Units of Measure

- U.S. gallons, Imperial gallons, cubic feet, cubic metres

Meter Options

- Potable water
- Reclaim water
- Residential fire service (combo or standalone meter service lines)

Environmental Conditions

- Operating temperature: +14°F to +149°F (-10°C to +65°C)
- Storage temperature: -40°F to +158°F (-40°C to +70°C)

Warranty

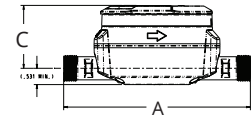
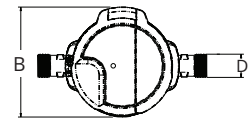
- Neptune provides a limited warranty with respect to its MACH 10 residential line of ultrasonic meters for performance, materials, and workmanship.

System Compatibility

- All MACH 10 residential ultrasonic meters provide ProRead™, E-CODER® 8-digit, and E-CoderPLUS protocols to interface with Neptune and third-party AMR/AMI meter reading systems.

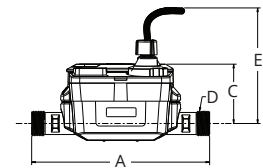
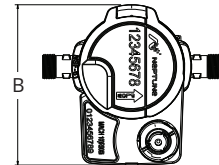
MACH 10® Dimensions

Meter Size	A	B	C	D NPSM
⅝"	7½"	4⅞"	2½"	¾" - 14
⅝" x ¾"	7½"	4⅞"	2½"	1" - 11½"
¾"	9"	4⅞"	2⅞"	1" - 11½"
¾" SL	7½"	4⅞"	2⅞"	1" - 11½"
¾" x 1"	9"	4⅞"	2⅞"	1¼" - 11½"
1"	10¾"	4⅞"	2⅞"	1¼" - 11½"
1" x 1¼"	10¾"	4⅞"	2⅞"	1½" - 11½"



MACH 10®R900i™ DIMENSIONS

Meter Size	A	B	C	D NPSM	E
⅝"	7½"	6¾"	2½"	¾" - 14	5⅞"
⅝" x ¾"	7½"	6¾"	2½"	1" - 11½"	5⅞"
¾"	9"	6¾"	2⅞"	1" - 11½"	5⅞"
¾" SL	7½"	6¾"	2⅞"	1" - 11½"	5⅞"
¾" x 1"	9"	6¾"	2⅞"	1¼" - 11½"	5⅞"
1"	10¾"	6¾"	2⅞"	1¼" - 11½"	6⅞"
1" x 1¼"	10¾"	6¾"	2⅞"	1½" - 11½"	6⅞"



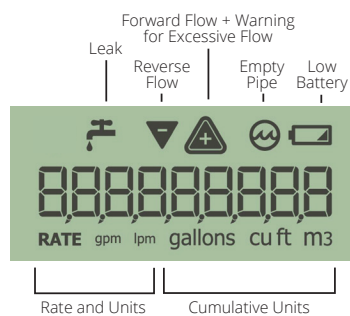
Operating Characteristics

Meter Size	Normal Operating Range @ 100% Accuracy (+/- 1.5%)	AWWA C715 Standard Type 1	Extended Low Flow @ 100% Accuracy (+/- 3%)
⅝"	0.10 to 25 U.S. gpm 0.02 to 4.55 m³/h	0.2 to 20 U.S. gpm 0.23 to 4.5 m³/h	0.05 U.S. gpm 0.01 m³/h
¾"	0.10 to 35 U.S. gpm 0.02 to 6.82 m³/h	0.5 to 30 U.S. gpm 0.45 to 6.8 m³/h	0.05 U.S. gpm 0.01 m³/h
1"	0.40 to 55 U.S. gpm 0.11 to 11.36 m³/h	0.75 to 50 U.S. gpm 0.75 to 11.4 m³/h	0.25 U.S. gpm 0.03 m³/h

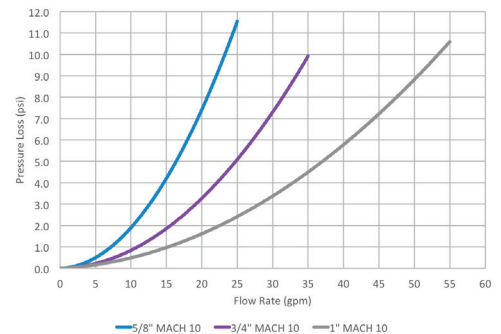
Registration

High Resolution (8-digit reading)	
0.1	U.S. Gallons
0.1	Imperial Gallons
0.01	Cubic Feet
0.001	Cubic Metres

LCD DISPLAY



Pressure Loss



neptunetg.com

Neptune Technology Group
1600 Alabama Highway 229
Tallahassee, AL 36078
800-633-8754 f 334-283-7293

Agenda Item

DATE: September 12, 2018

TO: Dave Eggerton, General Manager

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Discussion/Action regarding Adopting Financial Management Policy No. 5.12, Debt Management Policy

RECOMMENDED ACTION:

Motion _____/_____ adopting Resolution No. 2018 - ____ regarding Adopting Financial Management Policy No. 5.12, Debt Management Policy.

SUMMARY:

Senate Bill 1029, the California Debt and Investment Advisory Commission (CDIAC) Accountability Report bill, was signed by Governor Brown on September 12, 2016. The bill amended Government Code Section 8855 by adding sections (i) and (k), which require public debt issuers to have debt issuance and debt reporting policies adopted before issuance of public debt, and to file no less than 30 days prior to the sale of debt a report of proposed debt issuance and certification that the issuer has adopted debt policies. The bill also requires agencies to file continuing disclosure statements (see attached CDIAC summary).

The District's Financial Management Policy No. 5.00 consists of eight (8) budget and fiscal policies, including 5.00.5, Debt Policies (attached). This debt policy must be updated to meet the new CDIAC requirements, including:

1. Purpose of debt and use
2. Type of debt that may be issued
3. Integration with Capital Improvement Program (CIP) or budget
4. Policy goals related to issuer's planning and goals
5. Internal control procedures to ensure debt will be directed to the intended use

As the policy amendments are quite extensive, it is proposed to remove and rescind the current Financial Management Policy No 5.00.5, Debt Policies, from the Financial Management Policy No. 5.00 and adopt a new Financial Management Policy No. 5.12, Debt Management Policy. The new policy incorporates the required changes, including a section on general post-issuance continuing disclosure compliance (section 5.12.6).

Bond counsel has reviewed and approved the proposed debt policy, but recommends that the District adopt a separate, more comprehensive continuing disclosure policy at a later date.

Staff presented the proposed Debt Management Policy to the Finance Committee on August 24, 2018. The Finance Committee reviewed the proposed changes, provided comments, and recommended that the proposed policy be submitted to the Board for adoption.

FINANCIAL CONSIDERATIONS:

None at this time.

- Attachment: Resolution 2018 - , Adopting Financial Management Policy No. 5.12 – Debt Management Policy*
- *Financial Management Policy No. 5.00.5, Debt Policies (current)*
 - *CDIAC “Guidance on Complying with SB 1029”, Release Date December 28, 2016*
 - *Financial Management Policy No. 5.12, Debt Management Policy (proposed)*

RESOLUTION 2018 -

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

**ADOPTING FINANCIAL MANAGEMENT POLICY NO. 5.12 –
DEBT MANAGEMENT POLICY**

WHEREAS, the Board of Directors (“Board”) of the CALAVERAS COUNTY WATER DISTRICT adopted a Debt Policy as part of the Budget and Fiscal Policies on February 11, 2004; and

WHEREAS, the Budget and Fiscal Policies, now Financial Management Policy 5.00, were last amended by the Board by Resolution 2013-65 on October 9, 2013; and

WHEREAS, Government Code Sections 8855 (i) and (k) require public debt issuers to have comprehensive debt and reporting policies adopted before issuing public debt; and

WHEREAS, a review of Section 5.00.5 of the Financial Management Policy, Debt Policies, determined said policy does not meet the requirements of Government Code Sections 8855 (i) and (k) and must be rescinded and replaced with the Financial Management Policy 5.12, Debt Management Policy.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT hereby rescinds the Financial Management Policy 5.00.5, Debt Policies, and adopts the Financial Management Policy 5.12, Debt Management Policy, attached hereto and made a part hereof, to be effective immediately.

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

AYES:

NOES:

ABSENT:

ABSTAIN:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman
President, Board of Directors

ATTEST:

Rebecca Hitchcock, Clerk to the Board

Calaveras County Water District

The following budget and fiscal policies are presented to provide guidance and consistency in decision-making for the District's management team and Board of Directors. These policies will assist the District in achieving overall financial planning and rate setting processes from year-to-year for their water and wastewater utilities. The adopted policies are guidelines that should be reviewed at the beginning of each fiscal period to determine if they are still relevant and appropriate. The budget and fiscal policies framework is shown below:

Budget and Fiscal Policies Framework

- 5.00.1 Financial Reporting/Management Policies
- 5.00.2 Budget Policies
- 5.00.3 Revenue Policies
- 5.00.4 Capital Improvement Policies
- 5.00.5 Debt Policies
- 5.00.6 Reserve Policies
- 5.00.7 Rate Setting Policies
- 5.00.8 Capacity and Connection Fee Policies

- 5.00.4.08 The District staff will identify the estimated costs and potential funding sources for each proposed capital project before it is submitted to the Board for approval. If potential funding source is not available and Staff recommends a loan to fund the CIP Project, Staff will identify where the loan proceeds will come from prior to submitting to the Board for approval.
- 5.00.4.09 Changes or deviations from the approved Capital Improvement Program should be accounted for and reported directly to the Board before proceeding on the project. The report should include an analysis of long-term financial costs and the overall impact to the current Capital Improvement Program due to the change or deviation.
- 5.00.4.10 With Board approval, unexpended project appropriations will be carried forward as continuing appropriations to future fiscal years as required to complete the intent of the original budget.
- 5.00.4.11 The District shall attempt to determine the least costly financing method for all new projects.
- 5.00.4.12 The District will actively pursue grant and other outside funding sources for all capital improvement projects.

5.00.5 Debt Policies

In issuing debt, the District's objectives will be to achieve the lowest cost of capital; ensure ratepayer equity; maintain high credit ratings and access to credit enhancement; and preserve financial flexibility while assuring public transparency.

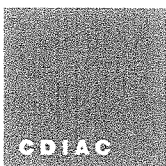
- 5.00.5.01 The District will limit the use of debt so as not to place a burden on the fiscal resources of the District.
- 5.00.5.02 The District will use debt financing when it is judged to be appropriate based on the long-term capital needs of the District, and the District's ability to repay the indebtedness has been evaluated in light of all sources and uses of cash.
- 5.00.5.03 When capital projects are financed, the District will amortize the debt and cost of debt within a period not to exceed the expected useful life of the project.
- 5.00.5.04 The District will consider short-term financing or capital lease debt to finance certain capital asset purchases. Short-term financing will be limited to the usual useful life period of the asset purchased.

- 5.00.5.05 The District will not use long-term debt to fund current operations.
- 5.00.5.06 The District will determine, on a case-by-case basis, whether to sell its bonds through a competitive sale, a negotiated sale, or by private placement. The District will evaluate all debt financing to achieve the best possible financial terms.
- 5.00.5.07 The District will strive to maintain the most favorable bond rating on debt issuances.
- 5.00.5.08 The District will publish and distribute an official statement, or other required offering documents, for all bond issues, as per Securities and Exchange Commission (SEC) requirements.
- 5.00.5.09 The District will at a minimum meet the debt service coverage requirements stated in the bond covenants.
- 5.00.5.10 In the interest of securing the best interest rate, the District will strive to maintain a debt service coverage ratio of 1.50.
- 5.00.5.11 The District will annually review the status of outstanding and potential debt obligations and incorporate this information into its financial planning.

5.00.6 Reserve Policies

In order to assure itself of available cash for District operations, and operate in a prudent and sound manner, the District will establish, dedicate and maintain, as appropriate, reserves to meet known and estimated future obligations. Adequate reserves will also ensure that the District will at all times have sufficient funding available to meet its capital and debt service cost obligations, as well as any unfunded mandates, including regulatory requirements.

- 5.00.6.01 *Operating Reserves* – Operating Reserves are composed of active working capital cash and operating reserves. These reserves finance the timing difference between billing for revenues and payment of expenses. Operating reserves may also be used to cover unanticipated operating expenses or lower than expected revenue collections. The operating reserve level for each enterprise fund will vary over time with a goal of maintaining one month of its anticipated (budgeted) annual expenditures for operating costs and debt service.
- 5.00.6.02 *90 Day Emergency Operating Reserve* – The 90 Day Emergency Operating Reserve essentially protects the District against financial impacts from unanticipated catastrophes or emergencies. It also provides funding for emergency repairs or failure of essential equipment that needs to be replaced



Guidance on Complying with SB 1029
Release Date: December 28, 2016

On October 26, 2016, the California Debt and Investment Advisory Commission (CDIAC) issued a Request for Comment on the implementation of Chapter 307, Statutes of 2016 (Senate Bill 1029, Hertzberg). The comments received have helped CDIAC develop guidance for issuers of public debt seeking to comply with the requirements of SB 1029.

The guidance offered in this letter dated December 28, 2016 is based upon CDIAC's current understanding of the information required and its ability to receive that information from issuers. It is likely that CDIAC will offer additional guidance and ultimately adopt regulations in the future as both it and issuers adapt to the requirements of SB 1029.

CDIAC is making every effort to provide intuitive, on-line processes that will minimize the efforts of issuers while maximizing compliance and the quality of the information provided. It is committed to working with issuers and members of the public finance community to achieve these outcomes.

Guidance on Government Code section 8855(i)

Government Code section 8855(i) requires any issuer of public debt to provide to CDIAC no later than 30 days prior to the sale of any debt issue a report of the proposed issuance. CDIAC provides issuers the ability to submit this Report of Proposed Debt Issuance electronically. Effective January 1, 2017, issuers must certify on the Report of Proposed Debt Issuance that they have adopted local debt policies concerning the use of debt and that the proposed debt issuance is consistent with those policies. The issuer's local debt policies must include (A) through (E), below. If the issuer has received certification from another governmental entity that will use the proceeds of the debt issue, then the issuer may rely on a certification by that other governmental entity that it has adopted local debt policies that include (C), (D) and (E), below.

- A) The purposes for which the debt proceeds may be used.
- B) The types of debt that may be issued.
- C) The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- D) Policy goals related to the issuer's planning goals and objectives.
- E) The internal control procedures that the issuer has implements, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

Section 8855(i) reads “The report of proposed debt issuance shall include a certification by the issuer that it has adopted local debt policies...” For the purposes of applying this section issuers should understand the term “local debt” as being debt issued for the benefit of a local agency. As a result, section 8855(i), as it specifically relates to debt policies, does not apply to state agencies, instrumentalities of the state, or to non-governmental entities such as for-profit or not-for-profit organizations that may issue or receive proceeds from a debt issuance. Similarly, the term “other governmental entity” in section 8855(i)(2) means an entity of local government.

Issuers should interpret the meaning of the term “adopted” in section 8855(i) to mean by act of the governing body. If the issuer’s governing body has taken an action to delegate the authority to “adopt” local debt policies to administrative staff, the actions of these staff may meet the requirements of section 8855(i)(1). An issuer’s local debt policies may be contained within a single document or be the composite of more than one documents. Irrespective of the form, the local debt policies must be adopted by the issuer.

In order to comply with section 8855(i)(1), then, the issuer must certify on the Report of Proposed Debt Issuance that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with those local debt policies. Issuers will be able to make this certification after January 1, 2017 using the Report of Proposed Debt Issuance. The new form will include the following statement followed by three acceptable responses in the form checkboxes.

“The issuer certifies that it has complied with GC section 8855(i) with respect to local debt policies. YES NO NA ”

For issuers that issue debt for their own purposes that respond to this statement with a YES response are confirming that they certify that they have adopted local debt policies in compliance with section 8855(i). A response of NO indicates that they cannot certify that they have adopted local debt policies in compliance with section 8855(i)(1). Issuers that are not issuing local debt, such as the state or instrumentality of the state, may respond NA because they do not issue local debt.

If the issuer is a conduit issuer, a YES response means that the issuer certifies that it has adopted local debt policies in compliance with section 8855(i)(1). Furthermore, the local debt policies include (A) through (E) of section 8855(i)(1) OR the issuer is certifying that it has adopted local debt policies in compliance with section 8855(i)(1) and the policies include (A) and (B) AND they have relied upon a certification from the other governmental entity that it has adopted local debt policies in compliance with section 8855(i)(1) and the local debt policies of the other government entity includes (C), (D) and (E). A NO response means that it does not certify that it has adopted local debt policies in compliance with section 8855(i) or it has not received a certification from the other governmental entity that it has. An NA response indicates that the entity that will use the proceeds of the sale of debt is a non-governmental entity (e.g., a private non-profit) or the conduit is not itself an issuer of local debt (e.g. state instrumentality).

It is incumbent upon the issuer to interpret and apply subparts (A) through (E) to their local debt policies as it is for the governmental entity that may use proceeds from the sale of debt to interpret and apply subparts (C), (D) and (E) to their local debt policies.

Guidance on Government Code section 8855(k)

Effective January 1, 2017, state and local issuers will be required to submit an annual debt transparency report for any issue of debt for which they have submitted a Report of Final Sale during the reporting period. The annual debt transparency report is due to CDIAC within seven (7) months of the close of the reporting period, defined as July 1st to June 30th. This provision makes January 31st the effective deadline for submittal of the annual debt transparency report. Issuers will continue to submit an annual debt transparency report to CDIAC on or before January 31st each year until the later date on which the debt is no longer outstanding or the proceeds have been fully spent. Debt issued between January 1, 2017 and June 30, 2017, and reported to CDIAC on or after January 21, 2017 will be required to submit an annual debt transparency report no later than January 31, 2018.

CDIAC will provide an online form to enable issuers to submit information to CDIAC in compliance with section 8855(k). CDIAC is in the process of both creating the form and developing the underlying functional applications to support data submission and reporting. It is very likely that the form and the process for complying with SB 1029 using the form will evolve over time as CDIAC and issuers adapt to this new reporting requirement.

At a minimum, the annual debt transparency report will require issuers to include:

- A) Debt authorized during the reporting period, which shall include:
 - a. Debt authorized at the beginning of the reporting period.
 - b. Debt authorized and issued during the reporting period.
 - c. Debt authorized but not issued at the end of the reporting period.
 - d. Debt authority that has lapsed during the reporting period.
- B) Debt outstanding during the reporting period, which shall include the following:
 - a. Principal balance at the beginning of the reporting period.
 - b. Principal paid during the reporting period.
 - c. Principal outstanding at the end of the reporting period.
- C) The use of proceeds of issued debt during the reporting period, which shall include the following:
 - a. Debt proceeds available at the beginning of the reporting period.
 - b. Proceeds spent during the reporting and the purposes for which it was spent.
 - c. Debt proceeds remaining at the end of the reporting period.

In compliance with section 8855(k)(1)(A), issuers must provide in their annual debt transparency report to CDIAC the “debt authorized during the reporting period”. Issuers should understand the term “authorized” to mean a formal action of the governing body or a vote of the electorate or taxpayers establishing a maximum amount to be borrowed. In the case of certain loans, commercial paper programs, and some refunding programs, this action may be a

resolution of the governing body establishing a maximum limit that the issuer may borrow. For debt issued in more than one sale or transaction that will generate more than one Report of Final Sale, the “debt authorized” should be understood to mean to total amount approved by the voters or taxpayers or by act of the governing body. For debt issued in a single sale or transactions, the “debt authorized” is expected to equal the amount of the debt reported on the Report of Final Sale.

Issuers submitting a Report of Final Sale between January 21, 2017 and June 30, 2017, must include in their annual debt transparency report, due on or before January 31, 2018, the following information:

- 1) The total amount of debt authorized as of January 1, 2017;
- 2a) The amount of additional debt authorized during the reporting period;
- 2b) The amount issued between January 1, 2017 and June 30, 2017 from the authority available in 1) and 2a), combined;
- 3) The amount of debt authorized that was not issued between January 1, 2017 and June 30, 2017 (logically, the result of (1 plus 2a) minus 2b); and,
- 4) The amount of debt authority (represented by (1 plus 2a)) that has lapsed between January 1, 2017 and June 30, 2017.

The term “authority that has lapsed” will mean authority that is no longer valid and, therefore, does not provide a legal basis to issue debt, including authority that has expired or that the issuer has taken an action to revoke.

In subsequent years, the amount of debt authorized at the beginning of the period will be equivalent to the amount of debt authorized but not issued at the end of the prior reporting period less any authority that has lapsed.

An issuer that has received authority during the reporting period, but has not issued debt based upon that authority and has not, therefore, submitted a Report of Final Sale is not required to submit an annual debt transparency report with respect to that authority. Once it does issue debt and submits a Report of Final Sale it will be obligated to submit an annual debt transparency report within seven (7) months of the close of the reporting period during which it issued the debt. There may be circumstances in which an issuer has available authority based upon a ballot measure or act of the governing body even though it has paid off or fully refunded the debt previously issued under that authority. In this case, the issuer would not be required to submit an annual debt transparency report.

Issuers must provide on the annual debt transparency report the debt outstanding during the reporting period. Issuers should understand the term “debt outstanding” to mean the original principal received from the sale of debt that has not been fully repaid to debtholders.

In the case of a zero-coupon bond or capital appreciation structure, issuers should consider the original principal to be the full accreted value of the bonds at the end of the reporting period. Because of the nature of capital appreciation structure an issuer’s annual debt transparency report is likely to report an increase in the “debt outstanding” year over year.

Issuers submitting a Report of Final Sale between January 1, 2017 and June 30, 2017, must include in their annual debt transparency report, due on or before January 31, 2018, the following information:

- 1) The original principal received on the date of sale.
- 2) The amount of the principal paid off between January 1, 2017 and June 30, 2017.
- 3) The amount of principal remaining as of June 30, 2017.

Issuers must provide on the annual debt transparency report the use of debt proceeds during the reporting period. Issuers should understand the term “proceeds” to mean all funds received from the sale of debt inclusive of premium and discount.

Issuers submitting a Report of Final Sale between January 21, 2017 and June 30, 2017, must include in their annual debt transparency report, due on or before January 31, 2018, the following information:

- 1) Debt proceeds available upon the date of settlement.
- 2) The amount of proceeds spent between the date of settlement and June 30, 2017 and the purposes for which these proceeds were spent.
- 3) The amount of proceeds remaining as of June 30, 2017.

CDIAC does not anticipate defining or categorizing “purposes” for which the proceeds were spent. Instead, CDIAC will provide a reporting form that will enable issuers to self-identify categories of “purpose” on their annual debt transparency report.

Issuers must continue to submit annual debt transparency reports until the debt has been paid off or the bond proceeds have fully spent.

There are special considerations issuers of refunding debt must take into account. If the issuer fully refunds a debt with a refunding debt, the issuer must submit an annual debt transparency report on both the refunding debt and a final annual report on the refunded debt. If there are any proceeds left in the refunded debt, the issuer must continue to report on the refunded debt until the proceeds have been spent. If the issuer partially refunds a debt with a refunding debt, the issuer must report on the refunded debt and the refunding debt until either the debtholders are full repaid or the proceeds have been fully spent, whichever is later. In other words, even though the proceeds of the refunding debt were used to pay off the refunded debt, the issuer must take the approach that the purpose of the annual debt transparency report is to account for the use of proceeds received from the original debt issuance.

If the refunding debt includes new money, the issuer must report the use of proceeds of the portion of refunding debt used to refund the refunded debt as “refunding <debt identifier>” AND the use of new money proceeds for their intended uses. If the refunding debt includes no new money, the issuer must report the use of proceeds of the refunding debt as “refunding <debt identifier>”. The debt identifier is currently the CDIAC Issue Number.

In reporting on the use of proceeds that are received from the sale of debt but are comingled with other funds not received from the sale of debt, the issuer should report on the proceeds from the sale of debt only.

Issuers of conduit bonds must report on the use of proceeds as used by the borrower. Conduit issuers should not report that the proceeds were "lent to a borrower", but for the purposes to which the borrower used the proceeds. The issuer may wish to assign responsibility to the borrower to report on the use of proceeds. Conduit issuers issuing lease revenue bonds must also comply with section 8855(k).

5.12 Debt Management Policy

This Debt Management Policy (the “Debt Policy”) establishes the parameters within which debt may be issued and administered by the Calaveras County Water District (the “District”), or on behalf of assessment districts, other special districts, and other types of conduit-type financings. In issuing debt, the District’s objectives will be to achieve the lowest cost of capital; ensure ratepayer equity; maintain high credit ratings and access to credit enhancement; and preserve financial flexibility while assuring public transparency.

5.12.1 *Purpose* – This Debt Policy is intended to comply with Government Code Section 8855(i), effective January 1, 2017, and shall govern all debt undertaken by the District. The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District’s sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future ratepayers, and constituents of the District.
- Ensure that the District’s debt is consistent with their planning goals and objectives, and capital improvement program or budget, as applicable.

5.12.2 *Scope* – The guidelines established by this policy will govern the issuance and management of all debt that provides funds for long-term capital financing needs, but not for general operating functions. When used in this policy, “debt” refers to all forms of indebtedness and financing lease obligations. The District recognizes that changes in the capital markets and other unforeseen circumstances may require action that deviates from this Debt Management Policy. In cases that necessitate exceptions to this Debt Management Policy, the District’s Board of Directors (“Board”) must approve the exception for implementation.

5.12.3 *Objective* – The Debt Management Policy sets District guidelines to meet the following important objectives, while providing full and complete financial disclosure, and ensuring compliance with applicable state and federal laws:

- Maintain the District’s sound financial position.
- Minimize debt service and issuance costs.
- Maintain access to cost effective borrowing.
- Achieve the highest practical credit rating.
- Ensure full and timely repayment of debt.
- Maintain full and complete financial disclosure and reporting.
- Ensure compliance with debt covenants.
- Ensure compliance with applicable state and federal laws.

5.12.4 *Debt Issuance*

A. Purposes for Which Debt May Be Issued

1. Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.
 - a. Long-term debt financings are appropriate when the following conditions exist:
 - When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District and the District's ratepayers, as applicable.
 - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
 - b. Long-term debt financings will not be considered appropriate for funding current operating and routine maintenance expenses.
 - c. The District may use long-term debt financings subject to the following conditions:
 - The project to be financed must be approved by the governing Board of the District.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than twenty percent (20%).
 - The District estimates that sufficient revenues will be available to service the debt through its maturity, including any debt service requirements.
 - The District determines that the issuance of the debt will comply with the applicable state and federal law.
2. Short-term debt. Short-term debt may be issued to provide financing for short-lived capital asset purchases and projects; for example, lease-purchase financing for equipment. Short-termed financing will be limited to the useful life of the asset purchased. Short-term debt may not be issued to finance the District's operational cash flows in order to maintain a steady and even cash flow balance.

B. Methods of Financing and Types of Debt

The District's Finance Department ("Finance," i.e. the Director of Administrative Services or designee) will investigate all possible financing alternatives including, but

not limited to, bonds, loans, state bond pools, and grants.

- **Cash Funding** – The District funds a significant portion of capital improvements from reserves accumulated from one-time revenues, which have been set aside for investment in the District’s infrastructure.

- **Inter-fund borrowing** – The District may borrow internally from other funds with surplus cash in lieu of issuing bonded debt. Purposes warranting the use of this type of borrowing could include short term cash flow imbalances, interim financing pending the issuance of bonds, or short-term financing in lieu of bonds for principal amounts of under \$1 million. Inter-fund borrowing should be undertaken only under the following circumstances and conditions:
 - o Board approval required for all loans;
 - o If from the District’s General Fund, the duration shall not exceed 12 months, with the loan and repayment occurring within the same fiscal year;
 - o Fixed loan term (i.e., specific number of months with repayment date);
 - o Lending fund must charge interest at a level commensurate with what it might otherwise expect to receive if it were to invest such funds in the open market, given substantially equivalent parameters;
 - o Specific revenue pledged to repay the loan must be based on realistic expectations for receipt;
 - o Funds in the lending fund must not be needed for operational cash flow during the period of the loan; and
 - o Loans must not be made from project-specific restricted funds, grant funds or other funds enabled by State or Federal legislation.

Inter-fund loans provide an alternative investment opportunity for idle funds with the same return on the investment that would have been earned otherwise. If the Board elects to pursue this option, staff would return at a subsequent meeting with a specific proposal for inter-fund loans. Finance shall also exercise due diligence to ensure that it is financially prudent for the lending fund to make the loan. Inter-fund loans will be evaluated on a case-by-case basis. Any borrowing between two District funds requires approval by Board resolution and shall be documented with an agreement specifying the terms of the borrowing, including the security, interest rate, payment dates and amount, and the maturity date. The purpose of inter-fund borrowing is to finance high priority needs and to reduce costs of interest, debt issuance and/or administration.

- **Bank Loans / Lines of Credit** – The District will evaluate financial institution credit as a financing option on a case-by case basis.

- **Other Loans** – The District will evaluate other loan programs, including but not limited to State “loans” or federal “loans” through the United States Department of Agriculture for the construction of infrastructure projects.

- **Bond Financing** – The District may issue any bonds which are allowed under federal and state law including but not limited to general obligation bonds, certificates of participation, revenue bonds, refunding bonds, land-secured (assessment and special tax) bonds, and other obligations (see below for detail). The following types of debt are allowable under this Debt Policy:
 - **General Obligation Bonds (GO Bonds):** General Obligation Bonds (GO Bonds) may only be issued with two-thirds approval of the District’s registered voters. The California State Constitution (Article XVI, Section 18) limits the use of the proceeds from GO Bonds to “the acquisition or improvement of real property”.
 - **Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions:** Lease financings may take a variety of forms, including COPs, lease revenue bonds, and direct leases (typically for equipment). When the District finances acquisition or construction of capital improvements or equipment with a lease financing, the District agrees to lease either the financed asset or a different asset and, most commonly, the District’s lease payments are securitized in the form of certificates of participation or lease revenue bonds. This type of financing requires approval of the Board.
 - **Revenue Bonds:** Revenue Bonds are generally issued by the District for enterprise funds that are financially self-sustaining without the use of taxes and therefore rely on the revenues collected by the enterprise fund to repay the debt. This type of financing requires approval of the Board.
 - **Refunding Obligations** – Pursuant to Government Code and various other financing statutes applicable in specific situations, the Board is authorized to provide the issuance of bonds for the purpose of refunding any long-term obligation of the District. Absent any significant non-economic factors, a refunding is required to meet the following test: 1) the refunding must produce a minimum net debt service savings (net of reserve fund earnings and other offsets, and taking transaction costs into account) of at least three percent (3%) of the par value of the refunded bonds on a net present value basis, unless Finance determines there are other, compelling “non-economic” reasons for the refunding (i.e. removal of onerous covenants, terms or conditions).
 - **Special Tax Bonds** – Under the Mello-Roos Community Facilities Act of 1982, the District may issue bonds on behalf of a Community Facilities District (CFD) to finance capital facilities, most commonly in connection with new development. These bonds must be approved by a two-thirds vote of the qualified electors in the CFD, which the Mello-Roos Act defines to mean registered voters if there are 12 or more registered voters in the CFD and, if there are fewer than 12 registered voters, the landowners in the CFD. Bonds issued by the District under the Mello-Roos Act are secured by a special tax on

the real property within the CFD. The Board will approve any special tax bonds prior to placement on a ballot for voter consideration. The financed facilities do not need to be physically located within the CFD. As this type of financing is secured by the special tax lien upon the real property it does not obligate the District's general fund or other funds.

- **Assessment Bonds** – The Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) and other state laws, subject to Article XIIIID of the California Constitution, allow the District to issue bonds to finance improvements that provide “specific benefit” to the assessed real property. Installments are collected on the secured property tax roll of the County. This type of financing is secured by the lien upon and assessments paid by the real property owners and does not obligate the District's general fund or other funds. This type of financing requires approval of the Board.

C. Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the capital budget and the capital improvement plan.

Budget Integration – The decision to incur new indebtedness should be integrated with the policy decisions embedded in the Board-adopted Operating Budget and Capital Improvement Budget. The annual debt service payments shall be included in the Operating Budget. The District will integrate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes. The District will seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

The District will strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District will seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District will avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

Biennial Review – Recognizing that cost-effective access to the capital market depends on prudent management of the District's debt program, a biennial review of the debt policy should be performed. Any substantive changes to the policy shall be brought to the Board for consideration and approval.

D. Policy Goals Related to Planning Goals and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels, and employing prudent practices in governance, management, and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the annual operations budget.

It is a policy goal of the District to protect ratepayers, taxpayers (if applicable), and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related rates, charges, and assessments.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Without limiting the foregoing, the District will periodically review the requirements of, and will remain in compliance with, the following:

- Any continuing disclosure undertakings entered into by the District in accordance with Securities and Exchange Commission (“SEC”) Rule 15c2-12.
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- Investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the Director of Administrative Services, or his or her written designee, or (b) by the Covered Entity, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the Covered Entity.

F. Structure and Term

Term of Debt – Debt will be structured for the shortest period possible, consistent with a fair allocation of costs to current and future users. Consistent with its philosophy of keeping its capital facilities and infrastructure systems in good condition and maximizing a capital asset’s useful life, the District will make every

effort to set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic replacement and renewal. Generally, no debt will be issued for a period exceeding the useful life or average useful lives of projects to be financed.

Bond Maturity Options – For each issuance, the District will select serial bonds or term bonds, or both.

Interest Rate Structure – The District currently issues securities on a fixed interest rate basis only. Fixed rate securities ensure budget certainty through the life of the issue and avoid the volatility of variable rates. The use of variable rate securities is prohibited.

Credit Enhancement – Credit enhancement may be used to improve or establish a credit rating on a District debt obligation. Types of credit enhancement include letters of credit, bond insurance and surety policies. Finance will recommend the use of a credit enhancement if it reduces the overall cost of the proposed financing or if the use of such credit enhancement furthers the District’s overall financial objectives.

Derivative products – Because of their complexity, unless otherwise amended, Derivative Products such as interest rate swaps, interest floaters, and other hybrid securities are prohibited by this Debt Policy.

Call Options / Redemption Provisions – A call option or optional redemption provision gives the District the right to prepay or retire debt prior to its stated maturity date. This option may permit the District to achieve interest savings in the future through the refunding of the bonds. Often the District will pay a higher interest rate as compensation to the buyer for the risk of having the bond called in the future. In addition, if a bond is called, the holder may be entitled to a premium payment (call premium). Because the cost of call options can vary depending on market conditions, an evaluation of factors will be conducted in connection with each issuance. Finance will evaluate and recommend the use of a call option on a case by case basis.

G. Delegation of Authority

The Director of Administrative Services will be responsible for all of the District’s financial affairs. This Debt Management Policy grants the Director of Administrative Services the authority to select the Financing Team, coordinate the administration and issuance of debt, communicate with the rating agencies, and fulfill all of the pre-issuance and post-issuance requirements imposed by or related to state law, federal tax law and federal securities law, and the District’s Board when policy dictates.

Consultant Selection –The District will consider the professional qualifications and experience of consultants as it relates to the specific bond issue or other financing under consideration. The Director of Administrative Services shall select such

consultants for Board consideration.

Financing Team Definitions and Roles – The financing team is the working group of District staff and outside consultants necessary to complete a debt issuance, including, but not limited to, bond counsel, disclosure counsel, underwriter, municipal advisor, trustee, pricing consultant and/or arbitrage analyst.

Typically, the Director of Administrative Services and appropriate Department Head(s) form the District staff portion of the Financing Team. As needed, other staff members or designees may be appointed to the Financing Team.

5.12.5 *Post-Issuance Tax Compliance*

Use of tax-exempt bond proceeds must comply with federal tax rules pertaining to the expenditure of proceeds, use of bond financed property, investment of proceeds in compliance with arbitrage rules, and retention of records. The policy of the District for monitoring compliance of its bond issues with these rules is as follows:

A. Expenditure of Proceeds

The Director of Administrative Services shall have the responsibility for allocating bond proceeds to particular investments, expenditures, and assets. The Director of Administrative Services may delegate this responsibility, but shall retain the primary responsibility for insuring that the following procedures are followed.

- a) **Proceeds of a bond issue must be identified.** The Director of Administrative Services shall refer to the Tax Certificate and to bond counsel for help in identifying the amount of the proceeds of the bonds and for identification of funds holding bond proceeds.
- b) **Investments of bond proceeds must be tracked.** Finance shall ensure that all investments of bond proceeds are recorded, including identification of the investment, the purchase price of the investment, the date of the investment, the date of any receipts from the investment, and the date of repayment or sale of the investment. Earnings from investments of bond proceeds will be treated as additional bond proceeds and similarly tracked.
- c) **Proceeds must be tracked until they are allocated to expenditures.** Proceeds may be allocated to a capital expenditure by direct tracing or by another reasonable method (such as treating an expenditure made from another source as having been made from bond proceeds if that source is reimbursed from bond proceeds).
 - i. If the District uses direct tracing of bond proceeds, Finance shall establish the form and procedure for preparation and review of requisitions of bond proceeds. Requisitions must identify the financed property in conformity with the Tax Certificate, including certifications as to the character and average economic life of the bond-financed property.

- ii. If the District uses bond proceeds to reimburse costs that were paid prior to the issuance of the bonds, Finance shall document the use of bond proceeds to make such reimbursements and will only allow such reimbursements to the extent permitted in the Tax Certificate.
 - iii. If the District uses any other method for allocating bond proceeds to expenditures, Finance shall prepare at least annually until all proceeds have been spent a written allocation of bond proceeds to expenditures, including the dates and amounts of such expenditures. Finance shall only allocate bond proceeds to expenditures if there is a reasonably concurrent actual outlay of cash by the District to a third party.
 - iv. Finance shall prepare a written “final allocation” of bond proceeds to expenditures no later than the earlier of eighteen (18) months after the in-service date of the financed property and the fifth anniversary date of the issue of the bonds. If all bond proceeds are not allocated to expenditures by that date, allocations thereafter may only be made using a tracking method.
- d) On a semi-annual basis, Finance shall compare the allocation of proceeds to expenditures of proceeds to the tax certificate expectation to spend or commit five percent (5%) of net sale proceeds within six (6) months, to spend eighty-five percent (85%) of net sale proceeds within three (3) years, and to proceed with due diligence to complete the project and fully spend the net sale proceeds. In the event that those expectations are not met, the Director of Administrative Services shall consult with bond counsel to determine whether further action is necessary. Similarly, Finance shall compare the allocation of proceeds to expenditures to the timetables set forth for the arbitrage rebate exceptions described in the tax certificate.
- e) As proceeds are allocated to expenditures for capital assets, Finance shall prepare and maintain a schedule of all capital assets treated as financed with the bonds. Finance shall maintain a separate schedule for each bond issue. If only a portion of a capital asset is treated as financed with a particular bond issue, the Director of Administrative Services shall consult with bond counsel as to how to document the particular allocation.

B. Use of Bond-Financed Property

The Director of Administrative Services shall have the responsibility of periodically reviewing the continued ownership and use of all assets financed by the bond issue. The Director of Administrative Services may delegate this responsibility, but shall retain the primary responsibility for insuring that the following procedures are followed.

- a) At least annually, Finance shall conduct a review of the assets financed with the proceeds of the bonds in accordance with the schedule prepared under 1(e) above.
 - i. Finance shall contact the appropriate officers or employees of the District to determine whether the assets continue to be owned by the District. Ownership of bond financed facilities by entities other than governmental entities can give rise to tax issues.

- ii. Finance shall contact the appropriate officers or employees of the District to determine whether the assets are used only by the District or by some other entities. Use of assets by any entities other than another governmental entity can give rise to tax issues. Use may arise through ownership, lease, management contract, sponsored research, purchase of output, or other arrangements that give rise to priority rights in bond-financed assets. Use as a member of the general public (such as through short-term rentals or use under a rate-scale arrangement) will not be treated as private use.
- b) If the Director of Administrative Services learns of a sale of assets or private use of bond financed assets, he or she shall consult with bond counsel concerning appropriate remedies, including remedial action or voluntary compliance agreements with the IRS.
- c) Ideally, the Director of Administrative Services will try to learn in advance of any proposed sale, lease, or other use by a private entity of bond financed assets and will consult with bond counsel concerning appropriate remedial action or other action.

C. Investments

Investment of bond proceeds in compliance with the arbitrage bond rules and rebate of arbitrage will be supervised by the Director of Administrative Services.

- a) Guaranteed Investment Contracts (“GIC”) will be purchased only using the three-bid “safe harbor” of applicable Treasury regulations, in compliance with fee limitations on GIC brokers within the regulations. Any exceptions to this rule must be discussed with bond counsel.
- b) Other investments will be purchased only in market transactions.
- c) Calculations of rebate liability will be performed as necessary by outside consultants.
- d) Rebate payments will be made with Form 8038-T no later than sixty (60) days after (a) each fifth anniversary of the date of issuance; and (b) the final retirement of the issue. Compliance with rebate requirements will be reported to the bond trustee and the District.
- e) Finance shall identify the date of the first rebate payment at time of issuance, in conjunction with bond counsel, and enter that date in the records for the issue.

D. Records

Finance will supervise the management and retention of records related to tax exempt bond issues.

- a) Finance shall retain records relating to investment, expenditures, and use of bond financed facilities for the life of the bonds, and the life of any refunding bonds, plus three (3) years. Records may be in the form of documents or electronic copies of documents, appropriately indexed to specific bond issues and compliance functions.

- i. Retainable records pertaining to bond issuance include transcript of documents executed in connection with the issuance of the bonds and any amendments, and copies of rebate calculations and records of payments, including Forms 8038-T.
- ii. Retainable records pertaining to expenditures of bond proceeds include requisitions, trustee statements and final allocation of proceeds.
- iii. Retainable records pertaining to use of property include all agreements reviewed for nonexempt use and any reviewed documents regarding unrelated business activity.
- iv. Retainable records pertaining to investments include GIC documents under the Treasury regulations, records of purchase and sale of other investments, and records of investment activity sufficient to permit calculation of arbitrage rebate or demonstration that no rebate is due.
- v. Retainable records pertaining to any credit enhancement of the bonds during the entire term of the bonds, including bond insurance contracts, letters of credit and standby purchase agreements.
- vi. Retainable records pertaining to interest rate swaps, interest rate caps and other hedging contracts, including any International Swaps and Derivatives Association (“ISDA”) agreements, fairness opinions, termination agreements and records of termination payments.

5.12.6 *Post-Issuance Continuing Disclosure Compliance*

The Director of Administrative Services or designee will ensure the District’s annual financial statements and associated reports are posted on the District’s website. The District will also comply with the SEC Rule 15c2 by filing its annual audited financial statements, other financial and operating data and notices of enumerated events for the benefit of its bondholders on the Electronic Municipal Market Access (EMMA) website of the Municipal Securities Rulemaking Board (MSRB).

The District shall submit an annual report to the California Debt and Investment Advisory Commission (“CDIAC”) for any issue of debt for which it has submitted a Report of Final Sale on or after January 21, 2017. The annual report shall comply with the requirements of Government Code Section 8855(i) and related regulations.

Approval and Revision Dates:

- Approved 02/11/04
- Revised 01/30/08 (Res. 2008-09)
- Revised 07/28/10 (Res. 2010-51)

Policy Title: Debt Management Policy
Policy Number: Financial Management Policy 5.12

See End of Document for
Approval and Revision Dates

- Revised 01/30/13 (Res. 2013-12)
- Revised 10/09/13 (Res. 2013-65)

Agenda Item

DATE: September 12, 2018

TO: Dave Eggerton, General Manager

FROM: Jeffrey Meyer, Director of Administrative Services

SUBJECT: Discussion/Action regarding Refinancing of Outstanding Limited Obligation Improvement Bonds and Appointing Financial Consultants

RECOMMENDED ACTION:

Motion _____/_____ adopting Resolution No. 2018 - ____ of Preliminary Intention to Proceed with the Refinancing of Outstanding Limited Obligation Improvement Bonds and Appointing Financial Consultants in Connection therewith.

SUMMARY:

On September 9, 2010, the District issued \$990,000 in Limited Obligation Improvement Bonds (the "DaLee Bonds") for the DaLee/Cassidy Water System Assessment District to construct the DaLee/Cassidy water improvement system. On October 15, 2013 the District issued \$2,065,327 in Limited Obligation Improvement Bonds (the "Fly-In Bonds") to fund the water system improvements in the Fly-In Acres Assessment District.

The DaLee Bonds are scheduled to mature September 2, 2040, and bear interest at an average rate of approximately 5.80%. Total principal and interest payments average approximately \$70,000 each year to maturity. The Fly-In Bonds are scheduled to mature September 2, 2043, and bear interest at an average rate of approximately 5.50%. Annual principal and interest payments average approximately \$138,000 to maturity.

The DaLee and Fly-In Bonds (the "Prior Bonds") may now be pre-paid and refunded (i.e., replaced with another bond issue) at lower interest rates, which will reduce the annual payments for participating property owners. The new Series 2019 Limited Obligation Improvement Refunding Bonds (the "2019 Bonds") will have terms that would match (or be less than) the term of the respective Prior Bonds. If market interest rates do not change significantly in the near term, the 2019 Bonds could have an average interest rate as low as approximately 3.50%, which would result in estimated total cash flow savings (net of all costs) to the property owners within the Assessment Districts of \$460,000.

The Refunding of the Prior Bonds would be structured pursuant to the statutory provisions of the Refunding Act of 1984 for 1915 Improvement Act Bonds (the

“Refunding Act”). According to the Refunding Act, the Prior Bonds may be refinanced without input from property owners, provided the following three tests can be met:

- 1) There must be savings in each year for each property owner
- 2) The assessment lien cannot be increased on any property
- 3) The final maturity of the bonds cannot be extended

By satisfying all three tests the Board would have jurisdiction and full discretion to proceed with the Refunding and issuance of the 2019 Bonds without a public hearing or property owner approval – the rationale being that the property owners in the Assessment Districts will benefit from the Refunding by having lower annual payments without increasing either the term or principal amount of their lien.

HIGHLIGHTS OF OPPORTUNITY:

- Produces approximately \$18,400 per year in cash-flow relief over 25 years
- The term of the debt is not extended
- The principal amount of the debt could be less than the existing principal amount
- Savings are net of all costs

In order to move forward and complete the Refunding it is necessary to procure the services of legal and financial experts. These advisors will help staff finish the process of documenting the transaction, and will present the matter to the Board for consideration. Staff is recommending The Weist Law Firm to serve as Bond and Disclosure Counsel and NHA Advisors to serve as Municipal Advisor. Compensation for said services will be paid from the bond proceeds.

FINANCIAL CONSIDERATIONS:

None at this time.

Attachment: Resolution 2018 - of Preliminary Intention to Proceed with the Refinancing of Outstanding Limited Obligation Improvement Bonds and Appointing Financial Consultants in Connection therewith - Agreement for Bond Counsel Services for the Fly-In Acres/ DaLee- Cassidy 2019 Refunding Bond

RESOLUTION NO. 2018-

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

**OF PRELIMINARY INTENTION TO PROCEED WITH THE
REFINANCING OF OUTSTANDING LIMITED OBLIGATION
IMPROVEMENT BONDS AND APPOINTING FINANCIAL
CONSULTANTS IN CONNECTION THEREWITH**

WHEREAS, the Calaveras County Water District (the "District"), has heretofore provided for the issuance of its (i) Calaveras County Water District, DaLee / Cassidy Water System Assessment District, Series 2010 Limited Obligation Improvement Bonds, originally issued on September 9, 2010 in the aggregate amount of \$990,000, maturing September 2, 2040 (the "2010 Bonds"); and (ii) Calaveras County Water District, Fly-In Acres Assessment District, Series 2013 Limited Obligation Improvement Bonds, originally issued on October 15, 2013 in the aggregate amount of \$2,065,327, maturing September 2, 2043 (the "2013 Bonds," and together with the 2010 Bonds, the "Prior Bonds"); and

WHEREAS, the District desires to arrange for a low interest rate municipal financing in connection with the proposed refunding (the "Refunding") of the District's remaining outstanding principal balance of Prior Bonds, and thereby save property owners within the DaLee / Cassidy Water System Assessment District (the "DaLee / Cassidy Assessment District") and the Fly-In Acres Assessment District (the "Fly-In Acres Assessment District," and together with the DaLee / Cassidy Assessment District, the "Assessment Districts") money as a result of reduced debt service payments stemming from such Refunding of the Prior Bonds; and

WHEREAS, the District intends to collaborate with the Calaveras County Water District Public Financing Authority (the "Authority") to take all action necessary to provide for the issuance of Series 2019 Limited Obligation Improvement Refunding Bonds (the "2019 Bonds"), the proceeds of which will be placed in separate irrevocable escrow funds and used solely for the purpose of prepaying, and extinguishing the liens of, all outstanding Prior Bonds at the time of closing; and

WHEREAS, the 2019 Bonds will be structured to mature commensurately with the principal maturity dates of the outstanding Prior Bonds; and

WHEREAS, in order to efficiently accomplish the Refunding and issuance of 2019 Bonds, the District desires to appoint the financial consultants necessary to provide all requisite professional services in connection therewith; and

WHEREAS, the Board hereby states its preliminary intention to proceed with the Refunding and issuance of the 2019 Bonds and the execution and delivery of all agreements and documents relating thereto.

NOW, THEREFORE BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE CALAVERAS COUNTY WATER DISTRICT THAT:

Section 1. Recitals and Findings. The Board of Directors hereby specifically finds and declares that each of the statements, findings and determinations of the District set forth in the recitals set forth above are true and correct and that the Refunding is expected to result in savings to the property owners within Assessment Districts.

Section 2. Preliminary Intention to Proceed. The Board of Directors hereby determines that it is necessary and desirable to proceed with the Refunding of the Prior Bonds and issuance of 2019 Bonds, so long as the net present value of savings resulting from the Refunding meets or exceeds three percent (3%) of the outstanding par amount of the Prior Bonds, subject to final authorization thereof by resolution of the District at a subsequent meeting held for such purpose

Section 3. Authorized Representatives. The General Manager, Director of Administrative Services, Clerk to the Board, and any other person authorized by the Board to act on behalf of the District shall each be an "Authorized Representative" of the District for the purposes of the Refunding and providing for the issuance of the 2019 Bonds, and are hereby authorized, jointly and severally, for and in the name of and on behalf of the District, to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the District has approved in this Resolution.

Section 4. Appointment of Consultants. In connection with the transactions contemplated in this Resolution, the District hereby designates and appoints The Weist Law Firm to serve as bond counsel and disclosure counsel, and NHA Advisors to serve as municipal advisor. The General Manager is authorized and directed to execute an agreement with such firms in the respective forms on file with the Secretary to the Board.

Section 5. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

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

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Scott Ratterman
President, Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

AGREEMENT FOR BOND COUNSEL SERVICES

THIS AGREEMENT is made and entered into this ___th day of September, 2018 by and between the Calaveras County Water District (the “District”), whose address is 120 Toma Court, San Andreas, CA 95249, and The Weist Law Firm (the “Bond Counsel”), whose address is 20 South Santa Cruz Avenue, Suite 300, Los Gatos, CA 95030.

WITNESSETH:

WHEREAS, the District desires to arrange for the procurement of low interest rate municipal bonds in order to provide cost effective financing for the refunding (the “Refunding”) of its outstanding (i) Calaveras County Water District, DaLee / Cassidy Water System Assessment District, Series 2010 Limited Obligation Improvement Bonds, originally issued on September 9, 2010 in the aggregate amount of \$990,000, maturing September 2, 2040 (the “2010 Bonds”); and (ii) Calaveras County Water District, Fly-In Acres Assessment District, Series 2013 Limited Obligation Improvement Bonds, originally issued on October 15, 2013 in the aggregate amount of \$2,065,327, maturing September 2, 2043 (the “2013 Bonds,” and together with the 2010 Bonds, the “Prior Bonds”); and

WHEREAS, the District desires to retain Bond Counsel to do the necessary consulting, legal and analytical work hereinafter outlined, upon the terms and conditions hereinafter set forth, to structure, issue and deliver Series 2019 Refunding Revenue Bonds (the “Refunding Bonds”) as necessary to accomplish the Refunding of the Prior Bonds; and

WHEREAS, Bond Counsel is specifically trained and experienced in the conduct of Refunding proceedings for accomplishing the issuance of the Refunding Bonds, and hereby represents that it is ready, willing and able to perform said work; and

NOW, THEREFORE, in consideration of the covenants and premises herein contained and other good and valuable consideration, the parties hereto agree as follows:

Section 1. Scope of Services.

Bond Counsel Services: Bond Counsel shall provide the following legal services in connection with the preparation of the resolutions, documents and certifications necessary for the sale and delivery of the Refunding Bonds. Such services shall include the following:

1. Consult with representatives of the District, including the General Manager, Director of Administrative Services and other appropriate members of the District’s staff, engineers, reassessment consultants, financial advisors, and others, with respect to the timing, terms and legal structure of the proposed issuance of Refunding Bonds.
2. Prepare of all resolutions, ordinances, notices, affidavits, Depository Trust Company agreements, indentures, escrow agreements, fiscal agent agreements, and other legal documents customarily prepared by Bond Counsel, as required for the issuance of Refunding Bonds (the “Principle Documents”).

3. Review of documents prepared District staff, reassessment consultants, financial advisor, or consulting engineers, including the property valuations, the reassessment documents, the purchase contract(s) to be derived therefrom, and the continuing disclosure undertaking or undertakings.

4. Review of documentation with respect to any bond provisions, parity debt provisions and reserve fund policy provided or required in connection with the Refunding Bonds, if any.

5. Review and evaluate the various financing structures that may be available to the District for the securing of the Refunding Bonds. Our analysis will examine the range of capital borrowing methods available to the District.

6. Attend such meetings or hearings of the District's Board of Directors (the "Board"), and working group meetings or conference calls as the District may request, and as Bond Counsel deems prudent and necessary.

7. Prepare final closing papers to be executed by the District required to effect delivery of the Refunding Bonds and coordination of the closing of the Refunding Bonds.

8. Render Bond Counsel's customary final legal opinion on the validity of the Refunding Bonds and the exemption from gross income for federal income tax purposes and from California personal income tax of interest thereon.

9. Prepare of the required reports to the California Debt and Investment Advisory Commission (pursuant to section 8855 et seq. of the Government Code) respecting the sale of the Refunding Bonds and Form 8038-G to the Internal Revenue Service (pursuant to Section 149 of the Internal Revenue Code of 1986).

10. Prepare of a complete transcript of the proceedings, containing originally signed copies of all resolutions, ordinances, legal agreements, disclosure statements, certificates and notices. Copies shall be provided to the District and each member of the financing team.

Disclosure Counsel Services: If the Refunding Bonds are issued on a publically offered basis, Bond Counsel shall provide the following legal services as the District's Disclosure Counsel in connection with the preparation of the Official Statement for the Refunding Bonds, and related sales documents to be used in connection with the Refunding. Such services shall include the following:

1. Confer and consult with District staff and officers in order to perform the due diligence required to produce the Official Statement (both preliminary and final).

2. Confer and consult with underwriters, attorneys, financial advisors, engineer's, title officers, trustees or fiscal or paying agents, feasibility consultants and all other professionals or participants in the issuance of the Refunding Bonds, in order to perform the due diligence required to produce the Official Statement (both preliminary and final).

3. Review the Principle Documents as well as all other agreements, certificates, resolutions, orders, notices, and affidavits produced in said proceedings and such other reports, documents and correspondence of

legal nature as may be necessary in order to perform the due diligence required to produce the Official Statement (both preliminary and final).

4. Prepare or assist in the preparation of the bond purchase contract relating to the Refunding Bonds.

5. Prepare or assist in the preparation of a continuing disclosure certificate to assist the underwriter with compliance with the provisions of Securities and Exchange Commission Rule 15c2-12.

6. Provide an opinion indicating compliance with (i) Section 17(a) of the Securities Act of 1933, (ii) Section 10b-5 of the Securities Exchange Act of 1934, and (iii) Rule 15c2-12 of the Securities Exchange Act of 1934.

Excluded Services Bond Counsel's services are limited to those specifically set forth above. Bond Counsel's services do not include representation of the District or any other party to the transaction in any litigation or other legal or administrative proceeding involving the Refunding Bonds or any other matter. Bond Counsel's services also do not include legal services relating to the Refunding, including but not limited to compliance with the California Environmental Quality Act, the National Environmental Policy Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Hazardous Material Transportation Act, the Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Occupational Safety and Health Act, the Safe Drinking Water Act, the Porter-Cologne Water Quality Control Act, the Safe Drinking Water and Toxic Enforcement Act of 1986, the Hazardous Substance Account Act, the Hazardous Waste Control Act, or any determinations pertaining to completion and readiness for acceptance.

Bond Counsel's services also do not include any responsibility for compliance with state blue sky, environmental, land use, real estate or similar laws or for title to or perfection of security interests in real or personal property, including the acquisition of interests in real property, whether through gift, negotiation or the exercise of the power of eminent domain. Bond Counsel's services also do not include any responsibility the negotiation or preparation of joint powers agreements with other agencies. Bond Counsel will not be responsible for the services performed or acts or omissions of any other participant. Also, Bond Counsel's services will not extend past the date of issuance of the Refunding Bonds and will not, for example, include services related to on-going administration, annexation, rebate compliance or continuing disclosure or otherwise related to the Refunding Bonds, proceeds of the Refunding Bonds or a refunding after issuance of the Refunding Bonds.

Bond Counsel may be willing to perform such excluded services on such terms as might be mutually agreed to at the time of need. The performance by Bond Counsel of services excluded by the above paragraphs, if required by the District, shall be under separate written agreement.

Section 2. Compensation.

(a) Legal Fees for Bond Counsel Services. For all Refunding Bonds issued by the District, Bond Counsel shall be paid a flat fee of \$35,000. Payment of said amount shall be entirely contingent upon the sale or placement of the Refunding Bonds.

(b) Disclosure Counsel Services. If, and only if, the Refunding Bonds are issued on a publically offered basis, for all Refunding Bonds issued by the District, Disclosure Counsel shall be paid a flat fee of

\$32,500. Our fee and expenses for this work shall be entirely contingent upon the sale of the Refunding Bonds as a public offering.

(c) Out-of-Pocket Expenses. In addition to the legal fees, Bond Counsel shall be reimbursed its normal and customary out-of-pocket expenses, including travel (which includes an out of office fee of \$650 for each day of travel) and customary mileage rates; parking charges and bridge tolls as incurred, photocopies at forty-five cents per page, transcript preparation and distribution; telephone and facsimile charges as incurred, and postage and express delivery charges as incurred for each series of Refunding Bonds issued.

Section 3. Termination of Agreement and Legal Services.

This Agreement and all legal services to be rendered under it may be terminated at any time by written notice from either party, with or without cause. In that event, all finished and unfinished documents prepared for adoption or execution by the District, shall, at the option of the District, become its property and shall be delivered to it or to any party it may designate; provided that Bond Counsel shall have no liability whatsoever for any subsequent use of such documents. In the event of termination by the District without cause, Bond Counsel shall nevertheless be entitled to receive full compensation in the exact manner set forth in Section 2 hereof for any Refunding Bonds issued pertaining to the Refunding within five years of termination, regardless of the amount of work or length of time invested by Bond Counsel in the Refunding up to the point of termination. This continuing right to receive full compensation shall survive the term of this Agreement.

If not sooner terminated as aforesaid, this Agreement and all legal services to be rendered under it shall terminate upon final issuance of the Refunding Bonds. Upon termination, Bond Counsel shall have no future duty of any kind to or with respect to the Refunding Bonds or the District.

Section 4. Insurance.

Bond Counsel specifically represents that it maintains errors and omissions insurance applicable to the Bond Counsel services to be rendered under this Agreement.

Section 5. Nature of Engagement.

The District acknowledges that Bond Counsel regularly performs legal services for many private and public entities in connection with a wide variety of matters. Bond Counsel has represented, is representing or may in the future represent other public entities, underwriters, trustees, rating agencies, insurers, credit enhancement providers, lenders, contractors, suppliers, financial and other consultants/advisors, accountants, investment providers/brokers, providers/brokers of derivative products and others who may have a role or interest in the Refunding Bonds financing or the Refunding or that may be involved with or adverse to the District in this or some other matter.

Bond Counsel agrees not to represent any such entity in connection with the Refunding Bonds financing, during the term of this Agreement, without the consent of the District.

Given the special, limited role of Bond Counsel described above, the District acknowledges that no conflict of interest exists or would exist, and waives any conflict of interest that might appear actually or potentially to exist, now or in the future, by virtue of this Agreement or any such other attorney-client relationship

that Bond Counsel may have had, have or enter into, and the District specifically consents to any and all such relationships.

Section 6. Standards of Professional Conduct.

Bond Counsel and every employee thereof shall provide their services, advice and any reports in full compliance with all applicable law and professional standards. Bond Counsel represents that it is specially trained, experienced, expert and competent to perform the services required under this Agreement, and that each individual providing legal services is a member in good standing of the State Bar and is licensed to practice in California. Bond Counsel certifies that it will not accept representation in any matters, including litigation, under this Agreement if it or any employee thereof has any personal or financial interest therein.

Bond Counsel certifies that it accepts this retention because it has the time, energy, skills and ability necessary to perform the duties required in an efficient, trustworthy, professional and businesslike manner. It is understood that the services under this Agreement must be provided immediately, and that they are time-critical. Bond Counsel is engaged by District for its unique qualifications and skills.

Bond Counsel agrees that it will comply with all ethical duties, will maintain the integrity of the Bond Counsel-client relationship, and will take all steps available to preserve all applicable legal privileges, confidences, and records from disclosure; however, it is hereby understood and agreed that the Financing and Refunding Bonds are public in nature, and the District hereby waives its right to confidential communications, and protecting of records from disclosure; however, where it is contended by third parties, Bond Counsel's work product or attorney-client privileged communications are subject to disclosure, and District directs Bond Counsel to not disclose the records, District agrees to indemnify Bond Counsel from any cost or expense related to protecting said records from disclosure.

Section 7. Independent Contractor.

Bond Counsel and District understand and agree that Bond Counsel is an independent contractor and that the District shall not be liable for Workers' Compensation, retirement or unemployment benefits for Bond Counsel or Bond Counsel's agents, partners or employees.

Section 8. No Guarantee of Outcome.

District hereby acknowledges and agrees that this is a best efforts undertaking, and that no guarantee of success or outcome has been, or can be, made by Bond Counsel.

Section 9. Indemnification.

District agrees that it will indemnify and hold harmless Bond Counsel and its respective directors, officers, employees and controlling persons (Bond Counsel and each such person being an "Indemnified Party") from and against any and all losses, claims, damages and liabilities, joint or several, as incurred, to which such Indemnified Party may become subject under any applicable United States federal or state law, or any applicable foreign law, or otherwise, and related to or arising out of any untrue statement or alleged untrue statement of a material fact contained in any information, including without limitation the due diligence disclosure relating to the Refunding Bonds (the "Disclosure"), furnished or made available by District to Bond Counsel or otherwise,

to the purchaser of the Refunding Bonds or any of its representatives or the omission or the alleged omission to state therein a material fact necessary in order to make the statements therein not misleading, in the light of the circumstances under which they were made; provided, however, that District will not be liable to the extent that any loss, claim, damage or liability is found in a final judgment by a court to have resulted from Bond Counsel's bad faith or negligence in performing the services described above.

Section 10. Arbitration.

Any controversy, claim or dispute arising out of or relating to this Agreement, shall be settled solely and exclusively by binding arbitration in Sacramento, California. Such arbitration shall be conducted in accordance with the then prevailing commercial arbitration rules of JAMS/Endispute ("JAMS"), with the following exceptions if in conflict: (a) one arbitrator shall be chosen by JAMS; (b) each party to the arbitration will pay its pro rata share of the expenses and fees of the arbitrator, together with other expenses of the arbitration incurred or approved by the arbitrator; and (c) arbitration may proceed in the absence of any party if written notice (pursuant to the JAMS' rules and regulations) of the proceedings has been given to such party. Each party shall bear its own attorneys fees and expenses.

The parties agree to abide by all decisions and awards rendered in such proceedings. Such decisions and awards rendered by the arbitrator shall be final and conclusive. All such controversies, claims or disputes shall be settled in this manner in lieu of any action at law or equity; provided however, that nothing in this Section shall be construed as precluding the bringing an action for injunctive relief or other equitable relief. The arbitrator shall not have the right to award punitive damages or speculative damages to either party and shall not have the power to amend this Agreement. The arbitrator shall be required to follow applicable law.

Section 11. Entire Agreement.

This Agreement contains the entire understanding between Bond Counsel and District. All previous proposals, offers and communications relative to the Refunding and this Agreement, whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement.

No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by both Bond Counsel and District. No oral agreement or implied covenant shall be held to vary the provisions of this Agreement. This Agreement shall bind and inure to the benefit of the parties to this Agreement and any subsequent successors or assigns as may be permitted pursuant to the provisions of this Agreement.

Section 12. Modification.

Both District and Bond Counsel understand that it may be desirable or necessary during the execution of this Agreement for Bond Counsel or District to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with District and all changes and their cost shall be memorialized in a written amendment to this original Agreement prior to the performance of the additional work.

Until a written change order is so executed, District shall not be responsible to pay any charges Bond Counsel may incur in performing such additional services, and correspondingly Bond Counsel shall not be required to perform any such additional services.

Section 13. Severability.

All sections and subsections of this Agreement are severable, and the unenforceability or invalidity of any of the sections or subsections of this Agreement shall not affect the validity or enforceability of the remaining sections or subsections of this Agreement, but such remaining sections or subsections shall be interpreted and construed in such a manner as to carry out fully the intention of the parties.

Therefore, if any part, term, or provision of this Agreement shall be held illegal, unenforceable, or in conflict with any law of a federal, state, or local government having jurisdiction over this Agreement, the validity of the remaining portions or provisions shall not be affected by such holding and shall nevertheless continue in full force without being impaired or invalidated in any way.

Section 14. Waiver.

The waiver by either party of a default or breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent default or breach of the same or of a different provision of that party. No waiver or modification of this Agreement or of any covenant condition, or limitation contained in this Agreement shall be valid unless in writing and duly executed by the party or parties to be charged therewith.

Section 15. Counterparts.

This Agreement may be executed in any number of counterparts and each counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers and representatives thereto duly authorized, all as of the day and year first above written.

CALAVERAS COUNTY WATER DISTRICT

By: _____

THE WEIST LAW FIRM

By: _____
Cameron A. Weist, Esq.

Agenda Item

DATE: September 12, 2018
TO: Dave Eggerton, General Manager
FROM: Peter Martin, Manager of Water Resources
SUBJECT: Update on the Calaveras Public Power Agency

RECOMMENDED ACTION:

Informational update only

SUMMARY:

The Board has requested an overview and update regarding the recent activities of the Calaveras Public Power Agency (CPPA).

For some background, by Resolution 82-3437, the CCWD Board approved the formation of and membership in a joint powers agreement that created CPPA. The purpose of CPPA was to take advantage of the New Melones power entitlement adopted by the U.S. Congress in the Flood Control Act of 1962, which authorized the construction of the New Melones Project. A provision of that law required that public agencies within the Counties of Tuolumne and Calaveras be given “first preference” to the power generated from the hydroelectric project to offset the significant losses of land when the project was built. As “First Preference” customers, CPPA and the Tuolumne Public Power Agency have the right to increase their allocations to meet load growth until their combined allocations reach 25% of New Melones generation. This entitlement is shared on a 50-50 basis between the two counties.

CCWD is part of the seven-member CPPA Board that consists of the County of Calaveras, Calaveras Unified School District, Calaveras Public Utility District, City of Angels and two members from the remaining member agencies. Dennis Dickman and Associates has a professional services agreement with CPPA to perform the duties of CPPA’s General Manager, which includes but not limited to: acting as the Secretary to the Board of Directors, administering the power service and distribution contracts, general accounting and other administrative functions. Peter Martin, Manager of Water Resources serves on the Board of Directors with the General Manager, Dave Eggerton serving as the alternate.

The power entitlement for CPPA is administered through the Western Area Power Administration (WAPA). CPPA, through agreements with WAPA, the California

Independent System Operator (Cal-ISO) and Pacific Gas & Electric Company (PG&E) deliver the entitlement power to CPPA customers.

The cost of CPPA power to its customers reflects the following components:

- WAPA power charges
- Cal-ISO transmission charges
- PG&E distribution charges
- Local CPPA administrative costs

Further, the power rates for CPPA customers are also fundamentally linked to generation at the New Melones Hydroelectric facility. For instance, during the recent drought the facility was not producing normal power generation which necessitated purchasing power on the market from WAPA at a significantly higher rate. Luckily, in 2008 CPPA adopted a policy to incorporate a \$3 million rate stabilization fund. This rate stabilization fund significantly minimized the impacts of increased power purchase costs to CPPA members during the extended drought. The rate stabilization fund has since fully recovered as of the end of FY 17/18. As a result, power costs were further reduced by one-half cent per kilowatt hour (kWh) to \$0.085 per kWh for FY 18/19. This is down from a peak rate of \$0.105 per kWh in FY 16/17.

CCWD is by far the biggest electrical user out of all CPPA's member agencies. Annually, the CPPA General Manager generates a table entitled "Electrical Energy Use and Estimated Dollar Savings", which has been attached for your information. The savings are shown for the previous fiscal year and are based on the difference between the FY 17/18 CPPA rate of **\$0.09 per kWh** and the current average total rate of **\$0.222112 per kWh** for PG&E's general commercial accounts (Rate Schedule A-1). In FY 17/18, the overall saving to CCWD by this measure was **\$1,352,049**. The savings is in reality greater than shown because it does not reflect a lower "meter charge" or peak demand charges or time of use charges that may have been incurred if CCWD facilities were on PG&E power.

CPPA also maintains the Energy Efficiency Funding Program as a benefit to the member agencies. CPPA is required to have an on-going energy efficiency program as part of its service contract with WAPA. The purpose of the grant program is to encourage and assist member agencies with undertaking energy efficiency measures at their facilities. CPPA is in the fourth iteration of this program, and will allocate 2.85% of power revenues (less meter fees) each fiscal year to this program through June 30, 2021.

FINANCIAL CONSIDERATIONS:

None at this time

Attachments:

- *CPPA "electrical energy use and estimated dollar savings" calculations.*

ELECTRICAL ENERGY USE (Kwh) and ESTIMATED DOLLAR SAVINGS
Calaveras Public Power Agency (CPPA)
Fiscal Year FY 2017/18

Agency Number	Member Agency	Annual (kWh)	Savings (\$)
0001	39th Dist. Ag. Assoc.	226,160	29,878
0002	Utica Power Authority	61,760	8,159
0003	Calaveras Resource Conserve. Dist.	4,880	645
0221	Altaville-Melones FPD	32,998	4,359
0224	Mokelumne Hill FPD	10,891	1,439
0225	Murphys FPD	42,705	5,642
0227	San Andreas FPD	38,550	5,093
0228	West Point FPD	29,961	3,958
0229	Ebbetts Pass FPD	144,476	19,087
0241	Calaveras PUD	1,558,685	205,921
0242	Union PUD	49,507	6,540
0243	Valley Springs PUD	495,166	65,417
0252	Mokelumne Hill Sanitary	104,497	13,805
0253	Murphys Sanitary	290,527	38,382
0254	San Andreas Sanitary	461,546	60,976
0262	Ebbetts Pass Veterans	2,856	377
0263	Jenny Lind Veterans	36,760	4,856
0271	CCWD	10,234,112	1,352,049
0272	Mark Twain Health Care Dist.	3,466,648	457,986
0273	San Andreas Rec. & Parks	45,529	6,015
05C1	Superior Courthouse	755,520	99,813
1010	County of Calaveras	4,145,917	547,725
2201	Central Calaveras Fire Dist.	28,287	3,737
2203	Calaveras Consolidated Fire Dist.	99,890	13,197
2220	Copperopolis Fire District	49,753	6,573
2640	Mokelumne Hill Veterans	9,724	1,285
3000	County Office of Education	505,028	66,720
3010	Mark Twain School Dist.	637,817	84,263
3110	Bret Harte HS District	2,130,890	281,516
3210	Calaveras Unified School Dist.	3,469,966	458,424
3310	Vallecito School District	809,697	106,971
5301	City of Angels	1,783,772	235,658
6100	Council of Governments	22,444	2,965
TOTAL		31,786,919	4,199,433

Estimated savings based upon a rate difference between PG&E's A-1 rate schedule of of \$0.222112 cents per kWh and CPPA's rate of \$0.09 per kWh. This results in a savings of \$0.132112 per kWh.

Does not include additional meter fee savings, avoided demand charge savings, and PG&E's rate credit of \$63,462 to certain CPPA members.

Agenda Item

DATE: September 12, 2018
TO: Board of Directors
FROM: Dave Eggerton, General Manager
SUBJECT: General Manager Report

The following State Legislative Update is provided by Joel Metzger, Manager of External Affairs, Conservation and Grants:

SB 845 (Monning): Safe and Affordable Drinking Water Fund (Formerly SB 623)

An eleventh-hour attempt to impose a voluntary, opt-out water remittance on the bills of water customers across the state died on August 31, the last day of the legislative session.

In 2017, Sen. Bill Monning put forth SB 623 to create a Safe and Affordable Drinking Water Fund that would primarily be funded by: 1) taxes on the sale of fertilizers and the operations of dairies; and 2) a statewide water tax for retail residential and business customers. CCWD joined hundreds of stakeholders across the state in opposing this “Water Tax”. SB 623 failed to advance in 2017 and in 2018, the Brown Administration proposed a budget trailer bill based on the SB 623 framework. The CCWD Board opposed this trailer bill along with an ACWA-led coalition of more than 200 water agencies and organizations. On June 8, 2018, the Legislature’s Budget Conference Committee rejected the budget trailer bill that proposed the statewide water tax and instead set aside \$23.5 million for safe drinking water. Despite those actions, on August 16, Sen. Monning gutted and amended SB 845 with a last-minute twist on the water tax proposals. This majority-vote bill would have required more than 3,000 community water systems to add a voluntary remittance to local water bills with an opt-out feature in order to generate funding for the proposed Safe and Affordable Drinking Water Fund. CCWD sent letters of opposition to this new proposal and contacted Assemblymember Bigelow and Senator Berryhill to voice concerns about this new approach. After weeks of intensive advocacy, communication and outreach, SB 845 died in the Assembly Appropriations Committee without a hearing.

SB 998 (Dodd): Water service shut-offs

After months of advocacy by CCWD in conjunction with ACWA and other stakeholders in opposition to SB 998 (Dodd), the bill passed out of both houses of the Legislature and is waiting on Governor Brown’s desk. CCWD worked with ACWA and a broad coalition

comprised of several statewide associations, including the California Municipal Utilities Association, the League of California Cities, the California Special Districts' Association, the California Association of Mutual Water Companies, and the American Water Works Association, California-Nevada Section. Despite a strong coalition opposition effort, SB 998 secured enough votes for passage. CCWD and many other water agencies have sent letters to the Governor asking that he veto the bill.

SB 998 would create a one-size-fits-all statewide program for water service shut-offs that would, among other things:

- Prevent service disconnection for at least 60 days for delinquent customers
- Mandate that water agencies create a formal bill appeals process
- Mandate that water agencies allow alternative payment schedules, deferred payments and partial payments
- Create a cap on reconnection fees for low-income customers that may or may not cover the actual cost to physically reconnect triggering Prop. 218 concerns for some public water agencies
- Expand authority to both the State Water Resources Control Board and the Attorney General to enforce provisions of the bill.
- Prevent lock-offs from occurring if a primary care physician provides a note stating it may cause a health concern
- Prevents lock-offs from occurring if the customer states his or her income is less than 200% of the federal poverty guideline or is a recipient of a variety of social welfare programs

If Governor Brown signs this bill into law, CCWD must comply with the language by April 2020. These new requirements would require a significant revision of the District's delinquency policies and put an extra burden on staff.

Groundwater – AB 2649 (Arambula)

As introduced, AB 2649 (Arambula) stated the Legislature's intent to enact legislation that would increase groundwater recharge. CCWD agreed that diverting surplus surface water for groundwater recharge is a necessary component of successful Sustainable Groundwater Management Act (SGMA) implementation, and the CCWD Board took a support if amended position on this bill. Over the next few months, CCWD staff worked with ACWA to propose amendments to Assembly Member Arambula (D-Fresno) and his staff. In conjunction with the legislative process, ACWA worked with State Water Board staff and environmental groups to develop language that would create a permit process for the diversion of surface water for groundwater recharge.

Though much progress was made, late in the session the author decided to hold the bill and potentially revisit the issue in 2019. As a result, AB 2649 was gutted and amended to address another issue. ACWA staff is continuing to work with the State Water Board on an alternative solution that would create an administrative process for groundwater recharge permitting.