

AGENDA
REGULAR MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA 95634

Special Notation:

*Director David Halpin will participate in this meeting from a satellite location via telephone. The Public may participate in all Open Session portions of this meeting from this location. The specifics of his location, while participating in the meeting, are as follows:
140 Valam Drive, Van Wert, Ohio 45891*

TUESDAY, JANUARY 8, 2019
2:00 P.M.

MISSION STATEMENT

It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies
 - Ensure high quality drinking water
 - Promote stewardship to protect community resources, public health, and quality of life
 - Provide excellent and responsive customer services through dedicated and valued staff
 - Ensure fiscal responsibility and accountability are observed by balancing immediate and long-term needs.
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1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

2. ADOPTION OF AGENDA

- 3. PUBLIC FORUM** – Any member of the public may address the Board on any matter within the jurisdictional authority of the District. Public members desiring to provide comments, must be recognized by the Board President, and speak from the podium. Comments must be directed only to the Board. The public should address the Board members during the public meetings as President, Vice President, or Director, followed by the Board member's individual last name. The Board will hear communications on matters not on the agenda, but no action will be taken. No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address. Comments shall be limited to three minutes per person, or such other time limit as may be imposed by the President, to enable the Board to complete its agenda within a reasonable timeframe.

4. PROCLAMATIONS AND PRESENTATIONS

- 5. CONSENT CALENDAR** – Any member of the public may contact a Board member prior to the meeting to request that an item be pulled from the Consent Calendar.

A. Approval of Minutes

1. Regular Meeting of December 11, 2018

B. Financial Reports

1. Statement of Cash Balances
2. Month-End Cash Disbursements Report

C. AB 1600 Development Impact Fee Annual Report

Possible Board Action: Adopt Resolution 2019-01.

D. Assessment Districts Closeout

Possible Board Action: Adopt the following Resolutions: 2019-02, 2019-03, 2019-04, 2019-05, 2019-06, and 2019-07.

E. Change of Bank Signatory Authority

Possible Board Action: Adopt Resolution 2019-08.

6. INFORMATIONAL ITEMS

A. Board Reports

B. General Manager's Report

C. Operation Manager's Report

D. ALT Treatment Plant Update

E. Finance Committee Report

7. NEW BUSINESS

A. Nomination of GDPUD Representative to Local Agency Formation Commission (LAFCO)

Possible Board Action: Adopt Resolution 2019-09.

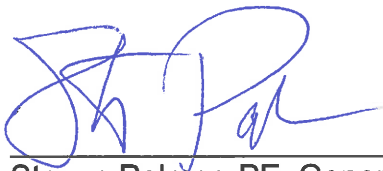
B. Discuss and Provide Direction on Freezing Treated and Irrigation Water Rates at the Calendar Year 2018 Rates.

Possible Board Action: Provide direction on freezing treated and irrigation water rates at the Calendar Year 2018 Rates.

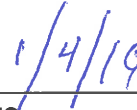
8. BOARD MEMBER COMMENTS, REQUESTS FOR ADDITIONS TO FUTURE MEETING AGENDAS AND REQUESTS FOR INFORMATION OR RESEARCH TO BE COMPLETED BY STAFF – Opportunity for Board members to discuss matters of interest to them and provide input for future meetings as well as report on their District-related meeting attendance.

9. NEXT MEETING DATE AND ADJOURNMENT – Next Regular Meeting is February 12, 2019, at 2:00 P.M. at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Steve Palmer by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on January 4, 2019.



Steven Palmer, PE, General Manager



Date

CONFORMED AGENDA – DRAFT

REGULAR MEETING

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA 95634**

**TUESDAY, DECEMBER 11, 2018
2:00 P.M.**

MISSION STATEMENT

It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies
 - Ensure high quality drinking water
 - Promote stewardship to protect community resources, public health, and quality of life
 - Provide excellent and responsive customer services through dedicated and valued staff
 - Ensure fiscal responsibility and accountability are observed by balancing immediate and long-term needs.
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1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

The meeting was called to order at 2:00 P.M. Director Halpin led in the Pledge of Allegiance.

Directors Present: David Halpin, Jesse Hanschild, Lon Uso, David Souza, Dane Wadle.

Staff Present: General Manager Steven Palmer; Operations Manager Darrell Creeks; Board Assistant Diana Michaelson. Legal Counsel: Kerry Fuller, Churchwell White, LLP.

2. ADOPTION OF AGENDA

Motion by Director Wadle to adopt the agenda. Second by Director Souza.

Public Comment: *Stephen Dowd and Cherie Carlyon commented regarding the timing of the seating of elected directors.*

Vote: The motion passed unanimously.

3. BOARD REORGANIZATION

A. Adoption of Resolution 2018-55 Accepting and Declaring the Results from the El Dorado Registrar of Voters for the November 6, 2018 Election of the Georgetown Divide Public Utility District Board of Directors.

Possible Board Action: Adopt Resolution 2018-55.

Motion by Director Halpin to adopt Resolution 2018-55. Second by Director Wadle.

Public Comment: *There was no public comment.*

Vote: *The motion passed unanimously.*

B. Oath of Office of Elected Directors, Administered by Legal Counsel

- ❖ **Cynthia Garcia**
- ❖ **Michael Saunders**
- ❖ **David Souza**

The Oath of Office was administered to the newly elected directors by Kerry Fuller of Churchwell White. After signing their Certificates of Election and Oath of Office, the new directors were seated.

C. Election of Officers for Calendar Year 2019 (President, Vice-President, and Treasurer)

Dave Souza nominated Dane Wadle as President. Dave Halpin seconded the nomination.

Michael Saunders commented that he would like to see either the President or Vice-President positions held by a continuing Board member and the other held by a newly elected Board member to provide different perspectives. Cindy Garcia concurred.

Roll call vote was taken, and the vote was as follows:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye

The motion carried unanimously.

Cindy Garcia then nominated Michael Saunders as Vice-President. There was no second.

Dave Souza then nominated Dave Halpin as Vice-President. Dane Wadle seconded the nomination.

Cindy Garcia commented that she would like to see the offices of President and Vice-President shared between a continuing member and a new member.

There were two motions on the floor. A roll call vote was taken for the first motion nominating Michael Saunders for Vice-President, and the vote was as follows:

Garcia: Aye
Halpin: No
Saunders: Aye
Souza: No

Wadle: No

The motion failed.

A roll call vote was taken for the second motion nominating Dave Halpin as Vice-President, and the vote was as follows:

***Garcia: No
Halpin: Aye
Saunders: No
Souza: Aye
Wadle: Aye***

The motion carried.

Dave Souza then nominated Michael Saunders as Treasurer. The nomination was seconded by Dave Halpin.

A roll call vote was taken, and the vote was as follows:

***Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye***

The motion carried unanimously.

The new officers are:

- President: Dane Wadle***
- Vice-President: Dave Halpin***
- Treasurer: Michael Saunders***

D. Presentation of Commendations to Outgoing Directors for Distinguished Service to the District

The General Manager presented resolutions to outgoing Directors Jesse Hanschild and Lon Uso.

Nick Chiappe from Senator Ted Gaines' office presented resolutions from Senator Gaines and Assemblyman Frank Bigelow to Directors Hanschild and Uso.

- 4. PUBLIC FORUM** – Any member of the public may address the Board on any matter within the jurisdictional authority of the District. Public members desiring to provide comments, must be recognized by the Board President, and speak from the podium. Comments must be directed only to the Board. The public should address the Board members during the public meetings as President, Vice President, or Director, followed by the Board member's individual last name. The Board will hear communications on matters not on the agenda, but no action will be taken. No disruptive conduct shall be permitted at any Board meeting. Persistence in disruptive conduct shall be grounds for summary termination, by the President, of that person's privilege of address.

Steven Proe expressed desire for all Board members to act together.

Cherie Carlyon distributed a handout (included as Attachment 1 to these Minutes) and asked if the Board would look at the VTD contract at the next meeting. She further commented regarding transparency and Public Records Request response time. She also requested that the Board freeze the water rates.

Susan Rayburn asked legal counsel what source of parliamentary authority is used at the meetings. Ms. Fuller responded that a modified version of Rosenthal's Rules guide the meetings.

Unidentified member of the audience commented regarding irrigation water rates.

Maria Capraun read a statement, which is included with these Minutes as Attachment 2.

Dr. Richard Boylan of Diamond Springs urged the Board to recommit to public service.

Carolyn O'Conner commented regarding transparency.

Stephen Dowd asked the Board to cut the water rates in half.

Phyllis Polito commented that the community sent a message with the election and asked that the Board listen to the community.

Karen Bartholomew asked that 1000 cubic feet (of treated water) could be provided in the base rate.

5. PROCLAMATIONS AND PRESENTATIONS

A. Brown Act Training – Churchwell White, LLP

Kerry Fuller, of Churchwell White, presented Brown Act training for the Board. A handout was provided to Board members at the close of the training and was made available to the public. A copy of the handout is included as Attachment 3 to these Minutes.

6. CONSENT CALENDAR

Before taking up the Consent Calendar, Director Wadle made the following comments. 1) Consent items are generally administrative items that are non-controversial and can be moved on a one voice vote to help expedite the meetings. 2) Because the agenda is posted 72 hours in advance of regular meetings, anyone in the public may contact a Board member to request that an item be pulled from consent. He asked how the other Board members felt about it. Director Halpin agreed, and no one disagreed.

Motion by Director Halpin to approve the Consent Calendar. Second by Director Souza.

Discussion: *Director Garcia asked to pull item 6.C. First Quarter Budget Comparison.*

Director Halpin amended his motion to remove Item 6.C. from the Consent Calendar. Director Souza seconded the amended motion.

Vote: The motion passed unanimously.

Ms. Carlyon requested that Items 6.B.1 and B.2 also be pulled. There was some discussion.

Director Halpin amended his motion to remove Items 6.B.1, 6.B.2, and 6.C. from the Consent Calendar. Director Souza seconded the amended motion.

Vote: The motion to approve Item 6.A. passed unanimously.

A. Approval of Minutes

1. Regular Meeting of October 9, 2018
2. Regular Meeting of November 13, 2018

B. Financial Reports

1. Statement of Cash Balances

Mr. Palmer introduced the two items.

Director Garcia commented on Item 6.B.1. She noted there is no information about what the amounts were spent on and that they are grouped by fund, but within the fund there is no additional information on what the funds are spent on.

Ms. Carlyon also spoke on 6.B.1. regarding the payroll entry. Kristen West, Finance Consultant, explained the report. Mr. Proe questioned where the numbers come from. Ms. West responded that they come from the General Ledger.

Director Garcia asked if the payroll is listed as gross or net. Ms. West responded that it is net.

2. Month-End Cash Disbursements Report

Director Garcia asked if the District is providing 1099s for Churchwell White. Ms. West responded that the tax forms are provided. Director Garcia then asked if the accounting software used by the District accounts for the different timeframes when payroll and tax forms are based on calendar year and the District is operating on a fiscal year. Ms. West responded that the accounting is on an accrual basis.

Ms. Carlyon asked for information on specific checks.

Motion by Director Souza to approve Items 6.B.1 and 6.B.2. Second by Director Saunders.

Vote: The motion passed unanimously.

C. First Quarter Budget Comparison

Possible Board Action: Receive and file.

Mr. Palmer presented the staff report.

Director Saunders asked if this budget includes the rate increase. Mr. Palmer responded that it does.

Director Garcia commented that wastewater operating fund revenues look high and should be watched. She then asked for definitions of current actuals and year to date (YTD) actuals. Mr. Palmer said that YTD refers to July through September, and current refers to the month of September.

Public Comment: *There was no public comment.*

Motion by Director Souza to accept Item 6.C. Second by Director Garcia.

Vote: *The motion passed unanimously.*

7. INFORMATIONAL ITEMS

A. President's Report

Director Wadle reported that there are scholarships available for training provided by California Special Districts Association. He encouraged Board members and staff to take advantage of scholarships and training opportunities.

B. Board Reports

Director Saunders reported on the recent Town Hall community meeting. He provided a list of questions that came up at the meeting. The General Manager will provide answers to Director Saunders prior to the next Town Hall meeting. The list is included as Attachment 4 to these Minutes. Directors Garcia and Saunders plan to hold these community meetings every month and report back to the full Board at Regular Board Meetings. If other Directors want to participate, they will swap out from one month to another so that there are never more than two Directors at the meeting, and all Directors who want to participate will be able to do so. The purpose of the meetings is to get community input and bring that input to the Board with the idea to promote transparency and open communication between the Board and the public. He then thanked the community for its support, noting that he had personally thanked departing Directors Uso and Hanschild for their public service.

He also reported that he and Director Garcia attended the LAFCO (Local Agency Formation Commission) ethics training and would provide their certificates to the General Manager.

Director Garcia reported that the ethics training was thorough and professional. She noted that the Town Halls that she and Director Saunders would be hosting will be at various locations throughout the District. These meetings will be recorded and posted on You Tube.

She also thanked the community for its support and noted that she had also thanked outgoing Directors Uso and Hanschild for their service to the District.

C. General Manager's Report

Mr. Palmer reported that construction is complete for the Water Conservation, Supply Reliability, and Environmental Protection Project funded by CABY. The Treated Water Line Replacement and Main Canal Reliability Projects are moving forward rapidly. The Wastewater Fee Review public workshop will be held on January 16 at 6:00 PM in Auburn Lake Trails at the Barn Loft. He then noted that he is working with Mathis Consulting Group to schedule another goal setting workshop for the Board in February.

D. Operation Manager's Report

Operations Manager Darrell Creeks reported that operations are going well. The treatment plants are making good water, and everything is in compliance. The lake level is coming up, and currently at 77%. All crews have been busy. Irrigation crews have been spending all their time cleaning canals and grizzlies. Distribution didn't have very many breaks last month – three service leaks and one water main on Sliger Mine Road. Turning to the Zone, he reported that inspections have been completed for the year.

E. ALT Treatment Plant Update

Engineering Consultant George Sanders reported on November activities at the ALT Water Treatment Plant. Substantial completion is still expected in January, and water delivery expected by March. Now that we are in the final stages of completion, the schedule will be evaluated continually. Director Saunders asked what projects are coming up. Mr. Sanders said finishing up electrical, continuing to work on the SCADA component, having the filters operational, and working with PSOMAS to get the tracer study started are the big items on his radar.

F. Finance Committee Report

Committee Chair Rick Gillespie reported that the Finance Committee did not meet in November due to the Thanksgiving holiday. The Committee is looking for two new members. Interested applicants should send a letter and résumé to the Board President.

8. NEW BUSINESS

A. Appointment of Representative to Joint Powers Insurance Agency

Possible Board Action: Adopt Resolution 2018-58.

Mr. Palmer presented the staff report. The District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA), which is governed by the Board of Directors, composed of one representative from each

Member. As a Member of the ACWA JPIA Board, the GDPUD Board of Directors must appoint one of its Directors as a representative to JPIA. In addition, it must appoint at least one alternate who must be an officer, member, or employee of the GDPUD Board.

Public Comment: There was no public comment.

Motion by Director Garcia to adopt Resolution 2018-58 appointing Dave Souza as representative to ACWA JPIA and Mike Saunders as alternate. Second by Director Halpin.

Vote:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye

The motion passed unanimously.

B. Nomination of General Manager to Serve on ACWA Region 3 Board

Possible Board Action: Adopt Resolution 2018-59.

Mr. Palmer presented the staff report. The Association of California Water Agencies (ACWA) is a statewide coalition of more than 430 public water agencies. ACWA is governed by a 37-member Board of Directors. The membership is divided into ten regions, each with a 7-member governing board. GDPUD belongs to Region 3, which has an opening. The GM is interested in becoming a Region 3 Board Member. He has the requisite experience, and the District would receive the benefits of a larger role and increased representation in state water issues, as well as input into ACWA related issues that concern the District. Adoption of Resolution 2018-59 would support the nomination of the GM and include him in a pool of applicants seeking the ACWA Region 3 Board position.

Directors Halpin, Saunders, and Garcia spoke in favor of nominating the GM to the ACWA Region 3 Board of Directors.

Public Comment: Ms. Carlyon clarified that this is just a nomination and not an appointment. There was some discussion relating to where the meetings are held; in the past they've been held in either Northern California, Central California, or Southern California.

Motion by Director Halpin to adopt Resolution 2018-59. Second by Director Garcia.

Vote:

Garcia: Aye
Halpin: Aye

Saunders: Aye
Souza: Aye
Wadle: Aye

The motion passed unanimously.

C. Approval of Contract Agreement with PACE Supply

Possible Board Action: Adopt Resolution 2018-60.

Mr. Creeks presented the staff report. The District needs parts on the shelf, enabling repairs to be made the same day. In accordance with the District's Procurement Policy and Procedures, a request for bids was issued on October 12, 2018. Three bids were received and were opened on November 9, 2018. Comparing prices for equal parts it was determined that PACE Supply was the vendor with the lowest total bid amount. The total costs for the parts and supplies is expected to be less than \$65,000 for the rest of this fiscal year. According to the District's Procurement Policy and Procedures, purchases over \$45,000 require Board authorization.

Public Comment: *Ms. Carlyon asked why a resolution is required. Mr. Creeks explained that it is because expenditures of more than \$45,000 require Board approval.*

Motion by Director Halpin to adopt Resolution 2018-60. Second by Director Saunders.

Vote:

Garcia: Aye
Halpin: Aye
Saunders: Aye
Souza: Aye
Wadle: Aye

The motion passed unanimously.

- 9. BOARD MEMBER COMMENTS, REQUESTS FOR ADDITIONS TO FUTURE MEETING AGENDAS AND REQUESTS FOR INFORMATION OR RESEARCH TO BE COMPLETED BY STAFF** – Opportunity for Board members to discuss matters of interest to them and provide input for future meetings as well as report on their District-related meeting attendance.

Director Saunders asked that a discussion regarding rates be put on the agenda at the soonest possible. He also asked for a discussion on the "road map" of items on the yearly calendar, as well as further discussion on the District's reserve policy.

Director Garcia reiterated Mr. Saunders' request for a discussion on rates as soon as possible. She proposed that the mission statement on the agenda be revised. She also

asked that the structure, volunteerism, and function of the Finance Committee be discussed. In the future, she would like to see a discussion about using more ad hoc committees.

Director Wadle then took comments from the public. Responding to some questions from the floor, the General Manager explained the process of how the agenda is set.

Ms. Polito reminded the Directors that the Board works for the public and that the recent election sent a message that the issue of rates should be a priority for the Board.

Mr. Proe inquired about the duties and powers of Board Officers. Mr. Palmer said that the policies would be posted to the GDPUD website.

10. NEXT MEETING DATE AND ADJOURNMENT – Next Regular Meeting is January 8, 2019, at 2:00 P.M. at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

The Board adjourned at 4:53 P.M.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Steve Palmer by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on December 7, 2018.

Steven Palmer, PE, General Manager

Date

GDPUD'S contract with VTD

8-8-17 contract amount \$ 89,100 FY17/18 (\$88,257 total was paid to VTD in FY17/18)
1-9-18 contract increase \$ 53,760 for a temp Admin Aide, which wasn't hired per Steve Palmer.
total contract \$142,860 FY17/18

11-13-18 contract increase \$ 50,000 FY18/19
total contract \$192,860

Christina's report to the board stated the ending total to be \$201,960, which is \$9,100 over the board approvals.

My question is why the \$53,760 is included in the contract, when it was never used.

What is the \$9,100 amount?

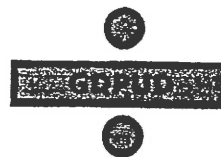
Why are we still spending \$140 a hour for a VTD Supervising Manager to train someone for a whole year. The Management anylyst should be trained by now.

Why can't you hire an independent CPA to do the required financial duties? The last CPA was paid \$75 per hour. Why are you continuing to pay \$140 per hour?

VTD'S E and O insurance expired on 1-1-18 when the 1-9-18 contract increase was approved.

No insurance certificate was included in the 11-13-18 contract increase, as the liability insurance expired on 5-1-18.

REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF November 13, 2018
AGENDA ITEM NO. 5D



AGENDA SECTION: CONSENT

SUBJECT: Amended Professional Services Agreement with Vavrinek,
Trine, Day & Co., LLP

PREPARED BY: Christina Cross, Management Analyst *CC*

APPROVED BY: Steven Palmer, PE, General Manager *SP*

BACKGROUND

On August 8, 2017, Georgetown Divide Public Utility District ("District") contracted for finance management professional services with Vavrinek, Trine, Day & Co., LLP ("VTD"). The current scope of services includes financial and accounting oversight. The current amended agreement was for a total amount of \$151,960 for the term ending June 30, 2018. By reducing the number of hours used by VTD that contract term is only just now being reached. An amended agreement is required to extend the term and increase the amount.

DISCUSSION

The District is currently underway with our annual audit working closely with VTD staff. Additional work is needed from VTD to continue providing financial and accounting oversight through the end of Fiscal Year 2018/2019. VTD employs professional staff trained at all experience levels and currently has availability to meet the District's needs. District Staff currently estimates that VTD support will be needed 8-10 hours per week on average for the remainder of Fiscal Year 2018/2019. Based on VTD billing rates and the Fiscal Year 2018/2019 budget, an amended professional services agreement has been prepared for an additional \$50,000, with a total not to exceed amount of \$201,960.

FISCAL IMPACT

The Fiscal Year 2018/2019 budget includes an estimate of \$50,000 from Account 10-5080-5600 for finance and accounting services and a budget adjustment is not needed at this time.

CEQA ASSESSMENT

Not a CEQA project.

RECOMMENDED ACTION

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District (GDPUD) adopt the attached Resolution authorizing the General Manager to execute the Amended Professional Services Agreement with Vavrinek, Trine, Day & Co., LLP.

Georgetown Divide PUD Board members,

December 11, 2018

I am a former Board member, and long time meeting attendee. Chuck Geru was GM at my first meeting, then Marie Davis, Henry White, Wendell Wall and now my first meeting with Steve Palmer.

I have not been a happy camper with prior Board member statements to the public on social media sites and I am amazed at the lack of understanding of the District. The public has been left with lack of ability to actually see and understand the District's finances. The Board is elected to represent the PUBLIC in the oversight of the District's finances. You provide the GM with an approved budget to carry out the District's mission statement. The public has spoken based on the election results that they are not happy.

The recently approved Organizational Chart shows a change from Public to Customers at the top of the chart. The District Board members are elected by the Public and not just the customers. This is a Public Utility District and receives funds from the collection of the Public's property taxes not just the customers. Yet, not one of the Board members questioned this.

The one thing that is important to the Public at Large from this District is FIRE PROTECTION. That is the only service that every tax payers relies on and expects through fire hydrants and ditch system. You increased the cost of raw water and lost customers that could be helping save us from fire danger. You should have used more tax revenue for raw water. And you unfairly altered raw water costs but I am only going to address treated water due to time.

As I had told the Board, I was going to review the recent rate increase with a fine tooth comb. Well, the comb found a lot of knots.

The recent RCAC Report used to justify the new rate imposed by the Board on its customers used false information to over inflate the needed revenue for Capital Replacement Program. I understand the need for additional revenue to run the District but not falsely created information to justify a want for cash. It would seem that Staff decided on a figure and worked the documents to justify it.

Nowhere in the report is this CRP revenue dedicated to CIP, these funds are being placed in to fund 10, the General Water Fund, which is one of the capital funds. In the RCAC report Exhibit 2T and 3T you state NET CASH FLOW (Contribution to Reserves). Yet, there was no guarantee that any of the revenue would be used for CRP found in the report or resolution. As of today you should have collected over one million in the Capital Replacement revenue for items listed in the report. No increase to any of the reserve funds for capital improves are found in your financial reports. While projects may be done at this time there is no guarantee CIP work will continue and the revenue will not just be dedicated to staffing, due to over hiring. Creating the need for another 218.

The finance committee was original set up to assist the Board over these issues and work at the Boards direction but it was turned over to the GM cutting out a double check of the District's finances.

As I stated, there is a justifiable need to additional revenue but not as it was presented. All of which I have just said it a failing of the prior Board, not the General Manager. No oversight in financial issues.

In reviewing the rate increase I found the RCAC Report adjusted dates and original costs of some items on the asset list used for the CRP. Then, using an inflation calculation to increase the final cost to replace items, while costs do increase over time, creating false value is not legal.

On the Capital Replacement list items that are no longer service or have already been replaced on list were still being used.

The Budget shows water revenue for 2017 of \$2,753,457.25 on Exhibit 2T and \$2,676,332.82 on Exhibit 3T. The new rate did not start until 2018 and you show a full year of revenue for 2017. Not to mention the difference in revenue with no explanation.

The RCAC Report under Capital Replacement Program - Treated Water Exhibit 1T.
Estimated Historic Costs – The gray is original cost. This report was hard to read and understand.

1992 Lake Walton Plant Replacement was never done but original cost was \$7,681,481. Walton Lake WTP was put into service around 1975 but did have a facility expansion in 1992, the cost was \$554,786.28. The total amount shown in the 2015 asset list for the Walton Lake Treatment Plant was \$3,332,741.38. Stating a 7.6 million original cost then using an inflation rate for 25 years is presenting false information to the public. Amount for CRP revenue for this asset is \$154,431 as listed in the report.

0500 - Lake Walton WTP						
1	Lake Walton (Fac Replacement)	1992	\$7,681,481	C	\$7,551,444	25
1	Raw Water System (1)	1974	\$600,560	C	\$208,744	40

1974 all Water Tanks are listed as being placed into service. This is false. Just Pilot Hill Tank was installed in 1992 not 1974, is still on the list and was removed from rolls in 2015 by Board action, at value of \$360,230. Using a replacement cost of \$730,006. Revenue to be collected yearly is \$135,648 for all tanks.

T & D TREATED WATER 0500 (2)						
1	Angul Comp Tank (0.5 MG)	1974	\$776,602	C	\$325,777	
1	Clear Resene Tank (0.25 MG)	1974	\$308,301	C	\$182,588	
1	Pilot Hill Tank (0.67 MG)	1974	\$730,006	C	\$304,230	
1	Clear Ridge Resed Tank (0.05 MG)	1974	\$83,182	C	\$38,543	
1	Hodgkiss Hill Tank (0.05 MG)	1974	\$83,182	C	\$50,593	
1	Spanish Dry Diggins Tank (0.2 MG)	1971	\$310,541	C	\$122,547	

1	Long Oak Mine Tank (0.1 MG)	1974	\$405,581	C	\$191,466	
1	Carson Park Tank (0.2 MG)	1974	\$310,681	C	\$133,311	
1	Walkey Tank (0.21 MG)	1974	\$352,388	C	\$159,438	
1	Hodgkiss Hill Station (0.05 MG)	1974	\$81,182	C	\$36,509	

1974 all pipelines are listed as being installed and placed into service in the District, every inch at a cost of \$15,553,972. The District did not have these assets in service at the time stated. Some areas of pipe were installed as late as 1998. Furthermore, there is no document that can justify that in 1974, 15 1/2 million dollars was invested into the District. No revenue source or invoice. As listed in the RCAC report on 5 lines totaling amount to be collect for CRP of \$653,880 per year. Half the amount shown for needed revenue to be collected in the report each year for CRP.

Asset ID	Description	Year	Value	Category	Rate	Life
1	4-inch Pipe-lines (42,130 AC, 50,771 PVC [I])	1974	\$3,457,537	C	\$1,441,027	60 43
1	6-inch Pipe-lines (175,142 AC, 3,981 DI, 235,569 PVC [I])	1974	\$19,908,624	C	\$8,351,482	60 43
1	8-inch Pipe-lines (42,068 AC, 85,384 PVC [I])	1974	\$7,382,796	C	\$3,101,201	60 43
1	10-inch Pipe-lines (35,684 AC, 10,359 PVC [I])	1974	\$2,951,109	C	\$1,237,960	60 43
1	12-inch Pipe-lines (42,348 AC [I])	1974	\$3,388,480	C	\$1,421,432	60 43

1987 all values including fire hydrants are listed as being put into service in the District at a value of \$3,682,140. CRP to be collected, \$120,809 per year.

Asset ID	Description	Year	Value	Category	Rate	Life
38	Pressure Reducing Valves	1987	\$2,455	M	\$93,275	40 30
172	Air Relief Valves	1987	\$719	M	\$121,870	40 30
422	Isolation Valves	1987	\$2,201	M	\$95,818	40 30
247	Other Valves	1987	\$2,910	M	\$488,818	40 30
581	Firehydrants	1987	\$9,273	M	\$1,901,558	60 30
20	Pressure Reducing Valves	2017	\$0,000	C	\$102,500	40 0

The report is stating all pipes were put into service in 1974 and all valves and fire hydrants were installed in 1987. Piping, valves and fire Hydrants are put in at the same time for those of you that are not familiar with the water distribution system.

There are many more errors within the report. What I have presented adds up to \$1,064,768 in CRP revenue. While there is value in each of the items describe it is not at the value of original costs at the time listed and presented within the RCAC report. This could have been avoided with common sense and more questions from the Board. Did anyone review this report before presenting it to be published? A general review of some items does not show you the errors due to the small print. The print for the ratepayers must be magnified to read it. I spotted these errors once I used a magnify glass. No one learned anything from Mechenburg? Or did they?

I double check to see if my finding were valid with Howard Jarvis taxpayers. Their response was:

"Thank you for your inquiry regarding the use of inflated assets to justify a higher than necessary water rate increase. If I understand your email, you believe the District artificially inflated the value of assets that have a limited useful life to justify increasing current rates more than necessary to fund the future replacement of those assets. You asked if this is legal."

Article 13D, section 6(b)(1) of the California Constitution provides that "the fee or charge shall not exceed the funds required to provide the property related service." A fee based on artificially inflated future replacement costs would obviously exceed the "funds required" and would therefore be illegal. "

You have all the pieces to redo this horribly done rate increase. To solve this issue all you needed to do is include Depreciation in your budget as you should and it would be resolved. You are presently wasting District funds over a lawsuit on this one issue. Fix it and save the Public's money. No one needs another Leow suit, \$500,000 plus for something that could have been settled for \$30,000.

The Public relies on you, the Board elected by the Public to oversee the Finances and General Manager, not just rubber stamp anything presented to you. It is your responsibility to read the packet prior to the meeting and not just open it at the meeting. If you have a question and not enough documentation, be

brave, ask management to provide you with more clear information to make an informed opinion to vote in the Public's best interest. There is nothing wrong in not understanding the information that is presented by the staff and asking a question to clarify it. What is best for the Public is what is best for the District and not always best for the GM.

Transparency needs to be an action not just a word.

The present structure of this Board is hopeful to oversee the Public's District with integrity and honesty. Just a little guidance and training to your GM will improve this District immensely.

Maria Capraun

Firm

Churchwell White LLP is a law firm with deep roots in California. Based in the state's capital, we have a particular focus on sound public policy. Our lawyers and lobbyists work in the areas of government relations, regulatory matters, public law, political issues, ethics and conflicts of interest, real estate and land use, environmental and natural resources, water, litigation and more.

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Churchwell White LLP

The Ralph M. Brown Act

Meeting Laws Pocket Guide

GDPUD Board Mtg. of 1/8/2019
AGENDA ITEM 5.A.
December 11, 2018 Minutes
Attach 3, Pg. 1 of 4

Churchwell White LLP

Contents

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- Who is Covered by the Brown Act? 4
- What is a Meeting? 5
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- Rules for Public Meetings 7
- Agenda Requirements 8
- Notice Requirements 9
- Closed Session 12

What is the Brown Act?

The Ralph M. Brown Act ("Act"), set forth in California Government Code ("GC") §§ 54950 through 54963, requires that meetings of public bodies be "open and public." The goal of the Act is to increase government transparency.

Violations of the Act

Violations may result in an invalidation of the action.

Individual members of the legislative body who violate the Act may be charged with a misdemeanor if: (1) the member intends to deprive the public of information, and (2) the public is entitled to that information. (GC §§ 54950.1, 54959)

Key Terms

Local Public Agency – includes counties, cities, schools, and special districts

Legislative Body – a local agency's governing body (e.g., city council) and "covered boards" (permanent and temporary boards, commissions, task forces, or other advisory bodies created by the local agency)

Quorum – the number of members needed to take valid action (usually a majority of members of the legislative body or other group covered under the Act)

Regular Meeting – meetings at the dates, times, and location set by resolution, by-law, or other formal action by the legislative body

Special Meeting – meetings called by the presiding officer or majority of the legislative body to discuss specific items on the agenda

Emergency Meeting – meetings called by the majority of the legislative body during an emergency (crippling activity, strikes, public health, public safety impairments)

Dire Emergency Meeting – meetings called by the majority of the legislative body during a dire emergency (crippling disasters, terrorism, public health or safety threats)

Adjourned Meeting – regular or special meetings adjourned or re-adjourned to a time and place specified in the order of adjournment

Closed Session – private sessions held during meetings for limited purposes

Who is Covered by the Brown Act?

Covered

Local public agencies (GC § 54951)

Legislative bodies and covered boards of local public agencies (GC § 54952)

Standing committees of a covered board, regardless of number of members (GC § 54952)

Governing bodies of any private organization meeting certain requirements (GC § 54952)

Not Covered

Ad hoc advisory committees with less than a quorum of the covered board (GC § 54952)

Most other non-profit corporations

All other government agencies (e.g., state agencies) are covered under the Bagley-Keene Open Meeting Act (GC §§ 11120-11132)

What is a Meeting? (GC § 54952.2)

Any gathering of a majority of the members of a legislative body at the same time and location (including those who are teleconferencing in) to hear, discuss, deliberate, or take action on any matter under the local public agency's jurisdiction (Example: 3 of 5 councilmembers meet to discuss an ordinance)

Serial Meeting

Definition

A series of individual contacts, which results in information regarding members' thoughts on agency matters communicated to a quorum of legislative body members, is a meeting. Serial meetings are prohibited.

Examples

(1) Daisy Chain Meeting: "A" talks to "B" who talks to "C," who then talks to "D."

(2) Spoke and Wheel Meeting: A third person "X" is at the center of the communication. The members never talk to each other; they all talk individually to "X."

What are NOT Meetings? (GC §§ 54952.2, 54953.1)

Briefings regarding public agency business, if the content is informative and does not involve communicating the position or comments of any other legislative body member

Conversations between legislative body members not regarding public agency business

Conferences open to the public involving issues of interest to the legislative body

Other public meetings (e.g., an organization hosts an open and publicized meeting on a topic of local community concern)

Meetings of other bodies of the public agency (e.g., councilmembers attending a planning commission meeting)

Social or ceremonial occasions

Public meetings of a public agency's standing committee, if the legislative body members, who are not members of the standing committee, attend only as observers

Legislative body members may testify in private before a grand jury

Rules for Public Meetings

Meetings Must

Be open and public.(including teleconferenced meetings) (GC § 54953)

Comply with the Americans with Disabilities Act (GC § 54953.2)

Permit the public to audio or video record the meeting (GC § 54953.5)

Permit broadcasting of the meeting (GC § 54953.6)

Permit criticism of public policies, procedures, programs, or services, and the legislative body's acts (GC § 54954.3)

Permit public testimony and inspection (GC § 54954.3)

Pertain only to agenda items (GC § 54954.2)

Meetings Must Not

Be held in any facility with discriminatory policies (GC § 54961)

Require the public to give personal information, answer questions, or fulfill any condition to participate in meetings (GC § 54953.3)

The Legislative Body May

Prohibit public recordings or broadcasts if the noise, illumination, or obstruction of view is persistently disruptive (GC §§ 54953.5-54953.6)

Set reasonable limits on public testimony (GC § 54954.3)

Clear the meeting room, except for press or news media, if individuals willfully interrupt the meeting in a way that order cannot be restored by removing the disruptive individuals (GC § 54957.9)

Agenda Requirements (GC § 54954.2)

Basic Requirements

Brief description of items to be discussed

Time and location of meeting

Procedure for obtaining disability-related modifications or accommodations

Notice Requirements

Basic Requirements

Provide agenda to all whom request it and in an appropriate format

Mail when posted or when distributed to majority of the legislative body

Post in location freely accessible to public and on agency's website

Generally (GC § 54953)

No secret ballots

Publicly report all actions, votes, and abstentions

Regular (GC §§ 54954-54954.2) Notice: 72 hrs. before

Must hold in public agency's jurisdiction, with exceptions

Special (GC § 54945) Notice: 24 hrs. before

No business may be considered except that for which the meeting is called

Closed session permitted

Cannot use for discussion of salaries, salary schedules, compensation through fringe benefits, or local agency executive

Must hold in public agency's jurisdiction, with exceptions

Emergency (GC §§ 54954, 54954.2, 54956.5) *Notice: 1 hr. before*

Closed session requires 2/3 vote of body, unanimous if less than 2/3 of body is present

Certain reports required at future meetings

Hold elsewhere if unsafe to meet at set location

Dire Emergency *Notice: depends**

*When members are notified or ASAP if phones are down

Requirements are the same as those under "Emergency"

Continued (GC § 54955.1) *Notice: none***

**For items continued from prior meeting set not more than 5 days prior to date action taken on item

Closed Session (GC §§ 54954.5, 54956.7-54957.2, 54957.6-54957.8, 54957.10)

Notice Requirement

Requires agenda notice, pre-closed session announcement, and post-closed session report of action taken

May only hold closed session on a particular topic if Act explicitly permits it

May only hold on a particular topic if explicitly permitted

Act provides safe-harbor language for 17 closed session items, to be used in legislative body agendas

Closed sessions on employment matters include additional notice and hearing rules

Confidential information acquired in closed session cannot be disclosed unless the legislative body authorizes disclosure of the information

Adjourned (GC § 54955)

Notice Requirement

Post order of adjournment at place meeting was held within 24 hours of the time of adjournment

Teleconference (GC § 54953)

Notice Requirement

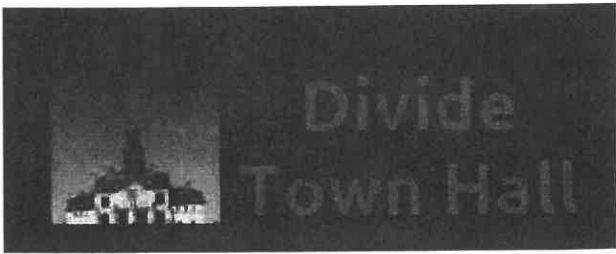
Post agenda at all teleconference locations

Notice and agenda must identify teleconference location

Must conduct in manner which protects statutory and constitutional rights of parties or public appearing before the legislative body

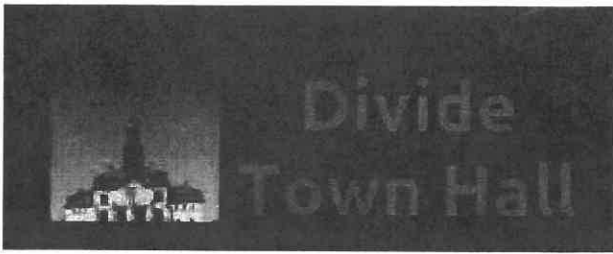
Votes taken by roll call

Requires quorum of the legislative body to be in public agency jurisdiction



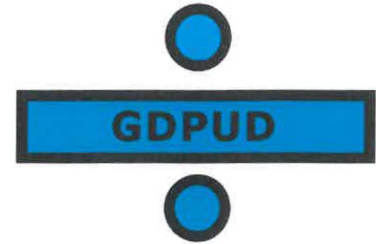
Community Questions - November 2018

1. When will the new ALT drinking water treatment plant be finished and in use?
2. Why does the water district need to hire an engineer if the general manager is a professional engineer?
3. What are you going to do to run the district better?
4. What does 218 stand for?
5. What benefits does the community get from the 218 rate increases and the ALT plant?
6. How many people can be on the finance committee?
7. Why lease the land that the ALT drinking water treatment plant sits on?
8. What kind of state requirements are on our irrigation water? How much water has to go down the American River for fish?
9. What can be done to keep irrigation water on the divide since it benefits all in the area?
10. Has it been determined that the 218 on irrigation water was legal?
11. How do we preserve irrigation water for customers who gave up their minors inches?
12. Why am I not getting the irrigation volume that I'm paying for? Why isn't there enough pressure in my irrigation pipe?
13. Why isn't there a search feature on the water district website?
14. Why hasn't the in accurate billing with the rate change ever been credited back to the customers?
15. Can certain positions within the district have salary caps?
16. Do you have a plan for developing good job descriptions? Can we trim some positions or combine skill sets?
17. To what degree does the board get involved in hiring?
18. Does the GM bring back hire/positions to the board for oversight and approval?
19. Why were the customers taken off the org chart?



20. Why re-create documents and policies? Why not use policy that is similar to other similar sized water district?
21. Can Training be done online to save travel expenses?
22. How can board members talk to community without brown after violations?
23. Why doesn't the board consist of folks from different areas or districts?
24. Can the community ask to have a topic placed on the agenda?
25. Is there a Facebook Page set up to share community input and feedback from water district staff?
26. Can't correspondence be added to the board packets?

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2018
AGENDA ITEM NO. 5.B.1.**



AGENDA SECTION: CONSENT CALENDAR

SUBJECT: CASH BALANCES – NOVEMBER 2018

PREPARED BY: Christina Cross, Management Analyst *ccross*

APPROVED BY: Steven Palmer, PE, General Manager *[Signature]*

BACKGROUND

The Cash Balances Report details the District's cash position as of the month end to demonstrate transparency and accountability of relevant financial data from which prudent fiscal decisions and policies are made. The Cash Balances Report is unlike a quarterly budget to actual report; its purpose is to report on ending cash balances and the related sources and uses of cash during the period.

DISCUSSION

The Cash Balance Report as of month ending November 30, 2018 shows the District's cash balances total \$9,598,603.03

Cash is held with the following institutions in the amounts of:

El Dorado Savings Bank - Checking	\$ 137,976.64
El Dorado Savings Bank - Savings	2,371,574.49
Local Agency Investment Fund (LAIF)	7,089,051.90
	<u>\$ 9,598,603.03</u>

Georgetown Divide Public Utility District
Statement of Cash Flow

For Period November 1, 2018 through November 30, 2018

Fund Description	Beginning Balance	Cash In Cash Receipts	Accounts Payable	Payroll	Journal Entries	Ending Cash Balance
08 - SMUD Fund	195,257.80	0	0	0	0	195,257.80
09 - CABY Grant	(56,321.16)	4,590.79	(326,090.15)	(1,761.37)	(130.45)	(379,712.34)
10 - Water Fund	1,972,235.32	555,284.58	(146,483.69)	(104,299.68)	(56,672.22)	2,220,064.31
12 - Retiree Fund	483,370.77	3,424.05	(10,559.39)	0	0	476,235.43
14 - Stewart Mine Water Project Fund	33,969.79	0	0	0	0	33,969.79
17 - Water Development Fund	409,970.85	0	0	0	0	409,970.85
19 - STUMPY MDWS Emergency Fund	1,060,134.01	0	0	0	0	1,060,134.01
20 - ALT Fund	975,086.49	0	(246,258.31)	0	0	728,828.18
24 - Capital Replacement Fund	665,014.17	0	0	0	0	665,014.17
25 - Bayne Rd bond Fund	45,872.84	0	0	0	0	45,872.84
29 - State Revolving Fund	(14,814.06)	0	(2,296.95)	0	0	(17,111.01)
30 - Hydro Fund	674,368.53	7,951.99	(67.07)	0	0	682,253.45
35 - Restricted Pipeline Fund	(90,530.11)	0	0	0	0	(90,530.11)
37 - Garden Valley Maintenance Fund	72,985.20	0	0	0	0	72,985.20
39 - Cap Facility Charges ORD 2007-01	1,735,584.39	0	(106,951.50)	0	0	1,628,632.89
40 - Zone Fund	1,002,232.28	45,130.54	(12,599.29)	(7,054.09)	(1,992.01)	1,025,717.43
41 - CDS M&O Fund	39,783.17	0	0	0	0	39,783.17
42 - CDS Reserve Expansion Fund	171,501.58	0	0	0	0	171,501.58
43 - New Capital Reserve	467,116.13	0	0	0	0	467,116.13
51 - Kelsey North WAD 1989-1	114,050.06	0	0	0	0	114,050.06
52 - Kelsey South WAD 1989-4	55,996.32	0	0	0	0	55,996.32
53 - Pilot Hill North WAD 1989-2	(7,480.80)	0	0	0	0	(7,480.80)
54 - Pilot Hill South WAD 1989-3	53.68	0	0	0	0	53.68
Total Distributed Cash ----->	10,005,437.25	616,381.95	(851,306.35)	(113,115.14)	(58,794.68)	9,598,603.03

Cash in Eldorado Savings and LAIF

1000 - El Dorado Savings Bank General Checking	137,976.64
1010 - El Dorado Savings Bank Collections	2,371,574.49
1022 - LAIF	7,089,051.90
Total Cash ----->	9,598,603.03

REPORT.: Dec 24 18 Monday
 RUN...: Dec 24 18 Time: 10:48
 Run By.: Christina Cross

Georgetown Divide PUD
 Month End Cash Disbursements Report
 Report for 11-18 BANK ACCOUNT 1000

GDPU Board Mtg. of 01/08/2019
 AGENDA ITEM 5.B.1.
 Attachment 2
 Page 1 of 1

PAGE: 001
 ID #: PY-CD
 CTL.: GEO

Period	Check Number	Check Date	Vendor # (Name)	Disc. Terms	Gross Amount	Disc Amount	Net Amount	Check Description
11-18	029353	11/07/18	ANS01 (ANSWERING SPECIALISTS INC)		79.95	.00	79.95	Automatic Generated Check
	029354	11/07/18	ATT02 (AT&T)		1,552.94	.00	1,552.94	Automatic Generated Check
	029355	11/07/18	BEA01 (BUTTE EQUIPMENT RENTALS)		500.00	.00	500.00	Automatic Generated Check
	029356	11/07/18	BLU07 (BLUE SHIELD OF CALIFORNIA)		1,674.00	.00	1,674.00	Automatic Generated Check
	029357	11/07/18	CALL16 (CALTRONICS BUSINESS SYSTEMS CORP.)		698.76	.00	698.76	Automatic Generated Check
	029358	11/07/18	CLS01 (CLS LABS)		211.60	.00	211.60	Automatic Generated Check
	029359	11/07/18	CWS01 (CORBIN WILLITS SYS. INC.)		573.20	.00	573.20	Automatic Generated Check
	029360	11/07/18	ELD16 (EL DORADO DISPOSAL)		331.41	.00	331.41	Automatic Generated Check
	029361	11/07/18	ELL02 (ALEXIS ELLIOTT)		253.61	.00	253.61	Automatic Generated Check
	029362	11/07/18	GEO02 (GEORGETOWN GAZETTE)		56.15	.00	56.15	Automatic Generated Check
	029363	11/07/18	GEO04 (DIVIDE SUPPLY ACE HARDWARE)		84.47	.00	84.47	Automatic Generated Check
	029364	11/07/18	MED01 (MEDICAL EYE SERVICES)		397.25	.00	397.25	Automatic Generated Check
	029365	11/07/18	NAT04 (NATIONAL DOCUMENT)		74.90	.00	74.90	Automatic Generated Check
	029366	11/07/18	PAC02 (PACIFIC GAS & ELECTRIC)		16,723.65	.00	16,723.65	Automatic Generated Check
	029367	11/07/18	POW01 (POWERNET GLOBAL COMM.)		189.57	.00	189.57	Automatic Generated Check
	029368	11/07/18	PRE01 (PREMIER ACCESS INS CO)		3,440.15	.00	3,440.15	Automatic Generated Check
	029369	11/07/18	PSO01 (PSOMAS)		19,688.00	.00	19,688.00	Automatic Generated Check
	029370	11/07/18	ROB02 (ROBINSON ENTERPRISES)		2,877.56	.00	2,877.56	Automatic Generated Check
	029371	11/07/18	TEL01 (A. TEICHERT & SON, INC)		755.54	.00	755.54	Automatic Generated Check
	029372	11/07/18	VER01 (VERIZON WIRELESS)		837.55	.00	837.55	Automatic Generated Check
	029373	11/07/18	ICM02 (ICMA-R.T.-457 (ee))		1,519.84	.00	1,519.84	Automatic Generated Check
	029374	11/07/18	IU001 (IUOE, LOCAL 39)		346.19	.00	346.19	Automatic Generated Check
	029375	11/07/18	IU002 (PEU LOCAL #1)		216.90	.00	216.90	Automatic Generated Check
	029376	11/13/18	ACW05 (ACWA/JPIA HEALTH)		48,112.77	.00	48,112.77	Automatic Generated Check
	029377	11/13/18	ADT01 (ADT SECURITY SERVICES)		42.08	.00	42.08	Automatic Generated Check
	029378	11/13/18	ADT01 (ADT SECURITY SERVICES)		161.46	.00	161.46	Automatic Generated Check
	029379	11/13/18	AME08 (AMERICAN MESSAGING)		10.73	.00	10.73	Automatic Generated Check
	029380	11/13/18	BEC01 (STEPHANIE BECK)		69.76	.00	69.76	Automatic Generated Check
	029381	11/13/18	BOS01 (BOSCO CONSTRUCTORS, INC)		427,806.00	.00	427,806.00	Automatic Generated Check
	029382	11/13/18	CAR08 (CSI)		59.00	.00	59.00	Automatic Generated Check
	029383	11/13/18	CCS01 (CCSINTERACTIVE)		69.00	.00	69.00	Automatic Generated Check
	029384	11/13/18	LSL01 (LANCE, SOLL & LUNGHARD, LLP)		16,245.00	.00	16,245.00	Automatic Generated Check
	029385	11/13/18	MJT01 (MJT ENTERPRISES, INC.)		4,845.72	.00	4,845.72	Automatic Generated Check
	029386	11/13/18	MOB01 (MOBILE MINI, LLC-CA)		197.79	.00	197.79	Automatic Generated Check
	029387	11/13/18	MYE01 (Myers and Sons)		219,332.01	.00	219,332.01	Automatic Generated Check
	029388	11/13/18	USP01 (POSTMASTER)		225.00	.00	225.00	Automatic Generated Check
	029389	11/13/18	VAV01 (VAVRINEK, TRINE, DAY & CO., LLP)		20,767.50	.00	20,767.50	Automatic Generated Check
	029390	11/13/18	WAL02 (WALKER'S OFFICE SUPPLY)		150.94	.00	150.94	Automatic Generated Check
	029391	11/13/18	\L001 (LEWIS, DONNA)		20.00	.00	20.00	Automatic Generated Check
	029392	11/13/18	\R002 (RAMIRO, SENA)		12.00	.00	12.00	Automatic Generated Check
	029393	11/13/18	\R008 (RHODES, JOHN/SHERI)		23.72	.00	23.72	Automatic Generated Check
	029394	11/21/18	AFL01 (AMERICAN FAMILY LIFE INS)		1,495.68	.00	1,495.68	Automatic Generated Check
	029395	11/21/18	ICM02 (ICMA-R.T.-457 (ee))		1,519.84	.00	1,519.84	Automatic Generated Check
	029396	11/21/18	IU001 (IUOE, LOCAL 39)		346.19	.00	346.19	Automatic Generated Check
	029397	11/21/18	IU002 (PEU LOCAL #1)		216.90	.00	216.90	Automatic Generated Check
	029398	11/21/18	AAR01 (AARP MEDICAREERX SAVER PLUS, PDP)		44.20	.00	44.20	Automatic Generated Check
	029399	11/21/18	ANS01 (ANSWERING SPECIALISTS INC)		79.95	.00	79.95	Automatic Generated Check
	029400	11/21/18	BLU01 (ANTHEM BLUE CROSS)		1,728.03	.00	1,728.03	Automatic Generated Check
	029401	11/21/18	BLU06 (BLUE SHIELD OF CALIFORNIA)		546.00	.00	546.00	Automatic Generated Check
	029402	11/21/18	CALL16 (CALTRONICS BUSINESS SYSTEMS CORP.)		553.96	.00	553.96	Automatic Generated Check
	029403	11/21/18	CHU02 (CHURCHWELL WHITE, LLP)		20,997.52	.00	20,997.52	Automatic Generated Check
	029404	11/21/18	CLS01 (CLS LABS)		430.22	.00	430.22	Automatic Generated Check
	029405	11/21/18	DEL05 (DELAGÉ LANDEN, INC)		413.85	.00	413.85	Automatic Generated Check
	029406	11/21/18	GEO12 (GEORGE SANDERS)		10,524.55	.00	10,524.55	Automatic Generated Check
	029407	11/21/18	HAN09 (HANSFORD ECONOMIC CONSULTING)		7,750.60	.00	7,750.60	Automatic Generated Check
	029408	11/21/18	MED01 (MEDICAL EYE SERVICES)		378.51	.00	378.51	Automatic Generated Check
	029409	11/21/18	MJT01 (MJT ENTERPRISES, INC.)		3,866.20	.00	3,866.20	Automatic Generated Check
	029410	11/21/18	OCC01 (OCCU-MED, LTD)		580.00	.00	580.00	Automatic Generated Check
	029411	11/21/18	PAL01 (STEVE PALMER)		59.19	.00	59.19	Automatic Generated Check
	029412	11/21/18	PRE01 (PREMIER ACCESS INS CO)		3,177.76	.00	3,177.76	Automatic Generated Check
	029413	11/21/18	SOU01 (DAVE SOUZA)		35.00	.00	35.00	Automatic Generated Check
	029414	11/21/18	THA01 (THATCHER COMPANY OF CALIFORNIA INC)		585.65	.00	585.65	Automatic Generated Check
	029415	11/21/18	UNI06 (UNITEDHEALTHCARE INSURANCE CO)		149.25	.00	149.25	Automatic Generated Check
	029416	11/21/18	UNI07 (UNITEDHEALTHCARE CLAIM DIVISION)		167.07	.00	167.07	Automatic Generated Check
	029417	11/21/18	USB05 (U.S. BANK CORPORATE PAYMENT SYSTEM)		1,409.61	.00	1,409.61	Automatic Generated Check
	029418	11/21/18	WEL02 (WELLS FARGO BANK, NA)		2,296.95	.00	2,296.95	Automatic Generated Check
	029419	11/21/18	YOU01 (YOUNGDAHL CONSULTING GRP.)		720.00	.00	720.00	Automatic Generated Check
Total for Bank Account 1000 ----->					851,306.35	.00	851,306.35	
Grand Total of all Bank Accounts ----->					851,306.35	.00	851,306.35	

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Check#	Check Date	Vend#	Vendor Name	Check Amount
029468	12/19/18	ICM02	ICMA-R.T.-457 (ee)	1386.08
Sub-Total:(1)				1386.08
Sub-Count: 1				
029469	12/19/18	IU001	IUOE, LOCAL 39	346.19
Sub-Total:(1)				346.19
Sub-Count: 1				
029470	12/19/18	IU002	PEU LOCAL #1	232.39
Sub-Total:(1)				232.39
Sub-Count: 1				
029471	12/19/18	AAR01	AARP MEDICARERX SAVER PLUS, PD	33.10
Sub-Total:(1)				33.10
Sub-Count: 1				
029472	12/19/18	ADT01	ADT SECURITY SERVICES	42.08
029472	12/19/18	ADT01	ADT SECURITY SERVICES	161.46
Sub-Total:(1)				203.54
Sub-Count: 2				
029473	12/19/18	AQU01	AQUA SIERRA CONTROLS INC.	1065.85
Sub-Total:(1)				1065.85
Sub-Count: 1				
029474	12/19/18	BEC01	STEPHANIE BECK	177.45
Sub-Total:(1)				177.45
Sub-Count: 1				
029475	12/19/18	BJP01	BJ PEST CONTROL	220.00
Sub-Total:(1)				220.00
Sub-Count: 1				
029476	12/19/18	BLU01	ANTHEM BLUE CROSS	298.35
029476	12/19/18	BLU01	ANTHEM BLUE CROSS	298.35
029476	12/19/18	BLU01	ANTHEM BLUE CROSS	234.81
029476	12/19/18	BLU01	ANTHEM BLUE CROSS	298.35
Sub-Total:(1)				1129.86
Sub-Count: 4				
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	2137.50
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	228.70
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	200.00
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	521.90
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	3495.88
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	75.00
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	180.50
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	4532.03
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	.00
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	6142.02
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	.00
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	.00
029477	12/19/18	CHU02	CHURCHWELL WHITE, LLP	18.60
Sub-Total:(1)				17532.13
Sub-Count: 13				
029478	12/19/18	CLS01	CLS LABS	3214.40
029478	12/19/18	CLS01	CLS LABS	44.10
029478	12/19/18	CLS01	CLS LABS	78.40
029478	12/19/18	CLS01	CLS LABS	44.10
029478	12/19/18	CLS01	CLS LABS	407.68
Sub-Total:(1)				3788.68
Sub-Count: 5				
029479	12/19/18	DEL05	DELAGE LANDEN, INC	228.20
029479	12/19/18	DEL05	DELAGE LANDEN, INC	185.65
Sub-Total:(1)				413.85
Sub-Count: 2				

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029480	12/19/18	ENV01	ENVIRO TECH SERVICES COMPANY,	205.68
Sub-Total:(1)				205.68
Sub-Count: 1				
029481	12/19/18	EPO01	EPOXYTEC	1075.68
Sub-Total:(1)				1075.68
Sub-Count: 1				
029482	12/19/18	FER01	FERRELLGAS	1431.19
029482	12/19/18	FER01	FERRELLGAS	691.56
Sub-Total:(1)				2122.75
Sub-Count: 2				
029483	12/19/18	FER02	FERGUSON ENTERPRISES INC	64.94
Sub-Total:(1)				64.94
Sub-Count: 1				
029484	12/19/18	FRE03	FREEMAN, D'AIUTO, PIERCE	1000.78
Sub-Total:(1)				1000.78
Sub-Count: 1				
029485	12/19/18	G&O01	G & O BODY SHOP	165.00
Sub-Total:(1)				165.00
Sub-Count: 1				
029486	12/19/18	GEO03	STEPHANIE BECK	16.27
029486	12/19/18	GEO03	STEPHANIE BECK	7.33
029486	12/19/18	GEO03	STEPHANIE BECK	35.69
029486	12/19/18	GEO03	STEPHANIE BECK	32.18
029486	12/19/18	GEO03	STEPHANIE BECK	7.25
029486	12/19/18	GEO03	STEPHANIE BECK	3.50
029486	12/19/18	GEO03	STEPHANIE BECK	3.50
Sub-Total:(1)				105.72
Sub-Count: 7				
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	15.28
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	7.57
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	.00
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	.00
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	.00
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	.00
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	.00
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	53.60
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	24.65
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	57.01
029487	12/19/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	6.00
Sub-Total:(1)				164.11
Sub-Count: 11				
029488	12/19/18	HAN09	HANSFORD ECONOMIC CONSULTING	741.25
Sub-Total:(1)				741.25
Sub-Count: 1				
029489	12/19/18	HAR03	HARRIS INDUSTRIAL GASES	102.19
029489	12/19/18	HAR03	HARRIS INDUSTRIAL GASES	74.66
029489	12/19/18	HAR03	HARRIS INDUSTRIAL GASES	74.66
Sub-Total:(1)				251.51
Sub-Count: 3				
029490	12/19/18	HER02	HERCULES INDUSTRIES, INC.	362.98
Sub-Total:(1)				362.98
Sub-Count: 1				
029491	12/19/18	HOL02	HOLDREGE & KULL	2000.00
Sub-Total:(1)				2000.00
Sub-Count: 1				
029492	12/19/18	KEY01	KEYS PLUS	101.48

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Check#	Check Date	Vend#	Vendor Name	Check Amount
Sub-Total:(1)				101.48
Sub-Count: 1				
029493	12/19/18	KLA02	CHRISTIAN KLAHN	527.53
Sub-Total:(1)				527.53
Sub-Count: 1				
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	382.20
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	522.26
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	784.00
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	196.00
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	372.40
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	879.59
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	16.50
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	842.80
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	333.20
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	78.40
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	39.20
029494	12/19/18	MJT01	MJT ENTERPRISES, INC.	879.60
Sub-Total:(1)				5326.15
Sub-Count: 12				
029495	12/19/18	POL01	POLLARD WATER	291.60
Sub-Total:(1)				291.60
Sub-Count: 1				
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	116.60
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	291.50
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	116.60
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	291.50
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	174.90
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	2040.87
029496	12/19/18	PRE01	PREMIER ACCESS INS CO	116.60
Sub-Total:(1)				3148.57
Sub-Count: 7				
029497	12/19/18	PRO04	PAUL FUNK	265.00
Sub-Total:(1)				265.00
Sub-Count: 1				
029498	12/19/18	PSO01	PSOMAS	8133.00
Sub-Total:(1)				8133.00
Sub-Count: 1				
029499	12/19/18	ROB01	DON ROBINSON	822.07
Sub-Total:(1)				822.07
Sub-Count: 1				
029500	12/19/18	ROB02	ROBINSON ENTERPRISES	673.42
029500	12/19/18	ROB02	ROBINSON ENTERPRISES	312.46
029500	12/19/18	ROB02	ROBINSON ENTERPRISES	664.28
029500	12/19/18	ROB02	ROBINSON ENTERPRISES	105.63
029500	12/19/18	ROB02	ROBINSON ENTERPRISES	210.76
029500	12/19/18	ROB02	ROBINSON ENTERPRISES	.00
Sub-Total:(1)				1966.55
Sub-Count: 6				
029501	12/19/18	SAN02	Santander Leasing	69.34
029501	12/19/18	SAN02	Santander Leasing	1161.54
Sub-Total:(1)				1230.88
Sub-Count: 2				
029502	12/19/18	SIE10	SIERRA SAFETY	88.75
Sub-Total:(1)				88.75
Sub-Count: 1				
029503	12/19/18	SIE12	MICHAEL S. SALLAC	80.00
029503	12/19/18	SIE12	MICHAEL S. SALLAC	80.00
029503	12/19/18	SIE12	MICHAEL S. SALLAC	80.00
Sub-Total:(1)				240.00

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Sub-Count: 3				
029504	12/19/18	SWR01	SWRCB ACCOUNTING OFFICE	2286.00
029504	12/19/18	SWR01	SWRCB ACCOUNTING OFFICE	16347.00
029504	12/19/18	SWR01	SWRCB ACCOUNTING OFFICE	550.00
Sub-Total:(1)				19183.00
Sub-Count: 3				
029505	12/19/18	SWR04	STATE WATER RESOURCES CONTROL	63726.36
Sub-Total:(1)				63726.36
Sub-Count: 1				
029506	12/19/18	UNI06	UNITEDHEALTHCARE INSURANCE CO	156.75
Sub-Total:(1)				156.75
Sub-Count: 1				
029507	12/19/18	UNI07	UNITEDHEALTHCARE CLAIM DIVISIO	167.07
Sub-Total:(1)				167.07
Sub-Count: 1				
029508	12/19/18	USA03	USA BLUE BOOK	155.23
Sub-Total:(1)				155.23
Sub-Count: 1				
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	169.99
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	15.00
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	29.43
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	42.88
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	31.63
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	28.94
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	27.87
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	440.48
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	16.00
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	16.00
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	84.00
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	105.65
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	237.77
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	57.97
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	2.49
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	-370.00
029509	12/19/18	USB05	U.S. BANK CORPORATE PAYMENT SY	15.99
Sub-Total:(1)				952.09
Sub-Count: 17				
029510	12/19/18	USD01	USDA-FOREST SERVICE	380.78
029510	12/19/18	USD01	USDA-FOREST SERVICE	3055.61
029510	12/19/18	USD01	USDA-FOREST SERVICE	377.00
029510	12/19/18	USD01	USDA-FOREST SERVICE	1023.58
Sub-Total:(1)				4836.97
Sub-Count: 4				
029511	12/19/18	USP01	POSTMASTER	2250.00
029511	12/19/18	USP01	POSTMASTER	450.00
029511	12/19/18	USP01	POSTMASTER	300.00
Sub-Total:(1)				3000.00
Sub-Count: 3				
029512	12/19/18	WAL02	WALKER'S OFFICE SUPPLY	363.88
Sub-Total:(1)				363.88
Sub-Count: 1				
029513	12/19/18	WEL02	WELLS FARGO BANK, NA	2296.95
Sub-Total:(1)				2296.95
Sub-Count: 1				
029514	12/19/18	YOU01	YOUNGDAHL CONSULTING GRP.	2462.00
Sub-Total:(1)				2462.00
Sub-Count: 1				
029515	01/02/19	AFL01	AMERICAN FAMILY LIFE INS	1495.68

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Sub-Total:(1)				1495.68
Sub-Count: 1				
029516	01/02/19	ICM02	ICMA-R.T.-457 (ee)	1386.08
Sub-Total:(1)				1386.08
Sub-Count: 1				
029517	01/02/19	IU001	IUOE, LOCAL 39	346.19
Sub-Total:(1)				346.19
Sub-Count: 1				
029518	01/02/19	IU002	PEU LOCAL #1	232.39
Sub-Total:(1)				232.39
Sub-Count: 1				
029519	01/02/19	GOL08	SHERRY GOLD	3600.00
Sub-Total:(1)				3600.00
Sub-Count: 1				
029520	01/02/19	AME08	AMERICAN MESSAGING	10.73
Sub-Total:(1)				10.73
Sub-Count: 1				
029521	01/02/19	ANS01	ANSWERING SPECIALISTS INC	79.95
Sub-Total:(1)				79.95
Sub-Count: 1				
029522	01/02/19	ATT02	AT&T	237.06
029522	01/02/19	ATT02	AT&T	355.58
029522	01/02/19	ATT02	AT&T	355.58
029522	01/02/19	ATT02	AT&T	134.49
029522	01/02/19	ATT02	AT&T	171.84
029522	01/02/19	ATT02	AT&T	164.14
029522	01/02/19	ATT02	AT&T	67.07
029522	01/02/19	ATT02	AT&T	67.07
Sub-Total:(1)				1552.83
Sub-Count: 8				
029523	01/02/19	CAL16	CALTRONICS BUSINESS SYSTEMS CO	602.17
Sub-Total:(1)				602.17
Sub-Count: 1				
029524	01/02/19	CAR08	CSI	59.00
Sub-Total:(1)				59.00
Sub-Count: 1				
029525	01/02/19	CAR09	CARNAHAN COMPUTER SERVICE	2250.00
Sub-Total:(1)				2250.00
Sub-Count: 1				
029526	01/02/19	CEI01	CEIRANTE, MARTIN	100.00
Sub-Total:(1)				100.00
Sub-Count: 1				
029527	01/02/19	CIT01	CITY OF SACRAMENTO	6920.38
Sub-Total:(1)				6920.38
Sub-Count: 1				
029528	01/02/19	CWS01	CORBIN WILLITS SYS. INC.	573.20
Sub-Total:(1)				573.20
Sub-Count: 1				
029529	01/02/19	KLA02	CHRISTIAN KLAHN	94.63
Sub-Total:(1)				94.63

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Sub-Count: 1				
029530	01/02/19	MED01	MEDICAL EYE SERVICES	24.98
029530	01/02/19	MED01	MEDICAL EYE SERVICES	53.10
029530	01/02/19	MED01	MEDICAL EYE SERVICES	18.74
029530	01/02/19	MED01	MEDICAL EYE SERVICES	53.10
029530	01/02/19	MED01	MEDICAL EYE SERVICES	28.11
029530	01/02/19	MED01	MEDICAL EYE SERVICES	185.49
029530	01/02/19	MED01	MEDICAL EYE SERVICES	18.74

Sub-Total:(1)				382.26
Sub-Count: 7				
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	627.20
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	225.40
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	274.40
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	879.60
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	627.20
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	137.20
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	19.60
029531	01/02/19	MJT01	MJT ENTERPRISES, INC.	896.09

Sub-Total:(1)				3686.69
Sub-Count: 8				
029532	01/02/19	MOB01	MOBILE MINI, LLC-CA	197.79

Sub-Total:(1)				197.79
Sub-Count: 1				
029533	01/02/19	NEX00	NEXGEN	57760.00

Sub-Total:(1)				57760.00
Sub-Count: 1				
029534	01/02/19	POW01	POWERNET GLOBAL COMM.	168.67

Sub-Total:(1)				168.67
Sub-Count: 1				
029535	01/02/19	THO03	THOMPSON AUTO & TRUCK	1432.45

Sub-Total:(1)				1432.45
Sub-Count: 1				
029536	01/02/19	TIL01	NATHAN TILMAN	96.46

Sub-Total:(1)				96.46
Sub-Count: 1				
029537	01/02/19	USA03	USA BLUE BOOK	1957.24

Sub-Total:(1)				1957.24
Sub-Count: 1				
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	27.28
029538	01/02/19	VER01	VERIZON WIRELESS	38.01
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34
029538	01/02/19	VER01	VERIZON WIRELESS	53.34

Sub-Total:(1)				705.37
Sub-Count: 14				
029539	01/08/19	ALL01	ALLEN KRAUSE	12.14
029539	01/08/19	ALL01	ALLEN KRAUSE	12.14
029539	01/08/19	ALL01	ALLEN KRAUSE	12.14
029539	01/08/19	ALL01	ALLEN KRAUSE	4.63
029539	01/08/19	ALL01	ALLEN KRAUSE	4.62
029539	01/08/19	ALL01	ALLEN KRAUSE	4.63
029539	01/08/19	ALL01	ALLEN KRAUSE	4.62
029539	01/08/19	ALL01	ALLEN KRAUSE	305.12
029539	01/08/19	ALL01	ALLEN KRAUSE	120.00
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Check#	Check Date	Vend#	Vendor Name	Check Amount
029539	01/08/19	ALL01	ALLEN KRAUSE	34.30
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029539	01/08/19	ALL01	ALLEN KRAUSE	4.01
029539	01/08/19	ALL01	ALLEN KRAUSE	4.01
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029542	01/08/19	ECO01	ECORP CONSULTING, INC.	6253.94
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029543	01/08/19	GEO04	DIVIDE SUPPLY ACE HARDWARE	34.31
029543	01/08/19	GEO04	DIVIDE SUPPLY ACE HARDWARE	57.29
029543	01/08/19	GEO04	DIVIDE SUPPLY ACE HARDWARE	64.34
029543	01/08/19	GEO04	DIVIDE SUPPLY ACE HARDWARE	58.44
029543	01/08/19	GEO04	DIVIDE SUPPLY ACE HARDWARE	10.19
029543	01/08/19	GEO04	DIVIDE SUPPLY ACE HARDWARE	17.15
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Time...: 12:14 pm
Run by.: Hannah Schnetz

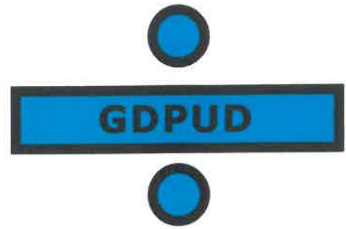
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029548	01/08/19	PIC02	PICOVALE SERVICES, INC.	1821.60
029548	01/08/19	PIC02	PICOVALE SERVICES, INC.	1821.60
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029549	01/08/19	ROB02	ROBINSON ENTERPRISES	154.83
029549	01/08/19	ROB02	ROBINSON ENTERPRISES	220.04
029549	01/08/19	ROB02	ROBINSON ENTERPRISES	.00
029549	01/08/19	ROB02	ROBINSON ENTERPRISES	354.94
029549	01/08/19	ROB02	ROBINSON ENTERPRISES	270.07
029549	01/08/19	ROB02	ROBINSON ENTERPRISES	571.59
029549	01/08/19	ROB02	ROBINSON ENTERPRISES	153.80
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Ttl-Count: 273				

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 5.C.**



AGENDA SECTION: CONSENT

SUBJECT: FY 2017-18 AB 1600 DEVELOPMENT IMPACT FEE REPORT

PREPARED BY: Kristen West, Finance Consultant

APPROVED BY: Steven Palmer, PE, General Manager

A blue ink handwritten signature, appearing to be "S. Palmer", is written over the name of the General Manager.

BACKGROUND

Assembly Bill 1600 passed by the California State Legislature and put in effect January 1, 1989 was codified in Government Code §66000 *et seq.* *The California Mitigation Fee Act.* The Mitigation Fee Act imposes accounting and reporting requirements governing the collection of Development Impact Fees. Development Impact Fees are defined as fees charged to cover the impact of new development on existing infrastructure.

In 2005, the District retained the services of Stantec to prepare a Capital Facility Charge Study, analyzing the impact of development on certain capital facilities and to calculate impact fees based on their findings. Stantec finalized their report in March 2007, and the District passed and adopted Ordinance No. 07-01 on April 10, 2007. On July 1, 2007 the authorized Capital Facility Connection Fee and Capacity Charge fee went in to effect.

The District currently charges connection fees for treated and untreated water in the amount of \$9,200 and \$2,000, respectively. To date, these fees have accumulated in the Capital Facility Charges Fund to be appropriated at a future date to cover the cost of infrastructure developments that are described in Exhibit A of the Stantec Capital Facility Charge Study.

The Mitigation Fee Act requires the District to perform annual reporting, and five-year reporting, to account for the Development Impact Fees that have been collected, expended, and which remain unexpended. The annual reporting requirements (Gov. Code § 66006) require the District to make available to the public information regarding its Development Impact Fee funds, such as (1) a brief description of each type of impact fee collected; (2) the amount of the fee; (3) the beginning and ending balance of the account or fund; (4) the amount of the fees collected and the interest earned; (5) identification of the public facilities in which fees were expended, including the percentage of the cost of each public facility that was funded with impact fees.

Five-Year Reporting Requirements:

In addition, Government Code § 66001 requires the District to make findings with respect to funds that remain unexpended, in order to demonstrate how the fees will be utilized

towards their intended purpose and to estimate the approximate date on which the anticipated funding is expected to be deposited into the appropriate account or fund.

DISCUSSION

In order to meet the annual reporting requirements, the District has prepared the attached Development Impact Fee Report for the fiscal year ended June 30, 2018 (Attachment 2). Pursuant to the requirements within State Law, this report is being presented to the Board of Directors for review at a regularly scheduled public meeting no fewer than 15 days after the information was made available to the public.

State Law also requires periodic review of balances held in excess of five years. In the event that any fees remain unexpended and unencumbered for more than five years, the District may retain the fees if the Board adopts certain findings which substantiate the need for retaining such funds.

As of June 30, 2018, the following Funds hold funds in excess of five years:

Capital Facility Charges Fund	\$1,562,636
-------------------------------	-------------

The funds being accumulated in the Capital Facility Charges Fund are to be used for Water System Capital Improvements needed to support new development. These funds are to be used for the projects identified in the 2007 Stantec Capital Facility Charge Study, such as lining earthen canals/ditches with concrete, and replacing water distribution mains. The pace of new development within the District is slow, and it takes several years to accumulate enough revenue to fund projects from the Capital Facility Charges Fund. Additionally, since the Capital Facility Charge can only fund new development's share of projects, the District must provide most of the funding for these projects from other sources of revenue. The District relies on water rates, property tax, and grants to fund the portions of the project that are not attributable to new development. On June 21, 2018, the Board adopted an updated Capital Improvement Plan 2018/2019 to 2022/2023 that programs the Capital Facility Charges Fund (Fund 39) funds to be expended by the end of Fiscal Year 2022/2023. These programmed projects include the 2016 Canal and Ditch Lining Project (Project Number 915), 2018 Treated Water Line Replacement/Rehabilitation Project, 2018 Main Canal Reliability Project, and Annual Canal Lining Project.

FISCAL IMPACT

The Mitigation Fee Act requires that Impact Fees be maintained in special, restricted accounts to be used for their intended purpose. The finding by the Board to commit funds in the amount of \$1,562,636 from the Capital Facility Charges Fund to various applicable capital improvement projects would support current and future capital outlay endeavors identified in the 2007 Stantec Capital Facility Charge Study.

RECOMMENDED ACTION

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District (GDPUD) adopt the finding that the present funds collected in excess of five years are to be used in the projects noted in the 2007 Stantec Capital Facility Charge Study and adopt the attached Resolution 2019-01 approving the FY 2017-18 Development Impact Fee Report.

ATTACHMENTS

1. Resolution 2019-01
2. FY 2017-18 Development Impact Fee Report

RESOLUTION NO. 2019-01
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
APPROVING THE DEVELOPMENT IMPACT FEE REPORT FOR FISCAL YEAR
ENDING ON JUNE 30, 2018 AND FINDINGS FOR FUNDS HELD IN EXCESS OF
FIVE YEARS IN THE CAPITAL FACILITY CHARGE FUND

WHEREAS, an accounting of development impact fee expenditures for fiscal year ending on June 30, 2018, is required by Section 66000 et seq. of the Government Code, commonly known as AB1600. Section 66000 et seq. imposes certain accounting and reporting requirements on local agencies that collect development fees; and

WHEREAS, the attached AB 1600 report is designed to ensure that the District complies with the accounting and reporting requirements of the Section 66000 et seq. to the Government Code; and

WHEREAS, the Capital Facility Fees are imposed pursuant to Georgetown Divide Public Utility District Ordinance No. 07-01 on April 10, 2007; and

WHEREAS, the District has collected fees in the Capital Facility Charges Fund as authorized by the Ordinance; and

WHEREAS, at the end of fiscal year 2017-18, the Capital Facility Charges Fund contained the sum of \$1,752,167 representing fees collected and interest accrued thereon; and

WHEREAS, Government Code section 66001 (d) provides that the City must, on a five-year basis, make certain findings with respect to unexpended fees; and

WHEREAS, at the end of fiscal year 2017-18, the Capital Facility Charges Fund is holding funds in excess of five years in the amount of \$1,562,636.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT

1. The funds in the Capital Facility Charges Fund will be used for capital improvement projects identified in the 2007 Stantec Capital Facility Charge Study. The District's Capital Improvement Plan was updated on June 21, 2018. The Capital Improvement Plan 2018/2019 to 2022/2023 programs all of the Capital Facility Charges Fund (Fund 39) funds to be expended by the end of Fiscal Year 2022/2023. The programmed projects include the 2016 Canal and Ditch Lining Project (Project Number 915), 2018 Treated Water Line Replacement/ Rehabilitation Project, 2018 Main Canal Reliability Project, and Annual Canal Lining Project.
2. The purpose of the fee is for the cost of new treated and untreated water infrastructure developments on existing infrastructure. Costs include those related to study, design, construction and general administration.

3. Therefore, a reasonable relationship exists between the use of these funds and the purpose for which the fees in the Capital Facility Charges Fund were collected.
4. The attached AB 1600 report meets the requirements of Section 66000 et seq. to the Government Code and is accepted by the Board of Directors.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-01 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
AB1600 Development Impact Fee Report
Capital Facility Connection Fee
 Fiscal Year Ended June 30, 2018

	Fiscal Year 2017-18
Beginning Balance	\$ 1,707,870
Impact Fee	26,892
Interest	19,698
Unrealize gain (loss)	(2,293)
Non AB1600 Interest	
Revenue Other Agencies	
Other Revenue	
Transfers In	
Other Expenses	
AB1600 Expenses	
Developer Reimb	
AB1600 Trans Out	
Total Ending Balance	\$ 1,752,167

Capital Facility Connection Fee description

District Ordinance 07-01 established the Capital Facility Charge Fund to accumulate revenues from water connection fees. Article 4 Section B of the aforementioned ordinance states the use of these funds are to finance capital improvements due to the impact of increased capacity from additional connections to the current water systems.

Fee schedule

<i>Capital Facility Connection Fee</i>	
Untreated Water Connection Fee	\$2,000
Treated Water Connection Fee	
5/8 - 3/4 inch meter	\$9,200
1 inch meter	\$22,575
1 1/2 inch meter	\$45,148
2 inch meter	\$72,239

Scheduled projects

Capital improvement projects are identified in the 2007 Stantec Capital Facility Charge Study. The Capital Improvement Plan 2018/2019 to 2022/2023 programs all of the Capital Facility Charges Fund (Fund 39) funds to be expended by the end of Fiscal Year 2022/2023. The programmed projects include the 2016 Canal and Ditch Lining Project (Project Number 915), 2018 Treated Water Line Replacement/Rehabilitation Project, 2018 Main Canal Reliability Project, and Annual Canal Lining Project.

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 5.D.**



AGENDA SECTION: CONSENT

SUBJECT: ASSESSMENT DISTRICTS CLOSEOUT

PREPARED BY: Kristen West, Finance Consultant

APPROVED BY: Steven Palmer, PE, General Manager

A handwritten signature in blue ink, appearing to be "SP", is written over the name Steven Palmer.

BACKGROUND

Between the years of 1977 and 1991 various Assessment Districts were established to finance improvements to existing infrastructure. Financial instruments in the form of Bonds were levied and debt service payment requirements to cover related principle and interest payments were assessed through property taxes administered by El Dorado County on properties within the geographical boundaries of the applicable Assessment Districts.

Over time, principal and interest payments paid towards the outstanding bonds were sufficient enough to meet the debt service requirements. At which time assessments to property owners ceased and the bonds were paid in full.

In addition to principle and interest payments, assessments were also structured to cover administrative costs to Georgetown Divide Public Utility District ("District") for maintaining the accounting and financial reporting of the Assessment Districts. These costs include time and materials, and professional services related to the audit and administration of the assessments and bond payments. Analysis of historical transactions determined the District was absent a cost allocation mechanism which has resulted in surplus fund balances in the related Assessment District Funds. According to Government Code Section 8784, the surplus balances may be transferred to the General Fund ("Water Fund") for this purpose.

DISCUSSION

The following is a summary of each Assessment District including its date of issuance, established purpose, and subsequent pay off and related surplus amount to be transferred to the Water Fund. Details supporting this summary can be found in the attached District Closeout Analysis and Findings report.

Greenwood Improvement District (1977-1)

Greenwood Improvement district was established in 1977 in order to finance the construction of a water system to service commercial and residential parcels within the District. The original debt issuance amount was \$166,842 which was paid in full during Fiscal Year 2015-16 leaving a surplus of \$5,674.47.

Cool Cherry Acres Improvement District (1977-2)

Cool Cherry Acres Improvement District was established in 1977 in order to finance the construction of a water system to service commercial and residential parcels within the District. The original debt issuance amount was \$205,500 which was paid in full during Fiscal Year 2016-17 leaving a surplus of \$3,157.50.

Spanish Dry Diggins Improvement District (1977-4)

Spanish Dry Diggins Improvement District was established in 1977 in order to finance the construction of a water system to service commercial and residential parcels within the District. The original debt issuance amount was \$267,200 which was paid in full during Fiscal Year 2014-15 leaving a surplus of \$6,955.76.

Water Line Extensions (1977-5)

Water Line Extensions was established in 1977 in order to finance water line extensions to the current water infrastructure in order to increase capacity for Auburn Lake Trails Water Treatment Plant and the Georgetown-Buckeye Water Treatment Plant. The original debt issuance amount was \$134,460 which was paid in full during Fiscal Year 2016-17 leaving a surplus of \$1,697.99.

Kelsey South (1989-4)

Kelsey South was established in 1989 in order to finance the construction of a water system to service residential parcels within the District. The original debt issuance amount was \$666,750 which was paid in full during Fiscal Year 2106-17 leaving a surplus of \$48,375.66.

Bayne Road (1991-1)

Bayne Road was established in 1991 in order to finance the construction of a water system to service residential parcels within the District. The original debt issuance amount was \$249,580 which was paid in full during Fiscal Year 2007-08 leaving a surplus of \$22,084.77.

FISCAL IMPACT

A net increase to fund balance in the Water Fund of \$87,946.15 due to a transfer of funds from Assessment District Funds related to Greenwood in the amount of \$5,674.47; Cool Cherry Acres in the amount of \$3,157.50; Spanish Dry Diggins in the amount of \$6,955.76; Water Line Extension in the amount of \$1,697.99; Kelsey South in the amount of \$48,375.66; and Bayne Road in the amount of \$22,084.77.

RECOMMENDED ACTION

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District adopt the attached Resolutions to transfer surplus revenue to the Water Fund for closed Assessment Districts.

ATTACHMENTS

1. NBS District Closeout Analysis and Findings
2. Resolution 2019-02 Bayne Road Closeout Surplus
3. Resolution 2019-03 Cool Cherry Closeout Surplus
4. Resolution 2019-04 Greenwood Closeout Surplus
5. Resolution 2019-05 Kelsey South Closeout Surplus
6. Resolution 2019-06 Spanish Dry Closeout Surplus
7. Resolution 2019-07 Water Line Closeout Surplus

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Assessment Districts

District Closeout Analysis and Findings

November 2018

OFFICE LOCATIONS:

Temecula – Corporate Headquarters
32605 Temecula Parkway, Suite 100
Temecula, CA 92592

San Francisco – Regional Office
870 Market Street, Suite 1223
San Francisco, CA 94102

California Satellite Offices
Atascadero, Davis,
Huntington Beach,
Joshua Tree, Riverside,
Sacramento, San Jose

Prepared by:



Georgetown Divide Public Utility District

**6425 Main Street
Georgetown, CA 95634
(530) 333-4356**

District Board

Dane Wadle, President

David Halpin, Vice President

Michael Saunders, Treasurer

David Souza, Director

Cindy Garcia, Director

District Staff

Steven Palmer, General Manager

Christina Cross, Management Analyst

NBS

Danielle Wood, Client Services Director

Adina McCargo, Senior Consultant

Andrew Kraus, Financial Analyst

EXECUTIVE SUMMARY

The Georgetown Divide Public Utility District (the “GDPUD”) has retained NBS to perform a closeout analysis and prepare a District Closeout Analysis and Findings Report (the “Closeout Report”) for the following matured assessment districts (collectively, the “Assessment Districts” or “Districts”):

- Assessment District No. 1977-1 (Greenwood Water Improvement District)
- Assessment District No. 1977-2 (Cool Cherry Acres Water Improvement District)
- Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District)
- Assessment District No. 1977-5 (Water Line Extension)
- Pilot Hill North Water Assessment District No. 1989-2
- Kelsey South Water Assessment District No. 1989-4
- Bayne Road Water Assessment District No. 1991-1

This Closeout Report summarizes the recommendations for the disposition of the remaining funds associated with each individual Assessment District, in accordance with the applicable laws and documents for each District’s bonds or loan.

The fund balance information provided within the Closeout Report is current as of June 30, 2018.

Analyses of any remaining delinquencies were performed for all Districts that had historical delinquency information available. El Dorado County’s records confirm that there are no parcels within these Assessment Districts with delinquent assessments. As historical delinquency information for Bayne Road Water Assessment District No. 1991-1 was not available at the time this Closeout Report was prepared, an analysis of delinquencies was not able to be performed for this District. Funds that could possibly be collected from delinquent parcels should be transferred to the General Fund of the GDPUD to be used in the same manner as the surplus funds per this Closeout Report.

Concerning the three Assessment Districts formed in 1989 or thereafter, less than \$5 million in tax-exempt debt was issued by GDPUD annually in the years that those Districts were formed and thus the debts for each of these Districts are exempt from arbitrage rebate requirements. Furthermore, the loans obtained for the four Districts formed before 1986 are also exempt from arbitrage rebate requirements.

The GDPUD has determined the best use of remaining funds in accordance with the applicable laws and formation documents. This Closeout Report summarizes the determinations for the disposition of the remaining funds. The GDPUD has chosen to dispose of the remaining funds pursuant to Section 8784 of the Code.

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 Kelsey South Water Assessment District No. 1989-4 2

 Bayne Road Water Assessment District No. 1991-1 2

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Section 1. ASSESSMENT DISTRICT BACKGROUNDS

Assessment District No. 1977-1 (Greenwood)

Assessment District No. 1977-1 (Greenwood Water Improvement District) (“Greenwood”) was formed in 1977 by the GDPUD. The improvement project, funded by a loan in the amount of \$166,842, consisted of the construction of a commercial and domestic water system to serve the lots and parcels of land within Greenwood. The project included 19,000 feet of 6” and 8” pipe, and related appurtenances, including valves, services, fire hydrants, and one pressure reducing station. The project also involved purchasing sufficient capacity in the Auburn Lake Trails Water Treatment Plant to serve one Single Family Unit (“SFU”) for each of the parcels assessed.

The final levy was in Fiscal Year 2015/16, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2016. A surplus balance remained in the Redemption Fund after the retirement of all debt.

Assessment District No. 1977-2 (Cool Cherry Acres)

Assessment District No. 1977-2 (Cool-Cherry Acres Water Improvement District) (“Cool Cherry Acres”) was formed in 1977 by the GDPUD. The improvement project, funded by a loan in the amount of \$205,500, consisted of the construction of a commercial and domestic water system to serve the lots and parcels of land within Cool Cherry Acres. The project included 26,000 feet of 4”, 6”, and 10” pipe, and related appurtenances, including valves, services, fire hydrants, and one pressure reducing station. The project also involved purchasing sufficient capacity in the Auburn Lake Trails Water Treatment Plant to serve one SFU for each of the parcels assessed.

The final levy was in Fiscal Year 2016/17, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2017. A surplus balance remained in the Redemption Fund after the retirement of all debt.

Assessment District No. 1977-4 (Spanish Dry Diggins)

Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District) (“Spanish Dry Diggins”) was formed in 1977 by the GDPUD. The improvement project, funded by a loan in the amount of \$267,200, consisted of the construction of commercial and domestic water systems to serve the lots and parcels of land within Spanish Dry Diggins. The project included 28,000 feet of 6” and 8” pipe, and related appurtenances, including valves, services, fire hydrants, and one pressure reducing station. The project also involved purchasing sufficient capacity in the Georgetown-Buckeye Water Treatment Plant to serve one SFU for each of the parcels assessed.

The final levy was in Fiscal Year 2014/15, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2015. A surplus balance remained in the Redemption Fund after the retirement of all debt.

Assessment District No. 1977-5 (Water Line Extension)

Assessment District No. 1977-5 (Water Line Extension) (the “Water Line Extension District”) was formed in 1978 by the GDPUD. The improvement project, funded by a loan in the amount of \$134,460, consisted of approximately 21,400 feet of 2” through 6” PVC pipe, and related appurtenances, such as valves, services, fire hydrants, and air release valves. The project also involved purchasing sufficient capacity in the Auburn Lake Trails Water Treatment Plant or the Georgetown-Buckeye Water Treatment Plant.

The final levy was in Fiscal Year 2016/17, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2017. A surplus balance remained in the Redemption Fund after the retirement of all debt.

Pilot Hill North Water Assessment District No. 1989-2

Pilot Hill North Water Assessment District No. 1989-2 (“Pilot Hill North”) was established in 1990 by the GDPUD. The improvement project, funded by a loan in the amount of \$347,025, consisted of the construction of a commercial and domestic water system to serve the lots and parcels of land within Pilot Hill North. The project included 22,000 feet of 6” and 8” pipe, and related appurtenances, including valves, services, and one pressure reducing station. The project also involved purchasing sufficient capacity in the Auburn Lake Trails Water Treatment Plant to serve one SFU for each of the parcels assessed.

The loan for the project was originally scheduled to mature in October 2017 and was held by the California Department of Water Resources (the “DWR”).

The final levy was in Fiscal Year 2011/12, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2012.

Kelsey South Water Assessment District No. 1989-4

Kelsey South Water Assessment District No. 1989-4 (“Kelsey South”) was established in 1990 by the GDPUD. The improvement project, funded by a loan in the amount of \$666,750, consisted of the construction of a water system to serve the lots and parcels of land within Kelsey South. The project included 29,850 feet of 6” and 8” pipe, and related appurtenances, including valves, and services.

The loan for the project was originally scheduled to mature in October 2022 and was held by the DWR.

The final levy was in Fiscal Year 2016/17, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2017. A surplus balance remained in the Redemption Fund after the retirement of all debt.

Bayne Road Water Assessment District No. 1991-1

Bayne Road Water Assessment District No. 1991-1 (“Bayne Road”) was established in 1992 by the GDPUD. The improvement project, funded by bonds issued in the approximate amount of \$249,580,

consisted of the construction of a domestic water system to serve the lots and parcels of land within Bayne Road.

The final levy was in Fiscal Year 2007/08, as there were sufficient funds to make the regular debt service payment and retire the remaining balance of the loan in 2008. A surplus balance remained in the Redemption Fund after the retirement of all debt.

Section 2. DISPOSITION OF FUNDS

The sections below contain a description of each fund established for the Assessment Districts and describe how remaining surplus funds should be used in accordance with the California Streets and Highways Code (the “Code”).

Improvement Fund

The Improvement Funds for each District were established to hold proceeds from the issuance of bonds at Assessment District formation until such proceeds were spent on Assessment District improvements and services.

Pursuant to Section 10427 of the Code, any surplus in these Improvement Funds shall be used for one or more of the following purposes:

- (1) For transfer to the general fund of the Agency, provided that the amount transferred shall not exceed the lesser of one thousand dollars (\$1,000) or 5 percent of the total amount expended from the improvement fund.
- (2) As a credit upon the assessment and any supplemental assessment.
- (3) For the maintenance of the improvement.
- (4) To call bonds, thereby reducing outstanding assessments and subsequent assessment installments.

All money in the Improvement Funds for each District was expended, as the improvements were completed and the Improvement Funds were closed.

Redemption Fund

The Redemption Funds for each District were established as transitory accounts for the deposit of funds from levy collections until payments were made to the DWR on scheduled debt service payment dates (April 1st and October 1st annually).

Pursuant to Section 8784 of the California Streets and Highways Code (the “Code”), a surplus in the Redemption Fund that remains after the retirement of all outstanding bonds *“shall first be applied to repayment to the city of any special taxes levied by it for the purpose of advancing funds under Part 13 (commencing with Section 8800) less its recovery on the sale or redemption of the properties assessed, and also of any costs incurred by it under this division. The remainder shall be repaid in accordance with the provisions of Section 8783 to persons paying supplemental assessments, if any, and the balance may be proportionately credited upon the final installments due upon the assessments securing the bonds and repaid to those persons whose assessments have been previously paid or may be transferred to the general fund of the city.”*

The GDPUD has not levied any special taxes pursuant to Part 13 of the Code, and no property owners have paid supplemental assessments. NBS has reviewed the formation documents for each Assessment District and has determined that there are no additional instructions for, or limitations upon the disposition of the Redemption Fund surplus. The GDPUD has indicated that they intend to transfer the remaining funds held in the Redemption Funds for each District, less any closeout fees and administrative expenses, to its General Fund for use in accordance with the Code.

Reserve Fund

The Reserve Funds for each District were established to maintain funds for debt service payments, in the event that funds in each District's Redemption Fund were not sufficient to make payments on scheduled debt service payment dates.

Pursuant to Section 8885 of the Code, "whenever the balance in the special reserve fund is sufficient to retire all remaining outstanding bonds in the issue, whether by advance retirement or otherwise, collection of the principal and interest on the assessments shall be discontinued and the special reserve fund shall be liquidated in retirement of the bonds. In the event that the balance in the fund at the time of liquidation exceeds the amount required to retire all outstanding bonds in the issue, the excess shall be apportioned to each individual parcel upon which the individual assessment remained unpaid at the time the balance in the Reserve Fund was sufficient to retire all outstanding bonds in the issue."

After the retirement of the remaining debt for each Assessment District, no funds remain in the Reserve Funds associated with each District.

Section 3. FUND ANALYSES

The following pages show the funds analyses prepared for each Assessment District, referencing fund balance information as of June 30, 2018.

**Georgetown Divide Public Utility District
District Closeout Funds Analysis**

Improvement Fund Pursuant to Section 10427 of the Code	Assessment District No. 1977-1 (Greenwood Water Improvement District)	Assessment District No. 1977-2 (Cool Cherry Acres Water Improvement District)	Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District)	Assessment District No. 1977-5 (Water Line Extension)
Improvement Fund Balance ⁽¹⁾	\$0.00	\$0.00	\$0.00	\$0.00
Less amount to be transferred to the General Fund	0.00	0.00	0.00	0.00
Ending Balance	\$0.00	\$0.00	\$0.00	\$0.00
Reserve Fund				
Pursuant to Section 8885 of the Code				
Reserve Fund Balance ⁽¹⁾	\$0.00	\$0.00	\$0.00	\$0.00
Transfer Required from General Fund	0.00	0.00	0.00	0.00
Less amount to be transferred to the Redemption Fund	0.00	0.00	0.00	0.00
Less amount to be refunded to property owners	0.00	0.00	0.00	0.00
Ending Balance	\$0.00	\$0.00	\$0.00	\$0.00
Redemption Fund				
Pursuant to Section 8784 of the Code				
Redemption Fund Balance ⁽¹⁾	\$6,513.26	\$3,624.24	\$7,983.95	\$1,948.98
Transfer from Reserve Fund	0.00	0.00	0.00	0.00
Less Previously Unrecovered City Administrative Fees	0.00	0.00	0.00	0.00
Less City fees and costs for closeout and refund processing	0.00	0.00	0.00	0.00
Less Legal Counsel fees	0.00	0.00	0.00	0.00
Less Consultant Closeout Analysis Fees	838.79	466.74	1,028.19	250.99
Less amount to be transferred to the General Fund	5,674.47	3,157.50	6,955.76	1,697.99
Ending Balance	\$0.00	\$0.00	\$0.00	\$0.00
Total amount to be transferred to/from the General Fund	\$5,674.47	\$3,157.50	\$6,955.76	\$1,697.99
Total amount to be refunded to property owners	\$0.00	\$0.00	\$0.00	\$0.00

(1) Fund balances associated with each of the Assessment Districts are current as of June 30, 2018. (Source: Georgetown Divide Public Utility District)

**Georgetown Divide Public Utility District
District Closeout Funds Analysis**

Improvement Fund Pursuant to Section 10427 of the Code	Pilot Hill North Water Assessment District No. 1989-2	Kelsey South Water Assessment District No. 1989-4	Bayne Road Water Assessment District No. 1991-1
Improvement Fund Balance ⁽¹⁾	\$0.00	\$0.00	\$0.00
Less amount to be transferred to the General Fund	0.00	0.00	0.00
Ending Balance	\$0.00	\$0.00	\$0.00
Reserve Fund Pursuant to Section 8885 of the Code			
Reserve Fund Balance ⁽¹⁾	(\$7,480.80)	\$0.00	\$0.00
Transfer Required from General Fund ⁽²⁾	7,480.80	0.00	0.00
Less amount to be transferred to the Redemption Fund	0.00	0.00	0.00
Less amount to be refunded to property owners	0.00	0.00	0.00
Ending Balance	\$0.00	\$0.00	\$0.00
Redemption Fund Pursuant to Section 8784 of the Code			
Redemption Fund Balance ⁽¹⁾	\$0.00	\$55,526.44	\$25,349.29
Transfer from Reserve Fund	0.00	0.00	0.00
Less Previously Unrecovered City Administrative Fees	0.00	0.00	0.00
Less City fees and costs for closeout and refund processing	0.00	0.00	0.00
Less Legal Counsel fees	0.00	0.00	0.00
Less Consultant Closeout Analysis Fees	0.00	7,150.78	3,264.52
Less amount to be transferred to the General Fund	0.00	48,375.66	22,084.77
Ending Balance	\$0.00	\$0.00	\$0.00
 Total amount to be transferred to/from the General Fund	 \$0.00	 \$48,375.66	 \$22,084.77
 Total amount to be refunded to property owners	 \$0.00	 \$0.00	 \$0.00

(1) Fund balances associated with each of the Assessment Districts are current as of June 30, 2018. (Source: Georgetown Divide Public Utility District)

(2) The Pilot Hill North Water Assessment District No. 1989-2 Reserve Fund balance is negative, as the account was opened with a negative balance. The District will advance money from the General Fund to cover this negative balance and close out the fund.

Section 4. NOTICES OF COMPLETION

The following pages contain the Notices of Completion of Acquisitions to be signed by the General Manager of the GDPUD.

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Assessment District No. 1977-1 (Greenwood Water Improvement District)

Notice is hereby given that rights of use in certain facilities to be constructed through Assessment District No. 1977-1 (Greenwood Water Improvement District) of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

The following is an excerpt from the Engineer's Report for the Assessment District:

The Project shall consist of the construction of a commercial and domestic water system to serve the lots and parcels of land within Assessment District No. 1977-1. The area to be served by the Greenwood Water Project contains approximately 150 separate parcels, covering approximately 1,500 acres in the general vicinity of Greenwood.

Approximately 40 of the parcels have improvements on them, with a population within the area to be served of approximately 120 people.

Water for the project will be obtained from the existing Auburn Lake Trails facilities, which include a 1.8 mgd water treatment plant and two storage tanks with a total capacity of 750,000 gallons.

The Greenwood Water Project shall consist of 19,000 feet of 6" and 8" pipe, and related appurtenances, including valves, services, fire hydrants, and one pressure reducing station. Also included would be a 0.40 mgd future expansion of the existing Auburn Lake Trails Water Treatment Plant.

The project also involves purchasing sufficient capacity in the existing or expanded Auburn Lake Trails Water Treatment Plant to serve one SFU or equivalent (plus any additional SFU capacity represented by an increase in service connection size requested by property owners) for each of the parcels being assessed under these proceedings.

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Assessment District No. 1977-2 (Cool Cherry Acres Water Improvement District)

Notice is hereby given that rights of use in certain facilities to be constructed through Assessment District No. 1977-2 (Cool Cherry Acres Water Improvement District) of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

The following is an excerpt from the Engineer's Report for the Assessment District:

The Project shall consist of the construction of a commercial and domestic water system to serve the lots and parcels of land within Assessment District No. 1977-2. The area to be served by the Cool-Cherry Acres Water Project contains approximately 106 separate parcels, covering 1,800 acres in the general vicinity of Cool.

Approximately 43 of the parcels have improvements on them, with a population within the area to be served of approximately 130 people.

Water for the project will be obtained from the existing Auburn Lake Trails facilities, which include a 1.8 mgd water treatment plant and two storage tanks with a total capacity of 750,000 gallons.

The Cool-Cherry Acres Water Project shall consist of 26,000 feet of 4", 6" and 8" pipe, and related appurtenances, including valves, services, fire hydrants, and one pressure reducing station. Also included would be a future expansion of storage capacity.

The project also involves purchasing sufficient capacity in the existing or expanded Auburn Lake Trails Water Treatment Plant to serve one SFU or equivalent (plus any additional SFU capacity represented by an increase in service connection size requested by property owners) for each of the parcels being assessed under these proceedings.

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District)

Notice is hereby given that rights of use in certain facilities to be constructed through Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District) of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

The following is an excerpt from the Engineer's Report for the Assessment District:

The Project shall consist of the construction of a commercial and domestic water system to serve the lots and parcels of land within Assessment District No. 1977-4. The area to be served by the Spanish Dry Diggins Water Project contains approximately 204 separate parcels, covering approximately 2,200 acres in the general vicinity north of Spanish Dry Diggins.

Approximately 42 of the parcels have improvements on them, with a population within the area to be served of approximately 125 people.

Water for the project will be obtained from the existing Georgetown-Buckeye Treatment Plant facilities, which include a 1.5 mgd water treatment plant and two storage tanks with a total capacity of 800,000 gallons.

The Spanish Dry Diggins Water Project shall consist of 28,000 feet of 6" and 8" pipe, and related appurtenances, including valves, services, and one pressure reducing station. Also included would be a 200,000 gallon storage tank.

The project also involves purchasing sufficient capacity in the existing Georgetown-Buckeye Treatment Plant to serve one SFU or equivalent (plus any additional SFU capacity represented by an increase in service connection size requested by property owners) for each of the parcels being assessed under these proceedings.

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Assessment District No. 1977-5 (Water Line Extension)

Notice is hereby given that rights of use in certain facilities to be constructed through the Assessment District No. 1977-5 (Water Line Extension) of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

Assessment District No. 1977-5 (Water Line Extension) was originally formed to finance specific improvements related to five individual water line projects:

- Pine Forest Acres
- Meadowbrook Road
- Irish Lane
- Garden Valley Estates
- Oak Ridge

The following is an excerpt from the Engineer's Report for the Assessment District:

The principal features of the proposed projects include approximately 21,400 feet of 2-inch through 6-inch PVC pipe and related appurtenances such as fire hydrants, valves, services, and air release valves. Additionally, one booster pump and hydro-pneumatic take will be required for Irish Lane.

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Pilot Hill North Water Assessment District No. 1989-2

Notice is hereby given that rights of use in certain facilities to be constructed through the Pilot Hill North Water Assessment District No. 1989-2 of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

The following is an excerpt from the Engineer's Report for the Assessment District:

The project shall consist of the construction of a commercial and domestic water system to serve the lots and parcels of land within Water Assessment District 1989—2. The area to be served by the Pilot Hill North Water Project contains approximately 90 assessable separate parcels covering approximately 725 acres in the general vicinity south of Cool as shown on the map in Figure 1.

Water for the project will be obtained from the existing Auburn Lake Trails facilities which include a 1.8 mgd water treatment plant and two storage tanks with a total capacity of 750,000 gallons.

The Pilot Hill North Water Project shall consist of 22,000 feet of 6" and 8" pipe, as shown in Figure 1, and related appurtenances, including valves, services, and one pressure reducing station. Also included would be a proportional share of an expansion of storage capacity.

The project also involves purchasing sufficient capacity in the existing or expanded Auburn Lake Trails Water Treatment plant to serve one SFU or equivalent (plus any additional SFU capacity represented by an increase in service connection size requested by property owners) for each of the parcels being assessed under these proceedings.

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Kelsey South Water Assessment District No. 1989-4

Notice is hereby given that rights of use in certain facilities to be constructed through the Kelsey South Water Assessment District No. 1989-4 of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

The following is an excerpt from the Engineer's Report for the Assessment District:

Within the Georgetown Divide Public Utility District, County of El Dorado, State of California, the construction and acquisition of the following public improvements, including the acquisition of all lands, easements, rights-of-way, licenses, franchises, and permits and the construction of all auxiliary work necessary and/or convenient to the accomplishment thereof in accordance with plans and specifications to be approved by the Georgetown Divide Public Utility District:

- (A) *The construction and installation of a domestic water system to serve the lots and parcels of land within the proposed district, including financially participating in construction, through proceedings for the Kelsey North Water Assessment District 1989-1, for a 300,000 gallon water storage tank, and P.V.C. C900 (or equivalent quality) transmission and distribution mains varying from 8-inch to 6-inch in size along the following routes to wit:*
- 1) *Commencing at a point on the proposed water pipeline in State Highway Number 193 (to be installed pursuant to proceedings conducted for the Kelsey North Water Assessment District) which is approximately at the intersection of Garden Valley Road and State Highway Number 193 and extending southerly from said point 12,400 feet, more or less, along the westerly side of said State Highway Number 193 to the intersection of said State Highway and Texas Canyon Road, more or less;*
 - 2) *Commencing at the Intersection of State Highway Number 193 and Garden Valley Road and extending northeasterly along said road 13,200 feet, more or less, to the intersection of Garden Valley Road and Garden Park Drive;*
 - 3) *Commencing at the intersection of State Highway Number 193 and Spanish Flat Road and extending 4,250 feet, more or less, northeasterly along Spanish Flat Road to a point of interception with a proposed water line to be installed through proceedings for the Kelsey North Water Assessment District; together with required transmission lines to and from valves, hydrants, services and appurtenances.*

(B) The acquisition within the boundaries of said proposed assessment district of rights of service and use in the existing water treatment plant of said Utility District (constructed pursuant to said proceedings for the Georgetown-Buckeye Water Improvement District), such rights of service and use to cover and include (A) for each assessment parcel upon which at the date hereof there is no building requiring domestic water service, only the treatment plant capacity required for a single structure.

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS

Georgetown Divide Public Utility District Bayne Road Water Assessment District No. 1991-1

Notice is hereby given that rights of use in certain facilities to be constructed through the Bayne Road Water Assessment District No. 1991-1 of the Georgetown Divide Public Utility District as fully described in the Engineer's Report for said Assessment District have been constructed.

The following is an excerpt from the Engineer's Report for the Assessment District:

Within the Georgetown Divide Public Utility District, County of El Dorado, State of California, the construction and acquisition of the following public improvements, including the acquisition of all lands, easements, rights-of-way, licenses, franchises, and permits and the construction of all auxiliary work necessary and/or convenient to the accomplishment thereof in accordance with plans and specifications to be approved by the Georgetown Divide Public Utility District:

- (A) *The construction and installation of a domestic water system to serve the lots and parcels of land within the proposed district, consisting of ductile iron and P.V.C. C900 (or equivalent quality) transmission and distribution mains 6-inch in size along the following routes to wit:*
- 1) *Commencing at a point which is the terminus of an existing water pipeline at the end of Garden Park Drive located on the north section line of Section 15, Township 11 North, Range 10 East, M.D.M. and extending in a generally southerly and westerly direction, along existing and proposed easements, approximately 3,000 feet to an intersection with Bayne Road;*
 - 2) *Commencing at said intersection with Bayne Road and extending easterly along Bayne Road approximately 1,400 feet;*
 - 3) *Commencing at said intersection with Bayne Road and extending southwesterly along Bayne Road approximately 4,000 feet to the intersection of said road and Toad Road; together with required transmission lines to and from valves, hydrants, services and appurtenances;*
- (B) *The acquisition within the boundaries of said proposed assessment district of rights of service and use in the existing water treatment plant of said Utility District (constructed pursuant to said proceedings for the Georgetown-Buckeye Water Improvement District), such rights of service and use to cover and include (a) for each assessment parcel upon which at the date hereof there is no building requiring domestic water service, only the treatment plant capacity required for a single structure with a three-quarter ($\frac{3}{4}$) inch service connection, and (b) for each assessment parcel upon which at the date hereof there is a building and buildings requiring domestic water service, the treatment plant capacity required for such parcel (being the family unit capacity*

attributable thereto by reason of the size of the service connection provided in Section 15-1 of Ordinance Number 89-2 of said Utility District).

Reference is made to the original Engineer's Report for a complete description of improvements constructed.

The General Manager for the Georgetown Divide Public Utility District certifies that, to best of his knowledge, the above recitals are true and correct.

Steven Palmer
General Manager
Georgetown Divide Public Utility District

Date

Section 5. RESOLUTIONS

The following pages contain the Resolutions Declaring Surplus, Ordering Disposition of the Surplus, Approving this Closeout Report, and accepting the Notices of Completion to be passed by the GDPUD General Manager and Board of Directors.

RESOLUTION NO. _____

RESOLUTION DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-1 (GREENWOOD WATER IMPROVEMENT DISTRICT)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-1 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$6,513.26

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-1 (Greenwood Water Improvement District).

PASSED AND ADOPTED on this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

Steven Palmer
General Manger
Georgetown Divide Public Utility District

ATTEST:

District Clerk
Georgetown Divide Public Utility District

APPROVED AS TO FORM:

District Attorney
Georgetown Divide Public Utility District

RESOLUTION NO. _____

RESOLUTION DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-2 (COOL CHERRY ACRES WATER IMPROVEMENT DISTRICT)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-2 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$3,624.24

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-2 (Cool Cherry Acres Water Improvement District).

PASSED AND ADOPTED on this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

Steven Palmer
General Manger
Georgetown Divide Public Utility District

ATTEST:

District Clerk
Georgetown Divide Public Utility District

APPROVED AS TO FORM:

District Attorney
Georgetown Divide Public Utility District

RESOLUTION NO. _____

RESOLUTION DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-4 (SPANISH DRY DIGGINS WATER IMPROVEMENT DISTRICT)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-4 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$7,983.95

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District).

PASSED AND ADOPTED on this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

Steven Palmer
General Manger
Georgetown Divide Public Utility District

ATTEST:

District Clerk
Georgetown Divide Public Utility District

APPROVED AS TO FORM:

District Attorney
Georgetown Divide Public Utility District

RESOLUTION NO. _____

RESOLUTION DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-5 (WATER LINE EXTENSION)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-5 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$1,948.98

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-5 (Water Line Extension).

PASSED AND ADOPTED on this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

Steven Palmer
General Manger
Georgetown Divide Public Utility District

ATTEST:

District Clerk
Georgetown Divide Public Utility District

APPROVED AS TO FORM:

District Attorney
Georgetown Divide Public Utility District

RESOLUTION NO. _____

RESOLUTION DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS FOR KELSEY SOUTH WATER ASSESSMENT DISTRICT NO. 1989-4

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1989-4 (the “Assessment District”); and,

WHEREAS, the Department of Water Resources held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balances, as of June 30, 2018
Redemption Fund	\$55,526.44

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balances of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Kelsey South Water Assessment District No. 1989-4.

PASSED AND ADOPTED on this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

Steven Palmer
General Manger
Georgetown Divide Public Utility District

ATTEST:

District Clerk
Georgetown Divide Public Utility District

APPROVED AS TO FORM:

District Attorney
Georgetown Divide Public Utility District

RESOLUTION NO. _____

RESOLUTION DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS FOR BAYNE ROAD WATER ASSESSMENT DISTRICT NO. 1991-1

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Bayne Road Water Assessment District No. 1991-1 (the “Assessment District”); and,

WHEREAS, the Limited Obligation Improvement Bonds, Georgetown Divide Public Utility District, Bayne Road Water Assessment District 1991-1 (the “Bonds”) were issued to provide funds to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the Bonds has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$25,349.29

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Bayne Road Water Assessment District No. 1991-1.

PASSED AND ADOPTED on this ____ day of _____, 20__, by the following vote:

AYES:

NOES:

ABSENT:

Steven Palmer
General Manger
Georgetown Divide Public Utility District

ATTEST:

District Clerk
Georgetown Divide Public Utility District

APPROVED AS TO FORM:

District Attorney
Georgetown Divide Public Utility District

Section 6. LEVY AND COLLECTION SUMMARIES

The following pages show a summary of the levies and collections for the Assessment Districts.

Georgetown Divide Public Utility District

Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Cool Cherry - Assessment District No. 1977-2 (Cool-Cherry Acres)									
08/01/2007 Billing:									
	12/10/2007	\$6,146.93	\$6,146.93	\$0.00	0.00%	97	97	0	0.00%
	04/10/2008	\$6,146.93	\$6,146.93	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$12,293.86	\$12,293.86	\$0.00	0.00%	194	194	0	0.00%
08/01/2008 Billing:									
	12/10/2008	\$6,455.78	\$6,455.78	\$0.00	0.00%	97	97	0	0.00%
	04/10/2009	\$6,455.78	\$6,455.78	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$12,911.56	\$12,911.56	\$0.00	0.00%	194	194	0	0.00%
08/01/2009 Billing:									
	12/10/2009	\$6,277.23	\$6,277.23	\$0.00	0.00%	97	97	0	0.00%
	04/10/2010	\$6,277.23	\$6,277.23	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$12,554.46	\$12,554.46	\$0.00	0.00%	194	194	0	0.00%
08/01/2010 Billing:									
	12/10/2010	\$6,560.56	\$6,560.56	\$0.00	0.00%	97	97	0	0.00%
	04/10/2011	\$6,560.56	\$6,560.56	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$13,121.12	\$13,121.12	\$0.00	0.00%	194	194	0	0.00%
08/01/2011 Billing:									
	12/10/2011	\$6,353.85	\$6,353.85	\$0.00	0.00%	97	97	0	0.00%
	04/10/2012	\$6,353.85	\$6,353.85	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$12,707.70	\$12,707.70	\$0.00	0.00%	194	194	0	0.00%
08/01/2012 Billing:									
	12/10/2012	\$6,594.02	\$6,594.02	\$0.00	0.00%	97	97	0	0.00%
	04/10/2013	\$6,594.02	\$6,594.02	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$13,188.04	\$13,188.04	\$0.00	0.00%	194	194	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Cool Cherry - Assessment District No. 1977-2 (Cool-Cherry Acres)									
08/01/2013 Billing:									
	12/10/2013	\$6,359.93	\$6,359.93	\$0.00	0.00%	97	97	0	0.00%
	04/10/2014	\$6,359.93	\$6,359.93	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$12,719.86	\$12,719.86	\$0.00	0.00%	194	194	0	0.00%
08/01/2014 Billing:									
	12/10/2014	\$6,164.55	\$6,164.55	\$0.00	0.00%	97	97	0	0.00%
	04/10/2015	\$6,164.55	\$6,164.55	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$12,329.10	\$12,329.10	\$0.00	0.00%	194	194	0	0.00%
08/01/2015 Billing:									
	12/10/2015	\$6,775.25	\$6,775.25	\$0.00	0.00%	97	97	0	0.00%
	04/10/2016	\$6,775.25	\$6,775.25	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$13,550.50	\$13,550.50	\$0.00	0.00%	194	194	0	0.00%
08/01/2016 Billing:									
	12/10/2016	\$946.04	\$946.04	\$0.00	0.00%	97	97	0	0.00%
	04/10/2017	\$946.04	\$946.04	\$0.00	0.00%	97	97	0	0.00%
	Subtotal:	\$1,892.08	\$1,892.08	\$0.00	0.00%	194	194	0	0.00%
Cool Cherry	Total:	\$117,268.28	\$117,268.28	\$0.00	0.00%	1,940	1,940	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Greenwood - Assessment District No. 1977-1 (Greenwood WID)									
08/01/2007 Billing:									
	12/10/2007	\$5,141.04	\$5,141.04	\$0.00	0.00%	138	138	0	0.00%
	04/10/2008	\$5,141.04	\$5,141.04	\$0.00	0.00%	138	138	0	0.00%
	Subtotal:	\$10,282.08	\$10,282.08	\$0.00	0.00%	276	276	0	0.00%
08/01/2008 Billing:									
	12/10/2008	\$5,234.60	\$5,234.60	\$0.00	0.00%	138	138	0	0.00%
	04/10/2009	\$5,234.60	\$5,234.60	\$0.00	0.00%	138	138	0	0.00%
	Subtotal:	\$10,469.20	\$10,469.20	\$0.00	0.00%	276	276	0	0.00%
08/01/2009 Billing:									
	12/10/2009	\$5,317.93	\$5,317.93	\$0.00	0.00%	138	138	0	0.00%
	04/10/2010	\$5,317.93	\$5,317.93	\$0.00	0.00%	138	138	0	0.00%
	Subtotal:	\$10,635.86	\$10,635.86	\$0.00	0.00%	276	276	0	0.00%
08/01/2010 Billing:									
	12/10/2010	\$5,106.33	\$5,106.33	\$0.00	0.00%	137	137	0	0.00%
	04/10/2011	\$5,106.33	\$5,106.33	\$0.00	0.00%	137	137	0	0.00%
	Subtotal:	\$10,212.66	\$10,212.66	\$0.00	0.00%	274	274	0	0.00%
08/01/2011 Billing:									
	12/10/2011	\$4,762.01	\$4,762.01	\$0.00	0.00%	132	132	0	0.00%
	04/10/2012	\$4,762.01	\$4,762.01	\$0.00	0.00%	132	132	0	0.00%
	Subtotal:	\$9,524.02	\$9,524.02	\$0.00	0.00%	264	264	0	0.00%
08/01/2012 Billing:									
	12/10/2012	\$5,057.28	\$5,057.28	\$0.00	0.00%	132	132	0	0.00%
	04/10/2013	\$5,057.28	\$5,057.28	\$0.00	0.00%	132	132	0	0.00%
	Subtotal:	\$10,114.56	\$10,114.56	\$0.00	0.00%	264	264	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Greenwood - Assessment District No. 1977-1 (Greenwood WID)									
08/01/2013 Billing:									
	12/10/2013	\$4,882.80	\$4,882.80	\$0.00	0.00%	132	132	0	0.00%
	04/10/2014	\$4,882.80	\$4,882.80	\$0.00	0.00%	132	132	0	0.00%
	Subtotal:	\$9,765.60	\$9,765.60	\$0.00	0.00%	264	264	0	0.00%
08/01/2014 Billing:									
	12/10/2014	\$5,188.82	\$5,188.82	\$0.00	0.00%	132	132	0	0.00%
	04/10/2015	\$5,188.82	\$5,188.82	\$0.00	0.00%	132	132	0	0.00%
	Subtotal:	\$10,377.64	\$10,377.64	\$0.00	0.00%	264	264	0	0.00%
08/01/2015 Billing:									
	12/10/2015	\$5,311.19	\$5,311.19	\$0.00	0.00%	132	132	0	0.00%
	04/10/2016	\$5,311.19	\$5,311.19	\$0.00	0.00%	132	132	0	0.00%
	Subtotal:	\$10,622.38	\$10,622.38	\$0.00	0.00%	264	264	0	0.00%
Greenwood	Total:	\$92,004.00	\$92,004.00	\$0.00	0.00%	2,422	2,422	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Kelsey South - Assessment District No. 1989-4 (Kelsey South)									
08/01/2007 Billing:									
	12/10/2007	\$20,491.88	\$20,491.88	\$0.00	0.00%	148	148	0	0.00%
	04/10/2008	\$20,491.88	\$20,491.88	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$40,983.76	\$40,983.76	\$0.00	0.00%	296	296	0	0.00%
08/01/2008 Billing:									
	12/10/2008	\$15,239.76	\$15,239.76	\$0.00	0.00%	148	148	0	0.00%
	04/10/2009	\$15,239.76	\$15,239.76	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$30,479.52	\$30,479.52	\$0.00	0.00%	296	296	0	0.00%
08/01/2009 Billing:									
	12/10/2009	\$21,031.74	\$21,031.74	\$0.00	0.00%	149	149	0	0.00%
	04/10/2010	\$21,031.74	\$21,031.74	\$0.00	0.00%	149	149	0	0.00%
	Subtotal:	\$42,063.48	\$42,063.48	\$0.00	0.00%	298	298	0	0.00%
08/01/2010 Billing:									
	12/10/2010	\$21,526.73	\$21,526.73	\$0.00	0.00%	148	148	0	0.00%
	04/10/2011	\$21,526.73	\$21,526.73	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$43,053.46	\$43,053.46	\$0.00	0.00%	296	296	0	0.00%
08/01/2011 Billing:									
	12/10/2011	\$20,920.36	\$20,920.36	\$0.00	0.00%	148	148	0	0.00%
	04/10/2012	\$20,920.36	\$20,920.36	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$41,840.72	\$41,840.72	\$0.00	0.00%	296	296	0	0.00%
08/01/2012 Billing:									
	12/10/2012	\$20,959.53	\$20,959.53	\$0.00	0.00%	148	148	0	0.00%
	04/10/2013	\$20,959.53	\$20,959.53	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$41,919.06	\$41,919.06	\$0.00	0.00%	296	296	0	0.00%

Georgetown Divide Public Utility District

Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Kelsey South - Assessment District No. 1989-4 (Kelsey South)									
08/01/2013 Billing:									
	12/10/2013	\$20,988.01	\$20,988.01	\$0.00	0.00%	148	148	0	0.00%
	04/10/2014	\$20,988.01	\$20,988.01	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$41,976.02	\$41,976.02	\$0.00	0.00%	296	296	0	0.00%
08/01/2014 Billing:									
	12/10/2014	\$21,018.29	\$21,018.29	\$0.00	0.00%	148	148	0	0.00%
	04/10/2015	\$21,018.29	\$21,018.29	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$42,036.58	\$42,036.58	\$0.00	0.00%	296	296	0	0.00%
08/01/2015 Billing:									
	12/10/2015	\$22,178.64	\$22,178.64	\$0.00	0.00%	148	148	0	0.00%
	04/10/2016	\$22,178.64	\$22,178.64	\$0.00	0.00%	148	148	0	0.00%
	Subtotal:	\$44,357.28	\$44,357.28	\$0.00	0.00%	296	296	0	0.00%
08/01/2016 Billing:									
	12/10/2016	\$22,077.86	\$22,077.86	\$0.00	0.00%	147	147	0	0.00%
	04/10/2017	\$22,077.86	\$22,077.86	\$0.00	0.00%	147	147	0	0.00%
	Subtotal:	\$44,155.72	\$44,155.72	\$0.00	0.00%	294	294	0	0.00%
Kelsey South	Total:	\$412,865.60	\$412,865.60	\$0.00	0.00%	2,960	2,960	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Spanish Dry - Assessment District No. 1977-4 (Spanish Dry)									
08/01/2006 Billing:									
	12/10/2006	\$7,420.65	\$7,420.65	\$0.00	0.00%	169	169	0	0.00%
	04/10/2007	\$7,420.65	\$7,420.65	\$0.00	0.00%	169	169	0	0.00%
	Subtotal:	\$14,841.30	\$14,841.30	\$0.00	0.00%	338	338	0	0.00%
08/01/2007 Billing:									
	12/10/2007	\$8,249.62	\$8,249.62	\$0.00	0.00%	169	169	0	0.00%
	04/10/2008	\$8,249.62	\$8,249.62	\$0.00	0.00%	169	169	0	0.00%
	Subtotal:	\$16,499.24	\$16,499.24	\$0.00	0.00%	338	338	0	0.00%
08/01/2008 Billing:									
	12/10/2008	\$7,398.09	\$7,398.09	\$0.00	0.00%	168	168	0	0.00%
	04/10/2009	\$7,398.09	\$7,398.09	\$0.00	0.00%	168	168	0	0.00%
	Subtotal:	\$14,796.18	\$14,796.18	\$0.00	0.00%	336	336	0	0.00%
08/01/2009 Billing:									
	12/10/2009	\$8,322.61	\$8,322.61	\$0.00	0.00%	168	168	0	0.00%
	04/10/2010	\$8,322.61	\$8,322.61	\$0.00	0.00%	168	168	0	0.00%
	Subtotal:	\$16,645.22	\$16,645.22	\$0.00	0.00%	336	336	0	0.00%
08/01/2010 Billing:									
	12/10/2010	\$7,967.89	\$7,967.89	\$0.00	0.00%	166	166	0	0.00%
	04/10/2011	\$7,967.89	\$7,967.89	\$0.00	0.00%	166	166	0	0.00%
	Subtotal:	\$15,935.78	\$15,935.78	\$0.00	0.00%	332	332	0	0.00%
08/01/2011 Billing:									
	12/10/2011	\$8,197.62	\$8,197.62	\$0.00	0.00%	166	166	0	0.00%
	04/10/2012	\$8,197.62	\$8,197.62	\$0.00	0.00%	166	166	0	0.00%
	Subtotal:	\$16,395.24	\$16,395.24	\$0.00	0.00%	332	332	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Spanish Dry - Assessment District No. 1977-4 (Spanish Dry)									
08/01/2012 Billing:									
	12/10/2012	\$7,873.16	\$7,873.16	\$0.00	0.00%	166	166	0	0.00%
	04/10/2013	\$7,873.16	\$7,873.16	\$0.00	0.00%	166	166	0	0.00%
	Subtotal:	\$15,746.32	\$15,746.32	\$0.00	0.00%	332	332	0	0.00%
08/01/2013 Billing:									
	12/10/2013	\$8,072.25	\$8,072.25	\$0.00	0.00%	166	166	0	0.00%
	04/10/2014	\$8,072.25	\$8,072.25	\$0.00	0.00%	166	166	0	0.00%
	Subtotal:	\$16,144.50	\$16,144.50	\$0.00	0.00%	332	332	0	0.00%
08/01/2014 Billing:									
	12/10/2014	\$5,328.67	\$5,328.67	\$0.00	0.00%	166	166	0	0.00%
	04/10/2015	\$5,328.67	\$5,328.67	\$0.00	0.00%	166	166	0	0.00%
	Subtotal:	\$10,657.34	\$10,657.34	\$0.00	0.00%	332	332	0	0.00%
Spanish Dry	Total:	\$137,661.12	\$137,661.12	\$0.00	0.00%	3,008	3,008	0	0.00%

Georgetown Divide Public Utility District

Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Water Line - Assessment District No. 1977-5 (Water Line Ext)									
08/01/2007 Billing:									
	12/10/2007	\$4,415.96	\$4,415.96	\$0.00	0.00%	78	78	0	0.00%
	04/10/2008	\$4,415.96	\$4,415.96	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,831.92	\$8,831.92	\$0.00	0.00%	156	156	0	0.00%
08/01/2008 Billing:									
	12/10/2008	\$4,644.69	\$4,644.69	\$0.00	0.00%	78	78	0	0.00%
	04/10/2009	\$4,644.69	\$4,644.69	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$9,289.38	\$9,289.38	\$0.00	0.00%	156	156	0	0.00%
08/01/2009 Billing:									
	12/10/2009	\$4,173.91	\$4,173.91	\$0.00	0.00%	78	78	0	0.00%
	04/10/2010	\$4,173.91	\$4,173.91	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,347.82	\$8,347.82	\$0.00	0.00%	156	156	0	0.00%
08/01/2010 Billing:									
	12/10/2010	\$4,044.31	\$4,044.31	\$0.00	0.00%	78	78	0	0.00%
	04/10/2011	\$4,044.31	\$4,044.31	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,088.62	\$8,088.62	\$0.00	0.00%	156	156	0	0.00%
08/01/2011 Billing:									
	12/10/2011	\$4,423.62	\$4,423.62	\$0.00	0.00%	78	78	0	0.00%
	04/10/2012	\$4,423.62	\$4,423.62	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,847.24	\$8,847.24	\$0.00	0.00%	156	156	0	0.00%
08/01/2012 Billing:									
	12/10/2012	\$4,266.48	\$4,266.48	\$0.00	0.00%	78	78	0	0.00%
	04/10/2013	\$4,266.48	\$4,266.48	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,532.96	\$8,532.96	\$0.00	0.00%	156	156	0	0.00%

Georgetown Divide Public Utility District Delinquency Summary Report

As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Water Line - Assessment District No. 1977-5 (Water Line Ext)									
08/01/2013 Billing:									
	12/10/2013	\$4,123.19	\$4,123.19	\$0.00	0.00%	78	78	0	0.00%
	04/10/2014	\$4,123.19	\$4,123.19	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,246.38	\$8,246.38	\$0.00	0.00%	156	156	0	0.00%
08/01/2014 Billing:									
	12/10/2014	\$4,491.59	\$4,491.59	\$0.00	0.00%	78	78	0	0.00%
	04/10/2015	\$4,491.59	\$4,491.59	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,983.18	\$8,983.18	\$0.00	0.00%	156	156	0	0.00%
08/01/2015 Billing:									
	12/10/2015	\$4,596.76	\$4,596.76	\$0.00	0.00%	78	78	0	0.00%
	04/10/2016	\$4,596.76	\$4,596.76	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$9,193.52	\$9,193.52	\$0.00	0.00%	156	156	0	0.00%
08/01/2016 Billing:									
	12/10/2016	\$4,425.29	\$4,425.29	\$0.00	0.00%	78	78	0	0.00%
	04/10/2017	\$4,425.29	\$4,425.29	\$0.00	0.00%	78	78	0	0.00%
	Subtotal:	\$8,850.58	\$8,850.58	\$0.00	0.00%	156	156	0	0.00%
Water Line	Total:	\$87,211.60	\$87,211.60	\$0.00	0.00%	1,560	1,560	0	0.00%
Agency Grand Total:		\$847,010.60	\$847,010.60	\$0.00	0.00%	11,890	11,890	0	0.00%

Georgetown Divide Public Utility District
Delinquency Summary Report
As of: 11/01/2018

District	Due Date	Billed Amount	Paid Amount	Delinquent Amount	Delinquent Amount %	Billed Installments	Paid Installments	Delinquent Installments	Delinquent Installments %
Pilot Hill North									
	8/1/2007 Billing:								
	12/10/2007	\$16,401.70	\$16,401.70	\$0.00	0.00 %	84	84	0	0.00 %
	4/10/2008	16,401.70	16,401.70	0.00	0.00 %	84	84	0	0.00 %
	Subtotal:	\$32,803.40	\$32,803.40	\$0.00	0.00 %	168	168	0	0.00 %
	8/1/2008 Billing:								
	12/10/2008	\$16,340.11	\$16,340.11	\$0.00	0.00 %	84	84	0	0.00 %
	4/10/2009	16,340.11	16,340.11	0.00	0.00 %	84	84	0	0.00 %
	Subtotal:	\$32,680.22	\$32,680.22	\$0.00	0.00 %	168	168	0	0.00 %
	8/1/2009 Billing:								
	12/10/2009	\$16,353.57	\$16,353.57	\$0.00	0.00 %	84	84	0	0.00 %
	4/10/2010	16,353.57	16,353.57	0.00	0.00 %	84	84	0	0.00 %
	Subtotal:	\$32,707.14	\$32,707.14	\$0.00	0.00 %	168	168	0	0.00 %
	8/1/2010 Billing:								
	12/10/2010	\$16,342.77	\$16,342.77	\$0.00	0.00 %	84	84	0	0.00 %
	4/10/2011	16,342.77	16,342.77	0.00	0.00 %	84	84	0	0.00 %
	Subtotal:	\$32,685.54	\$32,685.54	\$0.00	0.00 %	168	168	0	0.00 %
	8/1/2011 Billing:								
	12/10/2011	\$16,358.42	\$16,358.42	\$0.00	0.00 %	84	84	0	0.00 %
	4/10/2012	16,358.42	16,358.42	0.00	0.00 %	84	84	0	0.00 %
	Subtotal:	\$32,716.84	\$32,716.84	\$0.00	0.00 %	168	168	0	0.00 %
Pilot Hill North Total:		\$163,593.14	\$163,593.14	\$0.00	0.00 %	840	840	0	0.00 %
Agency Grand Total:		\$163,593.14	\$163,593.14	\$0.00	0.00 %				

Section 7. FINAL DEBT SERVICE SCHEDULES

The following pages contain the closing debt service schedules for each Assessment District.

Georgetown Divide Public Utility District
Assessment District No. 1977-1 (Greenwood WID)

Current Debt Service Schedule

Bonds Dated: 12/30/1978

Bonds Issued: \$166,842.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1979		5.0000%	\$166,842.00	\$0.00	\$46.35	\$46.35	\$0.00	0.0000%	Paid
07/02/1979		5.0000	166,842.00	842.00	4,171.05	5,013.05	5,059.40	0.0000	Paid
01/02/1980		5.0000	166,000.00	.00	4,150.00	4,150.00	.00	0.0000	Paid
07/02/1980		5.0000	166,000.00	1,000.00	4,150.00	5,150.00	9,300.00	0.0000	Paid
01/02/1981		5.0000	165,000.00	.00	4,125.00	4,125.00	.00	0.0000	Paid
07/02/1981		5.0000	165,000.00	1,000.00	4,125.00	5,125.00	9,250.00	0.0000	Paid
01/02/1982		5.0000	164,000.00	.00	4,100.00	4,100.00	.00	0.0000	Paid
07/02/1982		5.0000	164,000.00	1,000.00	4,100.00	5,100.00	9,200.00	0.0000	Paid
01/02/1983		5.0000	163,000.00	.00	4,075.00	4,075.00	.00	0.0000	Paid
07/02/1983		5.0000	163,000.00	2,000.00	4,075.00	6,075.00	10,150.00	0.0000	Paid
01/02/1984		5.0000	161,000.00	.00	4,025.00	4,025.00	.00	0.0000	Paid
07/02/1984		5.0000	161,000.00	2,000.00	4,025.00	6,025.00	10,050.00	0.0000	Paid
01/02/1985		5.0000	159,000.00	.00	3,975.00	3,975.00	.00	0.0000	Paid
07/02/1985		5.0000	159,000.00	2,000.00	3,975.00	5,975.00	9,950.00	0.0000	Paid
01/02/1986		5.0000	157,000.00	.00	3,925.00	3,925.00	.00	0.0000	Paid
07/02/1986		5.0000	157,000.00	2,000.00	3,925.00	5,925.00	9,850.00	0.0000	Paid
01/02/1987		5.0000	155,000.00	.00	3,875.00	3,875.00	.00	0.0000	Paid
07/02/1987		5.0000	155,000.00	2,000.00	3,875.00	5,875.00	9,750.00	0.0000	Paid
01/02/1988		5.0000	153,000.00	.00	3,825.00	3,825.00	.00	0.0000	Paid
07/02/1988		5.0000	153,000.00	2,000.00	3,825.00	5,825.00	9,650.00	0.0000	Paid
01/02/1989		5.0000	151,000.00	.00	3,775.00	3,775.00	.00	0.0000	Paid
07/02/1989		5.0000	151,000.00	2,000.00	3,775.00	5,775.00	9,550.00	0.0000	Paid
01/02/1990		5.0000	149,000.00	.00	3,725.00	3,725.00	.00	0.0000	Paid
07/02/1990		5.0000	149,000.00	2,000.00	3,725.00	5,725.00	9,450.00	0.0000	Paid
01/02/1991		5.0000	147,000.00	.00	3,675.00	3,675.00	.00	0.0000	Paid
07/02/1991		5.0000	147,000.00	3,000.00	3,675.00	6,675.00	10,350.00	0.0000	Paid
01/02/1992		5.0000	144,000.00	.00	3,600.00	3,600.00	.00	0.0000	Paid
07/02/1992		5.0000	144,000.00	3,000.00	3,600.00	6,600.00	10,200.00	0.0000	Paid
01/02/1993		5.0000	141,000.00	.00	3,525.00	3,525.00	.00	0.0000	Paid
07/02/1993		5.0000	141,000.00	3,000.00	3,525.00	6,525.00	10,050.00	0.0000	Paid
01/02/1994		5.0000	138,000.00	.00	3,450.00	3,450.00	.00	0.0000	Paid
07/02/1994		5.0000	138,000.00	3,000.00	3,450.00	6,450.00	9,900.00	0.0000	Paid
01/02/1995		5.0000	135,000.00	.00	3,375.00	3,375.00	.00	0.0000	Paid
07/02/1995		5.0000	135,000.00	3,000.00	3,375.00	6,375.00	9,750.00	0.0000	Paid
01/02/1996		5.0000	132,000.00	.00	3,300.00	3,300.00	.00	0.0000	Paid
07/02/1996		5.0000	132,000.00	3,000.00	3,300.00	6,300.00	9,600.00	0.0000	Paid
01/02/1997		5.0000	129,000.00	.00	3,225.00	3,225.00	.00	0.0000	Paid
07/02/1997		5.0000	129,000.00	4,000.00	3,225.00	7,225.00	10,450.00	0.0000	Paid
01/02/1998		5.0000	125,000.00	.00	3,125.00	3,125.00	.00	0.0000	Paid
07/02/1998		5.0000	125,000.00	4,000.00	3,125.00	7,125.00	10,250.00	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1977-1 (Greenwood WID)

Current Debt Service Schedule

Bonds Dated: 12/30/1978

Bonds Issued: \$166,842.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1999		5.0000	121,000.00	.00	3,025.00	3,025.00	.00	0.0000	Paid
07/02/1999		5.0000	121,000.00	4,000.00	3,025.00	7,025.00	10,050.00	0.0000	Paid
01/02/2000		5.0000	117,000.00	.00	2,925.00	2,925.00	.00	0.0000	Paid
07/02/2000		5.0000	117,000.00	4,000.00	2,925.00	6,925.00	9,850.00	0.0000	Paid
01/02/2001		5.0000	113,000.00	.00	2,825.00	2,825.00	.00	0.0000	Paid
07/02/2001		5.0000	113,000.00	4,000.00	2,825.00	6,825.00	9,650.00	0.0000	Paid
01/02/2002		5.0000	109,000.00	.00	2,725.00	2,725.00	.00	0.0000	Paid
07/02/2002		5.0000	109,000.00	5,000.00	2,725.00	7,725.00	10,450.00	0.0000	Paid
01/02/2003		5.0000	104,000.00	.00	2,600.00	2,600.00	.00	0.0000	Paid
07/02/2003		5.0000	104,000.00	5,000.00	2,600.00	7,600.00	10,200.00	0.0000	Paid
01/02/2004		5.0000	99,000.00	.00	2,475.00	2,475.00	.00	0.0000	Paid
07/02/2004		5.0000	99,000.00	5,000.00	2,475.00	7,475.00	9,950.00	0.0000	Paid
01/02/2005		5.0000	94,000.00	.00	2,350.00	2,350.00	.00	0.0000	Paid
07/02/2005		5.0000	94,000.00	5,000.00	2,350.00	7,350.00	.00	0.0000	Paid
07/02/2005		0.0000	89,000.00	4,000.00	.00	4,000.00	13,700.00	0.0000	Bond Call
01/02/2006		5.0000	85,000.00	.00	2,125.00	2,125.00	.00	0.0000	Paid
07/02/2006		5.0000	85,000.00	6,000.00	2,125.00	8,125.00	10,250.00	0.0000	Paid
01/02/2007		5.0000	79,000.00	.00	1,975.00	1,975.00	.00	0.0000	Paid
07/02/2007		5.0000	79,000.00	6,000.00	1,975.00	7,975.00	.00	0.0000	Paid
07/02/2007		0.0000	73,000.00	9,000.00	.00	9,000.00	18,950.00	0.0000	Bond Call
01/02/2008		5.0000	64,000.00	.00	1,600.00	1,600.00	.00	0.0000	Paid
07/02/2008		5.0000	64,000.00	6,000.00	1,600.00	7,600.00	9,200.00	0.0000	Paid
01/02/2009		5.0000	58,000.00	.00	1,450.00	1,450.00	.00	0.0000	Paid
07/02/2009		5.0000	58,000.00	6,000.00	1,450.00	7,450.00	8,900.00	0.0000	Paid
01/02/2010		5.0000	52,000.00	.00	1,300.00	1,300.00	.00	0.0000	Paid
07/02/2010		5.0000	52,000.00	6,000.00	1,300.00	7,300.00	8,600.00	0.0000	Paid
01/02/2011		5.0000	46,000.00	.00	1,150.00	1,150.00	.00	0.0000	Paid
07/02/2011		5.0000	46,000.00	6,000.00	1,150.00	7,150.00	8,300.00	0.0000	Paid
01/02/2012		5.0000	40,000.00	.00	1,000.00	1,000.00	.00	0.0000	Paid
07/02/2012		5.0000	40,000.00	6,000.00	1,000.00	7,000.00	8,000.00	0.0000	Paid
01/02/2013		5.0000	34,000.00	.00	850.00	850.00	.00	0.0000	Paid
07/02/2013		5.0000	34,000.00	6,000.00	850.00	6,850.00	7,700.00	0.0000	Paid
01/02/2014		5.0000	28,000.00	.00	700.00	700.00	.00	0.0000	Paid
07/02/2014		5.0000	28,000.00	7,000.00	700.00	7,700.00	8,400.00	0.0000	Paid
01/02/2015		5.0000	21,000.00	.00	525.00	525.00	.00	0.0000	Paid
07/02/2015		5.0000	21,000.00	7,000.00	525.00	7,525.00	8,050.00	0.0000	Paid
01/02/2016		5.0000	14,000.00	.00	350.00	350.00	.00	0.0000	Paid
07/02/2016		5.0000	14,000.00	7,000.00	350.00	7,350.00	7,700.00	0.0000	Paid
01/02/2017		5.0000	7,000.00	.00	175.00	175.00	.00	0.0000	Paid
07/02/2017		5.0000	7,000.00	7,000.00	175.00	7,175.00	7,350.00	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1977-1 (Greenwood WID)

Current Debt Service Schedule

Bonds Dated: 12/30/1978

Bonds Issued: \$166,842.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
Grand Total:				\$166,842.00	\$210,167.40	\$377,009.40	\$377,009.40		

Georgetown Divide Public Utility District
Assessment District No. 1977-2 (Cool-Cherry Acres)

Current Debt Service Schedule

Bonds Dated: 01/02/1979

Bonds Issued: \$205,500.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1979		.0000%	\$205,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0000%	Paid
07/02/1979		5.0000	205,500.00	1,500.00	5,137.50	6,637.50	6,637.50	0.0000	Paid
01/02/1980		0.0000	204,000.00	.00	5,100.00	5,100.00	.00	0.0000	Paid
07/02/1980		5.0000	204,000.00	2,000.00	5,100.00	7,100.00	12,200.00	0.0000	Paid
01/02/1981		0.0000	202,000.00	.00	5,050.00	5,050.00	.00	0.0000	Paid
07/02/1981		5.0000	202,000.00	2,000.00	5,050.00	7,050.00	12,100.00	0.0000	Paid
01/02/1982		0.0000	200,000.00	.00	5,000.00	5,000.00	.00	0.0000	Paid
07/02/1982		5.0000	200,000.00	2,000.00	5,000.00	7,000.00	12,000.00	0.0000	Paid
01/02/1983		0.0000	198,000.00	.00	4,950.00	4,950.00	.00	0.0000	Paid
07/02/1983		5.0000	198,000.00	2,000.00	4,950.00	6,950.00	11,900.00	0.0000	Paid
01/02/1984		0.0000	196,000.00	.00	4,900.00	4,900.00	.00	0.0000	Paid
07/02/1984		5.0000	196,000.00	2,000.00	4,900.00	6,900.00	11,800.00	0.0000	Paid
01/02/1985		0.0000	194,000.00	.00	4,850.00	4,850.00	.00	0.0000	Paid
07/02/1985		5.0000	194,000.00	2,000.00	4,850.00	6,850.00	11,700.00	0.0000	Paid
01/02/1986		0.0000	192,000.00	.00	4,800.00	4,800.00	.00	0.0000	Paid
07/02/1986		5.0000	192,000.00	2,000.00	4,800.00	6,800.00	11,600.00	0.0000	Paid
01/02/1987		0.0000	190,000.00	.00	4,750.00	4,750.00	.00	0.0000	Paid
07/02/1987		5.0000	190,000.00	3,000.00	4,750.00	7,750.00	12,500.00	0.0000	Paid
01/02/1988		0.0000	187,000.00	.00	4,675.00	4,675.00	.00	0.0000	Paid
07/02/1988		5.0000	187,000.00	3,000.00	4,675.00	7,675.00	12,350.00	0.0000	Paid
01/02/1989		0.0000	184,000.00	.00	4,600.00	4,600.00	.00	0.0000	Paid
07/02/1989		5.0000	184,000.00	3,000.00	4,600.00	7,600.00	12,200.00	0.0000	Paid
01/02/1990		0.0000	181,000.00	.00	4,525.00	4,525.00	.00	0.0000	Paid
07/02/1990		5.0000	181,000.00	3,000.00	4,525.00	7,525.00	12,050.00	0.0000	Paid
01/02/1991		0.0000	178,000.00	.00	4,450.00	4,450.00	.00	0.0000	Paid
07/02/1991		5.0000	178,000.00	3,000.00	4,450.00	7,450.00	11,900.00	0.0000	Paid
01/02/1992		0.0000	175,000.00	.00	4,375.00	4,375.00	.00	0.0000	Paid
07/02/1992		5.0000	175,000.00	3,000.00	4,375.00	7,375.00	11,750.00	0.0000	Paid
01/02/1993		0.0000	172,000.00	.00	4,300.00	4,300.00	.00	0.0000	Paid
07/02/1993		5.0000	172,000.00	4,000.00	4,300.00	8,300.00	12,600.00	0.0000	Paid
01/02/1994		0.0000	168,000.00	.00	4,200.00	4,200.00	.00	0.0000	Paid
07/02/1994		5.0000	168,000.00	4,000.00	4,200.00	8,200.00	12,400.00	0.0000	Paid
01/02/1995		0.0000	164,000.00	.00	4,100.00	4,100.00	.00	0.0000	Paid
07/02/1995		5.0000	164,000.00	4,000.00	4,100.00	8,100.00	12,200.00	0.0000	Paid
01/02/1996		0.0000	160,000.00	.00	4,000.00	4,000.00	.00	0.0000	Paid
07/02/1996		5.0000	160,000.00	4,000.00	4,000.00	8,000.00	12,000.00	0.0000	Paid
01/02/1997		0.0000	156,000.00	.00	3,900.00	3,900.00	.00	0.0000	Paid
07/02/1997		5.0000	156,000.00	4,000.00	3,900.00	7,900.00	11,800.00	0.0000	Paid
01/02/1998		0.0000	152,000.00	.00	3,800.00	3,800.00	.00	0.0000	Paid
07/02/1998		5.0000	152,000.00	5,000.00	3,800.00	8,800.00	12,600.00	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1977-2 (Cool-Cherry Acres)

Current Debt Service Schedule

Bonds Dated: 01/02/1979

Bonds Issued: \$205,500.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1999		0.0000	147,000.00	.00	3,675.00	3,675.00	.00	0.0000	Paid
07/02/1999		5.0000	147,000.00	5,000.00	3,675.00	8,675.00	12,350.00	0.0000	Paid
01/02/2000		0.0000	142,000.00	.00	3,550.00	3,550.00	.00	0.0000	Paid
07/02/2000		5.0000	142,000.00	5,000.00	3,550.00	8,550.00	12,100.00	0.0000	Paid
01/02/2001		0.0000	137,000.00	.00	3,425.00	3,425.00	.00	0.0000	Paid
07/02/2001		5.0000	137,000.00	5,000.00	3,425.00	8,425.00	11,850.00	0.0000	Paid
01/02/2002		0.0000	132,000.00	.00	3,300.00	3,300.00	.00	0.0000	Paid
07/02/2002		5.0000	132,000.00	6,000.00	3,300.00	9,300.00	12,600.00	0.0000	Paid
01/02/2003		0.0000	126,000.00	.00	3,150.00	3,150.00	.00	0.0000	Paid
07/02/2003		5.0000	126,000.00	6,000.00	3,150.00	9,150.00	12,300.00	0.0000	Paid
01/02/2004		0.0000	120,000.00	.00	3,000.00	3,000.00	.00	0.0000	Paid
07/02/2004		5.0000	120,000.00	6,000.00	3,000.00	9,000.00	12,000.00	0.0000	Paid
01/02/2005		0.0000	114,000.00	.00	2,850.00	2,850.00	.00	0.0000	Paid
07/02/2005		5.0000	114,000.00	6,000.00	2,850.00	8,850.00	.00	0.0000	Paid
07/02/2005		0.0000	108,000.00	1,000.00	.00	1,000.00	12,700.00	0.0000	Bond Call
01/02/2006		0.0000	107,000.00	.00	2,675.00	2,675.00	.00	0.0000	Paid
07/02/2006		5.0000	107,000.00	7,000.00	2,675.00	9,675.00	12,350.00	0.0000	Paid
01/02/2007		0.0000	100,000.00	.00	2,500.00	2,500.00	.00	0.0000	Paid
07/02/2007		5.0000	100,000.00	7,000.00	2,500.00	9,500.00	.00	0.0000	Paid
07/02/2007		0.0000	93,000.00	14,000.00	.00	14,000.00	26,000.00	0.0000	Bond Call
01/02/2008		0.0000	79,000.00	.00	1,975.00	1,975.00	.00	0.0000	Paid
07/02/2008		5.0000	79,000.00	7,000.00	1,975.00	8,975.00	10,950.00	0.0000	Paid
01/02/2009		0.0000	72,000.00	.00	1,800.00	1,800.00	.00	0.0000	Paid
07/02/2009		5.0000	72,000.00	7,000.00	1,800.00	8,800.00	10,600.00	0.0000	Paid
01/02/2010		0.0000	65,000.00	.00	1,625.00	1,625.00	.00	0.0000	Paid
07/02/2010		5.0000	65,000.00	7,000.00	1,625.00	8,625.00	10,250.00	0.0000	Paid
01/02/2011		0.0000	58,000.00	.00	1,450.00	1,450.00	.00	0.0000	Paid
07/02/2011		5.0000	58,000.00	7,000.00	1,450.00	8,450.00	9,900.00	0.0000	Paid
01/02/2012		0.0000	51,000.00	.00	1,275.00	1,275.00	.00	0.0000	Paid
07/02/2012		5.0000	51,000.00	7,000.00	1,275.00	8,275.00	9,550.00	0.0000	Paid
01/02/2013		0.0000	44,000.00	.00	1,100.00	1,100.00	.00	0.0000	Paid
07/02/2013		5.0000	44,000.00	8,000.00	1,100.00	9,100.00	10,200.00	0.0000	Paid
01/02/2014		0.0000	36,000.00	.00	900.00	900.00	.00	0.0000	Paid
07/02/2014		5.0000	36,000.00	8,000.00	900.00	8,900.00	9,800.00	0.0000	Paid
01/02/2015		0.0000	28,000.00	.00	700.00	700.00	.00	0.0000	Paid
07/02/2015		5.0000	28,000.00	9,000.00	700.00	9,700.00	10,400.00	0.0000	Paid
01/02/2016		0.0000	19,000.00	.00	475.00	475.00	.00	0.0000	Paid
07/02/2016		5.0000	19,000.00	10,000.00	475.00	10,475.00	10,950.00	0.0000	Paid
01/02/2017		0.0000	9,000.00	.00	225.00	225.00	.00	0.0000	Paid
07/02/2017		5.0000	9,000.00	9,000.00	225.00	9,225.00	9,450.00	0.0000	Paid

**Georgetown Divide Public Utility District
Assessment District No. 1977-2 (Cool-Cherry Acres)**

Current Debt Service Schedule

Bonds Dated: 01/02/1979

Bonds Issued: \$205,500.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
Grand Total:				\$205,500.00	\$257,087.50	\$462,587.50	\$462,587.50		

Georgetown Divide Public Utility District
Assessment District No. 1977-4 (Spanish Dry)
Current Debt Service Schedule

Bonds Dated: 02/02/1978

Bonds Issued: \$267,200.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1979		5.0000%	\$267,200.00	\$0.00	\$12,246.67	\$12,246.67	\$0.00	0.0000%	Paid
07/02/1979		5.0000	267,200.00	2,200.00	6,680.00	8,880.00	21,126.67	0.0000	Paid
01/02/1980		5.0000	265,000.00	.00	6,625.00	6,625.00	.00	0.0000	Paid
07/02/1980		5.0000	265,000.00	2,000.00	6,625.00	8,625.00	15,250.00	0.0000	Paid
01/02/1981		5.0000	263,000.00	.00	6,575.00	6,575.00	.00	0.0000	Paid
07/02/1981		5.0000	263,000.00	3,000.00	6,575.00	9,575.00	16,150.00	0.0000	Paid
01/02/1982		5.0000	260,000.00	.00	6,500.00	6,500.00	.00	0.0000	Paid
07/02/1982		5.0000	260,000.00	3,000.00	6,500.00	9,500.00	16,000.00	0.0000	Paid
01/02/1983		5.0000	257,000.00	.00	6,425.00	6,425.00	.00	0.0000	Paid
07/02/1983		5.0000	257,000.00	3,000.00	6,425.00	9,425.00	15,850.00	0.0000	Paid
01/02/1984		5.0000	254,000.00	.00	6,350.00	6,350.00	.00	0.0000	Paid
07/02/1984		5.0000	254,000.00	3,000.00	6,350.00	9,350.00	15,700.00	0.0000	Paid
01/02/1985		5.0000	251,000.00	.00	6,275.00	6,275.00	.00	0.0000	Paid
07/02/1985		5.0000	251,000.00	3,000.00	6,275.00	9,275.00	15,550.00	0.0000	Paid
01/02/1986		5.0000	248,000.00	.00	6,200.00	6,200.00	.00	0.0000	Paid
07/02/1986		5.0000	248,000.00	3,000.00	6,200.00	9,200.00	15,400.00	0.0000	Paid
01/02/1987		5.0000	245,000.00	.00	6,125.00	6,125.00	.00	0.0000	Paid
07/02/1987		5.0000	245,000.00	3,000.00	6,125.00	9,125.00	15,250.00	0.0000	Paid
01/02/1988		5.0000	242,000.00	.00	6,050.00	6,050.00	.00	0.0000	Paid
07/02/1988		5.0000	242,000.00	4,000.00	6,050.00	10,050.00	16,100.00	0.0000	Paid
01/02/1989		5.0000	238,000.00	.00	5,950.00	5,950.00	.00	0.0000	Paid
07/02/1989		5.0000	238,000.00	4,000.00	5,950.00	9,950.00	15,900.00	0.0000	Paid
01/02/1990		5.0000	234,000.00	.00	5,850.00	5,850.00	.00	0.0000	Paid
07/02/1990		5.0000	234,000.00	4,000.00	5,850.00	9,850.00	15,700.00	0.0000	Paid
01/02/1991		5.0000	230,000.00	.00	5,750.00	5,750.00	.00	0.0000	Paid
07/02/1991		5.0000	230,000.00	4,000.00	5,750.00	9,750.00	15,500.00	0.0000	Paid
01/02/1992		5.0000	226,000.00	.00	5,650.00	5,650.00	.00	0.0000	Paid
07/02/1992		5.0000	226,000.00	4,000.00	5,650.00	9,650.00	15,300.00	0.0000	Paid
01/02/1993		5.0000	222,000.00	.00	5,550.00	5,550.00	.00	0.0000	Paid
07/02/1993		5.0000	222,000.00	5,000.00	5,550.00	10,550.00	16,100.00	0.0000	Paid
01/02/1994		5.0000	217,000.00	.00	5,425.00	5,425.00	.00	0.0000	Paid
07/02/1994		5.0000	217,000.00	5,000.00	5,425.00	10,425.00	15,850.00	0.0000	Paid
01/02/1995		5.0000	212,000.00	.00	5,300.00	5,300.00	.00	0.0000	Paid
07/02/1995		5.0000	212,000.00	5,000.00	5,300.00	10,300.00	15,600.00	0.0000	Paid
01/02/1996		5.0000	207,000.00	.00	5,175.00	5,175.00	.00	0.0000	Paid
07/02/1996		5.0000	207,000.00	5,000.00	5,175.00	10,175.00	15,350.00	0.0000	Paid
01/02/1997		5.0000	202,000.00	.00	5,050.00	5,050.00	.00	0.0000	Paid
07/02/1997		5.0000	202,000.00	6,000.00	5,050.00	11,050.00	16,100.00	0.0000	Paid
01/02/1998		5.0000	196,000.00	.00	4,900.00	4,900.00	.00	0.0000	Paid
07/02/1998		5.0000	196,000.00	6,000.00	4,900.00	10,900.00	15,800.00	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1977-4 (Spanish Dry)
Current Debt Service Schedule

Bonds Dated: 02/02/1978

Bonds Issued: \$267,200.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1999		5.0000	190,000.00	.00	4,750.00	4,750.00	.00	0.0000	Paid
07/02/1999		5.0000	190,000.00	6,000.00	4,750.00	10,750.00	15,500.00	0.0000	Paid
01/02/2000		5.0000	184,000.00	.00	4,600.00	4,600.00	.00	0.0000	Paid
07/02/2000		5.0000	184,000.00	7,000.00	4,600.00	11,600.00	16,200.00	0.0000	Paid
01/02/2001		5.0000	177,000.00	.00	4,425.00	4,425.00	.00	0.0000	Paid
07/02/2001		5.0000	177,000.00	7,000.00	4,425.00	11,425.00	15,850.00	0.0000	Paid
01/02/2002		5.0000	170,000.00	.00	4,250.00	4,250.00	.00	0.0000	Paid
07/02/2002		5.0000	170,000.00	7,000.00	4,250.00	11,250.00	15,500.00	0.0000	Paid
01/02/2003		5.0000	163,000.00	.00	4,075.00	4,075.00	.00	0.0000	Paid
07/02/2003		5.0000	163,000.00	8,000.00	4,075.00	12,075.00	16,150.00	0.0000	Paid
01/02/2004		5.0000	155,000.00	.00	3,875.00	3,875.00	.00	0.0000	Paid
07/02/2004		5.0000	155,000.00	8,000.00	3,875.00	11,875.00	15,750.00	0.0000	Paid
01/02/2005		5.0000	147,000.00	.00	3,675.00	3,675.00	.00	0.0000	Paid
07/02/2005		5.0000	147,000.00	8,000.00	3,675.00	11,675.00	.00	0.0000	Paid
07/02/2005		0.0000	139,000.00	2,000.00	.00	2,000.00	17,350.00	0.0000	Bond Call
01/02/2006		5.0000	137,000.00	.00	3,425.00	3,425.00	.00	0.0000	Paid
07/02/2006		5.0000	137,000.00	9,000.00	3,425.00	12,425.00	15,850.00	0.0000	Paid
01/02/2007		5.0000	128,000.00	.00	3,200.00	3,200.00	.00	0.0000	Paid
07/02/2007		5.0000	128,000.00	9,000.00	3,200.00	12,200.00	.00	0.0000	Paid
07/02/2007		0.0000	119,000.00	35,000.00	.00	35,000.00	50,400.00	0.0000	Bond Call
01/02/2008		5.0000	84,000.00	.00	2,100.00	2,100.00	.00	0.0000	Paid
07/02/2008		5.0000	84,000.00	10,000.00	2,100.00	12,100.00	14,200.00	0.0000	Paid
01/02/2009		5.0000	74,000.00	.00	1,850.00	1,850.00	.00	0.0000	Paid
07/02/2009		5.0000	74,000.00	10,000.00	1,850.00	11,850.00	13,700.00	0.0000	Paid
01/02/2010		5.0000	64,000.00	.00	1,600.00	1,600.00	.00	0.0000	Paid
07/02/2010		5.0000	64,000.00	11,000.00	1,600.00	12,600.00	14,200.00	0.0000	Paid
01/02/2011		5.0000	53,000.00	.00	1,325.00	1,325.00	.00	0.0000	Paid
07/02/2011		5.0000	53,000.00	11,000.00	1,325.00	12,325.00	13,650.00	0.0000	Paid
01/02/2012		5.0000	42,000.00	.00	1,050.00	1,050.00	.00	0.0000	Paid
07/02/2012		5.0000	42,000.00	12,000.00	1,050.00	13,050.00	14,100.00	0.0000	Paid
01/02/2013		5.0000	30,000.00	.00	750.00	750.00	.00	0.0000	Paid
07/02/2013		5.0000	30,000.00	12,000.00	750.00	12,750.00	13,500.00	0.0000	Paid
01/02/2014		5.0000	18,000.00	.00	450.00	450.00	.00	0.0000	Paid
07/02/2014		5.0000	18,000.00	13,000.00	450.00	13,450.00	13,900.00	0.0000	Paid
01/02/2015		5.0000	5,000.00	.00	125.00	125.00	.00	0.0000	Paid
07/02/2015		5.0000	5,000.00	5,000.00	125.00	5,125.00	5,250.00	0.0000	Paid
01/02/2016		5.0000	.00	.00	.00	.00	.00	0.0000	Paid
07/02/2016		5.0000	.00	.00	.00	.00	.00	0.0000	Paid
01/02/2017		5.0000	.00	.00	.00	.00	.00	0.0000	Paid
07/02/2017		5.0000	.00	.00	.00	.00	.00	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1977-4 (Spanish Dry)
Current Debt Service Schedule

Bonds Dated: 02/02/1978

Bonds Issued: \$267,200.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
Grand Total:				\$267,200.00	\$333,426.67	\$600,626.67	\$600,626.67		

Georgetown Divide Public Utility District
Assessment District No. 1977-5 (Water Line Ext)

Current Debt Service Schedule

Bonds Dated: 06/30/1979

Bonds Issued: \$134,460.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/1980		.0000%	\$134,460.00	\$0.00	\$3,408.24	\$3,408.24	\$0.00	0.0000%	Paid
07/02/1980		9.0380	134,460.00	460.00	3,370.79	3,830.79	7,239.03	0.0000	Paid
01/02/1981		0.0000	134,000.00	.00	3,350.00	3,350.00	.00	0.0000	Paid
07/02/1981		5.0000	134,000.00	1,000.00	3,350.00	4,350.00	7,700.00	0.0000	Paid
01/02/1982		0.0000	133,000.00	.00	3,325.00	3,325.00	.00	0.0000	Paid
07/02/1982		5.0000	133,000.00	1,000.00	3,325.00	4,325.00	7,650.00	0.0000	Paid
01/02/1983		0.0000	132,000.00	.00	3,300.00	3,300.00	.00	0.0000	Paid
07/02/1983		5.0000	132,000.00	1,000.00	3,300.00	4,300.00	7,600.00	0.0000	Paid
01/02/1984		0.0000	131,000.00	.00	3,275.00	3,275.00	.00	0.0000	Paid
07/02/1984		5.0000	131,000.00	1,000.00	3,275.00	4,275.00	7,550.00	0.0000	Paid
01/02/1985		0.0000	130,000.00	.00	3,250.00	3,250.00	.00	0.0000	Paid
07/02/1985		5.0000	130,000.00	2,000.00	3,250.00	5,250.00	8,500.00	0.0000	Paid
01/02/1986		0.0000	128,000.00	.00	3,200.00	3,200.00	.00	0.0000	Paid
07/02/1986		5.0000	128,000.00	2,000.00	3,200.00	5,200.00	8,400.00	0.0000	Paid
01/02/1987		0.0000	126,000.00	.00	3,150.00	3,150.00	.00	0.0000	Paid
07/02/1987		5.0000	126,000.00	2,000.00	3,150.00	5,150.00	8,300.00	0.0000	Paid
01/02/1988		0.0000	124,000.00	.00	3,100.00	3,100.00	.00	0.0000	Paid
07/02/1988		5.0000	124,000.00	2,000.00	3,100.00	5,100.00	8,200.00	0.0000	Paid
01/02/1989		0.0000	122,000.00	.00	3,050.00	3,050.00	.00	0.0000	Paid
07/02/1989		5.0000	122,000.00	2,000.00	3,050.00	5,050.00	8,100.00	0.0000	Paid
01/02/1990		0.0000	120,000.00	.00	3,000.00	3,000.00	.00	0.0000	Paid
07/02/1990		5.0000	120,000.00	2,000.00	3,000.00	5,000.00	8,000.00	0.0000	Paid
01/02/1991		0.0000	118,000.00	.00	2,950.00	2,950.00	.00	0.0000	Paid
07/02/1991		5.0000	118,000.00	2,000.00	2,950.00	4,950.00	7,900.00	0.0000	Paid
01/02/1992		0.0000	116,000.00	.00	2,900.00	2,900.00	.00	0.0000	Paid
07/02/1992		5.0000	116,000.00	2,000.00	2,900.00	4,900.00	7,800.00	0.0000	Paid
01/02/1993		0.0000	114,000.00	.00	2,850.00	2,850.00	.00	0.0000	Paid
07/02/1993		5.0000	114,000.00	2,000.00	2,850.00	4,850.00	7,700.00	0.0000	Paid
01/02/1994		0.0000	112,000.00	.00	2,800.00	2,800.00	.00	0.0000	Paid
07/02/1994		5.0000	112,000.00	2,000.00	2,800.00	4,800.00	7,600.00	0.0000	Paid
01/02/1995		0.0000	110,000.00	.00	2,750.00	2,750.00	.00	0.0000	Paid
07/02/1995		5.0000	110,000.00	2,000.00	2,750.00	4,750.00	7,500.00	0.0000	Paid
01/02/1996		0.0000	108,000.00	.00	2,700.00	2,700.00	.00	0.0000	Paid
07/02/1996		5.0000	108,000.00	3,000.00	2,700.00	5,700.00	8,400.00	0.0000	Paid
01/02/1997		0.0000	105,000.00	.00	2,625.00	2,625.00	.00	0.0000	Paid
07/02/1997		5.0000	105,000.00	3,000.00	2,625.00	5,625.00	8,250.00	0.0000	Paid
01/02/1998		0.0000	102,000.00	.00	2,550.00	2,550.00	.00	0.0000	Paid
07/02/1998		5.0000	102,000.00	3,000.00	2,550.00	5,550.00	8,100.00	0.0000	Paid
01/02/1999		0.0000	99,000.00	.00	2,475.00	2,475.00	.00	0.0000	Paid
07/02/1999		5.0000	99,000.00	3,000.00	2,475.00	5,475.00	7,950.00	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1977-5 (Water Line Ext)

Current Debt Service Schedule

Bonds Dated: 06/30/1979

Bonds Issued: \$134,460.00

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
01/02/2000		0.0000	96,000.00	.00	2,400.00	2,400.00	.00	0.0000	Paid
07/02/2000		5.0000	96,000.00	3,000.00	2,400.00	5,400.00	7,800.00	0.0000	Paid
01/02/2001		0.0000	93,000.00	.00	2,325.00	2,325.00	.00	0.0000	Paid
07/02/2001		5.0000	93,000.00	3,000.00	2,325.00	5,325.00	7,650.00	0.0000	Paid
01/02/2002		0.0000	90,000.00	.00	2,250.00	2,250.00	.00	0.0000	Paid
07/02/2002		5.0000	90,000.00	3,000.00	2,250.00	5,250.00	7,500.00	0.0000	Paid
01/02/2003		0.0000	87,000.00	.00	2,175.00	2,175.00	.00	0.0000	Paid
07/02/2003		5.0000	87,000.00	4,000.00	2,175.00	6,175.00	8,350.00	0.0000	Paid
01/02/2004		0.0000	83,000.00	.00	2,075.00	2,075.00	.00	0.0000	Paid
07/02/2004		5.0000	83,000.00	4,000.00	2,075.00	6,075.00	8,150.00	0.0000	Paid
01/02/2005		0.0000	79,000.00	.00	1,975.00	1,975.00	.00	0.0000	Paid
07/02/2005		5.0000	79,000.00	4,000.00	1,975.00	5,975.00	7,950.00	0.0000	Paid
01/02/2006		0.0000	75,000.00	.00	1,875.00	1,875.00	.00	0.0000	Paid
07/02/2006		5.0000	75,000.00	4,000.00	1,875.00	5,875.00	7,750.00	0.0000	Paid
01/02/2007		0.0000	71,000.00	.00	1,775.00	1,775.00	.00	0.0000	Paid
07/02/2007		5.0000	71,000.00	4,000.00	1,775.00	5,775.00	.00	0.0000	Paid
07/02/2007		0.0000	67,000.00	4,000.00	.00	4,000.00	11,550.00	0.0000	Bond Call
01/02/2008		0.0000	63,000.00	.00	1,575.00	1,575.00	.00	0.0000	Paid
07/02/2008		5.0000	63,000.00	5,000.00	1,575.00	6,575.00	8,150.00	0.0000	Paid
01/02/2009		0.0000	58,000.00	.00	1,450.00	1,450.00	.00	0.0000	Paid
07/02/2009		5.0000	58,000.00	5,000.00	1,450.00	6,450.00	7,900.00	0.0000	Paid
01/02/2010		0.0000	53,000.00	.00	1,325.00	1,325.00	.00	0.0000	Paid
07/02/2010		5.0000	53,000.00	5,000.00	1,325.00	6,325.00	7,650.00	0.0000	Paid
01/02/2011		0.0000	48,000.00	.00	1,200.00	1,200.00	.00	0.0000	Paid
07/02/2011		5.0000	48,000.00	5,000.00	1,200.00	6,200.00	7,400.00	0.0000	Paid
01/02/2012		0.0000	43,000.00	.00	1,075.00	1,075.00	.00	0.0000	Paid
07/02/2012		5.0000	43,000.00	6,000.00	1,075.00	7,075.00	8,150.00	0.0000	Paid
01/02/2013		0.0000	37,000.00	.00	925.00	925.00	.00	0.0000	Paid
07/02/2013		5.0000	37,000.00	6,000.00	925.00	6,925.00	7,850.00	0.0000	Paid
01/02/2014		0.0000	31,000.00	.00	775.00	775.00	.00	0.0000	Paid
07/02/2014		5.0000	31,000.00	6,000.00	775.00	6,775.00	7,550.00	0.0000	Paid
01/02/2015		0.0000	25,000.00	.00	625.00	625.00	.00	0.0000	Paid
07/02/2015		5.0000	25,000.00	7,000.00	625.00	7,625.00	8,250.00	0.0000	Paid
01/02/2016		0.0000	18,000.00	.00	450.00	450.00	.00	0.0000	Paid
07/02/2016		5.0000	18,000.00	7,000.00	450.00	7,450.00	7,900.00	0.0000	Paid
01/02/2017		0.0000	11,000.00	.00	275.00	275.00	.00	0.0000	Paid
07/02/2017		5.0000	11,000.00	7,000.00	275.00	7,275.00	7,550.00	0.0000	Paid
01/02/2018		0.0000	4,000.00	.00	100.00	100.00	.00	0.0000	Paid
07/02/2018		5.0000	4,000.00	4,000.00	100.00	4,100.00	4,200.00	0.0000	Paid
Grand Total:				\$134,460.00	\$173,229.03	\$307,689.03	\$307,689.03		

Georgetown Divide Public Utility District
Assessment District No. 1989-4 (Kelsey South)
Current Debt Service Schedule

Bonds Dated: 07/24/1991

Bonds Issued: \$729,146.24

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
03/02/1992		.0000%	\$729,146.24	\$0.00	\$15,099.44	\$15,099.44	\$0.00	0.0000%	Paid
09/02/1992		3.9100	729,146.24	14,196.39	12,467.43	26,663.82	41,763.26	0.0000	Paid
03/02/1993		0.0000	714,949.85	.00	12,189.89	12,189.89	.00	0.0000	Paid
09/02/1993		3.4100	714,949.85	14,688.89	12,189.89	26,878.78	39,068.67	0.0000	Paid
03/02/1994		0.0000	700,260.96	.00	11,939.45	11,939.45	.00	0.0000	Paid
09/02/1994		3.4100	700,260.96	15,198.47	11,939.45	27,137.92	39,077.37	0.0000	Paid
03/02/1995		0.0000	685,062.49	.00	11,680.32	11,680.32	.00	0.0000	Paid
09/02/1995		3.4100	685,062.49	15,725.72	11,680.32	27,406.04	39,086.36	0.0000	Paid
03/02/1996		0.0000	669,336.77	.00	11,412.19	11,412.19	.00	0.0000	Paid
09/02/1996		3.4100	669,336.77	16,271.27	11,412.19	27,683.46	39,095.65	0.0000	Paid
03/02/1997		0.0000	653,065.50	.00	11,134.77	11,134.77	.00	0.0000	Paid
09/02/1997		3.4100	653,065.50	16,835.75	11,134.77	27,970.52	39,105.29	0.0000	Paid
03/02/1998		0.0000	636,229.75	.00	10,847.72	10,847.72	.00	0.0000	Paid
09/02/1998		3.4100	636,229.75	17,419.80	10,847.72	28,267.52	39,115.24	0.0000	Paid
03/02/1999		0.0000	618,809.95	.00	10,550.71	10,550.71	.00	0.0000	Paid
09/02/1999		3.4100	618,809.95	18,024.12	10,550.71	28,574.83	39,125.54	0.0000	Paid
03/02/2000		0.0000	600,785.83	.00	10,243.40	10,243.40	.00	0.0000	Paid
09/02/2000		3.4100	600,785.83	18,649.41	10,243.40	28,892.81	39,136.21	0.0000	Paid
03/02/2001		0.0000	582,136.42	.00	9,925.43	9,925.43	.00	0.0000	Paid
09/02/2001		3.4100	582,136.42	19,296.38	9,925.43	29,221.81	39,147.24	0.0000	Paid
03/02/2002		0.0000	562,840.04	.00	9,596.42	9,596.42	.00	0.0000	Paid
09/02/2002		3.4100	562,840.04	19,965.80	9,596.42	29,562.22	39,158.64	0.0000	Paid
03/02/2003		0.0000	542,874.24	.00	9,256.01	9,256.01	.00	0.0000	Paid
09/02/2003		3.4100	542,874.24	20,658.45	9,256.01	29,914.46	39,170.47	0.0000	Paid
03/02/2004		0.0000	522,215.79	.00	8,903.78	8,903.78	.00	0.0000	Paid
09/02/2004		3.4100	522,215.79	21,375.12	8,903.78	30,278.90	39,182.68	0.0000	Paid
03/02/2005		0.0000	500,840.67	.00	8,539.33	8,539.33	.00	0.0000	Paid
09/02/2005		3.4100	500,840.67	22,116.65	8,539.33	30,655.98	39,195.31	0.0000	Paid
03/02/2006		0.0000	478,724.02	.00	8,162.24	8,162.24	.00	0.0000	Paid
09/02/2006		3.4100	478,724.02	22,883.91	8,162.24	31,046.15	39,208.39	0.0000	Paid
03/02/2007		0.0000	455,840.11	.00	7,772.07	7,772.07	.00	0.0000	Paid
09/02/2007		3.4100	455,840.11	23,677.79	7,772.07	31,449.86	39,221.93	0.0000	Paid
03/02/2008		0.0000	432,162.32	.00	7,368.37	7,368.37	.00	0.0000	Paid
09/02/2008		3.4100	432,162.32	24,499.21	7,368.37	31,867.58	39,235.95	0.0000	Paid
03/02/2009		0.0000	407,663.11	.00	6,950.66	6,950.66	.00	0.0000	Paid
09/02/2009		3.4100	407,663.11	25,349.12	6,950.66	32,299.78	39,250.44	0.0000	Paid
03/02/2010		0.0000	382,313.99	.00	6,518.45	6,518.45	.00	0.0000	Paid
09/02/2010		3.4100	382,313.99	26,228.52	6,518.45	32,746.97	39,265.42	0.0000	Paid
03/02/2011		0.0000	356,085.47	.00	6,071.26	6,071.26	.00	0.0000	Paid
09/02/2011		3.4100	356,085.47	27,138.43	6,071.26	33,209.69	39,280.95	0.0000	Paid

Georgetown Divide Public Utility District
Assessment District No. 1989-4 (Kelsey South)
Current Debt Service Schedule

Bonds Dated: 07/24/1991

Bonds Issued: \$729,146.24

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Premium	Status
03/02/2012		0.0000	328,947.04	.00	5,608.55	5,608.55	.00	0.0000	Paid
09/02/2012		3.4100	328,947.04	28,079.90	5,608.55	33,688.45	39,297.00	0.0000	Paid
03/02/2013		0.0000	300,867.14	.00	5,129.78	5,129.78	.00	0.0000	Paid
09/02/2013		3.4100	300,867.14	29,054.03	5,129.78	34,183.81	39,313.59	0.0000	Paid
03/02/2014		0.0000	271,813.11	.00	4,634.41	4,634.41	.00	0.0000	Paid
09/02/2014		3.4100	271,813.11	30,061.96	4,634.41	34,696.37	39,330.78	0.0000	Paid
03/02/2015		0.0000	241,751.15	.00	4,121.86	4,121.86	.00	0.0000	Paid
09/02/2015		3.4100	241,751.15	31,104.85	4,121.86	35,226.71	39,348.57	0.0000	Paid
03/02/2016		0.0000	210,646.30	.00	3,591.52	3,591.52	.00	0.0000	Paid
09/02/2016		3.4100	210,646.30	32,183.93	3,591.52	35,775.45	39,366.97	0.0000	Paid
03/02/2017		0.0000	178,462.37	.00	3,042.78	3,042.78	.00	0.0000	Paid
09/02/2017		3.4100	178,462.37	33,300.44	3,042.78	36,343.22	39,386.00	0.0000	Paid
03/02/2018		0.0000	145,161.93	.00	2,475.01	2,475.01	.00	0.0000	Paid
09/02/2018		3.4100	145,161.93	34,455.68	2,475.01	36,930.69	39,405.70	0.0000	Paid
03/02/2019		0.0000	110,706.25	.00	1,887.54	1,887.54	.00	0.0000	Unpaid
09/02/2019		3.4100	110,706.25	35,651.00	1,887.54	37,538.54	39,426.08	0.0000	Unpaid
03/02/2020		0.0000	75,055.25	.00	1,279.69	1,279.69	.00	0.0000	Unpaid
09/02/2020		3.4100	75,055.25	36,887.78	1,279.69	38,167.47	39,447.16	0.0000	Unpaid
03/02/2021		0.0000	38,167.47	.00	650.76	650.76	.00	0.0000	Unpaid
09/02/2021		3.4100	38,167.47	38,167.47	650.76	38,818.23	39,468.99	0.0000	Unpaid
Grand Total:				\$729,146.24	\$450,535.61	\$1,179,681.85	\$1,179,681.85		

Georgetown Divide Public Utility District
Assessment District No. 1989-2 (Pilot Hill North)
Current Debt Service Schedule

Bonds Dated:
Bonds Issued: \$310,030.54

Payment Date	CUSIP	Interest Rate	Balance	Principal	Interest	Payment Total	Annual Total	Call Prem.	Status
03/02/1992		0.0000%	\$310,030.54	\$0.00	\$6,636.42	\$6,636.42	\$0.00	0.0000%	Paid
09/02/1992		3.7957	310,030.54	10,213.55	5,479.61	15,693.16	22,329.58	0.0000	Paid
03/02/1993		0.0000	299,816.99	0.00	5,285.77	5,285.77	0.00	0.0000	Paid
09/02/1993		3.5260	299,816.99	10,573.67	5,285.77	15,859.44	21,145.21	0.0000	Paid
03/02/1994		0.0000	289,243.32	0.00	5,099.36	5,099.36	0.00	0.0000	Paid
09/02/1994		3.5260	289,243.32	10,946.48	5,099.36	16,045.84	21,145.20	0.0000	Paid
03/02/1995		0.0000	278,296.84	0.00	4,906.37	4,906.37	0.00	0.0000	Paid
09/02/1995		3.5260	278,296.84	11,332.45	4,906.37	16,238.82	21,145.19	0.0000	Paid
03/02/1996		0.0000	266,964.39	0.00	4,706.58	4,706.58	0.00	0.0000	Paid
09/02/1996		3.5260	266,964.39	11,732.02	4,706.58	16,438.60	21,145.18	0.0000	Paid
03/02/1997		0.0000	255,232.37	0.00	4,499.75	4,499.75	0.00	0.0000	Paid
09/02/1997		3.5260	255,232.37	12,145.67	4,499.75	16,645.42	21,145.17	0.0000	Paid
03/02/1998		0.0000	243,086.70	0.00	4,285.62	4,285.62	0.00	0.0000	Paid
09/02/1998		3.5260	243,086.70	12,573.92	4,285.62	16,859.54	21,145.16	0.0000	Paid
03/02/1999		0.0000	230,512.78	0.00	4,063.94	4,063.94	0.00	0.0000	Paid
09/02/1999		3.5260	230,512.78	13,017.26	4,063.94	17,081.20	21,145.14	0.0000	Paid
03/02/2000		0.0000	217,495.52	0.00	3,834.45	3,834.45	0.00	0.0000	Paid
09/02/2000		3.5260	217,495.52	13,476.24	3,834.45	17,310.69	21,145.14	0.0000	Paid
03/02/2001		0.0000	204,019.28	0.00	3,596.86	3,596.86	0.00	0.0000	Paid
09/02/2001		3.5260	204,019.28	13,951.40	3,596.86	17,548.26	21,145.12	0.0000	Paid
03/02/2002		0.0000	190,067.88	0.00	3,350.90	3,350.90	0.00	0.0000	Paid
09/02/2002		3.5260	190,067.88	14,443.31	3,350.90	17,794.21	21,145.11	0.0000	Paid
03/02/2003		0.0000	175,624.57	0.00	3,096.26	3,096.26	0.00	0.0000	Paid
09/02/2003		3.5260	175,624.57	14,952.57	3,096.26	18,048.83	21,145.09	0.0000	Paid
03/02/2004		0.0000	160,672.00	0.00	2,832.65	2,832.65	0.00	0.0000	Paid
09/02/2004		3.5260	160,672.00	15,479.78	2,832.65	18,312.43	21,145.08	0.0000	Paid
03/02/2005		0.0000	145,192.22	0.00	2,559.74	2,559.74	0.00	0.0000	Paid
09/02/2005		3.5260	145,192.22	16,025.58	2,559.74	18,585.32	21,145.06	0.0000	Paid
03/02/2006		0.0000	129,166.64	0.00	2,277.21	2,277.21	0.00	0.0000	Paid
09/02/2006		3.5260	129,166.64	16,590.63	2,277.21	18,867.84	21,145.05	0.0000	Paid
03/02/2007		0.0000	112,576.01	0.00	1,984.72	1,984.72	0.00	0.0000	Paid
09/02/2007		3.5260	112,576.01	17,175.60	1,984.72	19,160.32	21,145.04	0.0000	Paid
03/02/2008		0.0000	95,400.41	0.00	1,681.91	1,681.91	0.00	0.0000	Paid
09/02/2008		3.5260	95,400.41	17,781.19	1,681.91	19,463.10	21,145.01	0.0000	Paid
03/02/2009		0.0000	77,619.22	0.00	1,368.43	1,368.43	0.00	0.0000	Paid
09/02/2009		3.5260	77,619.22	18,408.14	1,368.43	19,776.57	21,145.00	0.0000	Paid
03/02/2010		0.0000	59,211.08	0.00	1,043.89	1,043.89	0.00	0.0000	Paid
09/02/2010		3.5260	59,211.08	19,057.19	1,043.89	20,101.08	21,144.97	0.0000	Paid
03/02/2011		0.0000	40,153.89	0.00	707.91	707.91	0.00	0.0000	Paid
09/02/2011		3.5260	40,153.89	19,729.13	707.91	20,437.04	21,144.95	0.0000	Paid
03/02/2012		0.0000	20,424.76	0.00	360.09	360.09	0.00	0.0000	Paid
09/02/2012		3.5260	20,424.76	20,424.76	360.09	20,784.85	21,144.94	0.0000	Paid

Grand Total: **\$310,030.54** **\$135,200.85** **\$445,231.39** **\$445,231.39**

RESOLUTION NO. 2019-02
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE
DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT
DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT
PREPARED BY NBS, AND ACCEPTING THE
NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS
FOR BAYNE ROAD WATER ASSESSMENT DISTRICT NO. 1991-1

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Bayne Road Water Assessment District No. 1991-1 (the “Assessment District”); and,

WHEREAS, the Limited Obligation Improvement Bonds, Georgetown Divide Public Utility District, Bayne Road Water Assessment District 1991-1 (the “Bonds”) were issued to provide funds to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the Bonds has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$25,349.29

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner

described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Bayne Road Water Assessment District No. 1991-1.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-02 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2019-03
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE
DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT
DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT
PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF
PUBLIC IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-2
(COOL CHERRY ACRES WATER IMPROVEMENT DISTRICT)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-2 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$3,624.24

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-2 (Cool Cherry Acres Water Improvement District).

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-03 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2019-04
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE
DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT
DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY
NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC
IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-1
(GREENWOOD WATER IMPROVEMENT DISTRICT)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-1 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$6,513.26

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner

described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-1 (Greenwood Water Improvement District).

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-04 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2019-05
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE
DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT
DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT
PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF
PUBLIC IMPROVEMENTS FOR KELSEY SOUTH WATER ASSESSMENT
DISTRICT NO. 1989-4

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1989-4 (the “Assessment District”); and,

WHEREAS, the Department of Water Resources held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balances, as of June 30, 2018
Redemption Fund	\$55,526.44

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balances of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner

described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Kelsey South Water Assessment District No. 1989-4.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-05 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2019-06
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
DECLARING THE REDEMPTION FUND AS SURPLUS, ORDERING THE
DISPOSITION OF SURPLUS AMOUNTS, APPROVING THE ASSESSMENT
DISTRICT CLOSEOUT ANALYSIS AND FINDINGS REPORT
PREPARED BY NBS, AND ACCEPTING THE NOTICE OF COMPLETION OF
PUBLIC IMPROVEMENTS FOR ASSESSMENT DISTRICT NO. 1977-4
(SPANISH DRY DIGGINS WATER IMPROVEMENT DISTRICT)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-4 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$7,983.95

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner

described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-4 (Spanish Dry Diggins Water Improvement District).

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-06 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

RESOLUTION NO. 2019-07
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT DECLARING THE
REDEMPTION FUND AS SURPLUS, ORDERING THE DISPOSITION OF
SURPLUS AMOUNTS, APPROVING THE ASSESSMENT DISTRICT
CLOSEOUT ANALYSIS AND FINDINGS REPORT PREPARED BY NBS, AND
ACCEPTING THE NOTICE OF COMPLETION OF PUBLIC IMPROVEMENTS
FOR ASSESSMENT DISTRICT NO. 1977-5 (WATER LINE EXTENSION)

WHEREAS, the Board of Directors of the Georgetown Divide Public Utility District (the “GDPUD”) has, by previous resolution and related actions, undertaken proceedings pursuant to the Municipal Improvement Act of 1913 to form and confirm assessments in the special assessment district known and designated as Assessment District No. 1977-5 (the “Assessment District”); and,

WHEREAS, Berkadia Commercial Mortgage LLC held a loan for funds advanced to the GDPUD for the completion of the improvements authorized by the Assessment District; and,

WHEREAS, the payment of all principal and interest due on the loan has been satisfied and surplus funds exist in the following amount:

Assessment District Fund	Fund Balance, as of June 30, 2018
Redemption Fund	\$1,948.98

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT:

Section 1. The above recitals are true and correct.

Section 2. The GDPUD Board of Directors hereby declares the fund balance of the Assessment District to be surplus.

Section 3. The GDPUD Board of Directors hereby approves the Assessment District Closeout Analysis and Findings Report prepared for the Assessment District by NBS.

Section 4. The GDPUD Board of Directors hereby orders the disposition of said surplus funds, less closeout fees and GDPUD administrative expenses, according to Sections 8784 and 8885 of the California Streets and Highways Code, and in the manner

described in the Assessment District Closeout Analysis and Findings Report prepared by NBS.

Section 5. The GDPUD authorizes the closeout of Assessment District No. 1977-5 (Water Line Extension).

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

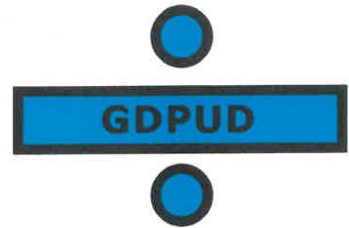
Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-07 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 5.E.**



AGENDA SECTION: CONSENT CALENDAR

SUBJECT: AUTHORIZING CHANGE OF BANK SIGNATORY AUTHORITY

PREPARED BY: Diana Michaelson, Board Assistant

APPROVED BY: Steven Palmer, PE, General Manager

A blue ink signature of Steven Palmer, General Manager, written over the name.

BACKGROUND

The District has utilized the local services of El Dorado Savings Bank since approximately 2002. The bank requires a resolution to be adopted by the Board of Directors that specifies the authorized signers on an account.

DISCUSSION

With newly elected Directors and Election of Board Officers for 2019, a resolution authorizing the change of signatory authority is needed. This authorization will remain in force until the Board of Directors gives written notice to the Bank to the contrary.

FISCAL IMPACT

None.

CEQA ASSESSMENT

Not a CEQA project.

RECOMMENDED ACTION

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District adopt Resolution 2019-08 authorizing the change of bank signatory authority.

ALTERNATIVES

- (a) Request substantive changes to the Resolution for staff to implement;
- (b) Reject the Resolution.

ATTACHMENT

1. Resolution 2019-08

RESOLUTION NO. 2019-08
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
AUTHORIZING THE CHANGE OF SIGNATORY AUTHORITY FOR
ACCOUNTS ESTABLISHED WITH EL DORADO SAVINGS BANK

WHEREAS, the Georgetown Divide Public Utility District (“District”) utilizes the banking services of El Dorado Savings Bank (“Bank”); and

WHEREAS, the Bank requires a Resolution of the Board of Directors to specify or amend the signatory authority of the District’s accounts with the Bank; and

WHEREAS, the District desires to amend the signatory authority of the District’s accounts at the Bank to reflect the addition of two new Board of Directors and the change of officers of the President, Vice President and Treasurer.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

1. That any of the following individuals may sign checks or other instruments withdrawing funds from the accounts:
 - Dane Wadle, President
 - David Halpin, Vice-President
 - Michael Saunders, Treasurer
 - David Souza, Director
 - Cynthia Garcia, Director
 - Steven Palmer, General Manager
2. That the Bank may honor and pay all checks or other instruments signed in accordance with this Resolution, including those payable checks or other instruments payable to the District whether they are endorsed in writing or by stamp.
3. That this authorization remains in force until the Board of Directors gives written notice to the Bank to the contrary.
4. That the General Manager is authorized to execute, and the signers are authorized to sign the required signature cards and any other documents required by the Bank for maintenance of the existing accounts.
5. That the General Manager or Management Analyst is authorized to enter into certificates of deposit on behalf of the District.

6. That the General Manager or Management Analyst is authorized to initiate wire transfers as needed for District business.
7. That the District funds on deposit with El Dorado Savings Bank will be collateralized pursuant to the Contract for Deposit of Moneys document dated January 8, 2019.
8. That the District requires two signatures for all checks.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-08 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT



Town Hall Report

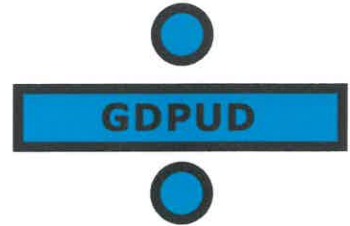
The Divide's Voice on
Community Water Issues

Board Mtg. of 01/08/2019
AGENDA ITEM 6.A.
Board Reports
Page 1 of 1

Community Questions - December Town Hall

1. When the old ALT water treatment plant goes off-line what will be done with it?
2. Can anyone nominate another person for the ACWA region 3 vacancy?
3. Why are so many of the finance committee meetings canceled? Can't the FC meetings be held at a different time if some members are unable to participate at the regularly scheduled meeting time? When will a FC meeting be held to remove those members who don't show up? This needs to be done to make room for new members.
4. Downstream of the Stumpy diversion dam, is there enough water from the Pilot Creek watershed to provide adequate flow's for fish?
5. Does our water district receive any revenues from the Canyon Creek hydroelectric plant?
6. Can the irrigation water at the end of each of the ditches be conserved in someway?
7. Global warming is a concern and vendors should be chosen that provide a sustainable solutions for environmental stewardship through their policies and procedures. Are vendors chosen with environmental stewardship policies and global warming issues in mind?
8. Please ask Dave Souza to look into the decreasing irrigation water uses and any impact affecting potential fire hazards and provide a report back to the water district at a future board meeting.
9. Does anyone think there is a chance to get some reductions in the current water rates? I am aware that salaries and new equipment have already taken a toll on the available funds. Is there a solution?

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 6.B.**



AGENDA SECTION: INFORMATIONAL ITEMS

SUBJECT: GENERAL MANAGER'S REPORT

PREPARED BY: Steven Palmer, PE, General Manager

A blue handwritten signature, likely of Steven Palmer, is written over the printed name.

PROJECTS

- Water Conservation, Supply Reliability, and Environmental Protection Project funded by CABY
 - Construction complete.
 - Board acceptance and Notice of Completion expected at February meeting
- Treated Water Line Replacement and Main Canal Reliability Projects
 - Design underway
- Automated Meter Reading and Meter Replacement Project
 - Reviewing finance application with State
- Irrigation Ordinance Update
 - First Workshop on September 20
 - Second Workshop on October 16
 - Staff working to update based on direction from Second Workshop
- Wastewater Fee Review
 - Public workshop scheduled for January 16

UPCOMING BOARD ITEMS

February

- Receive Fiscal Year 2017/2018 Audit
- Update Leakage Consideration Policy
- Communications Professional Services Agreement
- Annual Board Goal Setting Workshop – Save the Date February 16
- Notice of Completion for Water Conservation, Supply Reliability, and Environmental Protection Project funded by CABY

March

- Accounting/Finance Software Contract
- Mid-Year Budget Comparison
- Late Fee Policy Update
- Social Media Policy
- Approve Plans and Authorize Bid for Treated Water Line Replacement

Future

- Board Policy Updates
- Personnel Manual
- Capital Facility Charge Update
- District Fee Update
- Irrigation Ordinance Update

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Operations Manager's Report for January 2019

Presented to the GDPUD Board of Directors by Darrell Creeks, Operations Manager

January 8, 2019, AGENDA ITEM #6.C.

Water Production for the Month of December

Auburn Lake Trails Water Treatment Plant

12.679 million gallons
409,000 gallons/day average

Walton Lake Water Treatment Plant

15.245 million gallons
491,774 gallons/day average

Water Quality Monitoring

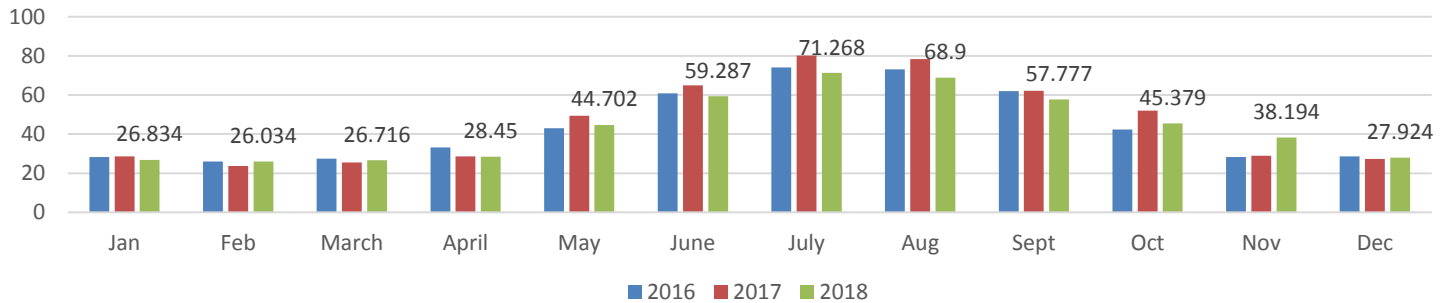
Monitoring has been completed and reports have been submitted to the State Water Resources Control Board.

- ✓ The treatment plants are in compliance with all drinking water standards, with the exception of the ALTWTP which is currently under a SWRCB Compliance Order. To comply with this Order, a new plant is under construction.
- ✓ Distribution system monitoring results showed all samples absent/negative of any bacteriological contamination and adequate levels of disinfection through the system.

Stumpy Meadows Volume (Acre-FT)



Chart Water Production (MG)



Summary of Field Work Activities

Distribution Crew

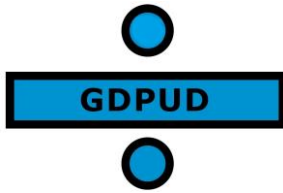
- ✓ Repaired leaks: 5 service leaks
- ✓ Repair/replace meters: 1
- ✓ Installed new service: 0 treated
- ✓ Adjusted altitude and pressure reducing valves
- ✓ Performed Maintenance on Pressure Reducing Stations
- ✓ Performed valve exercise in Distribution system
- ✓ Blacktop Repair on Chimney Flat Court in ALT

Maintenance Crew

They have spent a lot of time walking ditch and clearing debris from grizzlies and other areas due to wind and rain. Brush cutting and cleaning canals in bad areas.

Georgetown Divide Public Utility District

6425 Main Street P.O. Box 4240, Georgetown, CA 95634 • (530) 333-4356 • www.gd-pud.org
Steven Palmer, PE, General Manager • Darrell Creeks, Operations Manager



GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

P.O. Box 4240, Georgetown, CA 95634-4240
(530) 333-4356 Fax: (530) 333-9442
www.gd-pud.org

MEMORANDUM

DATE: January 3, 2019
TO: Darrell Creeks, Operations Manager
FROM: Adam Brown, Water Resources Manager
SUBJECT: Auburn Lake Trails Monthly Zone Activity Summary (December 2018)

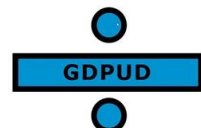
This memorandum has been prepared to summarize inspections, zone monitoring, maintenance, repairs and other activities completed to wastewater disposal systems located in Auburn Lake Trails (ALT) during the month of December 2018. Activities were completed in compliance with California Regional Water Quality Control Board (CRWQCB) Monitoring and Reporting Program (MRP) No. R5-2002-0031 for Georgetown Divide Public Utility District (GDPUD) ALT On-Site Wastewater Disposal Zone (OSWDS). As of January 2, 2019, there are 1,022 developed lots utilizing septic systems within ALT. The following activities occurred during the month of November.

ALT Zone Activities

Wastewater Disposal Systems Finalled	1 (Lot 1717)
Routine Inspections	0
Follow-up Inspections	0
Routine POA Inspections	0
Escrow Inspections	4
Homeowner Requests for Service	0
Construction Inspection	Lot 1717
Plan/Review Inspections	0
Re-testing of Lots	0
New Wastewater Disposal Systems Design	0
Enforcement/Correction Notices Sent	0

ALT Zone Activities and Homeowner Requests for Service

New Conventional System	0
New Pump Tank	1 (Lot 645)
CDS Tank Replacement	0



ALT CDS Activities

Number of CDS connections	0
Routine CDS Inspections	0
Follow-up CDS Inspections	0
CDS Tanks Replaced to Date	85
Lots Video Camera Inspected	0
CDS Watertight Test	1 (Lot 33)
New CDS Tank	0
Routine Community Disposal Field Inspections	4
CDS Pump Station Inspections	4

Monthly activities also included annual CDS maintenance activities. The maintenance activities completed between November 27 and December 31, 2018, were completed to maintain wastewater system integrity and reduce overall inflow/infiltration rates included:

- Inspection of all manholes and cleanouts;
- Water blasted and removed debris from manholes (9, 13, 20, 23, 27, 31 and 33);
- Epoxy coated manholes (9, 20, 31 and 33);
- Video inspection of approximately 2000 feet of sewer main;
- Pump and cleaning of CDS field distribution tank; and
- Water blasting of sewer mains entering manholes one and eight.

Monitoring Activities – Groundwater Monitoring Wells

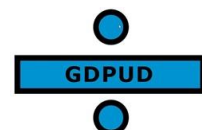
The Fourth quarter 2018 groundwater monitoring and sampling was conducted on November 19, 2018, by GDPUD staff. The Annual Auburn Lake Trails Wastewater Management Zone Report will be submitted by February 1, 2019.

Training

N/A

ALT Regulatory Zone Reports

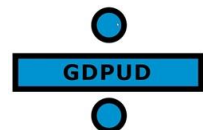
The monthly Sanitary Sewer Overflow (SSO) – *No Spill Certification* was submitted electronically to California Integrated Water Quality System (CIWQS) December 2, 2018.



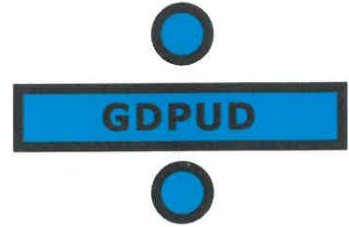
CDS Average Daily Flow & Average Daily Wastewater Flow/Home

Month	Flow Amount (gallons)	Per Home Per Day (gallons)	Rain (inches)	Date Range
December 2017	23,209	168.18	1.02	12/1/17 – 1/1/18
January 2018	40,458	295.31	7.84	1/1 – 2/1/18
February 2018	25,607	186.91	1.40	2/1 – 3/1/18
March 2018	62,727	457.86	12.95	3/1 – 4/2/18
April 2018	40,000	291.97	4.31	4/1 – 5/1/18
May 2018	19,838	144.8	0.5	5/1 – 6/1/18
June 2018	16,454	120.1	0	6/1 – 7/1/18
July 2018	16,845	122.9	0	7/1 – 8/2/18
August 2018	15,412	112.4	0	8/2/18-8-31-18
September 2018	16,974	123.9	0	8/31-18-10/1/18
October 2018	16,761	122.3	1.09	10/1/18-10/31/18
November 2018	25,509	186.19	7.18	10/31/18-12/3/18
December 2018	31,536	226.88	4.13	12/3/18 – 1/2/19

Notes: WDR Limit – 71,800 gallons/day



**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 6.D.**



AGENDA SECTION: INFORMATIONAL ITEMS

SUBJECT: ALT WATER TREATMENT PLANT PROJECT UPDATE

PREPARED BY: George Sanders, Engineering Consultant

A handwritten signature in blue ink, appearing to be "G. Sanders", is written over the name of the preparer.

APPROVED BY: Steven Palmer, PE, General Manager

A handwritten signature in blue ink, appearing to be "S. Palmer", is written over the name of the approver.

BACKGROUND

This is a summary of the various work activities at the ALT Water Treatment Plant for the month of December. Attachment 1 is an updated flyer that will be posted on the District's website and Facebook.

In addition to the construction work performed by Myers & Sons, the District is also under contract with NEXGEN for Construction Management, PSOMAS for Engineering Support during construction, Youngdahl Consulting Group for Material Testing, and Foothill Associates for CEQA compliance.

Myers & Sons Construction

Construction activities at the site, during the month of December, have been limited to the Filter Building.

Filter Building – This is the largest building at the site, approximately 5,500 SF. It is a metal building on a concrete slab with exterior footings. In addition to the Filters, this building is home to the Chemical Storage Room, Office and Lab, Air Compressor and Blower Room together with the Electrical Room. The Chlorine Contact Basin is below grade and under the center portion of this building.

Work activities during this reporting period have concentrated on the installation of the fire sprinkler system, finalization of the cabinetry together with miscellaneous electrical.

Raw Water Pump Station Building – This is a metal building on a concrete slab with exterior footings, consisting of approximately 1350 SF. In addition to the raw water pumps, this building contains a main electrical panel together with the pre-treatment chemical injection systems for polymer and chlorine.

Work activities during this reporting period have been limited to minor electrical wiring.

Backwash Water Storage Tank – The clarifier at the existing plant will be retrofitted to serve as a storage tank for the backwash water from the filters.

Work activities during this reporting period have consisted of testing the pump system through the discharge of water to the sludge drying beds.

Site Improvements – Site improvements consist of all areas outside of the buildings and tanks.

Work activities during this reporting period have been limited to the installation of outside lighting.

PSOMAS

This firm is under contract with the District to provide Engineering Support during construction. During this reporting period this firm conducted reviews of contractor submittals, requests for information (RFI) and added clarity to various construction related matters.

Youngdahl Consulting Group

This firm is under contract to provide material testing of soils and concrete. This firm has not performed any work activities during this reporting period.

Foothill Associates

This firm is under contract with the District to assist with CEQA compliance together with implementation of the Storm Water Pollution Prevention Plan (SWPPP). This firm has not performed any work activities during this reporting period.

SWPPP – Myers & Sons

Under the construction contract, Myers & Sons is responsible for the installation and maintenance of the storm water improvements together with the inspection and reporting of individual storm events. There were no qualifying rain events during the month of December.

NEXGEN

This firm is under contract with the District to provide Construction Management Services. NEXGEN is currently providing daily construction inspection at the site.

Budget

Project expenses since start of construction as compared to budget are summarized in the table below. At this point, projected expenditures are within the approved project budget.

Phase	Expended to Date	Budget
Construction	\$ 9,682,824	\$ 11,249,000
Construction Engineering, Construction Management, and Environmental	\$ 786,544	\$ 1,076,226
Total	\$10,469,368	\$ 12,325,226

Schedule

The District and Nexgen continue to work with the Contractor in the development of updates to the construction schedule. The current schedule identifies a project completion date the end of March 2019.

State SRF Payment Requests

The District has received eighteen reimbursement payments from the State Revolving Loan Agreement for a total amount of \$8,613,636.

Claim #	Date of Payment	Amount	Claim #	Date of Payment	Amount
1	6/26/2017	1,157,141	10	3/30/2018	891,256
2	8/17/2017	439,850	11	4/18/2018	766,107
3	9/22/2017	68,457	12	5/22/2018	395,007
4	10/6/2017	540,675	13	6/14/2018	255,916
5	11/8/2017	497,125	14	8/16/2018	513,640
6	12/15/2017	550,310	15	9/24/2018	336,926
7	1/26/2018	1,047,320	16	10/17/2018	249,456
8	2/21/2018	218,722	17	12/07/2018	241,029
9	2/23/2018	350,650	18	12/07/2018	94,094

Claim 19, in the amount of \$206,269 was submitted on November 16, 2018. Claim 20, in the amount of \$231,234 was submitted on December 11, 2018. Claim 21, in the amount of \$72,328 is currently under review by the District.

Contract Change Orders

There was one Contract Change Order processed during this reporting period. The total of all Contract Change Orders approved to date is \$128,054. The General Manager has authority to approve contract change orders up to a total amount of \$150,000. Once that amount is reached, every contract change order will require Board approval. Contract Change Orders are summarized as follows:

- Contract Change Order Number 1 resulted in a net increase in the contract amount by \$39,772. This Change Order was identified at the regular Board meeting in September 2017.
- Contract Change Order Number 2 resulted in a net decrease in the contract amount by <\$970.41>. This Change Order was identified at the regular Board meeting in October 2017.
- Contract Change Order Number 3, a no cost change order, increased the contract time by 17 days due to weather related days during the months of March, April, May and June of this year. This Change Order was identified at the regular Board meeting in November 2017.

- Contract Change Order Number 4 resulted in a net increase in the contract amount by \$12,184.00. This Change Order relates to the placement of additional backfill material in the sludge drying beds and was identified at the regular Board meeting in February 2018.
- Contract Change Order Number 5 resulted in a net increase in the contract amount by \$20,922. This change order relates to the addition and upgrade of miscellaneous pipe supports to meet current seismic requirements together with an upgrade of moisture resistant sheetrock in all rooms within the Filter Building. This Change Order was identified at the regular Board Meeting in June 2018.
- Contract Change Order Number 6 resulted in a net increase in the contract amount by \$50,282. This change order relates to additional moisture resistant coatings within the Filter Building together with additional asphalt paving around the filter building and the access road to the raw water pump station. This Change Order is identified under the current Board Meeting.

Information contained in this report will be supplemented with project-related photos. This concludes the ALT update for work activities during the month of December. Staff remains available to answer questions.

ATTACHMENTS

1. Project Update #20



GDPUD



Georgetown Divide Public Utility District

Update No. 20 ♦ Dec. 31, 2018
Agenda Item 6.D.

AUBURN LAKE TRAILS WATER TREATMENT PLANT

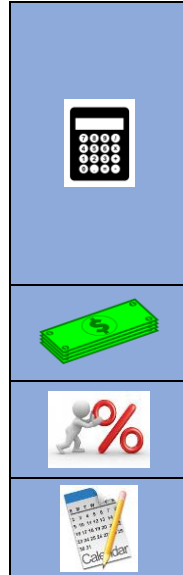
PROJECT UPDATE

UPCOMING ACTIVITIES:

- Filters – Testing of filter units
- Electrical – Filter Building
- SCADA System
- Landscaping
- Operator Training

COMPLETED ACTIVITIES:

- Raw Water Siphon
- Filter Building
- Chlorine Contact Basin with Baffles
- Raw Water Pump Station
- Backwash Water Recovery Tank
- Site Paving



CONTRACT UPDATE:

Original Contract Amount:	\$ 10,249,000	
Contract Change Order #1:	\$ 39,772	
Contract Change Order #2:	(\$ 970)	
Contract Change Order #3:	No Cost	
Contract Change Order #4:	\$ 12,184	
Contract Change Order #5:	\$ 20,922	
Contract Change Order #6:	\$ 56,146	
New Contract Amount		\$10,320,908

Expended thru December 2018	\$9,682,824
------------------------------------	--------------------

Percent Complete	94%
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Anticipated Completion Date	Early 2019
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PROJECT CONSTRUCTION SCHEDULE:

. Issue Notice to Proceed	. Mobilization & Demolition	. Complete Raw Water Siphon	. First Concrete Pour - Filter Building	. Complete Earthwork	. Complete Chlorine Contact Basin	. Erect Raw Water Pump Station Bldg.	. Complete Concrete Filter Building	. Filters Placed in Building	. Erect Filter Building	. Filters and Outside Electrical	. Filters Installed and Site Work	. Electrical Inside and Outside	. Electrical Inside and Outside	. Electrical Outside and Filters	. Electrical Raw Water Pump Station	. Electrical Filter Building	. Complete Filter Installation & Sludge Beds	. Complete Site Work & Raw Water Pump Station	. Complete Filter Building & Backwash Basin	. Site Improvements	. SCADA System	. Operator Training	. PROJECT 100% COMPLETE
M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	Early 2019	

**GEORGETOWN DIVIDE
PUBLIC UTILITY DISTRICT**
6425 Main Street
P.O. Box 4240
Georgetown, CA 95634
www.gd-pud.org (530) 333-4356
Steven Palmer, PE,
General Manager
For additional information,
contact:
**George Sanders, Project
Manager**, at gsanders@gd-pud.org
or
www.gd-pud.org
Call (530) 333-4356

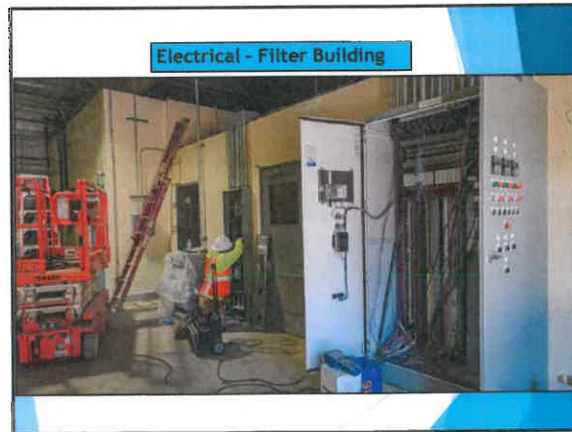
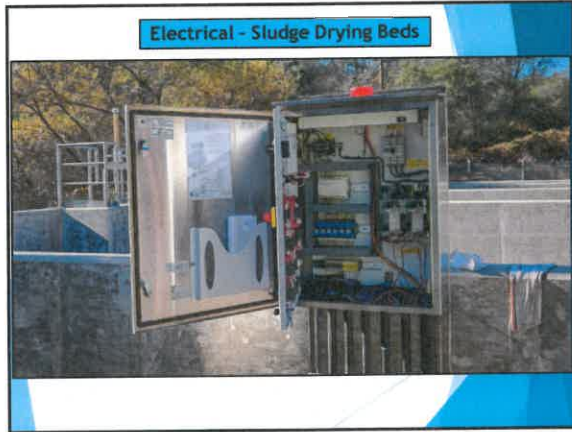
A Presentation for the
GDPUD Board of Directors
January 8, 2019

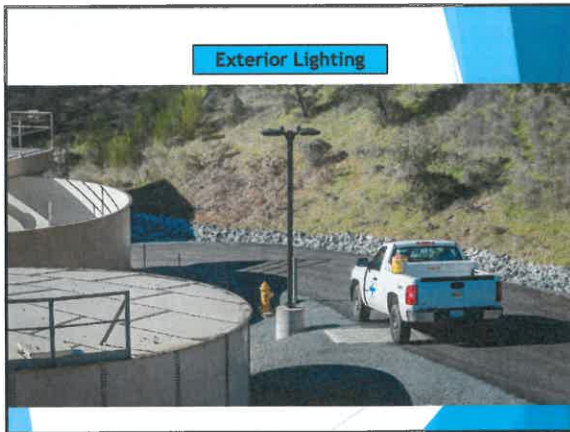
Summary of
Work Activities at ALT Plant
December 2018



ALT Water Treatment Plant Project Partners

 MYERS Construction
 PSOMAS Engineering Support
 YOUNGDAHL 50 CONSULTING GROUP Materials Testing
 FOOTHILL ASSOCIATES ENVIRONMENTAL CONSULTING • PLANNING • LANDSCAPE ARCHITECTURE CEQA Compliance and SWPPP
 NIXGEN Construction Management

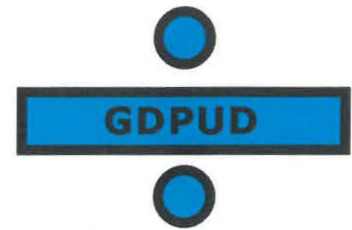




SWRCB SRF LOAN DISBURSEMENT REQUESTS

CLAIM NO.	CONSTRUCTION	CONST.MGMT & ADMIN	AMOUNT
1	1,101,614	95,527	1,197,141
2	439,850	0	439,850
3	0	68,457	68,457
4	540,675	0	540,675
5	403,060	94,065	497,125
6	550,310	0	550,310
7	952,916	94,404	1,047,320
8	218,722	0	218,722
9	350,605	0	350,605
10	830,366	60,890	891,256
11	744,230	21,877	766,107
12	329,492	65,515	395,007
13	255,916	0	255,916
14	509,295	4,345	513,640
15	192,102	144,824	336,926
16	240,040	9,416	249,456
TOTALS	7,659,193	619,320	8,278,513
SRF PAYMENTS RECEIVED			
17	210,349	30,680	241,029
18	94,094	0	94,094
19	206,269	0	206,269
20	231,234	0	231,234
SUBMITTED			

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 7.A.**



AGENDA SECTION: NEW BUSINESS

SUBJECT: NOMINATION OF GDPUD REPRESENTATIVE TO LOCAL AGENCY FORMATION COMMISSION (LAFCO)

PREPARED BY: Diana Michaelson, Board Assistant *djm*

APPROVED BY: Steven Palmer, PE, General Manager *sp*

BACKGROUND

The El Dorado Local Agency Formation Commission (“LAFCO”) is a State mandated local agency whose jurisdiction is all of El Dorado County. It is composed of seven regular Commissioners: two members from the Board of Supervisors; two members who represent cities; two members who represent special districts; and one public member who represents the public as a whole. There are four alternate Commissioners: one from each of the above membership categories. Currently, the Special District Selection Committee of LAFCO is electing a regular and alternate representative to fill the position of Commissioner Ken Humphreys and Alternate Commissioner Holly Morrison whose terms expire May 2019. Each representative will serve a 4-year term beginning in May 2019.

DISCUSSION

The Georgetown Divide Public Utility District (“GDPUD”) has been invited to nominate a representative to LAFCO. All nominations are due in writing on or before February 15, 2019. A nominee must be a Director from an independent special district within El Dorado County. The nomination form must include a one-page statement of qualifications. The nomination form, call for nominations from Executive Officer José Henriquez, and Government Code §56332 are attached for further information.

Once the nomination period is closed, one ballot listing valid candidates and voting instructions will be sent to the special districts who will vote for the representative and alternate from among the names submitted as nominees. The one-page statement of qualifications will be included as submitted.

FISCAL IMPACT

There is no fiscal impact.

CEQA ASSESSMENT

This is not a CEQA project.

RECOMMENDED ACTION

Staff recommends the GDPUD Board of Directors adopt the attached Resolution nominating one of its Directors as a representative to LAFCO.

ALTERNATIVES

Decline to nominate a representative to LAFCO and reject Resolution 2019-09.

ATTACHMENTS

1. Nomination Form
2. Call for Nominations
3. Government Code Section 56332
4. Resolution 2019-09



SPECIAL DISTRICT NOMINATION

Special District Representative to LAFCO

Position	Nominee's Name	Originating District

SIGNATURE OF PRESIDING OFFICER: _____
(Original Signature Required)

Note: Presiding Officer is the Chair/President. Any other signature invalidates this ballot, unless accompanied by Meeting Minutes designating an alternate.

PRINTED NAME OF PRESIDING OFFICER: _____
(Required)

NAME OF NOMINATING DISTRICT: _____

MINUTES ATTACHED (Optional): Yes No

Nominations must be received by LAFCO before
5:00 p.m. on February 15, 2019

Return to:

LAFCO
550 Main Street, Suite E
Placerville, CA 95667

COMMISSIONERS

Public Member: Michael Powell • Alternate Public Member: Dyana Anderly
 City Members: Mark Acuna, Brooke Laine • Alternate City Member: John Clerici
 County Members: Shiva Frentzen, Brian Veerkamp • Alternate County Member: Michael Ranalli
 Special District Members: Ken Humphreys, Tim Palmer • Alternate Special District Member: Holly Morrison


STAFF

José C. Henríquez, Executive Officer • Erica Sanchez, Assistant Executive Officer
 Riley Nork, Assistant Policy Analyst • Denise Tebaldi, Administrative Assistant • Kara K. Ueda, Commission Counsel



LOCAL AGENCY FORMATION COMMISSION
550 Main Street, Suite E. Placerville, CA 95667
(530) 295-2707 • lafco@edlafco.us • www.edlafco.us

M E M O

TO: Presiding Officer
FROM: José C. Henríquez, Executive Officer 
El Dorado Local Agency Formation Commission
DATE: January 3, 2019
SUBJECT: ***Election of Special District Representatives to El Dorado LAFCO
Nominations for Special District Commissioner***

The Special District Selection Committee is electing a regular & alternate representative. Each representative will serve a 4-year term beginning in May 2019.

Pursuant to the provisions of Government Code §56332(f), the Executive Officer has determined that the business of the Special District Selection Committee will be conducted in writing to elect a regular and an alternate Special District Representative for new four-year terms beginning in May 2019.

The nomination period will be 42 days; all nominations are due in writing on or before **February 15, 2019**. Nominations received after that date cannot be accepted and will be returned to your District. A nominee must be a Director from an independent special district within El Dorado County. To be valid, all nominations must include the following:

- 1) Name and district of the nominee
- 2) Name of the nominating district
- 3) **Signature** of the **Presiding Officer** of the District's Board of Directors or the record of nomination made by majority vote at an official meeting of your District's board (Resolution or Minute Order can be attached)

Please submit a statement of qualifications (not to exceed one page) for each nominee.

Once the nomination period is closed, one ballot listing valid candidates and voting instructions will be sent via email to those Districts who have opted to receive and complete the election by email and by certified mail to each District opting to receive materials by mail. The one-page statement of qualifications will be included as submitted.

Contact the LAFCO office at (530) 295-2707, if you have any questions.

Enclosure: Election Nomination Ballot
Government Code §56332

COMMISSIONERS

Public Member: Michael Powell • Alternate Public Member: Dyana Anderly
City Members: Mark Acuna, Brooke Laine • Alternate City Member: John Clerici
County Members: Shiva Frentzen, Brian Veerkamp • Alternate County Member: Michael Ranalli
Special District Members: Ken Humphreys, Tim Palmer • Alternate Special District Member: Holly Morrison

STAFF

José C. Henríquez, Executive Officer • Erica Sanchez, Assistant Executive Officer
Riley Nork, Assistant Policy Analyst • Denise Tebaldi, Interim Commission Clerk • Kara K. Ueda, Commission Counsel

Public member restrictions

No person appointed as a public member or alternate public member pursuant to this chapter shall be an officer or employee of the county or any city or district with territory in the county, provided, however, that any officer or employee serving on January 1, 1994, may complete the term for which he or she was appointed.

Alternative member; one vote

56331.3. If two or more members are absent or disqualify themselves from participating in a meeting of the commission, any alternate member who is authorized to serve and vote in the place of a member shall only have one vote.

Independent special district selection committee

56332. (a) The independent special district selection committee shall consist of the presiding officer of the legislative body of each independent special district. However, if the presiding officer of an independent special district is unable to participate in a meeting or election of the independent special district selection committee, the legislative body of the district may appoint one of its members as an alternate to participate in the selection committee in the presiding officer's place. Those districts shall include districts located wholly within the county and those containing territory within the county representing 50 percent or more of the assessed value of taxable property of the district, as shown on the last equalized county assessment roll. Each member of the committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer or his or her alternate as designated by the governing body. Members representing a majority of the eligible districts shall constitute a quorum.

Meetings

(b) The executive officer shall call and give written notice of all meetings of the members of the selection committee. A meeting shall be called and held under one of the following circumstances:

Anticipated vacancy

(1) Whenever the executive officer anticipates that a vacancy will occur within the next 90 days among the members or alternate member representing independent special districts on the commission.

(2) Whenever a vacancy exists among the members or alternate member representing independent special districts upon the commission.

(3) Upon receipt of a written request by one or more members of the selection committee representing districts having 10 percent or more of the assessed value of taxable property within the county, as shown on the last equalized county assessment roll.

(4) Upon the adoption of a resolution of intention pursuant to Section 56332.5.

(5) Upon receipt of a written request by one or more members of the selection committee notifying the executive officer of the need

Appointment of special district members

to appoint a member representing independent special districts on an oversight board pursuant to paragraph (3) of subdivision (j) of Section 34179 of the Health and Safety Code.

(c) The selection committee shall appoint two regular members and one alternate member to the commission. The members so appointed shall be elected or appointed members of the legislative body of an independent special district residing within the county but shall not be members of the legislative body of a city or county. If one of the regular district members is absent from a commission meeting or disqualifies himself or herself from participating in a meeting, the alternate district member may serve and vote in place of the regular district member for that meeting. Service on the commission by a regular district member shall not disqualify, or be cause for disqualification of, the member from acting on proposals affecting the special district on whose legislative body the member serves. The special district selection committee may, at the time it appoints a member or alternate, provide that the member or alternate is disqualified from voting on proposals affecting the district on whose legislative body the member serves.

District member disqualification

Call for nominations

(1) The executive officer may prepare and deliver a call for nominations to each eligible district. The presiding officer, or his or her alternate as designated by the governing body, may respond in writing by the date specified in the call for nominations, which date shall be at least 30 days from the date on which the executive officer mailed the call for nominations to the eligible district.

(2) At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed appointed. This paragraph shall be operative only if the written notice of the meeting provided pursuant to subdivision (b) discloses that, if nominations are received for only one candidate by the end of the nominating period, the candidate shall be deemed appointed and the meeting may be cancelled.

(d) If the office of a regular district member becomes vacant, the alternate member may serve and vote in place of the former regular district member until the appointment and qualification of a regular district member to fill the vacancy.

Elections by mailed ballot

(e) A majority of the independent special district selection committee may determine to conduct the committee's business by mail, including holding all elections by mailed ballot, pursuant to subdivision (f).

(f) If the independent special district selection committee has determined to conduct the committee's business by mail or if the executive officer determines that a meeting of the special district selection committee is not feasible, the executive officer shall conduct the business of the committee by mail. Elections by mail shall be conducted as provided in this subdivision.

(1) The executive officer shall prepare and deliver a call for nominations to each eligible district. The presiding officer, or his or her alternate as designated by the governing body, may respond in writing by the date specified in the call for nominations, which date shall be at least 30 days from the date on which the executive officer mailed the call for nominations to the eligible district.

(2) At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed appointed. If two or more candidates are nominated, the executive officer shall prepare and deliver one ballot and voting instructions to each eligible district. The ballot shall include the names of all nominees and the office for which each was nominated. Each presiding officer, or his or her alternate as designated by the governing body, shall return the ballot to the executive officer by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballot to the eligible district.

Ballot and voting instructions

(3) The call for nominations, ballots, and voting instructions shall be delivered by certified mail to each eligible district. **As an alternative to the delivery by certified mail, the executive *** officer may transmit materials by electronic mail. All notices and election materials shall be addressed to the presiding officer, care of the clerk of the district.**

(4) *****Nominations and ballots may be returned to the executive officer by electronic mail.**

(5) Each returned nomination and ballot shall be signed by the presiding officer or his or her alternate as designated by the governing body of the eligible district.

Quorum

(6) For an election to be valid, at least a quorum of the special districts must submit valid ballots. The candidate receiving the most votes shall be elected, unless another procedure has been adopted by the selection committee. Any nomination and ballot received by the executive officer after the date specified is invalid, provided, however, that if a quorum of ballots is not received by that date, the executive officer shall extend the date to submit ballots by 60 days and notify all districts of the extension. **If ballots from a quorum of the districts have not been received at the end of the 60-day extension period, the executive officer shall extend the period to return ballots for a length of time at his or her discretion until a quorum is achieved, unless another procedure has been adopted by the selection committee.** The executive officer shall announce the results of the election within seven days of the date specified.

(7) For a vote on special district representation to be valid, at least a quorum of the special districts must submit valid ballots **to the executive officer by the date specified in the voting instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballot to the eligible**

district. If ballots from a quorum of the districts have not been received at the end of the 60-day extension period, the executive officer shall extend the period to return ballots for a length of time at his or her discretion until a quorum is achieved, unless another procedure has been adopted by the selection committee. By a majority vote of those district representatives voting on the issue, the selection committee shall either accept or deny representation. **The executive officer shall announce the results of the election within seven days of the date specified.**

(8) All election materials shall be retained by the executive officer for a period of at least six months after the announcement of the election results.

"Executive officer"

(g) For purposes of this section, "executive officer" means the executive officer or designee as authorized by the commission.

(Amended by Stats. 2018, Ch. 86)

Representation of independent special districts

56332.5. (a) If the commission does not have representation from independent special districts on or before January 1, 2001, the commission shall initiate proceedings for representation of independent special districts upon the commission if either of the following occur:

Proceedings

(1) Upon receipt of a written request by one or more members of the selection commission representing districts having 10 percent or more of the assessed values of taxable property within the county, as shown on the last equalized county assessment roll.

(2) Upon adoption of a resolution by the commission proposing representation of special districts upon the commission.

Meeting

(b) The commission, at its next regular meeting, shall adopt a resolution of intention. The resolution of intention shall state whether the proceedings are initiated by the commission or by an independent special district or districts, in which case, the names of those districts shall be set forth. The commission shall order the executive officer to call and give notice of a meeting of the independent special district selection committee to be held within 15 days after the adoption of the resolution in order to determine whether independent special districts shall accept representation on the commission and appoint independent special district representation pursuant to Section 56332.

Appointment of public member when commission includes special district representation

56333. When a commission is enlarged to seven members as provided in Section 56332, the public members appointed pursuant to Sections 56325 and 56329 shall thereafter be appointed by members of the commission representing cities, counties, and special districts. Those appointments shall be made at the times and in the manner provided in Section 56334.

RESOLUTION NO. 2019-09
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
NOMINATING A REPRESENTATIVE TO
THE LOCAL AGENCY FORMATION COMMISSION

WHEREAS, the El Dorado Local Agency Formation Commission (“LAFCO”) is composed of seven regular Commissioners, two of whom represent independent special districts; and

WHEREAS, The LAFCO Special District Selection Committee is electing a regular and alternate representative; and

WHEREAS, each representative will serve a four-year term beginning in May 2019; and

WHEREAS, the Georgetown Divide Public Utility District (“GDPUD”) has been invited to nominate a representative to LAFCO; and

WHEREAS, once the nomination period is closed, one ballot listing valid candidates and voting instructions will be sent to the special districts who will vote for the representative and alternate from among the names submitted as nominees.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT Director _____ is nominated as a representative to LAFCO.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the eighth day of January 2019, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Dane Wadle, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2019-09 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this eighth day of January 2019.

Steven Palmer, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF JANUARY 8, 2019
AGENDA ITEM NO. 7.B.**



AGENDA SECTION: NEW BUSINESS

SUBJECT: DISCUSS AND PROVIDE DIRECTION ON FREEZING TREATED AND IRRIGATION WATER RATES AT THE CALENDAR YEAR 2018 RATES

PREPARED BY: Steven Palmer, PE, General Manager

APPROVED BY: Steven Palmer, PE, General Manager

A blue ink signature of Steven Palmer, General Manager, written over the "APPROVED BY" line.

BACKGROUND

In December 2017, the District completed a roughly 15-month process to update its treated and irrigation water rates. The District started this process for several reasons:

1. Prior to December 2017, the last time the rates were reviewed and updated was 2008. It is considered best practice to evaluate water rates every three to five years.
2. In 2008, the Board adopted rate increases for 2009, 2010, and 2011; however, they did not adopt the recommended increase for 2012 and 2013. If the recommended rates for 2012 and 2013 had been adopted, the treated water base rate would have been \$52.98 and the irrigation water rate for one miner's inch for one season would have been \$440. Instead, the rates for 2011 through 2017 were charged at the 2011 rate of \$47.14 base rate for treated water, and \$363.70 for one miner's inch for one season.
3. The District's water rates were too low to qualify for State and Federal grants. State and Federal agencies measure water affordability using the water rate as a percentage of the median household income. To qualify for State and Federal grants, the District must maintain an affordability index ranging between 1.5% and 4.0%. In 2017, the water affordability for the District was 1.25%.
4. The District's water rates were too low to qualify for loans. When considering lending money, lenders look at the ratio of net operating income to debt service, which is called the debt-service coverage ratio. Lenders require a minimum ratio of 1.20 to qualify for loan programs. The District's debt-service coverage ratio were projected to decrease to 1.0 in 2020.
5. Operating expenses were forecast to exceed future revenue projections by significant and ever-increasing amounts, reaching over \$300,000 annually within three years.
6. Over 60% of the District's infrastructure is over 40 years old and failures are becoming common.
7. The District did not have enough revenue to adequately fund capital replacement projects.

8. Recent court decisions require the District to justify its tiered rate system, including the practice of including a water allowance in the fixed base charge (e.g. Capistrano Taxpayers Association, Inc. versus City of San Juan Capistrano).
9. The 2016 Grand Jury Report, dated May 17, 2017, recommended that "Once the rate study is submitted to the Board, the District must initiate a voter-approved rate increase process as soon as possible," and made the following findings:
 - a. "The District water rates are insufficient to support current operations and infrastructure and maintenance."
 - b. "Total revenues are not adequate to support operations and fund needed capital improvement reserves."
 - c. "The District loses significant revenue due to outdated water meters."
 - d. "The District also loses water and revenue due to leaks in the aging infrastructure."
 - e. "Employee compensation is too low for an agency this size, making recruitment and retention difficult."
 - f. "The current staffing levels are insufficient, which impairs the District's ability to operate efficiently."
 - g. "The District cannot depend on new hookups and ratepayers to supplement revenues as population growth has slowed on the Divide, necessitating the need for the District to look internally for revenue."
 - h. "The Jury found no evidence that either the District Board or staff is "preparing the ground" with their customers for what may be steep increases in their bills."
10. Other recommendations of the 2016 Grand Jury Report included:
 - a. "Along with replacing aging water meters, the District must upgrade their aging infrastructure and prioritize maintenance and capital improvement projects."
 - b. "The District must offer competitive salaries to attract qualified professional staff."
 - c. "The District must review staffing levels and fill key positions with permanent staff to ensure continuity of operations."

The 15-month process to update water rates included two (2) public workshops, and seven (7) meetings of either the Board of Directors or Finance Committee. A summary of those meetings is presented below:

- September 27, 2016 – Board initiated the process to enlist Rural Community Assistance Corporation (RCAC) to perform a Water Financial Analysis and calculate water rates at no cost to the District. RCAC receives funding from the State to help communities like the District to stay in compliance with regulations.
- April 25, 2017 – Staff and RCAC provided the District Finance Committee with a presentation regarding the methodology being followed for the current rate study and requested input regarding several policy related decisions. The policy questions discussed were: subsidy program for low income customers, capital reserve fund balance, non-operating revenue/property tax allocation, rate tiers, quantity of water included in the base rate, and functional cost allocation.
- May 8, 2017 – Staff presented the information from the April Finance Committee meeting to the Board to obtain Board concurrence on moving forward with this methodology for the rate calculation. By motion action, the Board provided direction on the subsidy program, loan and grant assumptions for the

recapitalization program, and excluding hydroelectric revenue from the operating budget and rate calculation.

- August 22, 2017 – Board approved an outreach approach for the water rate calculations consisting of two public workshops, one Board meeting workshop, one Board meeting to authorize the 45-day public hearing, and one Board meeting to hold the public hearing required to adopt the rates.
- September 18, 2017 – Public Workshop #1 at Georgetown Elementary School.
- October 3, 2017 – Presentation to Board regarding Public Workshop #1.
- October 12, 2017 – Public Workshop #2 at Cool Community Hall. RCAC presented the following rates at that meeting:

Scenario	Treated Water				Irrigation Water	
	Year One		Year Five		Year One	Year Five
	Monthly Base Charge	Usage Rate (\$/CF)	Monthly Base Charge	Usage Rate (\$/CF)	Monthly per MI	Monthly per MI
1 - (85/15)	\$ 49.62	0.0225	\$ 60.30	0.0273	\$383.60	\$561.60
2 - (74/26)	\$ 55.81	0.0225	\$ 67.84	0.0273	\$356.20	\$521.40
3 - (50/50)	\$ 62.00	0.0225	\$ 75.38	0.0273	\$274.00	\$401.20

Notes:

1. Scenario 1 splits property tax based on asset values (85% treated, 15% irrigation). Scenario 2 splits property tax based on operating expenses (74% treated, 26% irrigation). Scenario 3 splits property tax evenly between treated and irrigation.
 2. Monthly base charge shown is for ¾-inch meter size.
 3. Irrigation rate shown is for 1 miner’s inch. One (1) miner’s inch equates to an approximate flow rate of 1.5 cubic feet per minute (11.22 gallons per minute). During a 5-month irrigation season this is approximately 330,480 cubic feet (2,471,990 gallons).
- October 18, 2017 – Board Workshop at Northside School. As recommended at the Public Workshop #2, Scenario 2 was presented to the Board along with a few alternatives.
 - Staff received direction from the Board to prepare a Rate Study report based on Scenario 2 with the following changes for review and possible approval at a Special Board Meeting on October 24, 2017:
 - Residential 5/8-inch, ¾-inch, and 1-inch meters pay the same base rate.
 - Allocate property tax revenue to cover all administration costs, allocate \$35,000 of property tax revenue for a low-income rate assistance program, and allocate remainder to irrigation water capital reserves;
 - Review and revise capital replacement schedule; and
 - Achieve a balanced budget for operating and capital reserves in 10 years instead of 5 years.
 - October 24, 2017 – Based on input received, direction from the Board, and sound financial and best government practices, RCAC prepared a Water Financial

Analysis and rate calculation for review by the Board at the October 24, 2017 Board Meeting. The Water Financial Analysis provides an explanation and justification of the calculated treated and irrigation water rates for five years, and documents compliance with laws and regulations. The Board reviewed the Water Financial Analysis and adopted a resolution authorizing the General Manager to prepare and deliver notice of a public hearing pursuant to Proposition 218. The Final Water Financial Analysis is included as Attachment 1.

- December 12, 2017 – Board of Directors accepted and closed the Proposition 218 Public Notice and protest process, and adopted the following rates for water service:

Treated Water

Meter Size	Monthly Base Charge					
	Current	Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
5/8, 3/4, 1"	\$ 23.57	\$ 29.41	\$ 30.88	\$ 32.42	\$ 34.04	\$ 35.74
1.5"	\$ 23.57	\$ 98.02	\$ 102.92	\$ 108.07	\$ 113.47	\$ 119.15
2"	\$ 23.57	\$ 156.83	\$ 164.67	\$ 172.91	\$ 181.55	\$ 190.63
3"	\$ 23.57	\$ 313.66	\$ 329.34	\$ 345.81	\$ 363.10	\$ 381.25
4"	\$ 25.16	\$ 490.09	\$ 514.60	\$ 540.33	\$ 567.34	\$ 595.71

An ALT treatment plant supplemental charge of \$15.08 per month is also added to the base charge for all treated water customers.

Tier	Usage Rate (per CF)					
	Current	Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
<1000 CF	–	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
1000-2000	\$ 0.0138	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
2001-3000	\$ 0.0165	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
3001-4000	\$ 0.0193	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
>4001 CF	\$ 0.0221	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310

Irrigation Water

Meter Size	Monthly Base Charge (Irrigation Season Only)					
	Current	Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
½"	\$ 47.00	\$ 77.00	\$ 84.80	\$ 93.20	\$ 102.60	\$ 112.80
Per each 1"	\$ 72.74	\$ 154.20	\$ 169.60	\$ 186.60	\$ 205.20	\$ 225.80

Note: Irrigation water is delivered, and monthly charges are only billed during the five (5) month irrigation season.

Based on the Board adopted rate schedule, the monthly base charge and usage rates for treated water rates are set to increase by 5% with the January and February billing cycle. This equates to an increase of \$1.47 per month for the monthly base charge and an increase of \$0.0013 per cubic foot (\$0.0097 per gallon) for the usage rate. A customer who uses the District average of 2,100 cubic feet of water per billing cycle would expect their bill to increase by \$2.83 per month (\$5.67 per billing cycle).

Irrigation water rates are set to increase by 10%. The cost for one miner’s inch of water will increase by \$15.40 per month, or \$77.00 per season. One miner’s inch equates to 16,156 gallons of water per day, or 2,471,990 gallons (330,480 cubic feet) per five (5) month irrigation season. This equates to a cost of \$0.00233 per cubic foot in 2018, and \$0.00257 per cubic foot in 2019.

At the December 12, 2018 Board meeting, the Board of Directors requested that the General Manager bring back for discussion and direction an item to keep water rates at the current rates of \$29.41 per month and \$0.0255 per cubic foot of treated water, and \$154.20 per miner’s inch per month for irrigation water.

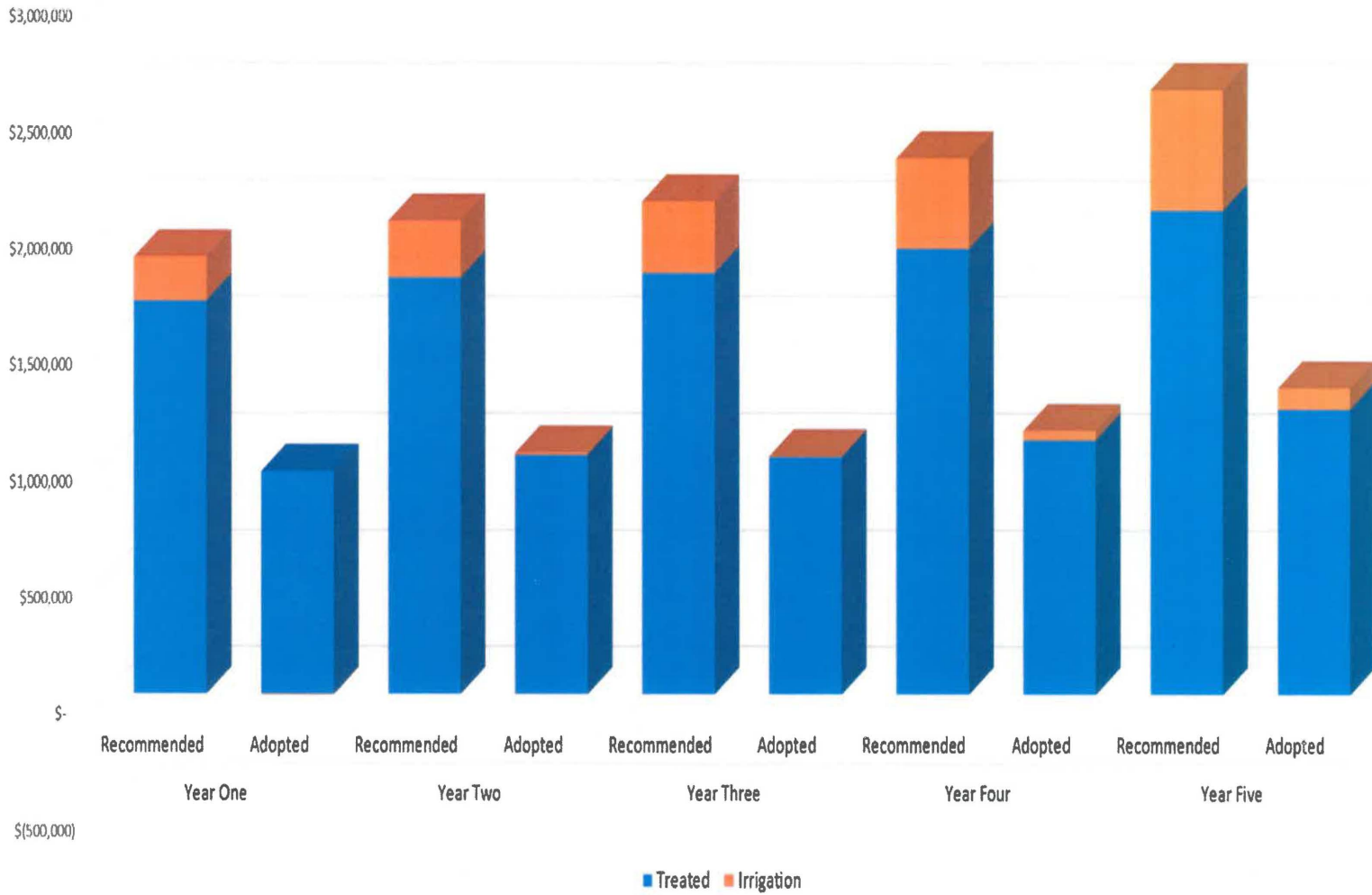
DISCUSSION

Any changes to the adopted rate structure will have a direct impact on the service received by District customers. The adopted rates structure already includes a level of service that is lower than the initial recommendation from RCAC’s analysis. The RCAC analysis that was presented to the Board on October 18, 2017 recommended a first-year contribution of \$1,995,634 from treated water customers and \$377,759 from irrigation water customers towards replacement and rehabilitation of assets and infrastructure (e.g. canals, pipelines, tanks, meters, pumps, etc.).

The Board reviewed the information presented in the RCAC study and directed staff to assume that assets and infrastructure (e.g. canals, pipelines, tanks, meters, pumps, etc.) would last longer than industry standards, and to reach the capital contribution goal in ten (10) years instead of five (5). Consequently, the Final Water Financial Analysis included lower contributions to capital replacements, and lower water rates than originally recommended by RCAC. The adopted rates plan for an annual contribution of \$957,026 from treated water customers and \$0 from irrigation water customers in year one of the new rates, increasing to \$1,223,578 and \$89,924, respectively, in year five of the new rates. The recommended and adopted capital expenditures in the Water Financial Analysis are summarized in the following table and chart.

	Year One		Year Two		Year Five	
	Recommended	Adopted	Recommended	Adopted	Recommended	Adopted
Treated	\$1,686,326	\$957,026	\$1,786,107	\$1,028,624	\$2,077,079	\$1,223,578
Irrigation	\$ 189,272	\$ (1,054)	\$ 244,626	\$ 6,975	\$ 513,987	\$ 89,924

Capital Expenditures

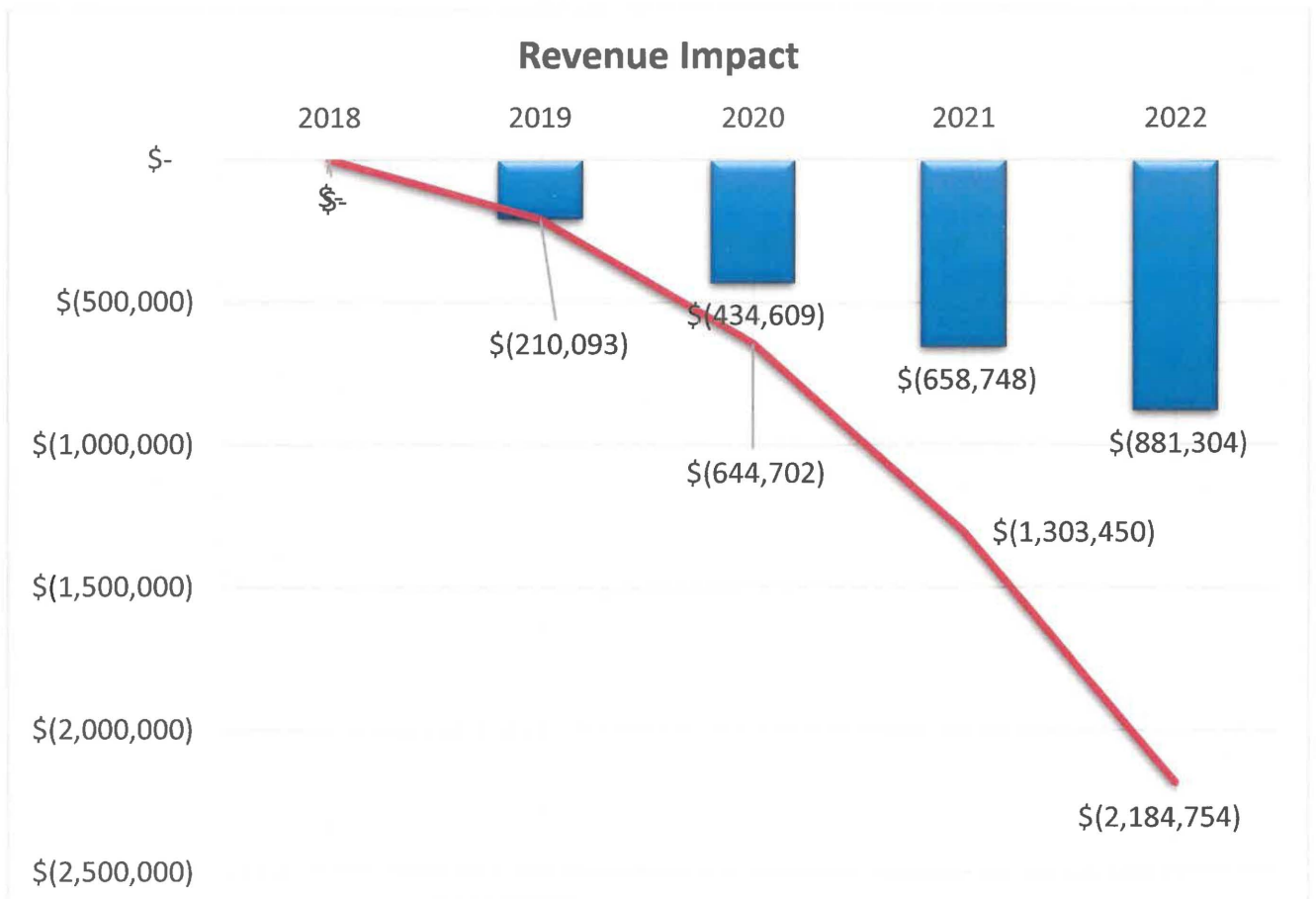


The adopted 2018-2023 Capital Improvement Plan (CIP) planned expenditures of \$4,234,585 of District funds over the next five years to replace and rehabilitate aging infrastructure (average \$846,917). This does not include new loans or current loan payments. Over the life of the CIP, District fund balance available to replace aging infrastructure are estimated to increase by approximately \$2,000,000.

ANALYSIS

The Board has the authority to adopt a resolution setting the 2019 water rates lower than recommended by the RCAC Water Financial Analysis, and lower than those approved in December 2017.

There are financial impacts to not implementing the already approved rate increase for 2019. This action will reduce revenue by approximately \$210,093 in the first year (2019) increasing to \$881,304 in the fifth year. If rates are not increased during the next five years, the total amount of lost revenue will be \$2,184,754. The revenue impacts are shown in the following chart.



This loss of revenue will result in reduced service to customers in the form of reduced maintenance and deferred replacement of pipelines, tanks, meters, pumps, etc.

The adoption of the current rate structure was the culmination of a 15-month long process involving nine (9) public meetings that resulted in a Water Financial Analysis prepared by an experienced professional. This Water Financial Analysis and adopted rate structure address findings and recommendations from the 2016 Grand Jury Report, bring the District into compliance with recent court decisions regarding tiered rates, and made the District eligible for grants and loans.

A freeze in rates for any length of time will result in lost revenue that will never be recovered. A freeze for an extended length of time will jeopardize the District's ability to deliver water, result in increased capital replacement costs, and would likely raise concerns with the El Dorado County Grand Jury.

The District Finance Committee reviewed this proposed rate freeze at their Special Meeting on January 4, 2019. Their input was not available at the time this Staff Report was prepared, but it will be incorporated into the oral presentation to the Board.

FISCAL IMPACT

Rates must be set to provide for the future sustainability of the District. Rates must account for years of inflation since 2011, reduction in revenue due to water conservation, elimination of tiered water rates, and to set aside adequate funding to replace capital infrastructure. If rates are not set properly, initially the District will be forced to draw from reserves to fund operating expenses and to defer much needed capital improvements and replacements. Once reserves are depleted the District will be unable to pay its bills and obligation. Ultimately, lack of keeping rates set properly will result in pressure from the State to consolidate with a neighboring district and could result in the State taking over the assets and obligations of the District.

CEQA ASSESSMENT

This is not a CEQA Project.

RECOMMENDED ACTION

Staff recommendation is that the Board does not freeze treated and irrigation water rates at the Calendar Year 2018 rates.

ALTERNATIVES

1. Provide other direction regarding freezing the treated and irrigation water rates at the Calendar Year 2018 rates.

ATTACHMENTS

1. RCAC Water Financial Analysis
2. Grand Jury Report Link and Findings Pages
3. Capistrano Taxpayers Case Summary

Georgetown Divide PUD Water Financial Analysis

Requested by: California State Water Resources Control Board



Prepared by: John Van den Bergh

Rural Community
Assistance Corporation
3120 Freeboard Drive, Suite 201
West Sacramento, CA 95691

October 2017

This document was prepared using funds under Agreement 15-017-550 with the California State Water Resources Control Board; the total Agreement is for \$3,971,379 and will produce multiple documents.

RCAC is an equal opportunity provider and employer.



November 12, 2017

Elvira Reyes
State Water Resources Control City Council - Division of Financial Assistance
1001 I St. 16th Floor
PO Box 944212
Sacramento, CA 95814

Subject: Georgetown Divide Water Rate Study
SRF TA 4418

Dear Elvira:

Enclosed please find the printed final report of the Georgetown Divide Public Utility District. It was one of the more difficult studies as it involved almost 4,000 connections, \$160 million in assets, and two customer classes.

The report was presented and approved by the GDPUD Board on October 24, 2017. RCAC will now assist the PUD with the Prop 218 process, which will be completed on December 12, 2017.

If you have any additional questions, feel free to contact me at 916/447-9832, Ext 1032 or John Van den Bergh at 916/917-4284.

Sincerely,

Ari Neumann

Ari Neumann
RCAC, Assistant Director
Community & Environmental Services

Enclosure: Georgetown Divide PUD 2017 Wastewater Rate Study

CC: Steve Palmer, General Manager, GDPUD, 6425 Main St., Georgetown, CA 95634

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1. Georgetown Divide PUD

Community

Georgetown is an unincorporated community in El Dorado County, CA. It is the northeastern-most town in the California Mother Lode. The population was 2,367 at the 2010 census, up from 1962 in 2000. The town is registered as California Historical Landmark #484.

The official Median Household Income (MHI) for Georgetown is estimated by the American Community Survey (2014) to be \$46,136, +/- \$17,670 variance. The MHI for the service area is estimated at \$66,359.



Georgetown is about 20 miles and 30 minutes east of Auburn, CA.

The Georgetown Divide is located between the Middle and South Forks of the American River, nestled in the heart of the Sierra Nevada Foothills and Northern California’s Gold Country. Access is through Hwy 50 and Hwy 80, making it in close proximity to either metropolitan cities or recreational activities of Lake Tahoe.

District

The Georgetown Divide Public Utility District, as we know it today, was formed on June 4, 1946. However, the origins of District facilities can be traced back to 1852 and the El Dorado, Pilot and Rock Creek Canal Companies, one of the first established water purveyors in the State of California – a not inconsequential result of James Marshall’s discovery of gold in nearby Coloma. Following the decline in gold production, agriculture and lumbering became the staple industries on the Divide for many years.

In recent decades, several vineyards have increased the demand for irrigation water.

The focus of the District water supply system is the Stumpy Meadows Reservoir, a 20,000 acre - foot impoundment on Pilot Creek, at the eastern edge of the District.

The District provides treated water, irrigation water and sewer services to the community. Not all three services are provided in all areas.

Services extend as far west as Cool and as far south as Pilot Hill. (See map.)

This District has an elected five-member Board, which sets policy and oversees a General Manager (GM). Board members do not, and should not, actively participate in the management of the District.

The Board meets monthly.

The District last reviewed and updated its treated water and irrigation rates in 2008. As a result, operational costs and replacement costs for capital facilities are exceeding annual revenue, and additional capital improvement needs are being deferred. It is considered best practice to evaluate water rates every three to five years.

Customers

The District has 3,774 treated water customers who are billed bi-monthly.

Meter Size	Number of Meters
A	C
5/8"	3117
3/4"	421
1"	198
1.5"	28
2"	10
3"	0
4"	4
6"	0
Total	3774

In addition, there are 408 irrigation customers.

Current Rates

Base Rate for treated water is the same for all meter sizes, with the exception of the four 4" meters.

Meter Size	Existing Base Rate
5/8"	\$47.14
3/4"	\$47.14
1"	\$47.14
1.5"	\$47.14
2"	\$47.14
3"	\$47.14
4"	\$50.32
6"	\$50.32

Usage Charges are currently tiered and vary from \$1.28 to \$2.21 per 100 CF. 2000 CF is included in the Base Rate.

Irrigation customers pay \$363.70 per miner's inch, per season.

The District's rate schedule includes connection fees, transfer fees, late charges, etc. This rate study does not include an analysis of these charges.

Funding of this report

This rate study covers both the treated water and the irrigation water services and is made available at no charge to the District. This report was prepared using funds under Agreement 13-409-550 between RCAC and the California State Water Resources Control Board.

Disclaimer

The recommendations contained in this rate study are based on financial information provided to RCAC by the District. Although every effort was made to assure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein.

Any opinions, findings, and conclusions or recommendations expressed in this material are solely the responsibility of the authors and do not necessarily represent the official views of the California State Water Resources Control Board.

For accounting advice, a CPA should be consulted. For legal advice, the District should seek the advice of an attorney.

2. Guiding Principles of this Rate Study

RCAC's rate studies comply with AWWA guidelines, unless California regulations, mainly Prop 218, require a deviation from national standards.

Sustainability

Rates should cover the costs to the system to allow it to provide services now, and in the foreseeable future. It is the responsibility of the Board to set rates to a level where the system is sustainable.

Fair

Rates should be fair to all rate payers. No single rate payer or group of rate payers should be singled out for different rates. Therefore, the proposed treated water rates do not make any distinction between domestic, commercial, industrial or agricultural users. The rates are the same for all types of customers.

The District should not charge more for treated water than the cost to provide the service. However, the costs should include: operations, repairs, interest, loan principal, and all other costs related to the collection, treatment and distribution, now and in the foreseeable future.

Unreasonably low rates for current customers will require unreasonably high rates for future customers, which should be avoided.

To avoid any possibility of treated water customers subsidizing irrigation customers, or vice versa, RCAC has split the assets, budgets, reserves and debts between treated water and irrigation customers.

Justifiable

Water rates must be based on actual needs of the District. Revenue generated from treated water rates can't be used for anything else but to pay for the costs of collecting, treating and distribution of water within its service area, plus administrative costs.

Similarly, revenue generated from irrigation water rates can't be used for anything else, but to pay for the cost associated with that service.

However, subsidies to either, treated or irrigation water, not funded by rate payers, but from outside sources (i.e. property taxes, hydro revenue, etc.), can be allocated to either class of service at the discretion of the board.

Prop 218¹ requires the justification of the tier level and the amount charged for each tier. This rate study does not provide the cost justification for any tiered Usage Charges, and proposes the elimination of a tiered Usage Rate. As a result, volumetric charges per cubic foot of treated water will be the same per cubic foot, regardless of usage.

¹ Article XIII D, Section 6 of the California Constitution

Purpose of this study

The purposes of this study are:

- Ensure the financial strength of the district well into the future
- Expose the need to set reserves aside for future replacement of failing components
- Allocate shared costs between treated water and irrigation water customers
- Identify any other financial deficiencies of the district

The Model

RCAC uses an Excel rate setting model developed over many years of practice. It has been used in more than 60 rate studies throughout the western United States. It is geared towards RCAC's clients, which are communities of less than 10,000 people.

The origins lay in CIP and Budget forms published by the California State Water Resources Control Board, Office of Financial Assistance. The forms were integrated and enhanced to comply with AWWA standards, regulation and recent legal cases.

Board Decision

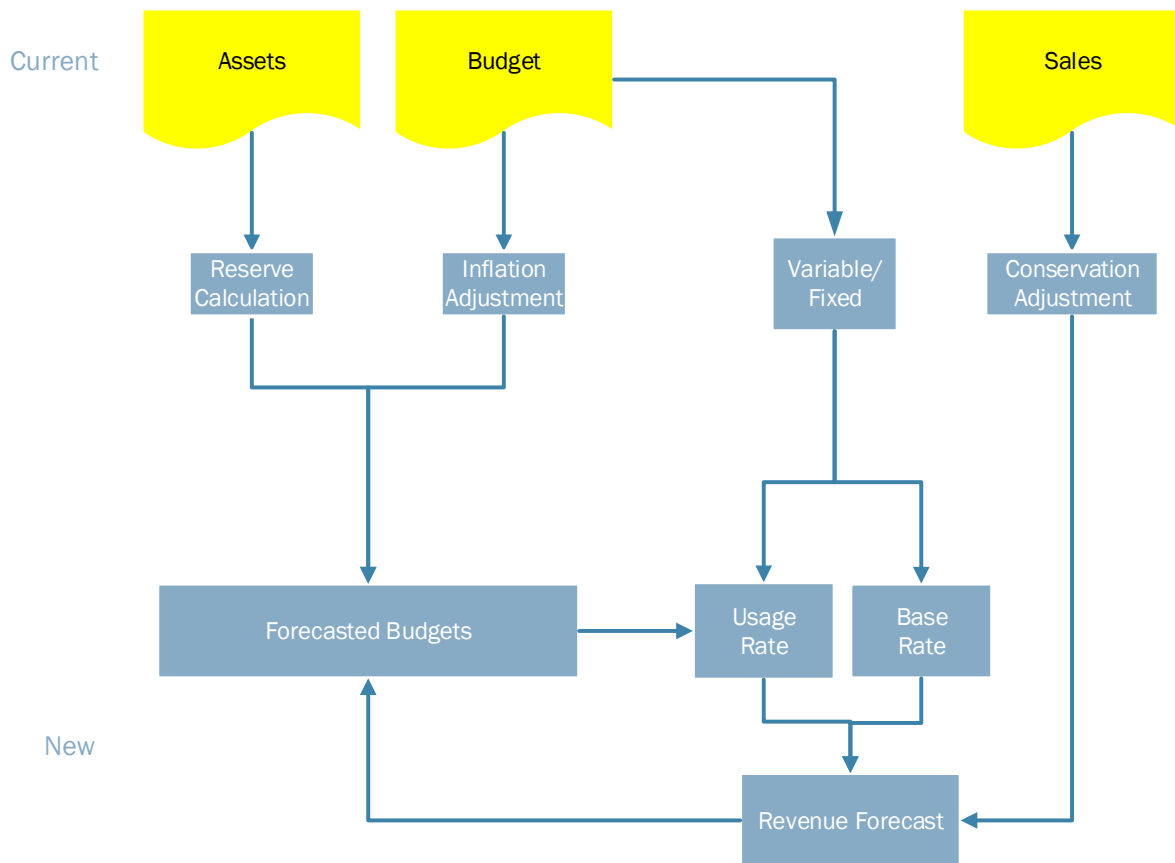
While this document recommends certain rates, the ultimate decision rests with the district's Board. However, the Board has a fiduciary responsibility to set the rates at such a level that the District will be able to continue to operate in the future, including providing funds to replace all parts of the system as they wear out.

At a special board meeting on October 18, 2017, the board reviewed and adjusted the proposed rates, to arrive at the rates presented in this report. The final rates may only be adopted after a 45-day notice of the proposed rate increase is provided, in accordance with Prop 218, and a successful Prop 218 public hearing is conducted, as provided in the notice.

3. Rate Study Process

The figure² below explains the process of setting rates. This process is based on AWWA standards as described in *“Principles of Water Rates, Fees and Charges (M1), AWWA, Sixth Edition, 2012”*. In *Griffith v. Pajaro Valley Water Management Agency*, the court clarified that the AWWA standards, described in their M1 manual comply with the proportionality requirements of Article XIII D, Section 6(b) of the California Constitution (referred to on the previous page of this report).

We begin with the list of all capitalized assets, the budget and the current number of customers, as provided by the GM.



From the list of assets, the required reserves are calculated (Section 4 of this report) and fed into a 5-year Budget projection (Section 5)

The Budget is adjusted for 2.0% inflation.

The expenses are then split between fixed and variable expenses.

² In this report all yellow cells contain data obtained outside the model. All blue cells are calculated.

The fixed expenses are then allocated among the different customers according to their hydrological potential, as determined by their meter size, and gives us a recommended Base Rate.

The Usage Charge is calculated based on the variable expenses.

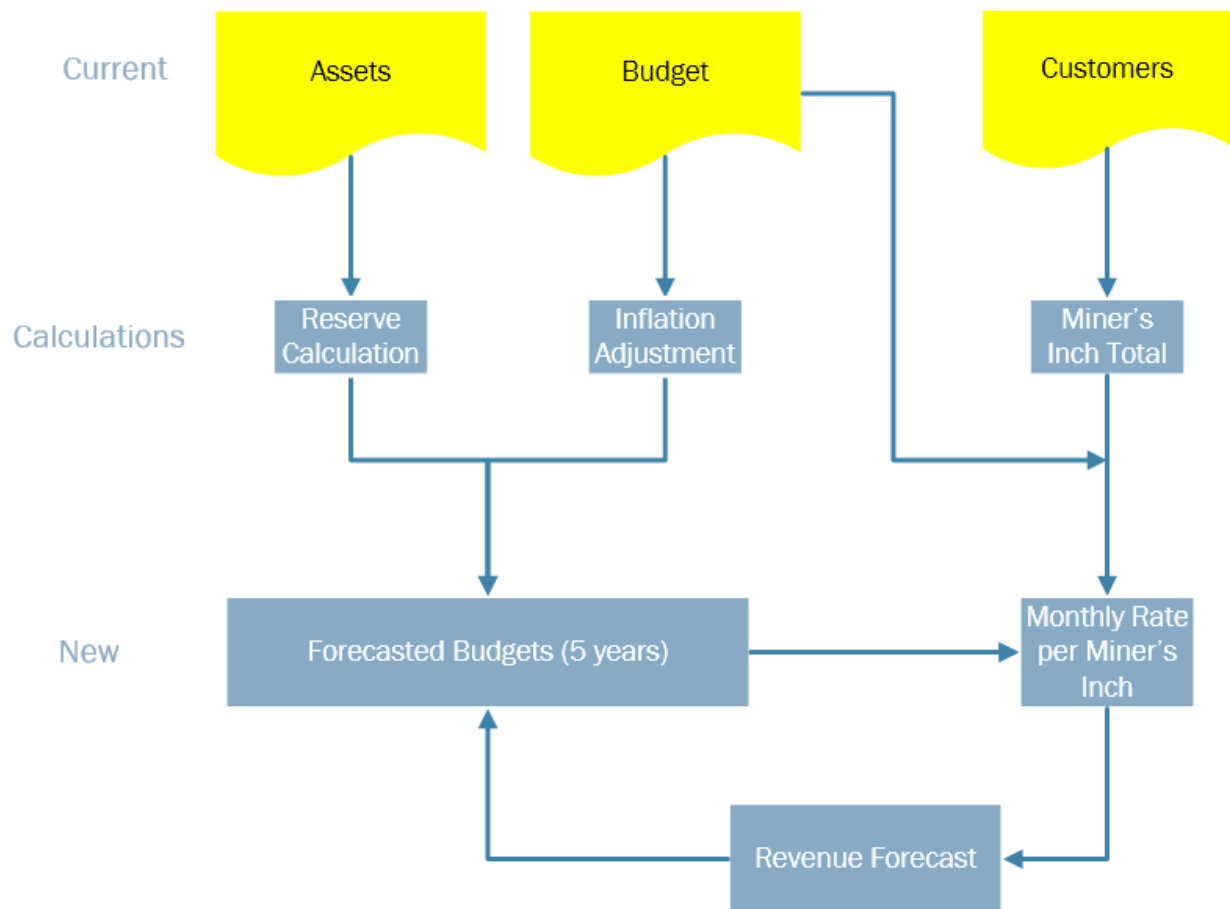
The Sales Forecast (in CF or gallons) is adjusted for future growth and water conservation, and is then applied against the Base Rate and Usage Charge, to arrive at a Revenue Forecast.

This Revenue Forecast is then inserted in the forecasted Budget.

If the Budget does not balance with the selected Base Rate and Usage Charge, they are adjusted until they balance the Budget.

To lessen the impact on District customers, rate increases could be spread over five years.

The same principle works for the irrigation rates, except that the rate, per miner's inch, is calculated by dividing the total expenses by the total miner's inches.



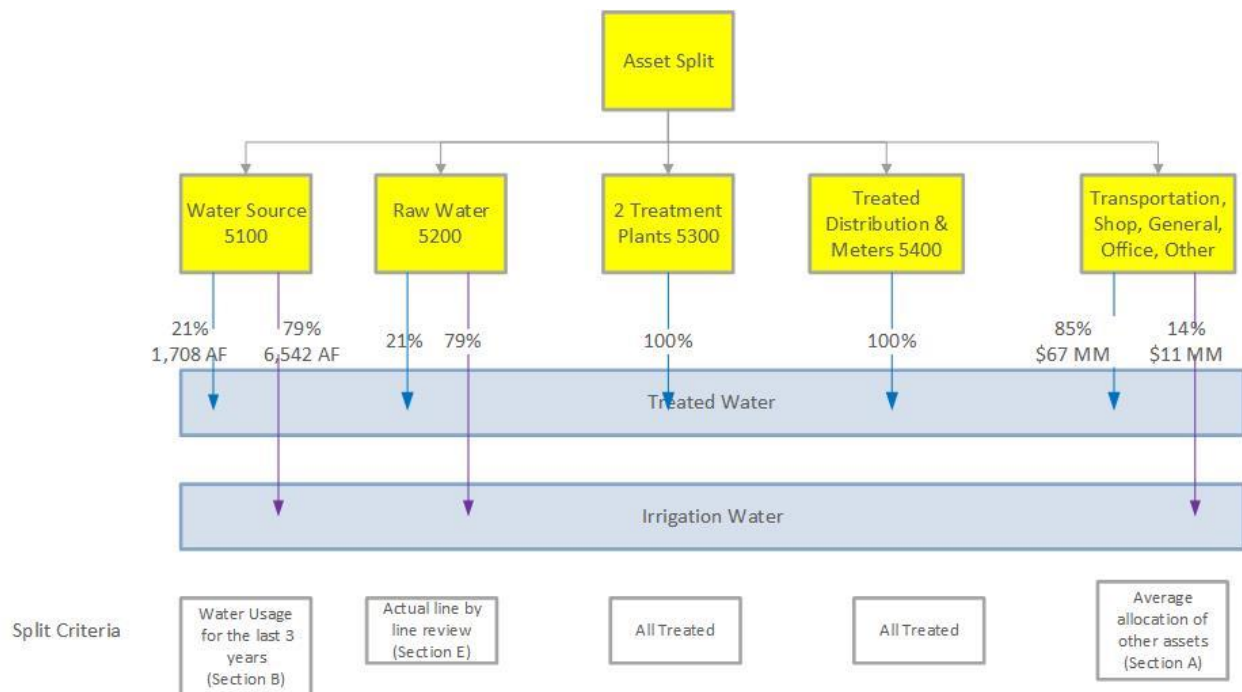
4. Capital Replacement Program

Source of the Data

The data in the Capital Replacement Program (CRP) comes from the data supplied by the District's General Manager and AWWA standards. It is attached as Exhibit 1T³ and Exhibit 1I.

The list of the components, their installation date and their original costs were all supplied by the General Manager (GM) and thoroughly reviewed by the operations manager.

Since this list contained assets used for Treated Water, Irrigation Water and some assets were used by both, the assets needed to be split between the two classes of service. The graphic below shows how the assets were split between Treated Water, Irrigation Water and Waste Water.

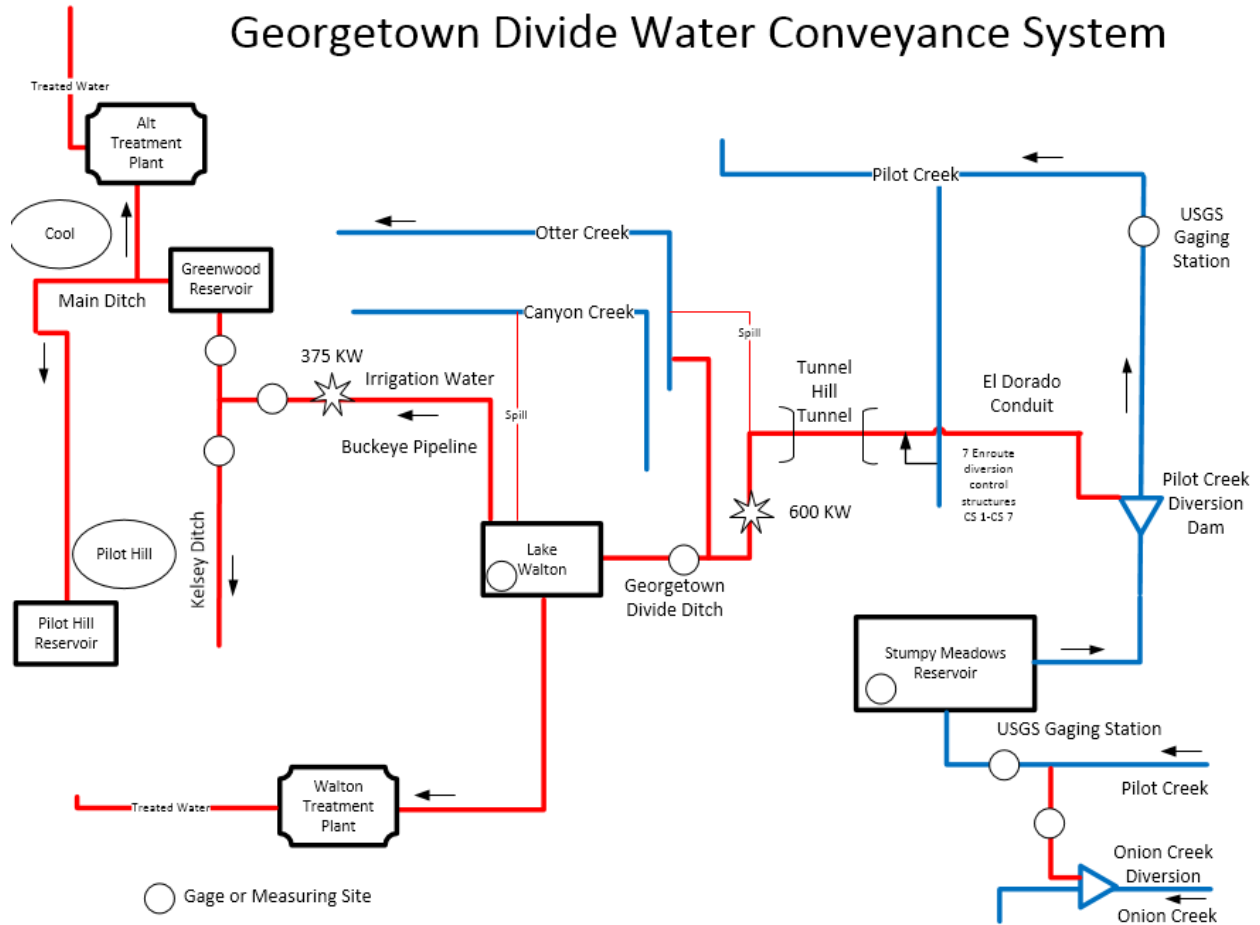


Split Criteria of Assets

Assets were split between treated and irrigation water according to the use of the asset by either treated or irrigation customers. Assets pertaining to the sewer system were excluded also. Since many assets are used by both irrigation and treated water, assets were split according to certain rules explained below.

³ The suffix of the exhibits refers to T for "treated" and I for "irrigation".

In the graphic below, all red lines and black blocks are owned by the district and need to be split between treated and irrigation. The graphic shows the shared assets between irrigation and treated water assets.



Assets listed in accounting account series 5100 (Water Source) were split according to the volume of water (acre feet) flowing through the “water source” assets.

The table below shows the water usage split between treated and irrigation water of 21% and 79% respectively. Water volume during the drought years of 2014 and 2015 were not included.

	2012	2013	2016	Average
Drinking Sales	1,591	1,671	1,262	1,508
Drinking Loss	200	200	200	200
Total	1,791	1,871	1,462	1,708
Irrigation Sales	4,681	4,692	4,654	4,676
Irrigation Loss	2,000	1,800	1,800	1,867
Total	6,681	6,492	6,454	6,542
			% Treated	21%
			% Irrigation	79%

Source: Water Supply & Demand Summary 2012, 2013 and 2016

Assets listed in accounting account series 5200 (Raw Water) were more difficult to split. Staff went through the list of assets and determined the use of each asset. When an asset was used by both treated and irrigation water, it was split by volume.

Since most raw water assets are used by both irrigation and treated water, the raw water (5200) asset split between treated and irrigation water turned out to be the same as the water source (5100) split: 21% and 79% respectively for treated and irrigation water.

Assets associated with the treatment plant (5300) and the distribution system (5400) were all allocated to treated water.

Assets associated with Customer Service (5500) were split according to the number of customers.

The table below shows the customer service assets split between treated and irrigation water of 71% and 8% respectively.

Number of Customers		
Drinking Water	3,774	71%
Irrigation Water	408	8%
Waste Water	1,099	21%
Total	5,281	100%

Assets associated with everything else (transportation, shop, office, etc.) were split according to the percentages of all the other assets.

The table below shows the other assets split between treated and irrigation water of 85% and 14% respectively.

	\$	\$	\$
	IW	TW	Septic
	Current	Current	Current Value
	Value	Value	
SOURCE OF SUPPLY PLANT #5100	\$8,429,083.56	\$2,240,642.47	
LAKE WALTON PLANT #5300	\$0.00	\$4,354,198.53	
AUBURN LAKE TRAILS PLANT	\$0.00	\$3,339,546.34	
T&D RAW WATER #5200	\$2,143,708.19	\$8,045,221.12	
T & D METERS & METER BOXES	\$35,811.43	\$316,860.95	
T & D TREATED WATER #5400	\$0.00	\$48,487,228.12	
TRANSPORTATION EQUIPMENT			
SHOP & FIELD EQUIPMENT			
GENERAL PLANT			
OFFICE EQUIPMENT			
SEPTIC COLLECTION PLANT			\$1,035,877
TRANSPORTATION EQUIPMENT & OTHER			
	\$10,608,603.18	\$66,783,697.53	\$1,035,876.51
	14%	85%	1%

Exhibit 1 shows the list of all the assets and their cost, split according to the above split criteria. For example, a water source asset of an original cost of \$1,000,000 is split between treated and irrigation water, according to 79%-21%. Therefore, \$790,000 is listed in Exhibit 1T and the same asset is listed as \$290,000 in Exhibit 1I.

Life Expectancy of Assets

The Normal Estimated Life of all assets listed in Exhibit 1 is based on AWWA standards and adjusted for actual conditions.

The Estimated Remaining Life in Exhibit 1 is based on the best judgement of the GM, the Operator and RCAC, after a visual inspection of the condition of the component.

Sources of Funding

Funding of the replacement of components can only come from cash saved by the District, a grant obtained or a loan.

The Board has made a policy for funding of capital assets as shown in the table below:

Assets Cost between	and	Cash	Grant	Loan
\$0	\$50,000	100%	0%	0%
\$50,001	\$100,000	75%	0%	25%
\$100,001	\$500,000	50%	20%	30%
\$500,001	\$9,999,999	25%	20%	55%

For example, a capital replacement project costing \$200,000, would ideally be funded by 50% cash, 20% grant and 30% loan.

While the possibility of receiving substantial grants to replace certain components of the system is good at this time, these possibilities will diminish over time as government funding capabilities will diminish.

The current Median Household Income (MHI) of \$46,700 (“Disadvantaged”, but not “Severely Disadvantaged”) makes it difficult for Georgetown to rely heavily on grants.

Staff and RCAC went through the list of all assets and determined the realistic split between cash, grant and loan funding of projects. In aggregate, 26% will be funded with cash, 1% with grants and 73% with loans.

This study assumes the average interest rate on the loans will be 2.5% APR.

Existing Reserves

Existing funds in all accounts were manually allocated to treated and irrigation water.

The District has about \$6,753,000 in cash and liquid assets allocated to the treated water system and \$322,564 to irrigation water. Of these liquid assets, \$5,142,000 is available as reserves for future replacement of deteriorating components of the treated water system and \$166,432 is available for the irrigation system replacement.

These amounts were calculated based on the January 2017 Cash & Investment balances in the district’s accounts (Exhibit 4). Funds that pertained to both Irrigation and Treated water were split according to past revenue percentages of each service category.

Description of Exhibit 1T and 1I

The CRP provides us with a detail of the reserves needed to replace the capital assets.

The total line of the CRP table (Exhibit 1T \$1,544,026 and Exhibit 1I \$250,172) are the amount the District must put aside each year to be able to fund the replacement of equipment for the treated water or irrigation system.

Alternative

If the District decides not to fund the annual capital reserve requirement, the District will have to come up with these amounts from other sources, or from steeper rate increases in future years. The District can’t count on the future generosity of the state or other government sources to provide any sizable grants.

It will require a substantial effort of the District’s staff to obtain these grants and loans. The amount of grants obtained for future projects has a large impact on the rates. Therefore, this study recommends a new rate study when new loans or grants are obtained.

5. Budget

Board Member Analysis Request (Board Scenario)⁴

At the October 18, 2017 Board Meeting, the Board asked staff to analyze a scenario that funds general and administrative (G&A) expenses (Department 6500 with tax revenue for the first year.

- Estimated Available Tax Revenue: \$1,569,000
- G&E Expenses for the first year are: \$1,198,350
- The remaining \$371,000 was proposed to be allocated to:
 - Ditch maintenance and water meter replacement programs
 - \$35,000 for water bill relief for low-income household subsidies
 - \$336,000 up to bring down irrigation costs

Analysis of the Board Scenario

For purposes of calculating the rates, we can apply tax revenues to the G&A expenses. However, this will have to be assumed for all future years, not just the first year.

The ditch maintenance and water meter replacement programs are already included in the CIP section of the rate setting calculation, and hence need not be funded separately.

The funding for a low-income household water bill subsidy program can be added to the budget used for the rate calculations.

The impact of this scenario on the rates is discussed at the end of this report.

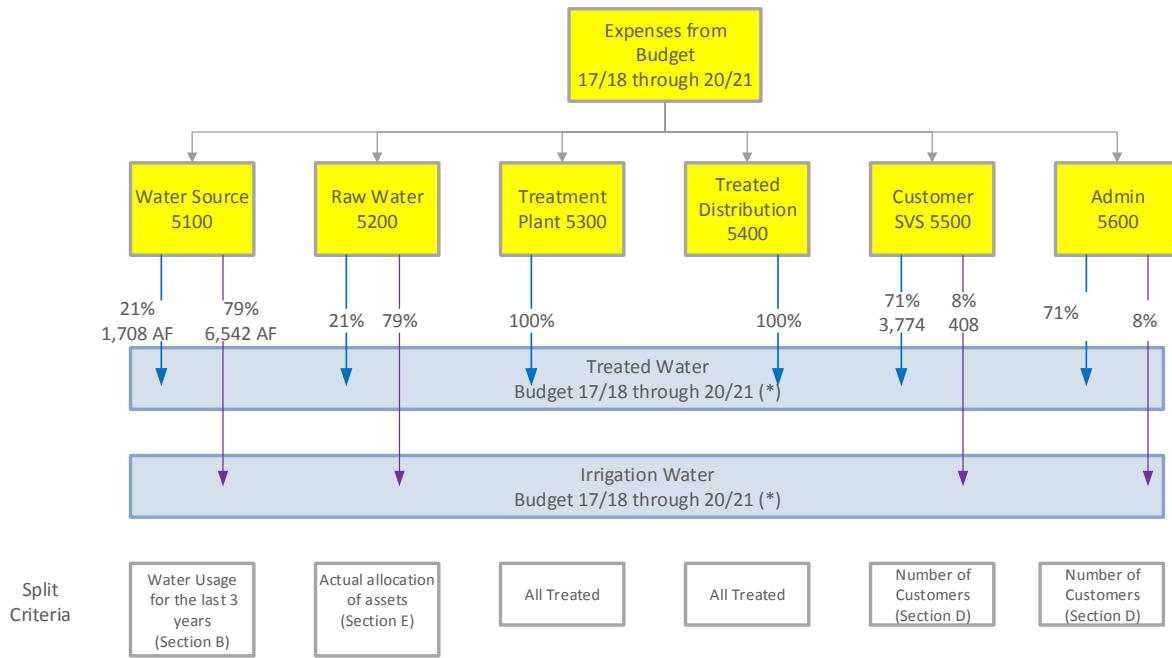
Source of Data⁵

All expenses shown in Exhibit 2 (5-Year Budget sheet) are based on the budget provided by the District for 2016-17 to 2020-21. The forecasted budget for the 2021/22 year was extrapolated. This budget assumed full staffing.

This Budget was then split between treated water and irrigation water, as explained in the graphic below.

⁴ We shall call this the “Board Scenario”. The alternative scenario, we shall call “recommended scenario.”

⁵ Unless indicated otherwise, the Board Scenario and the Recommended Scenario” are the same.



(*) 2021/22 Budget was extrapolated from previous years

Source: 2016-2017 Working Budget + Split

The split of the budget between Treated and Irrigation water of accounts 5100, 5200, 5300, 5400 and 5500 were discussed in the section about the split of the assets on page 10. The split of the General and Administration expenses (5600) is split according to the number of customers served by the District.

Reserve Funding

Exhibit 4 shows all the funds in the District’s accounts, as of January 2017. These funds were split between treated and irrigation water.

These funds were further split in the four types of reserves the District should consider, according to AWWA standards: Debt Reserve, Operating Reserve, Emergency Reserve and Capital Reserve.

Treated Water

Existing Reserves	Amount	
Debt Reserve	\$335,511	As per lending agreement(s)
Operating Reserve	\$876,629	
Emergency Reserve	\$778,569	
Capital Reserve	\$4,762,189	
Total	\$6,752,898	

Reserve Targets	Amount	Annual Reserve Addition	Excess funds to be transfer to CRP
Debt Reserve	\$335,511	\$0	\$0
Operating Reserve	\$856,341	\$0	\$20,288
Emergency Reserve	\$443,000	\$0	\$335,569
Capital Reserve	\$5,118,046	This is the total amount currently available for CIP. Transferred to CIP sheet.	

We compare the existing reserves against the target reserves. Any excess in Debt, Operating or Emergency Reserves is allocated to Capital Reserves. Any shortfall in Debt, Operating or Emergency Reserves is added to the budget in five installments, so the shortfall is eliminated in five years.

1. Debt Reserve: Your lenders require that you keep \$335,511 in a Debt Reserve Account for your treated water loans (or the drinking water portion of joint loans). The District is in compliance with that provision, hence, we need not include funds in the Budget to fund this type of reserve.
2. Operating Reserve: Operating reserves are established to provide the District with the ability to withstand short term cash-flow fluctuations. A 45-day operating reserve is a frequently used industry norm which computes to \$856,341 in Operating Reserves. As of July 2017, you have this in the bank, hence, we need not include additional Operating Reserves in our Budget. In fact, you have \$20,288 more than that. It is recommended that you transfer this amount into your Capital Reserve account.
3. Emergency Reserve: Emergency reserves are intended to help utilities deal with short-term emergencies, such as main breaks or pump failures. An emergency reserve is intended to fund the immediate replacement or reconstruction of the system's single most critical asset. We estimate that \$443,000 would be sufficient for emergency reserves for the treated water. As of July 2017, you have \$778,569 in the bank for treated water. It is recommended that you transfer the excess of \$335,569 from Emergency Reserves to Capital Reserves.
4. Capital Replacement Reserve: This reserve is strictly to be used to fund the District portion of any replacement of capital assets that are worn out. We assume that the balance of the liquid assets can be used for Capital Reserves. You currently have \$4,762,189 in Capital reserves dedicated to the treated water system. Add to that the \$20,288 in excess Operating Reserves and \$335,569 in excess Emergency Reserves, for a current Capital Reserve of \$5,118,046.

Irrigation Water

Existing Reserves	Amount	Goal
Debt Reserve	\$0	As per lending agreement(s)
Operating Reserve	\$106,131	45 days of expenses
Emergency Reserve	\$94,259	Critical equipment replacement cost
Capital Reserve	\$122,173	Funds available to replace existing assets

Total \$322,564

Reserve Targets	Amount	Annual Reserve Addition	Excess funds to be transfer to CIP
Debt Reserve	\$0	\$0	\$0
Operating Reserve	\$122,595	\$3,293	\$0
Emergency Reserve	\$50,000	\$0	\$44,259
Capital Reserve	\$166,432	This is the total amount currently available for CIP. Transferred to CIP sheet.	

We compare the existing reserves against the target reserves. Any excess in Debt, Operating or Emergency Reserves is allocated to Capital Reserves. Any shortfall in Debt, Operating or Emergency Reserves is added to the budget in five installments, so the shortfall is eliminated in five years.

Four type of reserves:

1. Debt Reserve: None of the debt associated with the irrigation system requires any debt reserve.
2. Operating Reserve: Operating reserves are established to provide the District with the ability to withstand short term cash-flow fluctuations. A 45-day operating reserve is a frequently used industry norm which computes to \$122,595 in Operating Reserves. As of July 2017, you only have \$106,131 in the bank, hence we need to budget an extra \$3,293 for the next 5 years to bring this amount up to the target. This amount of \$3,293 is added to the Budget.
3. Emergency Reserve: Emergency reserves are intended to help utilities deal with short-term emergencies, such as main breaks or pump failures. An emergency is intended to fund the immediate replacement or reconstruction of the system's single most critical asset. We estimate that \$50,000 would be sufficient for emergency reserves for the irrigation water. As of July 2017, you have \$94,259 in the bank for irrigation water emergencies. It is recommended that you transfer the excess of \$44,259 from Emergency Reserves to Capital Reserves.
4. Capital Replacement Reserve: This reserve is strictly to be used to fund the District portion of any replacement of capital assets that are worn out. We assume that the balance of the liquid assets can be used for Capital Reserves. You currently have \$122,173 in Capital Reserves dedicated to the irrigation water system. Add to that the \$44,259 in excess Emergency Reserves this gives us a current Capital Reserve of \$166,432.

Allocation of Property Taxes

The District has about \$1,569,000 in annual property tax revenue. The board has full discretion on how to spend these funds for any District-related purpose.

Board Scenario

At the October 18, 2017 Board meeting, it was suggested that the tax revenue be split as follows:

- To cover G&A expenses (Department 5600): \$1,198,000
- Water bill subsidies for low-income families: \$35,000
- Allocation to irrigation services: \$336,000

Recommended Scenario

Since the Board has discretion to allocate these outside funds, we would ask the Board to allocate \$1,006,000 (64%) to treated water and 563,000 (36%) to irrigation. These numbers are necessary to avoid a negative cash flow for the irrigation service, without having to increase the rates for customers with 1 miner's inch of usage, by more than 100% in the first year.

Reserve Accounting and Investment Opportunities

The District has multiple checking and savings accounts that do not correspond to AWWA standards for reserve accounts. It is recommended that the District have:

1. One Operating account
2. Debt reserve accounts for each loan
3. At least one Emergency account for each class of service: treated, irrigation, waste water
4. At least one Capital reserve account for each class of service

The names of these accounts should correspond with the four reserves recommended by the AWWA.

The District should also have policies in place regarding:

1. who can access these accounts
2. for what purposes funds can be withdrawn
3. how often the reserve accounts are funded from the operating account

By design, cash will accumulate in the Operating account. Periodically any excess funds above the target set on page 18 should be transferred to the Capital Reserve accounts.

Operating cash should remain in the checking account.

Debt Reserve funds can be invested for a long time, preferably maturing at the same time as the associated debt.

Emergency Reserves should be kept in a savings account for immediate liquidity.

Capital Reserves could be invested in a series of maturities that correspond with the Capital Improvement plan horizon.

By following the above principles, you can maximize your return on your reserves.

6. Rate Calculation

The District is planning to change all 5/8" meters with 3/4" meters in the next two years. New homes will probably be required to install fire suppression sprinklers, which require 1" meters. An analysis of the usage data indicates that customers with 5/8", 3/4" or 1" use about the same quantity of water and the extra capacity of their meter is only needed for emergencies. Therefore we recommend that the rates for the bottom three sizes of meters be the same.

AWWA recommends that expenses be split between fixed and variable expenses. Fixed expenses are expenses that don't change when the volume of water changes. (Example: insurance) Variable expenses are those that change with the volume of water sold. (Example: utilities)

In theory, fixed expenses need to be funded with Base Charges and variable expenses determine the Usage Charge.

The fixed expenses are allocated to the different meter sizes according to their hydrological potential draw.

The "Theoretical Base Rate by Meter Size per 2M" in the tables below was calculated using this method. California courts have determined that this national standard, is compliant with Prop 218.

A. Board Scenario

Treated Water

Base Rate Calculation for Treated Water

Meter Size	Theoretical Base Rate by Meter Size, per 2M	Base Rate as % of Theoretical Rate	Existing Base Rate	Proposed Base Charge for Year 1	Year 2	Year 3	Year 4	Year 5
	Future Increases				5.0%	5.0%	5.0%	5.0%
5/8"	\$91.25	75%	\$47.14	\$ 68.43	\$71.85	\$75.44	\$79.21	\$83.17
3/4"	\$136.87	50%	\$47.14	\$ 68.43	\$71.86	\$75.45	\$79.22	\$83.18
1"	\$228.12	30%	\$47.14	\$ 68.43	\$71.85	\$75.44	\$79.21	\$83.17
1.5"	\$456.23	50%	\$47.14	\$ 228.12	\$239.52	\$251.50	\$264.08	\$277.28
2"	\$729.97	50%	\$47.14	\$ 364.98	\$383.23	\$402.39	\$422.51	\$443.64
3"	\$1,459.94	50%	\$47.14	\$ 729.97	\$766.47	\$804.79	\$845.03	\$887.28
4"	\$2,281.15	50%	\$50.32	\$ 1,140.58	\$1,197.61	\$1,257.49	\$1,320.36	\$1,386.38

Usage Rate Calculation

Tier	Bottom of Tier	Top of Tier	Year 1, per 100 CF	Year 2	Year 3	Year 4	Year 5	
	Future Increases			5.0%	5.0%	5.0%	5.0%	
1	-	999,999	\$2.2500	\$2.36	\$2.48	\$2.60	\$2.73	
Net Gain/Loss (incl. reserve contrib.)			-648,067	-565,030	-397,733	-316,016	-194,610	
Are contributions to res. enough?			No	No	No	No	No	
Contribution to Reserves (Cashflow)			884,536	963,324	961,788	1,043,506	1,164,911	
Affordability Index MH			46,700.00	1.45%	1.53%	1.62%	1.71%	1.80%
Project funding \$30.16/2 months				0.39%	0.39%	0.39%	0.39%	0.39%
Affordability of total rate				1.84%	1.92%	2.01%	2.10%	2.18%

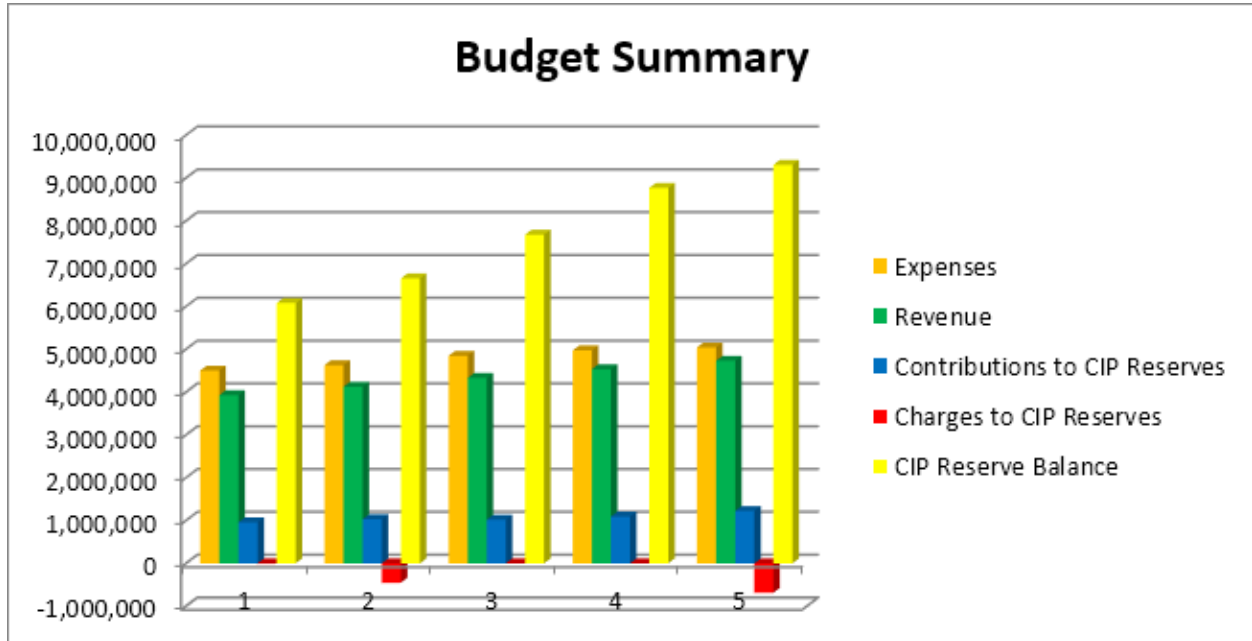
Using the rates in the yellow cells and a 5% rate increase for the next 5 years has the following consequences:

- Treated water customers will see a rate increase of 66% over 5 years.
- The average homeowner will pay about \$139.82 every two months, in the fifth year.
- Reserves are funded in a substantial way, but still 14% short of the target in the fifth year.
- A 15 year projection (not shown) estimates that reserve funds will be exhausted, unless rates are increased after the fifth year of this study.

The graph below shows the trends:

- Expenses (orange bar) grow at the rate of inflation
- Revenue (green bar) grows at 5% per year
- Contributions to reserves (blue bar) are enough to cover the planned capital replacements in year 5 and beyond.
- Charges to Reserves (red bar) are the replacement costs of certain assets, according to the CRP

- The Reserve Balance⁶ (yellow bar) is the total amount of all reserves, which is growing as expected.



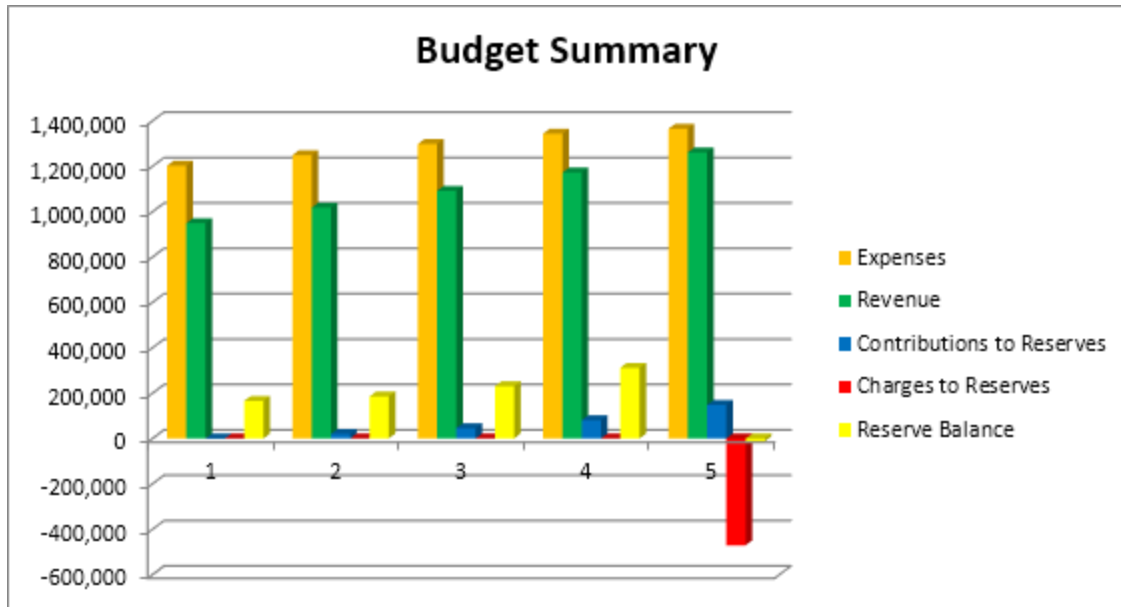
⁶ Total Reserves (Capital Replacement Reserves, Emergency Reserves, Debt Reserves, etc.)

New Irrigation Rates

Meter Size (MI)	Meter Size (metric)	Theoretical Seasonal Rate by MI	as % of Theoretical Rate	Proposed Base Charge for Year 1	Year 2	Year 3	Year 4	Year 5
Future Increases					10.0%	10.0%	10.0%	10.0%
1/2"	0.500	\$966	51%	\$493	\$542	\$596	\$656	\$721
1"	1.000	\$1,932	51%	\$986	\$1,084	\$1,192	\$1,312	\$1,443
1.5"	1.500	\$2,899	51%	\$1,478	\$1,626	\$1,789	\$1,968	\$2,164
2"	2.000	\$3,865	51%	\$1,971	\$2,168	\$2,385	\$2,623	\$2,886
2.5"	2.500	\$4,831	51%	\$2,464	\$2,710	\$2,981	\$3,279	\$3,607
3"	3.000	\$5,797	51%	\$2,957	\$3,252	\$3,577	\$3,935	\$4,329
3.5"	3.500	\$6,763	51%	\$3,449	\$3,794	\$4,174	\$4,591	\$5,050
4"	4.000	\$7,730	51%	\$3,942	\$4,336	\$4,770	\$5,247	\$5,772
5"	5.000	\$9,662	51%	\$4,928	\$5,420	\$5,962	\$6,559	\$7,214
6"	6.000	\$11,594	51%	\$5,913	\$6,504	\$7,155	\$7,870	\$8,657
7"	7.000	\$13,527	51%	\$6,899	\$7,588	\$8,347	\$9,182	\$10,100
8"	8.000	\$15,459	51%	\$7,884	\$8,673	\$9,540	\$10,494	\$11,543
9"	9.000	\$17,391	51%	\$8,870	\$9,757	\$10,732	\$11,805	\$12,986
10"	10.000	\$19,324	51%	\$9,855	\$10,841	\$11,925	\$13,117	\$14,429
12"	12.000	\$23,189	51%	\$11,826	\$13,009	\$14,310	\$15,741	\$17,315
15"	15.000	\$28,986	51%	\$14,783	\$16,261	\$17,887	\$19,676	\$21,643
16"	16.000	\$30,918	51%	\$15,768	\$17,345	\$19,080	\$20,988	\$23,086
18"	18.000	\$34,783	51%	\$17,739	\$19,513	\$21,464	\$23,611	\$25,972
20"	20.000	\$38,648	51%	\$19,710	\$21,681	\$23,849	\$26,234	\$28,858
25"	25.000	\$48,309	51%	\$24,638	\$27,102	\$29,812	\$32,793	\$36,072
30"	30.000	\$57,971	51%	\$29,565	\$32,522	\$35,774	\$39,352	\$43,287
40"	40.000	\$77,295	51%	\$39,421	\$43,363	\$47,699	\$52,469	\$57,716
43"	43.000	\$83,092	51%	\$42,377	\$46,615	\$51,276	\$56,404	\$62,044
Expenses from Budget				\$ 1,201,940	\$ 1,249,058	\$ 1,298,202	\$ 1,343,310	\$ 1,365,138
Income Generated by the Selected Rate				\$ 948,990	\$ 1,017,009	\$ 1,091,292	\$ 1,172,455	\$ 1,261,175
Net Gain or Loss (incl. reserve contributions)				-252,951	-232,049	-206,911	-170,855	-103,963
Are contributions to reserves enough?				No	No	No	No	No
Contributions to Reserve (Cashflow)				\$ (1,026)	\$ 19,876	\$ 45,014	\$ 81,070	\$ 147,962
Target Contribution to Reserve				\$ 251,925	\$ 251,925	\$ 251,925	\$ 251,925	\$ 251,925

Using the rates in the yellow cells and a 10% rate increase for the next 5 years has the following consequences:

- Rates increase for 1 Miner’s inch by 172%.
- This increase ONLY covers operating expenses and NO reserves.
- Rates must be adjusted in year 5 to cover planned capital replacements, or the replacements cannot be funded after the 5th year.



The graph above shows the trends:

- Expenses (orange bar) grow at the rate of inflation
- Revenue (green bar) grows at 10% per year
- Contributions to reserves (blue bar) are barely enough to cover the planned capital replacements in year 5.
- Charges to Reserves (red bar) are the replacement costs of certain assets, according to the CRP
- The Reserve Balance⁷ (yellow bar) is the total amount of all reserves, which will be completely exhausted by the fifth year.


B. Recommended Scenario

The differences between the Board Scenario and the Recommended Scenario are:


- Tax revenue is allocated based on need to keep irrigation customers' increase in the first year to around 109%, vs 197% for the Board Scenario.
- General and Administrative expenses are allocated between treated and irrigation customers, according to the number of customer in the recommended scenario, which is an acceptable "rule" for allocating expenses.

⁷ Total Reserves (Capital Replacement Reserves, Emergency Reserves, Debt Reserves, etc.)

Base Rate Calculation for Treated Water

Meter Size	Theoretical Base Rate by Meter Size, per 2M	Base Rate as % of Theoretical Rate	Existing Base Rate	Proposed Base Charge for Year 1	Year 2	Year 3	Year 4	Year 5
	Future Increases 				5.0%	5.0%	5.0%	5.0%
5/8"	\$112.02	52%	\$47.14	\$ 58.81	\$61.75	\$64.84	\$68.08	\$71.48
3/4"	\$168.03	35%	\$47.14	\$ 58.81	\$61.75	\$64.84	\$68.08	\$71.48
1"	\$280.05	21%	\$47.14	\$ 58.81	\$61.75	\$64.84	\$68.08	\$71.48
1.5"	\$560.10	35%	\$47.14	\$ 196.04	\$205.84	\$216.13	\$226.94	\$238.29
2"	\$896.17	35%	\$47.14	\$ 313.66	\$329.34	\$345.81	\$363.10	\$381.26
3"	\$1,792.34	35%	\$47.14	\$ 627.32	\$658.68	\$691.61	\$726.19	\$762.50
4"	\$2,800.52	35%	\$50.32	\$ 980.18	\$1,029.19	\$1,080.65	\$1,134.68	\$1,191.41

Usage Rate Calculation

Tier	Bottom of Tier	Top of Tier	Year 1, per 100 CF	Year 2	Year 3	Year 4	Year 5	
	Future Increases 			5.0%	5.0%	5.0%	5.0%	
1	-	999,999	\$2.5500	\$2.68	\$2.81	\$2.95	\$3.10	
Net Gain/Loss (incl. reserve contrib.)			-575,577	-503,979	-513,331	-440,641	-309,025	
Are contributions to res. enough?			No	No	No	No	No	
Contribution to res. (Cashflow)			957,026	1,028,624	1,019,272	1,091,962	1,223,578	
Affordability Index MH			46,700.00	1.40%	1.48%	1.57%	1.66%	1.74%
Project funding \$30.16/2 months				0.39%	0.39%	0.39%	0.39%	0.39%
Affordability of total rate				1.79%	1.87%	1.96%	2.05%	2.13%

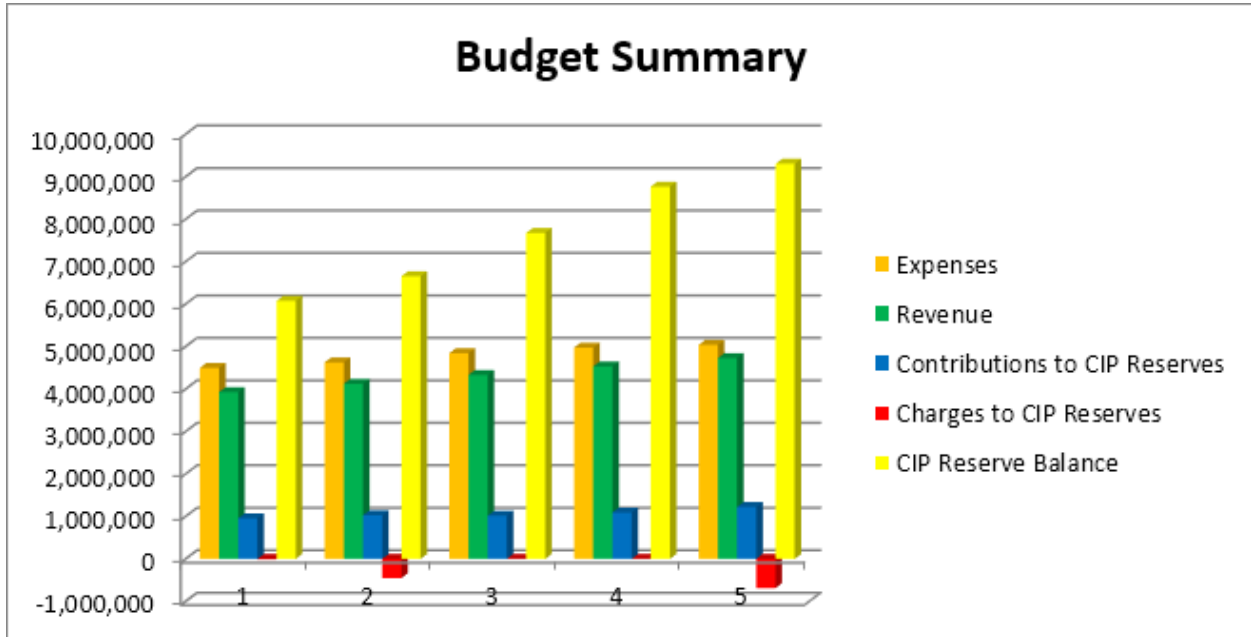
Using the rates in the yellow cells and a 5% rate increase for the next 5 years has the following consequences:

- Treated water customers will see a rate increase of 61% over 5 years. The average homeowner will pay about \$135.67 every two months, in the fifth year.
- Reserves are funded in a substantial way, but still 20% short of the target in the fifth year.
- A 15 year projection (not shown) estimates that reserve funds will be close to exhausted, unless rates are increased after the tenth year of this study.

The graph below shows the trends:

- Expenses (orange bar) grow at the rate of inflation
- Revenue (green bar) grows at 5% per year
- Contributions to reserves (blue bar) are enough to cover the planned capital replacements in year 5 and beyond.
- Charges to Reserves (red bar) are the replacement costs of certain assets, according to the CRP

- The Reserve Balance⁸ (yellow bar) is the total amount of all reserves, which is growing as expected.



⁸ Total Reserves (Capital Replacement Reserves, Emergency Reserves, Debt Reserves, etc.)

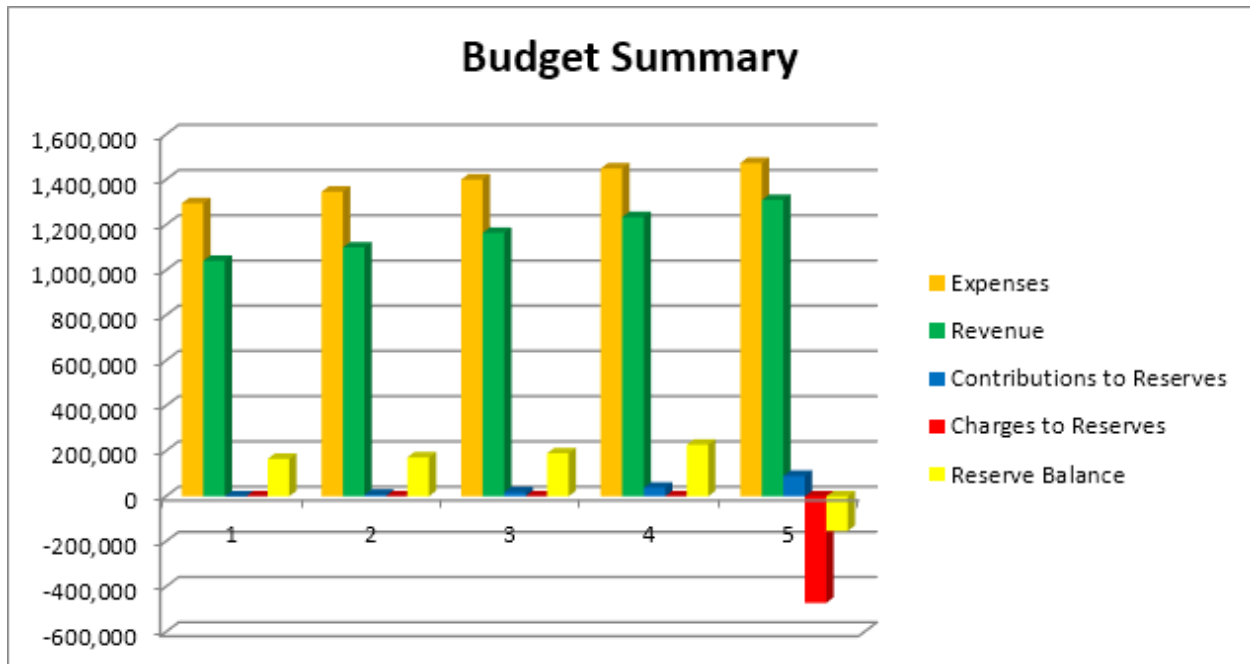
New Irrigation Rates

Meter Size (MI)	Meter Size (metric)	Theoretical Seasonal Rate by MI	% of Theoretical Rate	Proposed Base Charge for Year 1	Year 2	Year 3	Year 4	Year 5
Future Increases					10.0%	10.0%	10.0%	10.0%
1/2"	0.500	\$1,042	37%	\$385	\$424	\$466	\$513	\$564
1"	1.000	\$2,084	37%	\$771	\$848	\$933	\$1,026	\$1,129
1.5"	1.500	\$3,126	37%	\$1,156	\$1,272	\$1,399	\$1,539	\$1,693
2"	2.000	\$4,167	37%	\$1,542	\$1,696	\$1,866	\$2,052	\$2,258
2.5"	2.500	\$5,209	37%	\$1,927	\$2,120	\$2,332	\$2,565	\$2,822
3"	3.000	\$6,251	37%	\$2,313	\$2,544	\$2,799	\$3,078	\$3,386
3.5"	3.500	\$7,293	37%	\$2,698	\$2,968	\$3,265	\$3,592	\$3,951
4"	4.000	\$8,335	37%	\$3,084	\$3,392	\$3,731	\$4,105	\$4,515
5"	5.000	\$10,419	37%	\$3,855	\$4,240	\$4,664	\$5,131	\$5,644
6"	6.000	\$12,502	37%	\$4,626	\$5,088	\$5,597	\$6,157	\$6,773
7"	7.000	\$14,586	37%	\$5,397	\$5,936	\$6,530	\$7,183	\$7,901
8"	8.000	\$16,670	37%	\$6,168	\$6,785	\$7,463	\$8,209	\$9,030
9"	9.000	\$18,753	37%	\$6,939	\$7,633	\$8,396	\$9,235	\$10,159
10"	10.000	\$20,837	37%	\$7,710	\$8,481	\$9,329	\$10,262	\$11,288
12"	12.000	\$25,004	37%	\$9,252	\$10,177	\$11,194	\$12,314	\$13,545
15"	15.000	\$31,256	37%	\$11,565	\$12,721	\$13,993	\$15,392	\$16,932
16"	16.000	\$33,339	37%	\$12,336	\$13,569	\$14,926	\$16,419	\$18,060
18"	18.000	\$37,507	37%	\$13,877	\$15,265	\$16,792	\$18,471	\$20,318
20"	20.000	\$41,674	37%	\$15,419	\$16,961	\$18,657	\$20,523	\$22,576
25"	25.000	\$52,093	37%	\$19,274	\$21,202	\$23,322	\$25,654	\$28,219
30"	30.000	\$62,511	37%	\$23,129	\$25,442	\$27,986	\$30,785	\$33,863
40"	40.000	\$83,348	37%	\$30,839	\$33,923	\$37,315	\$41,046	\$45,151
43"	43.000	\$89,599	37%	\$33,152	\$36,467	\$40,114	\$44,125	\$48,537

Expenses from Budget	\$ 1,296,062	\$ 1,347,227	\$ 1,400,629	\$ 1,450,035	\$ 1,473,966
Income Generated by the Selected Rate	\$ 1,041,543	\$ 1,100,737	\$ 1,164,952	\$ 1,234,671	\$ 1,310,426
Net Gain or Loss (incl. reserve contributions)	-254,519	-246,490	-235,677	-215,364	-163,540
Are contributions to reserves enough?	No	No	No	No	No
Contributions to Reserve (Cashflow)	\$ (1,054)	\$ 6,975	\$ 17,788	\$ 38,101	\$ 89,924
Target Contribution to Reserve	\$ 253,465	\$ 253,465	\$ 253,465	\$ 253,465	\$ 253,465

Using the rates in the yellow cells and a 10% rate increase for the next 5 years has the following consequences:

- Rates increase for 1 Miner’s inch by 109%, from \$363.70 to \$771.00 for the season.
- This increase ONLY covers operating expenses and NO reserves.
- Rates must be adjusted in year 5 to cover planned capital replacements, or the replacements cannot be funded after the 5th year.



The graph above shows the trends:

- Expenses (orange bar) grow at the rate of inflation
- Revenue (green bar) grows at 10% per year
- Contributions to reserves (blue bar) are not enough to cover the planned capital replacements in year 5.
- Charges to Reserves (red bar) are the replacement costs of certain assets, according to the CRP
- The Reserve Balance⁹ (yellow bar) is the total amount of all reserves, which will be completely exhausted by the fifth year.

C. Discussion of Scenarios

We prefer the Recommended Scenario because:

- Tax revenue is allocated based on need to keep irrigation customers' increase in the first year to 109%, vs 197% for the Board Scenario.
- General and Administrative expenses are allocated between treated and irrigation customers, according to the number of customer in the recommended scenario, which is an acceptable "rule" for allocating expenses.
- In both cases, rates for irrigation customers will have to be reviewed in 4-5 years.
- The increase in rates for both treated and irrigation customers are lower under the recommended scenario.

The table below shows the differences in the rates for the first year.

⁹ Total Reserves (Capital Replacement Reserves, Emergency Reserves, Debt Reserves, etc.)

Bi-Monthly Base Rate for Treated Water in first year			
		Board	Recommended
	Current	F	G
5/8"	\$47.14	\$68.43	\$58.81
3/4"	\$47.14	\$68.43	\$58.81
1"	\$47.14	\$68.43	\$58.81
1.5"	\$47.14	\$228.12	\$196.04
2"	\$47.14	\$364.98	\$313.66
3"	\$47.14	\$729.97	\$627.32
4"	\$50.32	\$1,140.58	\$980.18
Usage per 100CF of Treated Water in first year			
All	\$1.38-\$2.21	\$2.25	\$2.55
Average Treated Water Bi-Monthly Bill for 5/8" meter in first year, for 2100 CF			
	84.18	112.7	108.98
	% Increase	34%	29%
Seasonal rate for 1 MI of Irrigation Water in first year			
1 MI	\$363.70	\$986.00	\$771.00
	% Increase	171%	112%

7. Next Step

Start the process

The District must follow Proposition 218 (Exhibit 3) in implementing the water rates. The Board must have a hearing and pass a resolution that includes:

1. The selected rates
2. Approve of the wording of the Prop 218 Notice (Sample in Exhibit 6 and emailed to the GM for editing. Make sure the Public Notice reflects the rates, tiers and fees approved by the Board).
3. Set a date for the Notices to be mailed to all the **property owners and renters** within the District. (No need to send them registered mail. Send the Notices to all "property owners of record". Your County Tax Collector or Assessor can provide you with a list of addresses and address labels.)
4. Set a due date for the protest votes to be received, at least 45 days after the Notices are mailed.
5. At the second meeting, the Board must plan to take testimony. You may want to set multiple hearing dates or "educational meetings¹⁰" to explain the rate increases to the public.

¹⁰ "Hearings" imply the presence of the Board and require an agenda and the appropriate notices. "Education Meetings" can be presented by staff, without the presence of Board members or an agenda.

6. Set an effective date for the proposed rates and fees.

Hearing

At the due date of the protest votes, tally the protest votes. If **more** than half of the parcel owners protest (one vote per parcel); then the Board cannot adopt the rates proposed in step 1, but must

- keep the rates unchanged
- or repeat the process starting with step 1

If **less** than half of the property owners protest, the Board can adopt the rates and fees. At that time in the process, the Board can only accept or reject the proposed rates and fees—they cannot change¹¹ them (unless steps 1-6 are repeated.)

Implementation

The rate structure proposed in this model can be implemented through the District’s billing system.

Policies must be put in place to

- set up the appropriate reserve accounts: emergency and capital
- fund the reserves from revenue
- access the accounts
- define the circumstances under which funds can be withdrawn

The Board should also commit to a new rate study within 4 years, to extend rate increases beyond the 5 years, Prop 218 allows us to set rates for.

Finally, the Board should commit to create a subsidy program for low-income customers.

¹¹ Neither raise nor lower them.

8. Exhibits

Exhibit 1T: Capital Replacement Program Treated Water (Same for either scenario)

Exhibit 1I: Capital Replacement Program Irrigation Water (Same for either scenario)

Exhibit 2T: Budget Treated Water (Board)

Exhibit 2I: Budget Irrigation Water (Board)

Exhibit 3T: Budget Treated Water (Recommended)

Exhibit 3I: Budget Irrigation Water (recommended)

Exhibit 4: Cash & Investment Split (Same for either scenario)

Exhibit 5: Prop 218 Text

Exhibit 6: Notice Document

Capital Replacement Program

Georgetown Divide PUD TW

Date: 10/20/17

System Number: 910013

Service Connections: 3774

Exhibit 11

Qty	Component	Year Acquired	Unit Cost (Historic, Current or Future)	Cost Type (H, C, F)	Estimated Historic Cost	Normal Estimated Life	Current Age	Estimated Current Cost	Planned Remaining Life	Estimated Remaining Life	Estimated Future Cost	Fund with Cash	Fund with Grant	Fund with Loan	Existing Reserves	Annual Reserve Required
Existing Capital Replacement Program																
SOURCE OF SUPPLY PLANT #5100																
1	Mark Edison Dam & Slumpy Meadows Res.	1962	\$106,333	H	\$106,333	100	55	\$315,993	45	50	\$850,524	10%	50%	40%	\$0	\$1,072
1	Tunnel Hill Tunnel	1962	\$22,577	H	\$22,577	100	55	\$67,092	45	46	\$166,881	25%	20%	55%	\$6,076	\$586
1	Kaiser Siphon Replacement (1)	1964	\$83,961	C	\$83,961	100	53	\$83,961	47	46	\$208,778	25%	20%	55%	\$7,603	\$734
1	Sand Trap Siphon (1)	1964	\$34,125	C	\$34,125	100	53	\$34,125	47	48	\$88,284	50%	50%	50%	\$6,430	\$587
1	Up. Country Ditch Imp (Pilot Ck Diversion to Tunnell Hill Inlet) (1)	1964	\$424,830	C	\$424,830	100	53	\$424,830	47	56	\$1,287,731	10%	50%	40%	\$18,758	\$1,392
1	5200 SHARED														\$0	
1	Cabin Waste Gate Replacement (1)	1972	\$6,300	C	\$6,300	40	46	\$6,300	-5	20	\$9,361	100%		0%	\$1,364	\$357
1	Bacon Creek Pipe (1)	1964	\$18,363	C	\$18,363	40	53	\$53,576	-13	20	\$79,611	50%		50%	\$5,798	\$1,518
1	Buckeye Conduit (1)	1964	\$94,461	C	\$94,461	40	53	\$84,461	-13	20	\$140,364	25%		75%	\$5,112	\$1,338
1	Up. Country Ditch (Penn Stock Bypass to Schroeder Conduit) (1)	1964	\$156,056	C	\$53,489	40	53	\$156,056	-13	5	\$172,289	25%		75%	\$6,275	\$7,189
1	Main Ditch #1 Imp (1)	1964	\$433,821	C	\$148,694	40	53	\$433,821	-13	5	\$478,973	10%	50%	40%	\$6,977	\$7,994
1	Main Ditch #2 to ALT (1)	1964	\$101,194	C	\$34,685	40	53	\$101,194	-13	5	\$111,726	25%		75%	\$4,069	\$4,662
1	5200 IRRIGATION ONLY (1)														\$0	
1	Main Ditch #2 below ALT	1964	\$0	C	\$0	40	53	\$0	-13	10		25%		75%	\$0	\$0
1	Pilot Hill Ditch (Main)	1964	\$0	C	\$0	40	53	\$0	-13	10		50%		50%	\$0	\$0
1	Pilot Hill Ditch	1964	\$0	C	\$0	40	53	\$0	-13	10		25%		75%	\$0	\$0
1	Kelsey Ditch #1	1964	\$0	C	\$0	40	53	\$0	-13	10		25%		75%	\$0	\$0
1	Kelsey Ditch #2 Imp	1964	\$0	C	\$0	40	53	\$0	-13	10		25%		75%	\$0	\$0
1	Spanish Dry Diggins Ditch	1964	\$0	C	\$0	40	53	\$0	-13	10		100%		0%	\$0	\$0
1	Taylor Mine Ditch	1964	\$0	C	\$0	40	53	\$0	-13	10		100%		0%	\$0	\$0
1	5300 - Lake Walton WTP														\$0	
1	Lake Walton Plant Replacement (4)	1992	\$12,728,909	C	\$7,681,448	50	25	\$12,728,909	25	25	\$20,883,124	25%		75%	\$760,506	\$154,431
1	Raw Water Bypass (1)	1974	\$500,000	C	\$209,745	40	43	\$500,000	-3	19	\$728,406	25%		75%	\$26,527	\$7,354
1	Lake Walton Outlet Works (1)	1974	\$50,000	C	\$20,874	40	43	\$50,000	-3	19	\$72,841	100%		0%	\$10,611	\$2,942
1	Lake Walton Dredging (1)	1974	\$500,000	C	\$301,732	40	25	\$500,000	15	22	\$772,960	25%		75%	\$28,150	\$6,617
1	5300 - AUBURN LAKE TRAILS PLANT														\$0	
1	ALT Water Treatment Plant (4)	2018	\$12,728,909	C	\$12,988,683	50	-1	\$12,728,909	51	59	\$40,945,042	25%		75%	\$1,491,105	\$102,887
1	5400 T & D METERS & METER BOXES														\$0	
1	Automated Meter Reading and Meter Replacement Project (5)	2018	\$1,745,800	C	\$1,781,429	20	-1	\$1,745,800	21	2	\$1,816,330	25%		75%	\$66,146	\$192,839
1	T & D TREATED WATER #5400 (2)														\$0	
1	Argei Camp Tank (0.5 MG)	1974	\$76,602	C	\$325,777	40	43	\$76,602	-3	10	\$946,674	25%		75%	\$34,475	\$19,174
1	Deer Ravine Tank (0.25 MG)	1974	\$88,301	C	\$162,888	40	43	\$88,301	-3	10	\$473,357	50%		50%	\$34,475	\$19,174
1	Pilot Hill Tank (0.47 MG)	1974	\$730,006	C	\$306,230	40	43	\$730,006	-3	10	\$889,873	25%		75%	\$32,407	\$18,023
1	Black Ridge Road Tank (0.06 MG)	1974	\$93,192	C	\$89,093	40	43	\$93,192	-3	10	\$113,601	75%		25%	\$12,411	\$6,903
1	Hotchkiss Hill Tank (0.06 MG)	1974	\$93,192	C	\$93,093	40	43	\$93,192	-3	10	\$113,601	75%		25%	\$12,411	\$6,903
1	Spanish Dry Diggins Tank (0.2 MG)	1971	\$510,641	C	\$122,647	40	46	\$510,641	-6	10	\$378,670	50%		50%	\$27,580	\$15,339

Five Year Forecasted Budget

Georgetown Divide PUD TW

No Admin

Date: 10/20/17

Exhibit 2T

Inflation Factor (%): 2.00

System Number: 910013

EXPENSES AND SOURCES OF FUNDS	2017	2018	2019	2020	2021
OPERATIONS & MAINTENANCE EXPENSES					
Personnel Related	1,532,146.01	1,596,007.14	1,663,530.07	1,727,504.03	1,762,054.11
Materials and Supplies	147,315.56	154,681.34	162,415.40	170,536.17	173,946.90
Rental/Durable	9,191.05	9,650.60	10,133.13	10,639.79	10,852.58
Staff Development	5,655.44	5,938.21	6,235.12	6,546.88	6,677.82
Travel--Conference	2,000.00	2,100.00	2,205.00	2,315.25	2,361.56
Utilities	167,485.44	175,859.71	184,652.69	193,885.33	197,763.03
Vehicle & Equipment Maintenance	2,627.81	2,759.20	2,897.16	3,042.02	3,102.86
Vehicle Operations	20,484.03	21,508.23	22,583.64	23,712.82	24,187.08
Building Maintenance	1,000.00	1,050.00	1,102.50	1,157.63	1,180.78
Govt. Reg./Lab Fees	53,700.85	56,385.90	59,205.19	62,165.45	63,408.76
Outside Service/Consultants	22,721.92	23,858.01	25,050.91	26,303.46	26,829.53
		0.00	0.00	0.00	0.00
Total Operation and Maintenance Expenses:	1,964,328.11	2,049,798.34	2,140,010.83	2,227,808.82	2,272,365.00
GENERAL & ADMINISTRATIVE EXPENSES					
Low Income Subsidy	35,000.00	35,700.00	36,414.00	37,142.28	37,885.13
Debt Reserve	0.00	0.00	0.00	0.00	0.00
Operating Reserve	0.00	0.00	0.00	0.00	0.00
Emergency Reserve	0.00	0.00	0.00	0.00	0.00
Existing Capital Replacement Program	1,532,603.28	1,528,353.70	1,359,521.48	1,359,521.48	1,359,521.48
Funded Project Replacement Program	0.00	0.00	0.00	0.00	0.00
Future Capital Improvement Program	0.00	0.00	0.00	0.00	0.00
Debt Payments (Principle + Interest)	59,348.26	59,348.26	144,112.12	144,112.12	144,112.12
Legal, Audit, Insurance,	35,558.69	37,336.62	39,203.45	41,163.63	41,986.90
Other General & Administrative	17,985.74	18,885.02	19,829.27	20,820.74	21,237.15
Total General and Administrative Expenses:	1,680,495.97	1,679,623.61	1,599,080.33	1,602,760.25	1,604,742.78
TOTAL EXPENSES	3,644,824.07	3,729,421.95	3,739,091.16	3,830,569.07	3,877,107.78
SOURCE OF FUNDS / REVENUES RECEIVED					
Water Revenue	2,753,457.25	2,916,226.12	3,088,228.77	3,256,361.53	3,419,141.54
Property Tax	0.00	0.00	0.00	0.00	0.00
SMUD, Hydro, Leases, Interest, etc	293,300.00	299,166.00	305,149.32	311,252.31	317,477.35
Hydro	-60,000.00	-61,200.00	-62,424.00	-63,672.48	-64,945.93
Capital Facility Charges	10,000.00	10,200.00	10,404.00	10,612.08	10,824.32
		0.00	0.00	0.00	0.00
TOTAL REVENUE (Lines 29 through 37):	2,996,757.25	3,164,392.12	3,341,358.09	3,514,553.43	3,682,497.29
NET LOSS OR GAIN:	-648,066.82	-565,029.83	-397,733.07	-316,015.64	-194,610.49
NET CASH FLOW (Contribution to Reserves)	884,536.46	963,323.87	961,788.40	1,043,505.84	1,164,910.98

Cash Budget**Georgetown Divide PUD IW**

Date: 10/20/17

Exhibit 21

Inflation Factor (%): 2.00

System Number: 910013

EXPENSES AND SOURCES OF FUNDS	2017	2018	2019	2020	2021
OPERATIONS & MAINTENANCE EXPENSES					
Personnel Related	790,287.84	829,470.96	871,328.64	907,688.96	925,842.74
Materials and Supplies	28,784.44	30,223.66	31,734.85	33,321.59	33,988.02
Rental/Durable	15,808.95	16,599.40	17,429.37	18,300.84	18,666.86
Staff Development	1,932.64	2,029.27	2,130.73	2,237.27	2,282.02
Travel--Conference	0.00	0.00	0.00	0.00	0.00
Utilities	8,191.32	8,600.88	9,030.92	9,482.47	9,672.12
Vehicle & Equipment Maintenance	2,372.19	2,490.80	2,615.34	2,746.10	2,801.02
Vehicle Operations	15,015.97	15,766.77	16,555.11	17,382.87	17,730.53
Building Maintenance	0.00	0.00	0.00	0.00	0.00
Govt. Reg./Lab Fees	27,199.15	28,559.10	29,987.06	31,486.41	32,116.14
Outside Service/Consultants	29,578.08	31,056.99	32,609.84	34,240.33	34,925.13
		0.00	0.00	0.00	0.00
Total Operation and Maintenance Expenses:	919,170.58	964,797.84	1,013,421.86	1,056,886.84	1,078,024.58
GENERAL & ADMINISTRATIVE EXPENSES					
					0.00
Debt Reserve	0.00	0.00	0.00	0.00	0.00
Operating Reserve	1,753.04	1,753.04	1,753.04	1,753.04	1,753.04
Emergency Reserve	0.00	0.00	0.00	0.00	0.00
Existing Capital Replacement Program	250,172.04	250,172.04	250,172.04	250,172.04	250,172.04
Funded Project Replacement Program	0.00	0.00	0.00	0.00	0.00
Future Capital Improvement Program	0.00	0.00	0.00	0.00	0.00
Debt Payments (Principle + Interest)	1,043.74	1,043.74	0.00	0.00	0.00
Legal, Audit, Insurance,	15,726.75	16,513.09	17,338.74	18,205.68	18,569.79
Other General & Administrative	14,074.21	14,777.92	15,516.82	16,292.66	16,618.51
Total General and Administrative Expenses:	282,769.78	284,259.82	284,780.63	286,423.41	287,113.38
TOTAL EXPENSES	1,201,940.36	1,249,057.66	1,298,202.50	1,343,310.26	1,365,137.96
SOURCE OF FUNDS / REVENUES RECEIVED					
Water Revenue	612,989.58	674,288.54	741,717.39	815,889.13	897,478.05
Property Tax	336,000.00	342,720.00	349,574.40	356,565.89	363,697.21
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
TOTAL REVENUE (Lines 29 through 37):	948,989.58	1,017,008.54	1,091,291.79	1,172,455.02	1,261,175.25
NET LOSS OR GAIN:	-252,950.77	-232,049.12	-206,910.70	-170,855.23	-103,962.71
NET CASH FLOW (Contribution to Reserves)	-1,025.70	19,875.95	45,014.37	81,069.84	147,962.37

Cash Budget**Georgetown Divide PUD TW**

Date: 10/20/17

Exhibit 3T

Inflation Factor (%): 2.00

System Number: 910013

EXPENSES AND SOURCES OF FUNDS	2017	2018	2019	2020	2021
OPERATIONS & MAINTENANCE EXPENSES					
Personnel Related	2,032,357.05	2,115,849.60	2,204,051.75	2,288,147.45	2,333,910.39
Materials and Supplies	147,315.56	154,681.34	162,415.40	170,536.17	173,946.90
Rental/Durable	9,191.05	9,650.60	10,133.13	10,639.79	10,852.58
Staff Development	8,614.04	9,044.74	9,496.98	9,971.83	10,171.26
Travel--Conference	8,163.75	8,571.93	9,000.53	9,450.56	9,639.57
Utilities	181,660.27	190,743.28	200,280.45	210,294.47	214,500.36
Vehicle & Equipment Maintenance	2,627.81	2,759.20	2,897.16	3,042.02	3,102.86
Vehicle Operations	20,484.03	21,508.23	22,583.64	23,712.82	24,187.08
Building Maintenance	7,074.42	7,428.14	7,799.55	8,189.52	8,353.31
Govt. Reg./Lab Fees	56,059.16	58,862.11	61,805.22	64,895.48	66,193.39
Outside Service/Consultants	60,474.78	63,498.52	66,673.45	70,007.12	71,407.26
Low Income Fund	35,000.00	35,000.00	35,000.00	35,000.00	35,000.00
Total Operation and Maintenance Expenses:	2,569,021.91	2,677,597.69	2,792,137.25	2,903,887.22	2,961,264.97
GENERAL & ADMINISTRATIVE EXPENSES					
Retiree Health Premium	97,190.68	102,050.22	107,152.73	112,510.37	114,760.57
Debt Reserve	0.00	0.00	0.00	0.00	0.00
Operating Reserve	0.00	0.00	0.00	0.00	0.00
Emergency Reserve	0.00	0.00	0.00	0.00	0.00
Existing Capital Replacement Program	1,532,603.00	1,532,603.00	1,532,603.00	1,532,603.00	1,532,603.00
Funded Project Replacement Program	0.00	0.00	0.00	0.00	0.00
Future Capital Improvement Program	0.00	0.00	0.00	0.00	0.00
Debt Payments (Principle + Interest)	59,348.26	59,348.26	144,112.12	144,112.12	144,112.12
Legal, Audit, Insurance,	131,891.81	138,486.40	145,410.72	152,681.25	155,734.88
Other General & Administrative	111,153.73	116,711.41	122,546.98	128,674.33	131,247.82
Total General and Administrative Expenses:	1,932,187.48	1,949,199.29	2,051,825.55	2,070,581.08	2,078,458.39
TOTAL EXPENSES	4,501,209.39	4,626,796.98	4,843,962.80	4,974,468.30	5,039,723.36
SOURCE OF FUNDS / REVENUES RECEIVED					
Water Revenue	2,676,332.82	2,838,471.64	3,010,237.50	3,176,352.03	3,335,080.67
Property Tax	1,006,000.00	1,036,180.00	1,067,265.40	1,099,283.36	1,132,261.86
SMUD, Hydro, Leases, Interest, etc	293,300.00	299,166.00	305,149.32	311,252.31	317,477.35
Hydro	-60,000.00	-61,200.00	-62,424.00	-63,672.48	-64,945.93
Capital Facilities Charge	10,000.00	10,200.00	10,404.00	10,612.08	10,824.32
		0.00	0.00	0.00	0.00
TOTAL REVENUE (Lines 29 through 37):	3,925,632.82	4,122,817.64	4,330,632.22	4,533,827.30	4,730,698.28
NET LOSS OR GAIN:	-575,576.56	-503,979.34	-513,330.59	-440,641.00	-309,025.08
NET CASH FLOW (Contribution to Reserves)	957,026.44	1,028,623.66	1,019,272.41	1,091,962.00	1,223,577.92

Cash Budget
Georgetown Divide PUD IW

Date: 10/20/17

Exhibit 3I

Inflation Factor (%): 2.00

System Number: 910013

EXPENSES AND SOURCES OF FUNDS	2017	2018	2019	2020	2021
OPERATIONS & MAINTENANCE EXPENSES					
Personnel Related	844,364.71	885,670.15	929,763.42	968,299.06	987,665.04
Materials and Supplies	28,784.44	30,223.66	31,734.85	33,321.59	33,988.02
Rental/Durable	15,808.95	16,599.40	17,429.37	18,300.84	18,666.86
Staff Development	2,252.49	2,365.11	2,483.37	2,607.54	2,659.69
Travel--Conference	666.35	699.67	734.65	771.38	786.81
Utilities	9,723.73	10,209.92	10,720.41	11,256.43	11,481.56
Vehicle & Equipment Maintenance	2,372.19	2,490.80	2,615.34	2,746.10	2,801.02
Vehicle Operations	15,015.97	15,766.77	16,555.11	17,382.87	17,730.53
Building Maintenance	656.69	689.53	724.00	760.21	775.41
Govt. Reg./Lab Fees	27,454.10	28,826.80	30,268.14	31,781.55	32,417.18
Outside Service/Consultants	33,659.47	35,342.45	37,109.57	38,965.05	39,744.35
		0.00	0.00	0.00	0.00
Total Operation and Maintenance Expenses:	980,759.10	1,028,884.25	1,080,138.23	1,126,192.62	1,148,716.47
GENERAL & ADMINISTRATIVE EXPENSES					
Ritiree Health Premium	10,507.10	11,032.46	11,584.08	12,163.28	12,406.55
Debt Reserve	0.00	0.00	0.00	0.00	0.00
Operating Reserve	3,292.75	3,292.75	3,292.75	3,292.75	3,292.75
Emergency Reserve	0.00	0.00	0.00	0.00	0.00
Existing Capital Replacement Program	250,172.04	250,172.04	250,172.04	250,172.04	250,172.04
Funded Project Replacement Program	0.00	0.00	0.00	0.00	0.00
Future Capital Improvement Program	0.00	0.00	0.00	0.00	0.00
Debt Payments (Principle + Interest)	1,043.74	1,043.74	0.00	0.00	0.00
Legal, Audit, Insurance,	26,141.14	27,448.20	28,820.61	30,261.64	30,866.87
Other General & Administrative	24,146.43	25,353.75	26,621.44	27,952.51	28,511.56
Total General and Administrative Expenses:	315,303.20	318,342.93	320,490.91	323,842.22	325,249.76
TOTAL EXPENSES	1,296,062.30	1,347,227.18	1,400,629.14	1,450,034.83	1,473,966.23
SOURCE OF FUNDS / REVENUES RECEIVED					
Water Revenue	479,543.05	527,497.35	580,247.09	638,271.80	702,098.98
Property Tax	562,000.00	573,240.00	584,704.80	596,398.90	608,326.87
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
TOTAL REVENUE (Lines 29 through 37):	1,041,543.05	1,100,737.35	1,164,951.89	1,234,670.70	1,310,425.85
NET LOSS OR GAIN:	-254,519.25	-246,489.83	-235,677.25	-215,364.14	-163,540.38
NET CASH FLOW (Contribution to Reserves)	-1,054.46	6,974.96	17,787.54	38,100.65	89,924.41

Split of cash and investments between (4) Reserve Types and Treaded/Irrigation water

Exhibit 4

		Debt	Operating	Reserves Emergency	Capital	Other/WW
SMUD Fund	\$ 324,069				\$ 324,069	
CABY Grant	\$ (29,222)				\$ -	\$ (29,222)
General Fund	\$ 1,175,636		\$1,175,636			
Insurance Reserve	\$ -					\$ -
Dental/Optical	\$ -					\$ -
Retiree	\$ 538,071					\$ 538,071
Stewart Mine	\$ 28,825	\$ 28,825				
Bayne Road & Other Assessment Districts	\$ 65,804	\$ 65,804				
Georgetown-Buckeye Water Improvement District	\$ -	\$ -				
Water Development	\$ 399,753				\$ 399,753	
Bond & Interest for Debt Service	\$ -					
Buffalo Pipeline	\$ -					
Sand Trap Siphon	\$ -					
Stumpy Meadows Emergency Reserve Fund (SMERF)	\$ 1,044,130			\$ 1,044,130		
Capital Reserve Cash Clearing	\$ 1,029,266				\$ 1,029,266	
Pilot Hill North	\$ (7,481)	\$ (7,481)				
Pilot Hill South	\$ 50,136	\$ 50,136				
Kelsey North	\$ 119,154	\$ -				
Kelsey South	\$ -	\$ -				
State Revolving Fund	\$ 7,499	\$ 7,499				
Federal Emergency Management Agency	\$ -					
Wrench/Valve Deposit Fund	\$ -					
Small Hydro Fund	\$ 592,262				\$ 592,262	
Pipeline Extension Holding Fund to 26	\$ -				\$ -	
Environmental Protection Agency	\$ 315,098				\$ 315,098	
Garden Valley Water Improvement District	\$ 71,574	\$ 71,574				
Capital Facility Charges	\$ 1,679,822				\$ 1,679,822	
ALT - WTP Capital Reserve	\$ 766,122				\$ 766,122	
Auburn Lake Trails (ALT) Zone Fund	\$ 963,527					\$ 963,527
ALT Tank Replacement Loans & Repair Activity	\$ 33,791					\$ 33,791
ALT CDS Reserve Connection Fund	\$ 181,840					\$ 181,840
	\$ 9,349,676					

Split of Reserves, based on average historic sales (Section C)

	Sales	%	Debt	Operating	Emergency	Capital
Treated Water	\$ 1,613,052	75%	\$ 216,357	\$ 876,629	\$ 778,569	\$ 4,762,189
Irrigation Water	\$ 195,288	9%		\$ 106,131	\$ 94,259	\$ 122,173
Other	\$ 354,905	16%				
	\$ 2,163,245	100%				

Red=Treated water only Green=Treated + Irrigation to be split according to prior sales \$ in Section C

Reserve	Definition	Target
Debt	Amount set aside per debt agreements	Per agreement with lender
Operating	Money in checking account	1.5 times revenue in a billing cycle (calculated from Budget)
Emergency	Immediately accessible funds for emergency	Largest asset that could fail
Capital	Funds to replace equipment when it wears	As calculated in the CIP

Exhibit 5

Proposition 218 Certification

CALIFORNIA CONSTITUTION

ARTICLE 13C (VOTER APPROVAL FOR LOCAL TAX LEVIES)

SECTION 1. Definitions. As used in this article:

(a) "General tax" means any tax imposed for general governmental purposes.

(b) "Local government" means any county, city, city and county, including a charter city or county, any special district, or any other local or regional governmental entity.

(c) "Special district" means an agency of the State, formed pursuant to general law or a special act, for the local performance of governmental or proprietary functions with limited geographic boundaries including, but not limited to, school districts and redevelopment agencies.

(d) "Special tax" means any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund.

CALIFORNIA CONSTITUTION

ARTICLE 13C (VOTER APPROVAL FOR LOCAL TAX LEVIES)

SEC. 2. Local Government Tax Limitation. Notwithstanding any other provision of this Constitution:

(a) All taxes imposed by any local government shall be deemed to be either general taxes or special taxes. Special purpose districts or agencies, including school districts, shall have no power to levy general taxes.

(b) No local government may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote. A general tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body.

(c) Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b).

(d) No local government may impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote. A special tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved.

CALIFORNIA CONSTITUTION

ARTICLE 13C (VOTER APPROVAL FOR LOCAL TAX LEVIES)

SEC. 3. Initiative Power for Local Taxes, Assessments, Fees and Charges.

Notwithstanding any other provision of this Constitution, including, but not limited to, Sections 8 and 9 of Article II, the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge. The power of initiative to affect local taxes, assessments, fees and charges shall be applicable to all local governments and neither the Legislature nor any local government charter

shall impose a signature requirement higher than that applicable to statewide statutory initiatives.

CALIFORNIA CONSTITUTION

ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)

SECTION 1. Application. Notwithstanding any other provision of law, the provisions of this article shall apply to all assessments, fees and charges, whether imposed pursuant to state statute or local government charter authority. Nothing in this article or Article XIIIIC shall be construed to:

(a) Provide any new authority to any agency to impose a tax, assessment, fee, or charge.

(b) Affect existing laws relating to the imposition of fees or charges as a condition of property development.

(c) Affect existing laws relating to the imposition of timber yield taxes.

CALIFORNIA CONSTITUTION

ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)

SEC. 2. Definitions. As used in this article:

(a) "Agency" means any local government as defined in subdivision (b) of Section 1 of Article XIIIIC.

(b) "Assessment" means any levy or charge upon real property by an agency for a special benefit conferred upon the real property. "Assessment" includes, but is not limited to, "special assessment," "benefit assessment," "maintenance assessment" and "special assessment tax."

(c) "Capital cost" means the cost of acquisition, installation, construction, reconstruction, or replacement of a permanent public improvement by an agency.

(d) "District" means an area determined by an agency to contain all parcels which will receive a special benefit from a proposed public improvement or property-related service.

(e) "Fee" or "charge" means any levy other than an ad valorem tax, a special tax, or an assessment, imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property related service.

(f) "Maintenance and operation expenses" means the cost of rent, repair, replacement, rehabilitation, fuel, power, electrical current, care, and supervision necessary to properly operate and maintain a permanent public improvement.

(g) "Property ownership" shall be deemed to include tenancies of real property where tenants are directly liable to pay the assessment, fee, or charge in question.

(h) "Property-related service" means a public service having a direct relationship to property ownership.

(i) "Special benefit" means a particular and distinct benefit over and above general benefits conferred on real property located in the district or to the public at large. General enhancement of property value does not constitute "special benefit."

CALIFORNIA CONSTITUTION

ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)

SEC. 3. Property Taxes, Assessments, Fees and Charges Limited. (a) No tax, assessment, fee, or charge shall be assessed by any agency upon any parcel of property or upon any person as an incident of property ownership except:

(1) The ad valorem property tax imposed pursuant to Article XIII and Article XIII A.

(2) Any special tax receiving a two-thirds vote pursuant to Section 4 of Article XIII A.

(3) Assessments as provided by this article.

(4) Fees or charges for property related services as provided by this article.

(b) For purposes of this article, fees for the provision of electrical or gas service shall not be deemed charges or fees imposed as an incident of property ownership.

CALIFORNIA CONSTITUTION

ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)

SEC. 4. Procedures and Requirements for All Assessments. (a) An agency which proposes to levy an assessment shall identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed. The proportionate special benefit derived by each identified parcel shall be determined in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the property related service being provided. No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and an agency shall separate the general benefits from the special benefits conferred on a parcel. Parcels within a district that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit.

(b) All assessments shall be supported by a detailed engineer's report prepared by a registered professional engineer certified by the State of California.

(c) The amount of the proposed assessment for each identified parcel shall be calculated and the record owner of each parcel shall be given written notice by mail of the proposed assessment, the total amount thereof chargeable to the entire district, the amount chargeable to the owner's particular parcel, the duration of the payments, the reason for the assessment and the basis upon which the amount of the proposed assessment was calculated, together with the date, time, and location of a public hearing on the proposed assessment. Each notice shall also include, in a conspicuous place thereon, a summary of the procedures applicable to the completion, return, and tabulation of the ballots required pursuant to subdivision (d), including a disclosure statement that the existence of a majority protest, as defined in subdivision (e), will result in the assessment not being imposed.

(d) Each notice mailed to owners of identified parcels within the district pursuant to subdivision (c) shall contain a ballot which includes the agency's address for receipt of the ballot once completed by any owner receiving the notice whereby the owner may indicate his or her name, reasonable identification of the parcel, and his or her support or opposition to the proposed assessment.

(e) The agency shall conduct a public hearing upon the proposed assessment not less than 45 days after mailing the notice of the proposed assessment to record owners of each identified parcel. At the public hearing, the agency shall consider all protests against the proposed assessment and tabulate the

ballots. The agency shall not impose an assessment if there is a majority protest. A majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation of the affected property.

(f) In any legal action contesting the validity of any assessment, the burden shall be on the agency to demonstrate that the property or properties in question receive a special benefit over and above the benefits conferred on the public at large and that the amount of any contested assessment is proportional to, and no greater than, the benefits conferred on the property or properties in question.

(g) Because only special benefits are assessable, electors residing within the district who do not own property within the district shall not be deemed under this Constitution to have been deprived of the right to vote for any assessment. If a court determines that the Constitution of the United States or other federal law requires otherwise, the assessment shall not be imposed unless approved by a two-thirds vote of the electorate in the district in addition to being approved by the property owners as required by subdivision (e).

CALIFORNIA CONSTITUTION

ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)

SEC. 5. Effective Date. Pursuant to subdivision (a) of Section 10 of Article II, the provisions of this article shall become effective the day after the election unless otherwise provided. Beginning July 1, 1997, all existing, new, or increased assessments shall comply with this article. Notwithstanding the foregoing, the following assessments existing on the effective date of this article shall be exempt from the procedures and approval process set forth in Section 4:

(a) Any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage systems or vector control. Subsequent increases in such assessments shall be subject to the procedures and approval process set forth in Section 4.

(b) Any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed. Subsequent increases in such assessments shall be subject to the procedures and approval process set forth in Section 4.

(c) Any assessment the proceeds of which are exclusively used to repay bonded indebtedness of which the failure to pay would violate the Contract Impairment Clause of the Constitution of the United States.

(d) Any assessment which previously received majority voter approval from the voters voting in an election on the issue of the assessment. Subsequent increases in those assessments shall be subject to the procedures and approval process set forth in Section 4.

CALIFORNIA CONSTITUTION

ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)

SEC. 6. Property Related Fees and Charges. (a) Procedures for New or Increased Fees and Charges. An agency shall follow the procedures pursuant to this section in imposing or increasing any fee or charge as defined pursuant to this article, including, but not limited to, the following:

(1) The parcels upon which a fee or charge is proposed for imposition shall be identified. The amount of the fee or charge proposed to be imposed upon each parcel shall be calculated. The agency shall provide written notice by mail of the proposed fee or charge to the record owner of each identified parcel upon which the fee or charge is proposed for imposition, the amount of the fee or charge proposed to be imposed upon each, the basis upon which the amount of the proposed fee or charge was calculated, the reason for the fee or charge, together with the date, time, and location of a public hearing on the proposed fee or charge.

(2) The agency shall conduct a public hearing upon the proposed fee or charge not less than 45 days after mailing the notice of the proposed fee or charge to the record owners of each identified parcel upon which the fee or charge is proposed for imposition. At the public hearing, the agency shall consider all protests against the proposed fee or charge. If written protests against the proposed fee or charge are presented by a majority of owners of the identified parcels, the agency shall not impose the fee or charge.

(b) Requirements for Existing, New or Increased Fees and Charges a fee or charge shall not be extended, imposed, or increased by any agency unless it meets all of the following requirements:

(1) Revenues derived from the fee or charge shall not exceed the funds required to provide the property related service.

(2) Revenues derived from the fee or charge shall not be used for any purpose other than that for which the fee or charge was imposed.

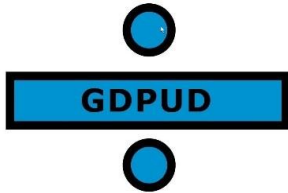
(3) The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.

(4) No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Fees or charges based on potential or future use of a service are not permitted. Standby charges, whether characterized as charges or assessments, shall be classified as assessments and shall not be imposed without compliance with Section 4.

(5) No fee or charge may be imposed for general governmental services including, but not limited to, police, fire, ambulance or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. Reliance by an agency on any parcel map, including, but not limited to, an assessor's parcel map, may be considered a significant factor in determining whether a fee or charge is imposed as an incident of property ownership for purposes of this article. In any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance with this article.

(c) Voter Approval for New or Increased Fees and Charges. Except for fees or charges for sewer, water, and refuse collection services, no property related fee or charge shall be imposed or increased unless and until that fee or charge is submitted and approved by a majority vote of the property owners of the property subject to the fee or charge or, at the option of the agency, by a two-thirds vote of the electorate residing in the affected area. The election shall be conducted not less than 45 days after the public hearing. An agency may adopt procedures similar to those for increases in assessments in the conduct of elections under this subdivision.

(d) Beginning July 1, 1997, all fees or charges shall comply with this section.



Proposition 218 Notification

NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING ON PROPOSED INCREASE TO WATER RATES

Hearing Date: December 12, 2017
Time: 5:30 PM
Location: Georgetown Elementary School
6530 Wentworth Springs, Georgetown CA 95634

Why are you receiving this notice? This notice is being furnished to you by the Georgetown Divide Public Utility District (District) pursuant to the California Constitution Article XIID (also known as "Proposition 218"). Under Proposition 218, the District is required to notify property owners of proposed changes to property-related fees such as water and sewer service. This letter serves as notice that the District will hold a public hearing on December 12, 2017, to consider changes to its current treated water and irrigation water rates.

What do water rates fund? The District provides treated water service to approximately 3,774 customers (residential and commercial) and 408 irrigation water customers. The water system must be financially self-sufficient. Monthly rates paid by users of the system are the primary source of revenue. All revenue generated from your water bill is used to maintain and operate the water system. These revenues must meet costs such as system maintenance, licensing, electricity, chemicals, reserve funds for emergency repairs and replacement of aging pipes and other equipment, administrative costs, and salaries and benefits for staff. Revenue generated from these rates is also used to pay off debt used to rebuild aging components of the system.

Why is the rate change required? District's rates were last reviewed in 2011. The water system requires extensive investment, primarily in the replacement and repair of aging pipes and other equipment, in order to maintain a safe and reliable system. The District has insufficient reserve funds to pay for needed replacements and preventative maintenance; and rates are too low to qualify for loans and grants.

Additionally, the District was recently the subject of a Grand Jury Investigation which concluded that the District needed to initiate a rate increase.

Lastly, the District rates must be updated to comply with recent court decisions that require tiered water rates to accurately reflect the cost of service. The District is proposing a standardized system based on American Water Works Association standards to ensure that water rates are equivalent with providing that level of service.

How are rates calculated for treated water? The proposed rate structure for treated water service fees has two components: (1) a fixed monthly base charge; and (2) a variable (water consumption-based) usage rate. The first component is a fixed amount calculated to recover the District's fixed costs of operating and maintaining the water system and is based on the potential volume of water a customer could potential draw, as determined by the size of their water meter

The variable component of the rate structure is based on water consumption (usage).

How are rates calculated for irrigation water? Since irrigation water users are charged for a fixed volume of water, the proposed rate structure for irrigation water service fees consists only of a monthly base charge. The monthly base charge is based on the size of the service connection, in miner's inches.

Current and proposed treated water rates

Treated water rates will increase over a five-year period.

Meter Size	Monthly Base Charge					
	Current	Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
5/8, 3/4, 1"	\$ 23.57	\$ 29.41	\$ 30.88	\$ 32.42	\$ 34.04	\$ 35.74
1.5"	\$ 23.57	\$ 98.02	\$ 102.92	\$ 108.07	\$ 113.47	\$ 119.15
2"	\$ 23.57	\$ 156.83	\$ 164.67	\$ 172.91	\$ 181.55	\$ 190.63
3"	\$ 23.57	\$ 313.66	\$ 329.34	\$ 345.81	\$ 363.10	\$ 381.25
4"	\$ 25.16	\$ 490.09	\$ 514.60	\$ 540.33	\$ 567.34	\$ 595.71

Tier	Usage Rate (per CF)					
	Current	Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
<1000 CF	--	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
1000-2000	\$ 0.0138	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
2001-3000	\$ 0.0165	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
3001-4000	\$ 0.0193	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310
>4001 CF	\$ 0.0221	\$ 0.0255	\$ 0.0268	\$ 0.0281	\$ 0.0295	\$ 0.0310

Current and proposed irrigation water rates

Irrigation water rates will increase over a five-year period.

Meter Size	Monthly Base Charge					
	Current	Jan 1, 2018	Jan 1, 2019	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022
1/2"	\$ 47.00	\$ 77.00	\$ 84.80	\$ 93.20	\$ 102.60	\$ 112.80
Per each 1"	\$ 72.74	\$ 154.20	\$ 169.60	\$ 186.60	\$ 205.20	\$ 225.80

You can be heard Water rates are subject to majority protest, which means if a majority of impacted property owners or tenants of a parcel submit **written protests** against the increase, the District cannot institute the new rates. For your protest to be counted, please include the following:

1. Your name;
2. The address of the impacted property (or APN number); and,
3. Your signature.

Written protests are accepted by mail or personal delivery to the *Clerk of the Board, Georgetown Divide Public Utility District, PO Box 4240, Georgetown, California 95634*; or in person at the public hearing on the date and time specified above, until the close of the public hearing. Protests submitted by fax or email will not be accepted.

Questions? Detailed information regarding the proposed changes in rates are available on the District website, www.gd-pud.org. If you have any questions, please call the District at (530) 333-4356.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Positive Changes and Continuing Challenges

**2016-2017 El Dorado County Grand Jury
Case No. GJ 2016-17- 007**

May 17, 2017

EL DORADO COUNTY 2016-2017 GRAND JURY

Whiskey is for Drinkin' and Water is for Fightin'

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT: POSITIVE CHANGES AND CONTINUING CHALLENGES

Case GJ 2016-17-007

SUMMARY

For the last 6 years, readers of the Mountain Democrat have read front page news stories regarding fightin', feudin' and fussin'. These stories were reporting on the actions taken by the Board of Directors of the Georgetown Divide Public Utility District. These stories have covered repeated fights, acrimony and dysfunction among the Board. This has led to key employees leaving and the District delaying key decisions, which has resulted in increased costs. The relevant Mountain Democrat stories are footnoted below.¹

Over the last decade, the Georgetown Divide Public Utility District (District or GDPUD) has been challenged by a deteriorating water delivery infrastructure, aging water meters, revenue shortfalls, lack of qualified professional leadership, significant staff turnover and turmoil within its Board of Directors.

While water purity meets or exceeds all safety standards, the District is currently under a compliance order issued in 2004 by the State of California to upgrade their treatment process at the Auburn Lake Trails (ALT) water treatment plant. In 2016 the District made significant progress in resolving the ALT treatment plant issue and recently took actions to upgrade aging water meters, but other intertwined challenges remain to be addressed.

The Grand Jury recommendations focus on ways the District can increase revenues, upgrade and replace aging infrastructure and equipment, and hire permanent qualified leadership.

BACKGROUND

A number of newspaper articles have described apparent dysfunction on the Board of Directors of the Georgetown Divide Public Utilities District (District or GDPUD) and rapid turnover in executive and managerial positions. The byproducts of that dysfunction were reported to be increased costs to the District, citations by state agencies for regulatory issues and degradation

¹ Lang, Roberta, "Georgetown Divide Water District Loses Key Employees", December 16, 2011: Hodson, Dawn (and all following articles), "Acrimony Over Upgrade at Georgetown Divide PUD Meeting", March 12, 2012; "File Wars Divide Georgetown PUD", June 15, 2012; "GDPUD GM Relieved to Leave", June 28, 2013; "GDPUD:Dysfunctional Board", January 6, 2014, "GDPUD GM Fired", August 5, 2016 and "ALT Project Starts a Fight", September 16, 2016.

of services provided to its customers. The Grand Jury sought to investigate and determined what the real state of this public water utility and its services was.

The District was formed as a public utility district In 1946, although its antecedents date back to 1852 and the Gold Rush. The District provides both potable treated water and untreated agricultural water to the northwest portion of El Dorado County (known as the Georgetown Divide) and supplies water to about thirty-five hundred (3500) treated (drinking) water customers and 375 agricultural customers. The District is a special district governed by an elected five-member Board of Directors (Board). The Board, with inputs from staff and professional contractors, adopts an annual budget to support staff and agency operations and authorizes hiring for necessary staff positions. The Board selects a General Manager to administer the day-to-day operations of the agency. The Board also recommends water and assessment fees which require voter approval.

Current GDPUD annual revenues are \$5.36 million which consist primarily (more than 90%) of water rates, paid by customers via a bi-monthly billing, and property tax collections. The District also obtains funding from grants, loans and fees paid by other agencies.

The District operates two water treatment plants to supply its customers with potable water- one at Walton Lake and the other at Auburn Lake Trails (ALT).

METHODOLOGY

The Grand Jury conducted interviews of:

Members of the District's Board of Directors, District staff and District consultants.

The Grand Jury reviewed:

District Board Agenda and Meeting Minutes for: *December 13, 2011, June 12, 2012, February 12, 2013, February 9, May 10 & 31, June 14, July 12, Aug. 9 & 23, Sept. 13, Oct. 13, 2016 and January 10, 2017*, on the District Web Site at www.gd-pud.org/.

District independent audits for the years 2011, through 2015, conducted by *Moss, Levy & Hartzheim, LLP*, available on the District web site.

Bid process documents for ALT water treatment plant:²

The Board's Regular Meeting on 2-9-16 for approval of plans, specifications & permission to solicit bids, and the Board's Special Meeting on 8-23-16 to award bid at www.gd-pud.org/.

Notice to bidders at www.gd-pud.org/.

Published Water rates for District, El Dorado Irrigation District (EID) and Grizzly Flat

PUD.

The Grand Jury inspected the Auburn Lake Trails water treatment plant.

DISCUSSION

GDPUD operates two water treatment plants to supply its customers with potable water. One is at Walton Lake and the other at Auburn Lake Trails (ALT). The Walton Lake plant is up to date and in compliance with all water quality and process regulations of the State and Federal agencies. The ALT treatment plant is a different story.

The plant was built in the 1970s by the developer of the Auburn Lake Trails subdivision. It is no longer capable of meeting mandated water processing requirements and has exceeded its

² Email to Grand Jury from GDPUD Consulting Engineer George Sanders, 10-31-16.

operational lifespan. ALT was the subject of a compliance order issued by the State of California in 2004. The plant meets water quality standards but employs a filtration process no longer approved for use by the State of California.

The District spent over \$1 million in the last decade on consulting and design firm fees seeking recommendations on how to proceed with the replacement or retrofit of the ALT plant. This search for solutions yielded three different design plans submitted to the district in 2008, 2012 and 2015-16, respectively. The first approach considered was to construct an entirely new plant in Greenwood for \$8 million. However, that amount did not take into account the significant topography and repiping issues which were estimated to cost some \$20 million. The second plan foresaw a retrofit of the current ALT plant at a cost of some \$10 million. The final, and now adopted, design is for a new plant at the ALT site at a current cost of \$12 million. Over the ensuing twelve (12) years, due to Board infighting and indecision, the cost of the retrofit-replacement project has increased from \$8 million to \$12 million.

Anticipating a \$10 million loan from the California Water Resources Control Board (WRCB), the District obtained voter-approval in 2016 for a bi-monthly assessment of \$30.16, to provide funds to service the WRCB loan. This will be the primary funding source for the \$12 million treatment plant rebuilding project at ALT. The 20-year loan, at 1.6% interest, requires the District to maintain a \$600,000 annual reserve to ensure uninterrupted servicing of the loan. The loan was granted in December 2016, and the \$30.16 assessment began to appear on customer bills starting with the January-February 2017 billing period. The District will also supplement the loan monies with grants and reserves to meet the overall budgeted cost of \$12 million .

These consist of:

Fund 24 ALT Capital Reserve	\$763,500	Monies dedicated to ALT
Fund 39 Capital Facilities (portion)	\$240,000	15% of reserves earned by new connections
EPA Grant	\$740,000	A matching grant from EPA
Fund 35 EPA	\$315,000	Matched funding from EPA

Table 1: Current ALT Funding Sources³

In the spring and summer of 2016, the District conducted requests-for-proposal (RFP) bid processes to select a contractor to build the new plant. That contract has recently been awarded to Myers & Sons Construction. Major field work is not expected to begin until the end of the 2016-17 rainy season.

³Memorandum by George Sanders, August 4, 2016, "Auburn Lake Trails Water Treatment Plant", Georgetown Divide Public Utilities District. Also on GDPUD web site.

DISTRICT WATER DELIVERY INFRASTRUCTURE

As detailed in their July 2016 GDPUD Board Agenda and minutes, repairs are needed to their irrigation network of canals, ditches and piping. The District also needs to replace aging water meters, valves, pumps and implement other improvements to their infrastructure.

The District's old meters are a substantial contributing factor in the agency's revenue challenges. Most of the meters are more than 30 years old and create inefficiency and missed revenue. The current meters must be physically read at each customer's property. The readings are then manually recorded, entered and re-entered on paper ledgers until finally transcribed by office staff into the District's billing system. When the current meters need to be read, it is an "all hands on deck" effort, as office and treatment plant staff have to go into the field to read and record meter readings. This is costly and inefficient.

In addition this old meter system is significantly under reporting usage. The District is losing revenue up to 10 million gallons of water a month due to unmetered usage. Reports and tests have found that these old meters under-read water usage by as much as 30% due to the wear of their internal mechanisms. One such test described turning on a shower in a customer home and observing that the meter registered no flow or usage.

The Board recently issued an RFP for new meters. The new meters will be similar to ones used by the El Dorado Irrigation District (EID). EID now utilizes an Automated Meter Reading (AMR) system in their service area. AMR allows EID personnel to read customer meters remotely using radio communication technology without having to directly access the meter box. This allows for accurate and faster collection of water usage readings and eliminates transcription error.⁴

REVENUE ISSUES

The generation of revenues is an ongoing issue for the District. In reviewing the agency's annual outside audit for last five years, the following statement is repeated in each report: "The fiscal year was once again challenging from an economic perspective."⁵

This statement is descriptive of the District's struggles. These annual independent audits have found total revenue decreasing in 3 of the last 5 years. However, even the increased revenues in 2011 & 2013 "...did not reach the levels expected to continue current service levels."⁶

Compared to other water districts in El Dorado County, the Georgetown District water rates are significantly lower than either EID or Grizzly Flats PUD.

	District	EID	Grizzly Flats
Basic Water Charge	\$47.14	\$58.14	\$59.39

⁴ El Dorado Irrigation District, "Are You Really Reading My Meter", 10/25/16, <http://www.eid.org/Home/Components/News/News/1582/26>.

⁵(Moss, et al, "Georgetown Divide Public Utilities District Basic Financial Statements", page 3, 2011, '12, '13, '14, '15, audits) www.gd-pud.org/

⁶ (Moss, et al, "Georgetown Divide Public Utilities District Basic Financial Statements", page 3, June 30, 2011 audit), *op. cit.*

Excess unit usage charges (per cubic feet)	0.01380	0.01412	0.01500
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Table 2: Water Rates Comparison Table

Neither Board members nor staff expect much new residential development in the District due to zoning, terrain and limited growth initiatives. Water conservation efforts are also hurting revenues as customers are using less water. Board members and staff agree that some level of water theft is occurring, and leaks within the system further reduce revenues.

While some of these factors are beyond the control of the Board, recommending rate increase for voter approval is within their control. During 2016, the Board initiated preliminary steps likely to lead to upward adjustment of water rates.

Prior to seeking voter approval for rate increases, a *Water Rate Study-Cost of Service Report* (Water Rate Study) must be conducted by the District. GDPUD has selected the Rural Community Assistance Corporation (RCAC) to perform the study.⁷ The Water Rate Study consists of analyzing financial, operational and regulatory factors related to revenues and expenses and determining the true and current cost of providing water to customers. The factors include: fixed and variable costs of providing water to treated and nontreated customers; a multi-year Capital Improvement Plan (CIP); 5-year budget projections, skills and number of District staff required to carry out the functions of the agency; salaries and benefits of staff compared to similarly sized districts; the agency’s long term need for reserves; and State required mandates and other factors.⁷ The study is in progress.

At the October 2016 Board meeting, the process of replacing old water meters was begun with the discussion of a bid process to replace the meters and exploration of ways the purchase could be financed through a loan. District staff started researching possible financing alternatives. The bid process to replace the meters has been started as of February 2017. According to the bid process schedule released by the District, it is anticipated that new meters can be installed between spring and fall of 2017.

DISTRICT LEADERSHIP AND STAFFING

Between 2011 and 2014 a new Board majority set as its priority maintaining low water rates by focusing on reductions in staff and pay and benefits for employees. The operational impacts of these policies were not considered or addressed. As a result, the District experienced a leadership vacuum, staff turmoil and employee turnover between 2012 and 2016 while this majority held sway. In the last four years there have been five general managers. There have been reductions in total staffing levels and in key professional positions (particularly engineering and upper management). From 2002 to 2010, the authorized staffing level was 28; at the end of 2016, it was down to 21 positions⁸. Current staffing levels were reported to be low for a District this size.

⁷ The District lacks staff qualified to conduct the Water Rate Study. At the July, and August, 2016, Board meetings the need to complete a Water Rate Study was discussed. The Rural Community Assistance Corporation (RCAC) is doing this study for free. The RCAC is a non-profit, independent, non-governmental agency. It is funded by grants (USDA, HUD) and contributions. Founded in 1978, RCAC provides training, technical and financial resources in 13 western states. RCAC works to support rural communities and their economic development. A focus area of the organization is the sustainability of rural community water, wastewater and solid waste systems. RCAC has a local office in West Sacramento.

⁸ Adopted District organizational charts, (Exhibits 1 and 2).

Several employees are filling multiple positions and they have difficulty giving their assigned duties the attention they deserve. Two key professional positions, District Engineer and Business Manager, are currently filled by part-time consultants. Numerous employees have resigned due to a hostile work environment, vis-a-vis the 2011-14 GDPUD Board, and non-competitive pay⁹. The 2016 General manager annual salary of \$100,000 was noted by several witnesses to be low for a water district this size . After terminating their most recent General Manager last summer, the Board has hired a new General Manager, who has started as of March 2017. The Mountain Democrat reported on 2/19/17 that the General Manager annual salary is \$155,000.

Ratepayers will see significant increases in basic water rates in two ways. New meters will accurately reflect usage and lead significantly higher bills even with conservation. The Water Rate Study is likely to demonstrate that current rates are too low and insufficient to support the water systems and continued delivery of plentiful, safe drinking and agricultural water.

CONCLUSION

The Georgetown Divide Public Utility District faces challenges arising from the intertwined issues of an aging infrastructure, inadequate revenues, over-worked staff and a lack of leadership. District Board members elected in 2014 and 2016 have taken steps to address these issues and have made real progress on the ALT plant project and the aging water meters. The District is to be commended for finally addressing these issues. Further significant progress is required to maintain services and water quality in the coming years. Effective, consistent leadership and increasing revenues are the keys to continuing positive change. Current employees are to be commended for continuing to provide safe water to their customers.

FINDINGS

- F1. The District water rates are insufficient to support current operations and infrastructure and maintenance.
- F2. Total revenues are not adequate to support operations and fund needed capital improvement reserves.
- F3. The District loses significant revenue due to outdated water meters.
- F4. The District also loses water and revenue due to leaks in the aging infrastructure.
- F5. Employee compensation is too low for an agency this size, making recruitment and retention difficult.
- F6. The current staffing levels are insufficient, which impairs the District's ability to operate efficiently.
- F7. The District cannot depend on new hookups and ratepayers to supplement revenues as population growth has slowed on the Divide, necessitating the need for the District to look internally for revenue.
- F8. The Jury found no evidence that either the District Board or staff is "preparing the ground" with their customers for what may be steep increases in their bills.

RECOMMENDATIONS

⁹ Roberta Lang, *G-town Water Loses Key Employees*, Mountain Democrat, 12-16-11

- R1. Once the water rate study is submitted to the Board, the District must initiate a voter-approved rate increase process as soon as possible.
- R2. Along with replacing the aging water meters, the District must upgrade their aging infrastructure and prioritize maintenance and capital improvement projects.
- R3. The District must offer competitive salaries to attract qualified professional staff.
- R4. The District must review staffing levels and fill key positions with permanent staff to ensure continuity of operations.
- R5. The District must undertake a public information program to inform its customers of impending changes in their water rates and consumption recording.

REQUESTS FOR RESPONSES

Pursuant to Penal Code section 933.05, the Grand Jury requests responses as follows:

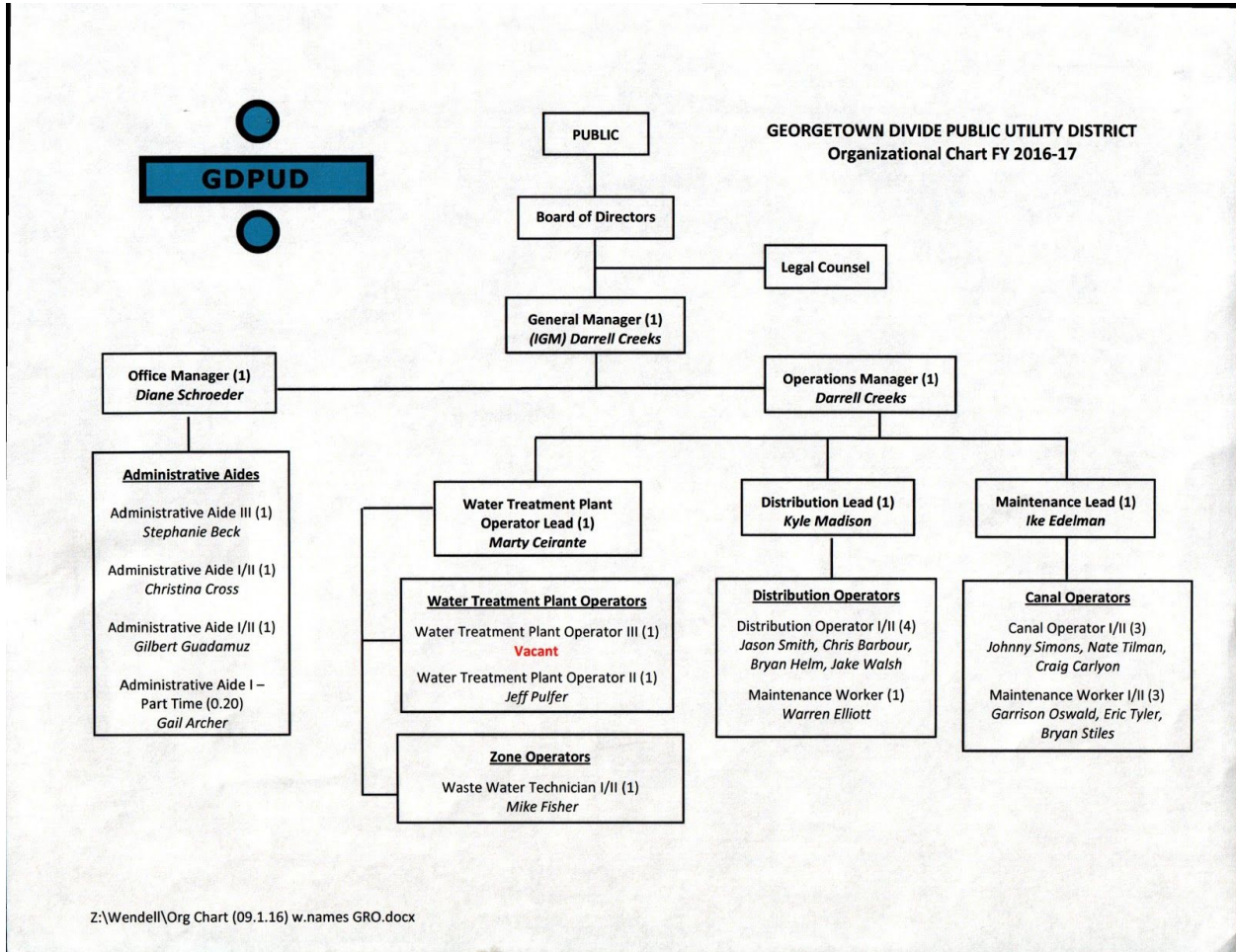
From the following individual:

*Steven Palmer, General Manager, Georgetown Divide Public Utility District as to all Findings and Recommendations.

From the following governing body:

*Board of directors, Georgetown Divide Public Utility District as to all Findings and Recommendations.

EXHIBIT ONE And TWO

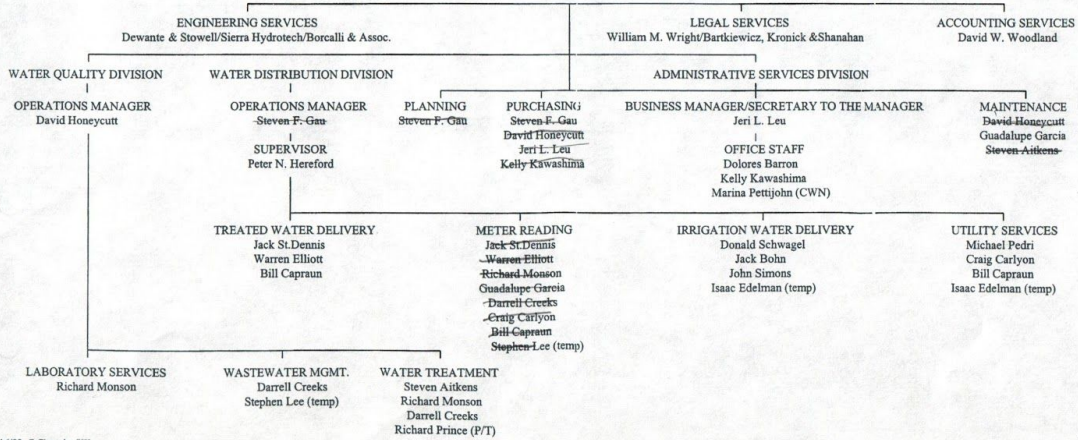


GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

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4/16/02 - G-Chart.doc/KK

Court of Appeal, Fourth District, Division 3, California.**CAPISTRANO TAXPAYERS ASSOCIATION, INC., Plaintiff and Respondent, v. CITY OF SAN JUAN CAPISTRANO, Defendant and Appellant.****Go48969****Decided: April 20, 2015**
 GDPUD Board Mtg. of 01/08/2019
 AGENDA ITEM 7.B.
 Attachment 3
 Page 1 of 10

Colantuono & Levin, Colantuono, Highsmith & Whatley, Michael G. Colantuono, Tiana J. Murillo and Jon di Cristina; Rutan & Tucker, Hans Van Ligten and Joel Kuperberg for Defendant and Appellant. Best, Best & Krieger and Kelly J. Salt for the Association of California Water Agencies, League of California Cities and California State Association of Counties as Amicus Curiae on behalf of Defendant and Appellant. Mills Legal Clinic at Stanford Law School, Environmental Law Clinic and Deborah A. Sivas for Natural Resources Defense Council and Planning and Conservation League as Amicus Curiae on behalf of Defendant and Appellant. Alvarado Smith, Benjamin T. Benumof and William M. Hensley for Plaintiff and Respondent. Howard Jarvis Taxpayers Foundation, Trevor A. Grimm, Jonathan M. Coupal, Timothy A. Bittle and Ryan Cogdill as Amicus Curiae on behalf of Plaintiff and Respondent. Foley & Mansfield and Louis C. Klein for Mesa Water District as Amicus Curiae on behalf of Plaintiff and Respondent.

OPINION**I. INTRODUCTION**

Southern California is a “semi-desert with a desert heart.”¹ Visionary engineers and scientists have done a remarkable job of making our home habitable, and too many of us south of the Tehachapis never give a thought to its remarkable reclamation. In his brilliant – if opinionated – classic Cadillac Desert, the late Marc Reisner laments how little appreciation there is of “how difficult it will be just to hang on to the beachhead they have made.”²

In this case we deal with parties who have an acute appreciation of how tenuous the beachhead is, and how desperately we all must fight to protect it. But they disagree about what steps are allowable—or required—to accomplish that task. We are called upon to determine not what is the right—or even the more reasonable—approach to the beachhead's preservation, but what is the one chosen by the state's voters.

We hope there are future scientists, engineers, and legislators with the wisdom to envision and enact water plans to keep our beloved Cadillac Desert habitable. But that is not the court's mandate. Our job – and it is daunting enough – is solely to determine what water plans the voters and legislators of the past have put in place, and to determine whether the trial court's rulings complied with those plans.

We conclude the trial court erred in holding that Proposition 218 does not allow public water agencies to pass on to their customers the capital costs of improvements to provide additional increments of water – such as building a recycling plant. Its findings were that future water provided by the improvement is not immediately available to customers. (See Cal. Const., art. XIII D, § 6, subd. (b)(4)) [no fees “may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question”].) But, as applied to water delivery, the phrase “a service” cannot be read to differentiate between recycled water and traditional, potable water. Water service is already “immediately available” to all customers, and continued water service is assured by such capital improvements as water recycling plants. That satisfies the constitutional and statutory requirements.

However, the trial court did not err in ruling that Proposition 218 requires public water agencies to calculate the actual costs of providing water at various levels of usage. Article XIII D, section 6, subdivision (b)(3) of the California Constitution, as interpreted by our Supreme Court in *Bighorn–Desert View Water Agency v. Verjil* (2006) 39 Cal.4th 205, 226 (Bighorn) provides that water rates must reflect the “cost of service attributable” to a given parcel.³ While tiered, or inclined rates that go up progressively in relation to usage are perfectly consonant with article XIII D, section 6, subdivision (b)(3) and *Bighorn*, the tiers must still correspond to the actual cost of providing service at a given level of usage. The water agency here did not try to calculate the cost of actually providing water at its various tier levels. It merely allocated all its costs among the price tier levels, based not on costs, but on pre-determined usage budgets. Accordingly, the trial court correctly determined the agency had failed to carry the burden imposed on it by another part of Proposition 218 (art. XIII D, § 6, subd. (b)(5)) of showing it had complied with the requirement water fees not exceed the cost of service attributable to a parcel. That part of the judgment must be affirmed.

II. FACTS

Sometimes cities are themselves customers of a water district, the best example in the case law being the City of Palmdale, which successfully invoked Proposition 218 to challenge the rates it was paying to a water district.⁴ (See *City of Palmdale v. Palmdale Water Dist.* (2011) 198 Cal.App.4th 926 (Palmdale)). And sometimes cities are, as in the present case, their own water district. As Amicus Association of California Water Agencies (ACWA) points out, government water suppliers in California are a diverse lot that includes municipal water districts, irrigation districts, county water districts, and, in some

cases, cities themselves. To focus on its specific role in this case as a municipal water supplier—as distinct from its role as the provider of municipal services which consume water such as parks, city landscaping or public golf courses—we will refer to appellant City of San Juan Capistrano as “City Water.”

In February 2011, City Water adopted a new water rate structure recommended by a consulting firm. The way City Water calculated the new rate structure is well described in City Water's supplemental brief of November 25, 2014.⁵ City Water followed a pattern generally recommended by a manual used by public water agencies throughout the western United States known as the “M-1” manual. It first ascertained its total costs, including things like debt service on previous infrastructural improvements. It then identified components of its costs, such as the cost of billing and the cost of water treatment. Next it identified classes of customers, differentiating, for example, between “regular lot” residential customers and “large lot” residential customers, and between construction customers and agricultural customers. Then, in regard to each class, City Water calculated four possible budgets of water usage, based on historical data of usage patterns: low, reasonable, excessive and very excessive.

The four budgets were then used as the basis for four distinct “tiers” of pricing.⁶ For residential customers, tier 1, the low budget, was assumed to be exclusively indoor usage, based on World Health Organization (WHO) guidelines concerning the “minimum quantity of water required for survival,” with adjustments for things like “low-flush toilets and other high-efficiency appliances.” Tier 2, the reasonable budget, included an outdoor allocation based on “typical landscapes,” and assumed “use of native plants and drought-tolerant plants.” The final two tiers were based on budgets of what City Water considers excessive usages of water or overuse volumes. Using these four budgets of consumption levels, City Water allocated its total costs in such a way that the anticipated revenues from all four tiers would equal its total costs, and thus the four-tier system would be, taken as a whole, revenue neutral, and City Water would not make a profit on its pricing structure.

City Water did not try to calculate the incremental cost of providing water at the level of use represented by each tier, and in fact, at oral argument in this court, admitted it effectively used revenues from the top tiers to subsidize below-cost rates for the bottom tier.

Here is the rate structure adopted, as applied to residential customers:

City Water obtains water from five separate sources: a municipal groundwater recovery plant, the Metropolitan Water District, five local groundwater wells, recycled water wells, and the nearby Moulton Niguel Water District. With the exception of water obtained from the Metropolitan Water District, City Water admits in its briefing that the record does not contain any breakdown as to the relative cost of each source of supply.

The breakdown of cost from each of its various sources of water is, in percentage terms:

Various percentages of City Water's overhead – or fixed costs in the record – were allocated in percentages to some of the sources of water, so the price per tier reflected a percentage of fixed costs and costs of some sources.

This chart reflects those allocations:

There is no issue in this case as to the process of the adoption of the new rates, such as whether they should have been voted on first under the article XIII C part of Proposition 218. For purposes of this appeal it is enough to say City Water adopted them.¹²

In August 2012, the Capistrano Taxpayers Association (CTA) filed this action, challenging City Water's new rates as violative of Proposition 218, specifically article XIII D, section 6, subdivision (b)(3)'s limit on fees to the “cost of service attributable to the parcel.” After a review of the administrative record and hearing, the trial court found the rates weren't compliant with article XIII D, noting it “could not find any specific financial cost data in the A/R to support the substantial rate increases” in the progressively more expensive tiers. In particular the trial judge found a lack of support for the inequality between the tiers.

The statement of decision also concluded that the imposition of charges for recycling within the rate structure violated the “immediately available” provision in article XIII D, section 6, subdivision (b)(4), because recycled water is not used by residential parcels. (City Water concedes that when the recycling plant comes on line, it will supply water to some, but not all, of its customers. Residences, for example, are not typically plumbed to receive non-potable recycled water.) City Water has timely appealed from the declaratory judgment, challenging both determinations.

III. DISCUSSION

A. Capital Costs and Proposition 218

We first review the constitutional text. Article XIII D, section 6, subdivision (b)(4) provides: “No fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question.

Fees or charges based on potential or future use of a service are not permitted. Standby charges, whether characterized as charges or assessments, shall be classified as assessments and shall not be imposed without compliance with Section 4.”

The trial court ruled City Water had violated this provision by “charging certain ratepayers for recycled water that they do not actually use and that is not immediately available to them.” The trial judge specifically found, in his statement of decision, that “City [Water] imposed a fee on all ratepayers for recycled water services and delivery of recycled water services, despite the fact that not all ratepayers used recycled water or have it immediately available to them or would ever be able to use it.”

But the trial court assumed that providing recycled water is a fundamentally different kind of service from providing traditional potable water. We think not. When each kind of water is provided by a single local agency that provides water to different kinds of users, some of whom can make use of recycled water (for example, cities irrigating park land) while others, such as private residences, can only make use of traditional potable water, providing each kind of water is providing the same service. Both are getting water that meets their needs. Non-potable water for some customers frees up potable water for others. And since water service is already immediately available to all customers of City Water, there is no contravention of subdivision (b)(4) in including charges to construct and provide recycled water to some customers.

On this point, *Griffith v. Pajaro Valley Water Management Agency* (2013) 220 Cal.App.4th 586 (Griffith) is instructive. Griffith involved an augmentation fee on parcels that had their own wells. An objection to the augmentation fee by the well owners was that the fee included a charge for delivered water, even though some of the properties were outside the area and not actually receiving delivered water. The Griffith court said that even if some parcel owners weren't receiving delivered water, revenues from the augmentation fee still benefited those parcels, since they funded “activities required to prepare or implement the groundwater management program for the common benefit of all water users.” (Id. at p. 602.) In Griffith the augmentation fee was thus intended to fund aggressive capital investments to increase the general supply of water, including some customers receiving delivered water when other customers didn't. It was undeniable that by funding delivered water to some customers water was freed up for all customers. (See Griffith, supra, 220 Cal.App.4th at p. 602; accord, *Paland v. Brooktrails Township Community Services Dist. Bd. of Directors* (2009) 179 Cal.App.4th 1358 [customer in rural area who periodically went inactive still had water immediately available to him].)

In the present case, there is a Government Code definition of water which shows water to be part of a holistic distribution system that does not distinguish between potable and non-potable water: “‘Water’ means any system of public improvements intended to provide for the production, storage, supply, treatment, or distribution of water from any source.” (Gov.Code, § 53750, subd. (m).)

A recycling plant, like other capital improvements to increase water supply, obviously entails a longer time frame than a residential customer's normal one-month billing cycle. As shown in *Morgan v. Imperial Irrigation District* (2014) 223 Cal.App.4th 892, the time frame for the calculation of the true cost of water can be, given capital improvements, quite long. (See id. p. 900 [costs amortized over a six-year period].) And, as pointed out by amicus Howard Jarvis Taxpayers Association, Water Code section 53756 contemplates time frames for water rates that can be as much as five years.¹³ There is no need, then, to conclude that rates to pay for a recycling plant have to be figured on a month-to-month basis.

The upshot is that within a five-year period, a water agency might develop a capital-intensive means of production of what is effectively new water, such as recycling or desalinization, and pass on the costs of developing that new water to those customers whose marginal or incremental extra usage requires such new water to be produced. As amicus Mesa Water District points out, Water Code section 31020 gives local water agencies power to do acts to “furnish sufficient water for any present or future beneficial use.” (Wat.Code, § 31020, italics added.) The trial court thus erred in concluding the inclusion of charges to fund a recycling operation was, by itself, a violation of subdivision (b)(4).

However, the record is insufficient to allow us to determine at this level whether residential ratepayers who only use 6 ccf or less – what City Water considers the super-conservers – are being required to pay for recycling facilities that would not be necessary but for above-average consumption. Proposition 218 protects lower-than-average users from having to pay rates that are above the cost of service for them because those rates include capital investments their levels of consumption do not make necessary. We note, in this regard, that in *Palmdale*, supra, one of the reasons the court there found the tiered pricing structure to violate subdivision (b)(3) was the perverse effect of affirmatively penalizing conservation by some users. (See *Palmdale*, supra, 198 Cal.App.4th at pp. 937–938; see accord, *Brydon*, supra, 24 Cal.App.4th at p. 202 [“To the extent that certain customers over-utilize the resource, they contribute disproportionately to the necessity for conservation, and the requirement that the District acquire new sources for the supply of domestic water.”].)

There is a case with an analogous lacuna, the Supreme Court case of *California Farm Bureau Federation v. State Water Resources Control Bd.* (2011) 51 Cal.4th 421 (Farm Bureau). In *Farm Bureau*, the record was also unclear as to the issue of apportionment between a regulatory activity's fees and its costs. (Id. at p. 428.) Accordingly, the high court directed the matter to be remanded to the trial court for such necessary findings.

That seems to us the appropriate way to complete the record in our case. Following the example of *Farm Bureau*, we remand the matter for further findings on whether charges to develop City Water's nascent recycling operation have been improperly allocated to users whose levels of consumption are so low that they cannot be said to be responsible for the need for that recycling.

B. Tiered Pricing and Cost of Service

the distribution. (Palmdale, supra, 198 Cal.App.4th at p. 928.) For the previous five years, the district had spent considerable money to upgrade its water treatment plant (\$56 million) but revenues suffered from a “decline in water sales,” so its reserves were depleted. The district wanted to issue more debt for “future capital projects.” (Id. at pp. 928–929.) Relying on consultants, the water district adopted a new, five-tiered rate structure, which progressively increased rates (for the top four tiers) for three basic categories of customers: residences, businesses, and irrigation projects. The tiered budgets for irrigation users were more stringent than for residential and commercial customers. (Id. at p. 930.) The way the tiers operated, all three classes of customers got a tier 1 budget, but irrigation customers had less leeway to increase usage without progressing to another tier. Thus, for example, the tier 2 rates for residential customers did not kick in until 125 percent of the budget, but tier 2 rates for irrigation customers kicked in at 110 percent of the budget. The tiered rate structure was itself based on a monthly allocated water budget. (Ibid.)

Two irrigation users – the city itself and its redevelopment agency – sought to invalidate the new rates. The trial court had the advantage of the newly-decided Supreme Court opinion in *Silicon Valley*, which had clarified the standard of review for Proposition 218 cases. There, the high court made it clear that in Proposition 218 challenges to agency action, the agency had to bear the burden of proof of demonstrating compliance with Proposition 218, and both trial and reviewing courts are to apply an independent review standard, not the traditional, deferential standards usually applicable in challenges to governmental action. (*Silicon Valley*, supra, 44 Cal.4th at p. 448.) More directly, said *Silicon Valley*, it is not enough that the agency have substantial evidence to support its action. That substantial evidence must itself be able to withstand independent review. (See id. at pp. 441, 448–449 [explaining why substantial evidence to support the agency action standard was too deferential in light of Proposition 218's liberal construction in favor of taxpayer feature].)

With this in mind, the Palmdale court held the district had failed to carry its burden of showing compliance with Proposition 218. (Palmdale, supra, 198 Cal.App.4th at pp. 937–938.) The core of the Palmdale court's reasoning was twofold. First, there was discrimination against irrigation-only customers, giving an unfair price advantage to those customers in other classes who were inclined to inefficiently use – or, for that matter, waste – outdoor water. (The opinion noted the perfect exemplar of water waste: hosing off a parking lot.) Thus an irrigation user, such as a city providing playing fields, playgrounds and parks, was disproportionately impacted by the inequality in classes of users. (Palmdale, supra, 198 Cal.App.4th at p. 937.) Second, the discrimination was gratuitous. The district's own consultants had proposed a “cost of service” option that they considered Proposition 218 compliant, but the district did not choose it because it preferred a “fixed” option providing better “‘rate stability.’” In fact the choice had the perverse effect of entailing a “‘weaker signal for water conservation’” for “‘small customers who conserve water.’” (Palmdale, supra, 198 Cal.App.4th at pp. 937–939, italics added.)¹⁴

We recognize that Palmdale was primarily focused on inequality between classes of users, as distinct from classes of water rate tiers. But, just as in Palmdale where the district never attempted to justify the inequality “in the cost of providing water” to its various classes of customers at each tiered level (Palmdale, supra, 198 Cal.App.4th at p. 937), so City Water has never attempted to justify its price points as based on costs of service for those tiers. Rather, City Water merely used what it thought was its legislative, discretionary power to attribute percentages of total costs to the various tiers. While an interesting conversation might be had about whether this was reasonable or wise, we can find no room for arguing its constitutionality. It does not comply with the mandate of the voters as we understand it.

2. City Water's Arguments

a. Article X, section 2

In supplemental briefing prior to oral argument, this court pitched a batting practice fastball question to City Water, intended to give the agency its best chance of showing that the prices for its various usage tiers, particularly the higher tiers (e.g., \$4.94 for all usage over 17 ccf to 34 ccf, and \$9.04 for usage over 34 ccf) corresponded with its actual costs of delivering water in those increments. We were hoping that, maybe, we had missed something in the record that would demonstrate the actual cost of delivering water for usage over 34 ccf per month really is \$9.04 per ccf, and City Water would hit our question into the upper deck.

What we got back was a rejection of the very idea behind the question. As would later be confirmed at oral argument, City Water's answer was that there does not have to be a correlation between tiered water prices and the cost of service. Its position is that the “cost-of-service principle of Proposition 218” must be “balance[d]” against “the conservation mandate of article X, section 2.” In short, City Water justifies the lack of a correlation between the marginal amounts of water usage represented by its various tiers and the actual cost of supplying that water by saying the lack of correlation is excused by the subsidy for low usage represented by tier 1, on the theory that subsidized tier 1 rates are somehow required by Article X, section 2. While we agree that low-cost water rates do not, in and of themselves, offend subdivision (b)(3) (see *Morgan*, supra, 223 Cal.App.4th at p. 899), we cannot adopt City Water's constitutional extrapolation of that point.

We quote the complete text of article X, section 2 in the margin.¹⁵ Article X, section 2 was enacted in 1928 in reaction to a specific Supreme Court case decided two years earlier, *Herminghaus v. South. California Edison Co.* (1926) 200 Cal. 81 (*Herminghaus*). The *Herminghaus* decision, as Justice Shenk wrote in his dissent there, allowed downstream riparian land owners – basically farmers owning land adjacent to a river – to claim 99 percent of the flow of the San Joaquin River even

though they were actually using less than 1 percent of that flow.¹⁶ To compound that anomaly, the downstream riparian land owners' claims came at the expense of the efforts of an electric utility company to generate electricity for general, beneficial use by building reservoirs at various points upstream on the river. (See *id.* at p. 109.) In the process of upholding the downstream landowners' "riparian rights" over the rights of the electric company to use the water to make electricity, the Herminghaus majority invalidated legislation aimed at preserving water in the state for a reasonable beneficial use, thereby countenancing what Justice Shenk perceived to be a plain waste of good water. (Herminghaus, *supra*, 200 Cal. at p. 123 (dis. opn. of Shenk, J.)) As our Supreme Court would describe Herminghaus about half a century later: "we held not only that riparian rights took priority over appropriations authorized by the Water Board, a point which had always been clear, but that as between the riparian and the appropriator, the former's use of water was not limited by the doctrine of reasonable use." (National Audubon Society v. Superior Court (1983) 33 Cal.3d 419, 442 (Audubon–Mono Lake).)

The voters overturned Herminghaus in the 1928 election by adopting article X, section 2, then denoted article XIV, section 3. (See *Gin S. Chow v. City of Santa Barbara* (1933) 217 Cal. 673, 699 (Gin Chow).) In the 1976 Constitutional revision, old article XIV, section 3, was recodified verbatim as article X, section 2. (See Gray, "In Search of Bigfoot": The Common Law Origins of Article X, Section 2 of the California Constitution (1989) 17 Hastings Const. L.Q. 225 (hereinafter "Origins of Article X, Section 2").¹⁷)

The purpose of article X, section 2 was described in *Gin Chow*, the first case to reach the Supreme Court in the wake of the adoption of what is now article X, section 2, in 1928. Justice Shenk, having been vindicated by the voters on the point of a perceived need to prevent the waste of water by letting it flow to the sea, summarized the new amendment in terms emphasizing beneficial use: "The purpose of the amendment was stated to be 'to prevent the waste of waters of the state resulting from an interpretation of our law which permits them to flow unused, unrestrained and undiminished to the sea', and is an effort 'on the part of the state, in the interest of the people of the state, to conserve our waters' without interference with the beneficial uses to which such waters may be put by the owners of water rights, including riparian owners. That such purpose is reflected in the language of the amendment is beyond question. Its language is plain and unambiguous. In the main it is an endeavor on the part of the people of the state, through its fundamental law, to conserve a great natural resource, and thereby render available for beneficial use that portion of the waters of our rivers and streams which, under the old riparian doctrine, was of no substantial benefit to the riparian owner and the conservation of which will result in no material injury to his riparian right, and without which conservation such waters would be wasted and forever lost." (*Gin Chow*, *supra*, 217 Cal. at p. 700.)

The emphasis in the actual language of article X, section 2 is thus on a policy that favors the beneficial use of water as against the waste of water for non-beneficial uses. That is what one would expect, consistent with both Justice Shenk's dissent in *Herminghaus* and his majority opinion in *Gin Chow*. (See Gray, *supra*, Origins of Article X, Section 2, 17 Hastings Const. L.Q. at p. 263 [noting emphasis in text on beneficial use].) The word "conservation" is used in the introductory sentence of the provision in the context of promoting beneficial uses: "the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare." (Gray, *supra*, Origins v. Article X, Section 2, p. 225, italics added.)

But nothing in article X, section 2, requires water rates to exceed the true cost of supplying that water, and in fact pricing water at its true cost is compatible with the article's theme of conservation with a view toward reasonable and beneficial use. (See *Palmdale*, *supra*, 198 Cal.App.4th at pp. 936–937 [reconciling article X, section 2 with Proposition 218]; accord, *Brydon*, *supra*, 24 Cal.App.4th at p. 197 [noting that incremental rate structures create an incentive to reduce water use].) Thus it is hard for us to see how article X, section 2, can be read to trump subdivision (b)(3). We would note here that in times of drought – which looks increasingly like the foreseeable future – providing water can become very pricey indeed.¹⁸ And, we emphasize, there is nothing at all in subdivision (b)(3) or elsewhere in Proposition 218 that prevents water agencies from passing on the incrementally higher costs of expensive water to incrementally higher users. That would seem like a good idea. But subdivision (b)(3) does require they figure out the true cost of water, not simply draw lines based on water budgets.

Thus in *Palmdale*, the appellate court perceived no conflict between Proposition 218 and article X, section 2, so long as article X, section 2 is not read to allow water rates that exceed the cost of service. Said *Palmdale*: "California Constitution, article X, section 2 is not at odds with Article XIII D so long as, for example, conservation is attained in a manner that 'shall not exceed the proportional cost of the service attributable to the parcel.' (Art. XIII D, § 6, subd. (b)(3).)" (*Palmdale*, *supra*, 198 Cal.App.4th at pp. 936–937, italics added.) And as its history, and the demonstrated concern of the voters in 1928 demonstrates, article X, section 2 certainly does not require above-cost water rates.

In fact, if push came to shove and article X, section 2, really were in irreconcilable conflict with article XIII D, section 6, subdivision (b)(3), we might have to read article XIII D, section 6, subdivision (b)(3) to have carved out an exception to article X, section 2, since Proposition 218 is both more recent, and more specific. (*Greene v. Marin County Flood Control & Water Conservation Dist.* (2010) 49 Cal.4th 277, 290 ["As a means of avoiding conflict, a recent, specific provision is deemed to carve out an exception to and thereby limit an older, general provision."]; *Izazaga v. Superior Court* (1991) 54 Cal.3d 356, 371 [same].)

Fortunately, that problem has not arisen. We perceive article X, section 2 and article XIII D, section 6, subdivision (b)(3) to work together to promote increased supplies of water – after all, the main reason article X, section 2 was enacted in the first place was to ensure the capture and beneficial use, of water and prevent its wasteful draining into the ocean. As a pre-

Proposition 218 case, *Brydon*, supra, 24 Cal.App.4th 178 observed, one of the benefits of tiered rates is that it is reasonable to assume people will not waste water as its price goes up. (See id. at p. 197 [noting that incremental rate structures create an incentive to reduce water use].) Our courts have made it clear they interpret the Constitution to allow tiered pricing; but the voters have made it clear they want it done in a particular way.

b. *Brydon* and *Griffith*

We believe the precedent most on point is *Palmdale*, and we read *Palmdale* to support the trial court's conclusion *City Water* did not comply with the subdivision (b)(3) requirement that rates be proportional to cost of service. The two cases *City Water* relies on primarily for its opposite conclusion, *Brydon* and *Griffith*, do not support a different result.

Brydon was a pre-Proposition 218 case upholding a tiered water rate structure as against challenges based on 1978's Proposition 13, rational basis, and equal protection challenges. Similar to the case at hand, the water district promulgated an "inclining block rate structure." (*Brydon*, supra, 24 Cal.App.4th at p. 182; see p. 184 [details of four-tier structure].) Proposition 218 had not yet been enacted, so the opponents of the block rate structure did not have the "proportional cost of the service attributable to the parcel" language in subdivision (b)(3) to use to challenge the rate structure. They relied, rather, on the theory that Proposition 13 made the rate structure a "special tax," requiring a vote. As a backup they made traditional rational basis and equal protection arguments. They claimed the rate structure was "arbitrary, capricious and not rationally related to any legitimate or administrative objective" and, further, that the structure unreasonably discriminated against customers in the hotter areas of the district. (*Brydon*, supra, at p. 182.) The *Brydon* court rejected both the Proposition 13 and rational basis/equal protection arguments.

But *Brydon* – though it might still be read as evidence that tiered pricing not otherwise connected to cost of service would survive a rational basis or equal protection challenge – simply has no application to post-Proposition 218 cases. In fact, the construction of Proposition 13 applied by *Brydon* was based on cases Proposition 218 was designed to overturn.¹⁹ The best example of such reliance was *Brydon's* declination to follow *Beaumont Investors v. Beaumont–Cherry Valley Water Dist.* (1985) 165 Cal.App.3d 227 (*Beaumont*) on the issue of the burden of proof. *Beaumont* had held it was the agency that had the burden of proof to show compliance with Proposition 13. *Brydon*, however, said the burden was on the taxpayers to show lack of compliance. In coming to its conclusion, *Brydon* invoked *Knox v. City of Orland* (1992) 4 Cal.4th 132. *Knox*, said *Brydon*, had "cast substantial doubt" on the "propriety of shifting the burden of proof to the agency." (*Brydon*, supra, 24 Cal.App.4th at p. 191.) But, more than a decade later, our Supreme Court in *Silicon Valley* recognized that *Knox* itself was one of the targets of Proposition 218. (See *Silicon Valley*, supra, 44 Cal.4th at p. 445.²⁰) In the wake of *Knox's* fate (see in particular subdivision (b)(5) [changing burden of proof]), it seems safe to say that *Brydon* itself was part of the general case law which the enactors of Proposition 218 wanted replaced with stricter controls on local government discretion.

As the *Silicon Valley* court observed, Proposition 218 effected a paradigm shift. Proposition 218 was passed by the voters in order to curtail discretionary models of local agency fee determination. (See *Silicon Valley*, supra, 44 Cal.4th at p. 446 ["As further evidence that the voters sought to curtail local agency discretion in raising funds."])²¹ Allocation of water rates might indeed have been a purely discretionary, legislative task when *Brydon* was decided, but not after passage of Proposition 218.

The other key case in which *City Water's* analysis of this point is *Griffith*. There, the fee itself varied according to the location of the property, e.g., whether the parcels with wells were coastal and metered, non-coastal and metered, or residential and non-metered. Objectors to the fee asserted certain tiers in the fee, based on the geographic differences in the parcels covered by the fee, were not proportional to the cost they were paying. One objector in particular complained the fee was improperly established by working backwards from the overall amount of the project, subtracting other revenues, the balance being the augmentation charge, which was then apportioned among the users. (*Griffith*, supra, 220 Cal.App.4th at p. 600.) This objector argued that the proportional cost of service had to be calculated prior to setting the rate for the charge.

The court noted the M–1 industry manual recommends such a work-backwards-from-total-cost methodology in setting rates, and held that the objectors did not attempt to explain why such an approach "offends Proposition 218 proportionality." (*Griffith*, supra, 220 Cal.App.4th at p. 600.) The best the objectors could do was to point to what *Silicon Valley* had said about assessments, namely, agencies cannot start with "an amount taxpayers are likely to pay" and then determine their annual spending budget from that. (*Ibid.*, quoting *Silicon Valley*, supra, 44 Cal.4th at p. 457.) The *Griffith* court distinguished the language from *Silicon Valley*, however, by saying the case before it did not entail any what-the-market-will-bear methodology. (*Griffith*, supra, 220 Cal.App.4th at p. 600.)

The objectors had also relied on *Palmdale* for the proposition that "Proposition 218 proportionality compels a parcel-by-parcel proportionality analysis." (*Griffith*, supra, 220 Cal.App.4th at p. 601.) The *Griffith* court rejected that point by stating "[A]pportionment is not a determination that lends itself to precise calculation," for which it cited a pre-Proposition 13, pre-Proposition 218 case, *White v. County of San Diego* (1980) 26 Cal.3d 897, 903, without any explanation. (*Griffith*, supra, 220 Cal.App.4th at p. 601.)

When read in context, *Griffith* does not excuse water agencies from ascertaining the true costs of supplying water to various tiers of usage. Its comments on proportionality necessarily relate only to variations in property location, such as what side of

a water basin a parcel might fall into. That explains its citation to White, which itself was not only pre-Proposition 218, but pre-Proposition 13. Moreover, while the Griffith court may have noted that the M-1 manual generally recommends a work-backwards approach, we certainly do not read Griffith for the proposition that a mere manual used by utilities throughout the Western United States can trump the plain language of the California state Constitution. The M-1 manual might show working backwards is reasonable, but it cannot excuse utilities from ascertaining cost of service now that the voters and the Constitution have chosen cost of service.

To the extent Griffith does apply to this case, which is on the (b)(4) issue, we find it helpful and have followed it. But trying to apply it to the (b)(1) and (b)(3) issues is fatally flawed.

c. Penalty Rates

A final justification City Water gives for not tying tier prices to cost of service is to say it doesn't make any difference because the higher tiers can be justified as penalties not within the purview of Proposition 218 at all. (In the context of article X, section 2, City Water euphemistically refers to its higher tiered rates as conservation rates as if such a designation would bring them within article X, section 2 and exempt them from subdivision (b)(3), but as we have explained, article X, section 2, does not require what article XIII D, section 6, subdivision (b)(3) forbids) and designating something a "conservation rate" is no more determinative than calling it an "apple pie" or "motherhood" rate.

City Water's theory of penalty rates relies on the procedural first part of Proposition 218, specifically article XIII C, section 1, subdivision (e)(5). This part of Proposition 218 defines the word "tax" to exclude fines "imposed by" a local government "as a result of a violation of law." ²² That is hardly a revelation, of course. We may take as a given that Proposition 218 was never meant to apply to parking tickets.

But City Water's penalty rate theory is inconsistent with the Constitution. It would open up a loophole in article XIII D, section 6, subdivision (b)(3) so large it would virtually repeal it. All an agency supplying any service would need to do to circumvent article XIII D, section 6, subdivision (b)(3), would be to establish a low legal base use for that service, pass an ordinance to the effect that any usage above the base amount is illegal, and then decree that the penalty for such illegal usage equals the incrementally increased rate for that service. Such a methodology could easily yield rates that have no relation at all to the actual cost of providing the service at the penalty levels. And it would make a mockery of the Constitution.

IV. CONCLUSION

All of which leads us to the conclusion City Water's pricing violates the constitutional requirement that fees "not exceed the proportional cost of the service attributable to the parcel." This is not to say City Water must calculate a rate for 225 Elm Street and then calculate another for the house across the street at 226. Neither the voters nor the Constitution say anything we can find that would prohibit tiered pricing.

But the tiers must be based on usage, not budgets. City Water's Article X, section 2 position kept it from explaining to us why it cannot anchor rates to usage. Nothing in our record tells us why, for example, they could not figure out the costs of given usage levels that require City Water to tap more expensive supplies, and then bill users in those tiers accordingly. Such computations would seem to satisfy Proposition 218, and City Water has not shown in this record it would be impossible to comply with the Constitutional mandate in this way or some other. As the court pointed out in *Howard Jarvis Taxpayers Ass'n v. City of Fresno* (2005) 127 Cal.App.4th 914, 923, the calculations required by Proposition 218 may be "complex," but "such a process is now required by the California Constitution."

Water rate fees to fund the costs of capital-intensive operations to produce more or new water, such as the recycling plant at issue in this case, do not contravene article XIII, section 6, subdivision (b)(4) of the Constitution. While that provision precludes fees for a service not immediately available, both recycled water and traditional potable water are part of the same service – water service. And water service most assuredly is immediately available to City Water's customers now.

But, because the record is unclear whether low usage customers might be paying for a recycling operation made necessary only because of high usage customers, we must reverse the trial court's judgment that the rates here are necessarily inconsistent with subdivision (b)(4), and remand the matter for further proceedings with a view to ascertaining the portion of the cost of funding the recycling operation attributable to those customers whose additional, incremental usage requires its development.

By the same token, we see nothing in article XIII, section 6, subdivision (b)(3) of the California Constitution that is incompatible with water agencies passing on the true, marginal cost of water to those consumers whose extra use of water forces water agencies to incur higher costs to supply that extra water. Precedent and common sense both support such an approach. However, we do hold that above-cost-of-service pricing for tiers of water service is not allowed by Proposition 218 and in this case, City Water did not carry its burden of proving its higher tiers reflected its costs of service. In fact it has practically admitted those tiers don't reflect cost of service, as shown by their tidy percentage increments and City Water's refusal to defend the calculations. And so, on the subdivision (b)(3) issue, we affirm the trial court's judgment.

Given the procedural posture the case now finds itself in, the issue of who is the prevailing party is premature. That question should be first dealt with by the trial court only after all proceedings as to City Water's rate structure are final. Accordingly, we do not make an appellate cost order now, but reserve that matter for future adjudication in the trial court. (See *Neufeld v. Balboa Ins. Co.* (2000) 84 Cal.App.4th 759, 766 [deferring question of appellate costs in case being remanded until litigation was final].)

FOOTNOTES

1. Walter Prescott Webb, "The American West, Perpetual Mirage," *Harper's Magazine*, May, 1957.
 2. Reisner, *Cadillac Desert*, p. 6.
 3. Until Bighorn, there was a question as to whether Proposition 218 applied at all to water rates. In 2000, the appellate court in *Howard Jarvis Taxpayers Assn. v. City of Los Angeles* (2000) 85 Cal.App.4th 79, 83 (*Jarvis v. Los Angeles*), held that a city's water rates weren't subject to Proposition 218, reasoning that water rates are mere commodity charges. Bighorn, however, formally disapproved *Jarvis v. Los Angeles* and held that water rates are subject to article XIII D of the California Constitution. (Bighorn, *supra*, 39 Cal.4th at p. 217, fn. 5.)
 4. For reader convenience, we will occasionally refer in this opinion in shorthand to "subdivision (b)(1)," "subdivision (b)(3)," "subdivision (b)(4)," and "subdivision (b)(5)," and sometimes even just to "(b)(1)" "(b)(3)," "(b)(4)" or "(b)(5)." Each time those references refer to article XIII D, section 6, subdivision (b) of the California Constitution. Also, all references to any "article" are to the California Constitution.
 5. We requested supplemental briefing prior to oral argument to clarify the nature of the issues and precisely what was in, and not in, the administrative record. We are indebted to able counsel on all sides for giving us their best efforts to answer our questions.
 6. Such rate structures are sometimes called "inclining" as in the pre-Proposition 218 case, *Brydon v. East Bay Mun. Utility Dist.* (1994) 24 Cal.App.4th 178, 184 (*Brydon*). Amicus ACWA estimates that over half its members now have some sort of tiered water rate system. As we will say numerous times in this opinion, tiered water rate structures and Proposition 218 are thoroughly compatible "so long as" – and that phrase is drawn directly from *Palmdale* – those rates reasonably reflect the cost of service attributable to each parcel. (*Palmdale*, *supra*, 198 Cal.App.4th at p. 936.)
- FN7. Ccf stands for one hundred cubic feet, which translates to 748 gallons. (See *Brydon*, *supra*, 24 Cal.App.4th at p. 184.) FN7. Ccf stands for one hundred cubic feet, which translates to 748 gallons. (See *Brydon*, *supra*, 24 Cal.App.4th at p. 184.)
- FN8. A precise figure for the usage is complicated by an attempt in the rate structure to distinguish indoor and outdoor use. Technically, tier 2 is tier 1 + 3 extra ccfs, plus an outdoor allocation that is supposed to average out to a total of 17 ccfs, i.e., 8 ccfs are allocated (on average) for outdoor use.. FN8. A precise figure for the usage is complicated by an attempt in the rate structure to distinguish indoor and outdoor use. Technically, tier 2 is tier 1 + 3 extra ccfs, plus an outdoor allocation that is supposed to average out to a total of 17 ccfs, i.e., 8 ccfs are allocated (on average) for outdoor use.
- FN9. Technically, tier 3 is defined as up to 200 percent of tiers 1 and 2, which, given City Water's projected 17 ccf average, works out to be 34 ccf.. FN9. Technically, tier 3 is defined as up to 200 percent of tiers 1 and 2, which, given City Water's projected 17 ccf average, works out to be 34 ccf.
- FN10. While the consultants distinguished between regular and large lot residential customers, the final structure made no distinction between the two.. FN10. While the consultants distinguished between regular and large lot residential customers, the final structure made no distinction between the two.
- FN11. In 2010, City Water was paying \$719 per acre foot for water from the Metropolitan Water District, and that cost was projected to increase incrementally each year until it reached \$1,007 per acre foot by 2014. One acre foot equals 435.6 ccf.. FN11. In 2010, City Water was paying \$719 per acre foot for water from the Metropolitan Water District, and that cost was projected to increase incrementally each year until it reached \$1,007 per acre foot by 2014. One acre foot equals 435.6 ccf.
12. With a minor qualification that, given our disposition, it need not be addressed in too much detail. A minor issue in the briefing is whether City Water should have made its consultants' report available for taxpayer scrutiny prior to the public hearing contemplated in article XIII D, section 6, subdivision (c). Since City Water is not able to show its price structure correlates with the actual cost of providing service at the various incremental levels even with the consultants' report, we need not get bogged down in this issue.
 13. Water Code section 53756 provides in relevant part: "An agency providing water, wastewater, sewer, or refuse collection service may adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale

charges for water, sewage treatment, or wastewater treatment or adjustments for inflation, if it complies with all of the following:“(a) It adopts the schedule of fees or charges for a property-related service for a period not to exceed five years pursuant to Section 53755.” (Italics added.)

14. As described by the court, the fixed cost option was really a “fixed variable” option, with fixed charges being 60 percent of total costs, the balance being variable. (Palmdale, supra, 198 Cal.App.4th at p. 929.)

15. “It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare. The right to water or to the use or flow of water in or from any natural stream or water course in this State is and shall be limited to such water as shall be reasonably required for the beneficial use to be served, and such right does not and shall not extend to the waste or unreasonable use or unreasonable method of use or unreasonable method of diversion of water. Riparian rights in a stream or water course attach to, but to no more than so much of the flow thereof as may be required or used consistently with this section, for the purposes for which such lands are, or may be made adaptable, in view of such reasonable and beneficial uses; provided, however, that nothing herein contained shall be construed as depriving any riparian owner of the reasonable use of water of the stream to which the owner's land is riparian under reasonable methods of diversion and use, or as depriving any appropriator of water to which the appropriator is lawfully entitled. This section shall be self-executing, and the Legislature may also enact laws in the furtherance of the policy in this section contained.”

16. “In order to have the beneficial use of less than one per cent of the maximum flow of the San Joaquin River on their riparian lands the plaintiffs are contending for the right to use the balance in such a way that, so far as they are concerned, over ninety-nine per cent of that flow is wasted. This is a highly unreasonable use or method of the use of water.” (Herminghaus, supra, 200 Cal. at p. 123 (dis. opn. of Shenk, J.).)

17. Professor Gray's article is an exceptionally valuable source on the origins of article X, section 2.

18. It was recently noted that Santa Barbara is dusting off a desalinization plant built in the 1990's to provide additional water for the city in the current drought. (See Covarrubias, Santa Barbara Working to Reactive Mothballed Desalinization Plant (March 3, 2015, L.A. Times < <http://www.latimes.com/local/california/la-me-santa-barbara-desal-20150303-story.html>> (as of March 30, 2015) [noting, among other things, that desalination can be expensive].)

19. Two examples of early, post-Proposition 13 cases that took a strict constructionist view of the provision are Los Angeles County Transportation Com. v. Richmond (1982) 31 Cal.3d 197 (Los Angeles County v. Richmond) [strictly construing Proposition 13's voting requirements to avoid finding a transportation commission was a “special district”]; City and County of San Francisco v. Farrell (1982) 32 Cal.3d 47, 54 [strictly construing words “special tax” used in section 4 of Proposition 13 as ambiguous to avoid finding municipal payroll and gross receipts tax was a “special tax”].) Brydon expressly relied on Los Angeles County v. Richmond. (See Brydon, supra, 24 Cal.App.4th at p. 190.) Proposition 218 effectively reversed these cases with a liberal construction provision. (See Silicon Valley, supra, 44 Cal.4th at p. 448.)

20. Here is the relevant passage from Silicon Valley: “As the dissent below points out, a provision in Proposition 218 shifting the burden of demonstration was included in reaction to our opinion in Knox. The drafters of Proposition 218 were clearly aware of Knox and the deferential standard it applied based on Dawson [v. Town of Los Altos Hills (1976)] 16 Cal.3d 676.”

21. Here and there in City Water's briefing there are references to a discretionary, legislative power in regard to local municipal water agencies conferred by article XI, section 9, which was a 1970 amendment to the Constitution, though one can trace it back to the Constitution of 1879. Basically, article XI, section 9, gives cities the right to go into the water supply business. We quote its text, unamended since 1970: “(a) A municipal corporation may establish, purchase, and operate public works to furnish its inhabitants with light, water, power, heat, transportation, or means of communication. It may furnish those services outside its boundaries, except within another municipal corporation which furnishes the same service and does not consent. [¶] (b) Persons or corporations may establish and operate works for supplying those services upon conditions and under regulations that the city may prescribe under its organic law.”Article XI, section 9 obviously does not require municipal corporations to establish fees in excess of their costs, so there is no incompatibility between it and the later enacted Proposition 218.

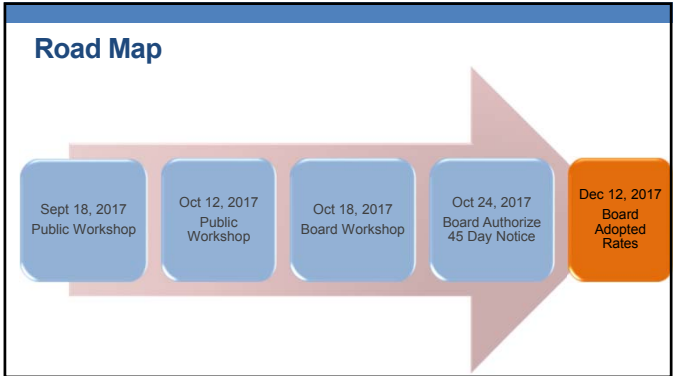
22. The relevant text from article XIII C, section 1, subdivision (e)(5) is:“(e) As used in this article, “tax” means any levy, charge, or exaction of any kind imposed by a local government, except the following: [¶] . [¶] (5) A fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law.”

BEDSWORTH, ACTING P.J.

WE CONCUR: MOORE, J. THOMPSON, J.

WATER RATE FREEZE

Steven Palmer, General Manager
Georgetown Divide Public Utility District
 January 8, 2019



GDPUD Mission Statement

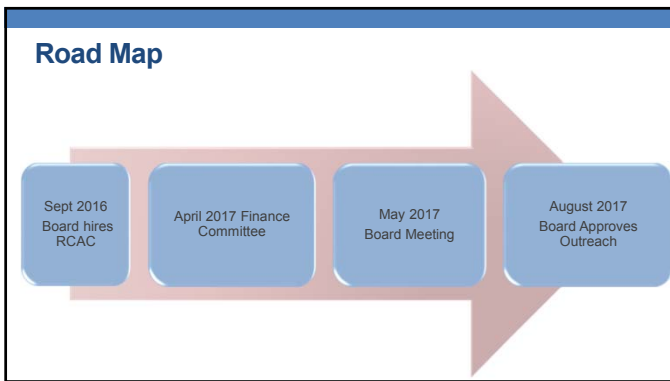
It is the purpose of the Georgetown Divide Public Utility District to:

- Provide reliable water supplies
- Ensure high quality drinking water
- Promote stewardship to protect community resources, public health and quality of life
- Provide excellent and responsive customer services through dedicated and valued staff
- Ensure fiscal responsibility and accountability are observed by balancing immediate and long term needs

Why?

1) Lack of resources to start replacing aging infrastructure

- Not enough cash on hand
- Rates were too low to qualify for grants and loans
 - Affordability <1.25%
 - Target = 1.5% to 4.0%
- Debt coverage ratio was too low
 - Min of 1.2x



Why?

1. Lack of resources

CAPITAL RESERVES
 Current capital reserves are 6% of the capital replacement cost in 2017 dollars

Why?

2) Legal Requirements

- Old data
 - 2008 rate study
- Recent Court Decisions
 - Tiers need to "...correspond to the actual cost of providing service at a given level of usage..."

Why?

2. Legal Requirements



Grand Jury Recommendations

- Initiate a rate increase
- Replace aging water meters and infrastructure
- Offer competitive salaries and attract qualified professional staff
- Review staffing levels and fill key positions with permanent staff
- Undertake a public information program to inform customers of impending rate changes

Why?

2. Legal requirements

- Prior rates were based on 2007 actuals only
- 2008 Study recommended rate increases to 2013
- 2008 Board only adopted increases to 2011

	Adopted Maximum	Recommended Maximum
Treated	\$23.57 per month	\$26.49 per month
Irrigation	\$72.74 per MI per mo	\$88.01 per MI per month

Why?

3) Funding to Comply with New State Mandates

- Improve reservoir and stream diversion gauging
- Mark Edson Dam spillway condition assessment
- Update dam Emergency Action Plan
- More stringent water audit requirements

Why?

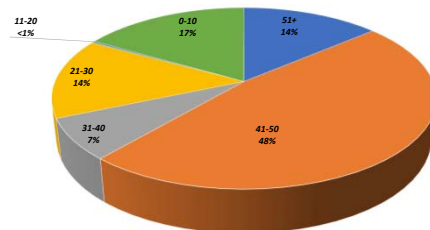
2. Legal Requirements



Grand Jury Findings

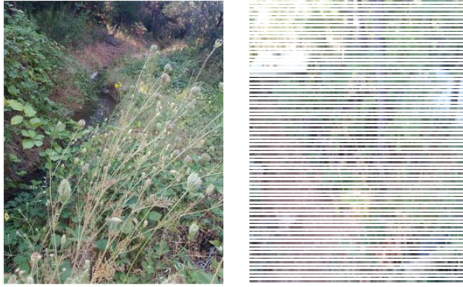
- Rates are insufficient
- Total revenues are insufficient
- Significant revenue loss due to outdated meters

**Your Water System
 Age of Infrastructure (Years)**



Over 60% of District infrastructure was installed prior to 1977

Your Water System



Your Water System



Your Water System



Your Water System



Your Water System



Your Water System



Recommended Rates

Scenario	Treated Water				Irrigation Water	
	Year One		Year Five		Year One	Year Five
	Monthly Base Charge	Usage Rate (\$/CF)	Monthly Base Charge	Usage Rate (\$/CF)	Monthly per MI	Monthly per MI
2 - (74/26)	\$ 55.81	0.0225	\$ 67.84	0.0273	\$356.20	\$521.40

Adopted Rates

- | | |
|---|---|
| <p>Treated</p> <ul style="list-style-type: none"> Capital reserve needs are met for the next 10 years (~\$1M / year) Need to continue raising rates after year 5 | <p>Irrigation</p> <ul style="list-style-type: none"> Average bill for season \$1,129/MI Capital reserve needs can not be funded Further delay in capital improvements Need to continue raising rates after 4 years |
|---|---|

Adopted Rates – Treated Water

Meter Size	Current Monthly Base Rate (2018)	2019 Monthly Base Rate	Year 5 Monthly Base Rate
5/8"	\$ 29.41	\$ 30.88	\$ 35.74
3/4"	\$ 29.41	\$ 30.88	\$ 35.74
1"	\$ 29.41	\$ 30.88	\$ 35.74
1.5"	\$ 98.02	\$102.92	\$ 119.15
2"	\$156.83	\$164.67	\$ 190.63
3"	\$313.66	\$329.34	\$ 381.25
4"	\$490.09	\$514.60	\$ 595.71

Adopted Rates – Treated Water

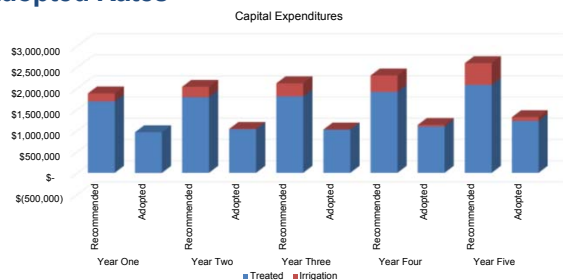
Tier	Usage Rate (per CF)		
	2018	2019	Year 5
<1000 CF	\$ 0.0255	\$ 0.0268	\$ 0.0310
1000-2000	\$ 0.0255	\$ 0.0268	\$ 0.0310
2001-3000	\$ 0.0255	\$ 0.0268	\$ 0.0310
3001-4000	\$ 0.0255	\$ 0.0268	\$ 0.0310
>4001 CF	\$ 0.0255	\$ 0.0268	\$ 0.0310

Adopted Rates - Irrigation

Service Size	2018 Monthly Charge	2019 Monthly Charge	Year 5 Monthly Charge
1/2"	\$ 77.00	\$ 84.80	\$112.80
1"	\$154.20	\$169.60	\$225.80

Rates shown are for one irrigation season of service (5 months)

Adopted Rates



Adopted 2019 Rate Increase

- Treated Water Monthly Base Charge Increase by 5%
 - \$1.47 per month
- Treated Water Usage Charge Increase by 5%
 - \$0.0013 per cubic foot
 - \$0.0097 per gallon
- Average Treated Water Monthly Bill Increase
 - \$2.83 per month

Rate Freeze Impact

- Near Term
 - Lost revenue
 - Reduced funding for capital replacements
 - Grand Jury scrutiny
- Long Term
 - Reduced maintenance
 - Unable to meet operating responsibilities
 - Increased cost of capital replacement
 - Grand Jury scrutiny

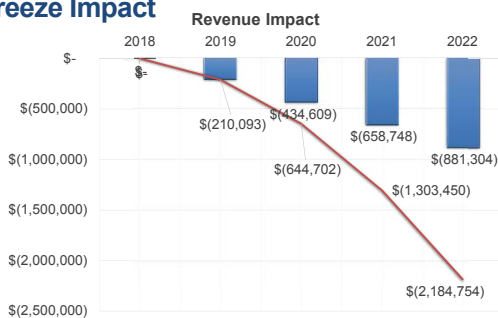
Adopted 2019 Rate Increase

- Irrigation Water Rates Increase by 10%
 - \$15.40 per month per miner's inch
 - \$77.00 per season per miner's inch
 - \$0.00024 per cubic foot
 - \$0.000032 per gallon

Consequences of not raising rates enough

1. Reduction in reserves
2. Inability to maintain system = fines and increased cost
3. Inability to comply with State mandates
4. Inability to pay bills
5. Extra pressure from state to consolidate with neighboring systems
6. Take-over by the state = Receivership

Rate Freeze Impact



Board Action

- Staff recommendation is to not take action to freeze rates and to allow the already adopted rate increase to go into effect
- Alternatively Board needs to provide direction by action on method and term of a rate freeze.