

AGENDA
REGULAR MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
TUESDAY, JUNE 14, 2016
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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

2. ADOPTION OF AGENDA

A. Board action to adopt 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.

4. PUBLIC HEARING – ADOPTION OF THE 2015 UPDATE TO THE GDPUD URBAN WATER MANAGEMENT – RESOLUTION 2016-11

A. Public comment on the 2015 Urban Water Management Plan.

B. Consideration of Resolution 2016-11 adopting the Urban Water Management Plan and Water Shortage Contingency Plan.

C. Possible Board Action –

- 5. CONSENT CALENDAR** – These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.
-

ACTION:

A. APPROVE MINUTES

- 1) Regular Meeting of April 12, 2016
- 2) Special Meeting of April 28, 2016.
- 3) Regular Meeting of May 10, 2016

B. PUBLIC HEARING – PROP 4 APPROPRIATION LIMIT – RESOLUTION 2016-12

**C. PROFESSIONAL SERVICES AGREEMENT WITH GEORGE SANDERS –
EXTEND TERM**

6. FINANCIAL REPORTS

- A. Accounts Payable for June 2016, and Disbursements for May 2016
- B. Revenue and Expense Summary for April 2016
- C. Balance Sheet for April 2016
- D. Cash and Investment Reports for April 2016
- E. ALT Zone and CDS Summary for April 2016

7. PRESIDENT’S REPORT

8. BOARD REPORTS

9. OPERATIONS MANAGER’S REPORT

10. GENERAL MANAGER’S REPORT

11. FINANCE COMMITTEE REPORT

12. REQUEST FOR PROPOSAL FOR CERTIFIED PUBLIC ACCOUNTANT SERVICES

- A. **Discussion** – Recent staff changes have created an opportunity to reassess our staffing structure and the process for creating financial reports. Financial reporting, office management, and human resources, has been the responsibility of the Office Manager. Contracting out for CPA services for financial reporting will provide for greater efficiency and create important checks and balances to this important process.
- B. **Possible Board Action** – Staff recommends the Board of Directors approve the issuance of the Request for Proposal for Certified Public Accountant Services.

13. SELECT FIRM TO CONDUCT ANNUAL AUDIT – FISCAL YEAR 2015-16

- A. **Discussion** – On February 12, 2016, the District mailed requests for proposals to five firms with a response deadline of May 31, 2016. In addition, Board members also notified some contractors of the pending RFP. At the suggestion of the Finance Committee, staff posted the RFP to the District web page. The District developed an objective criteria-based score sheet to evaluate the responses. Five responses were received by the due date.

- B. **Possible Board Action** – Staff recommends the Board of Directors consider all the facts, documentation, and appropriate additional information and select a company for next year’s audit.

14. ORDINANCE 2016-02 – FIRST READING

- A. **Discussion** – This is the first reading of **Ordinance 2016-02** amending Article 5 of Ordinance 07-01 to set the connection fee for the second 5/8-3/4 meter at 60% of the current rate.
- B. **Possible Board Action** – Staff recommends the Board introduce for first reading **Ordinance 2016-02** setting the connection fee for the second 5/8-3/4 meter at 60% of the current rate. Staff further recommends the Board vote to read a *summary* of the Ordinance in lieu of reading the full text of the Ordinance.

15. WATER RATE STUDY – NEXT STEPS

- A. At a regular Board meeting on May 10, 2016, staff proposed that a consultant be hired to complete a Water Rate Study/Cost of Services report. At the public workshop, which was held on May 31, Board members and staff discussed and clarified the scope of the RFP. Because the Board desires to move forward posthaste, a second alternative was offered for consideration, and that is to simply update the existing 2010 Cost of Service report. Staff was instructed to investigate that possibility and report back to the Board at the June 14 meeting. Staff sees two options for the Board to consider: 1) Hire an outside consultant to complete a current Rate Study/Cost of Services Report; and 2) Update the 2010 Report internally.
- B. Staff recommends the Board of Directors discuss the two options and provide direction to staff.

16. SALARY EVALUATION AND INCREASE – CERTAIN FIELD PERSONNEL

- A. **Discussion** – This item is included on the agenda at the request of Vice President Carl Hoelscher. The item relates to a proposed salary increase for a total of three different positions within the District. These positions are the Water Treatment Plant Operator II, the Distribution Operator II, and the Distribution Operator Lead.
- B. **Possible Board Action** – Staff remains neutral on this agenda item and is prepared to follow the direction of this Board.

17. ALT TREATMENT PLANT UPDATE

- A. **Discussion** – Recap and extension of prior month report on progress towards plant replacement
- B. **Possible Board Action** –

18. BOARD MEMBER AND STAFF 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.

19. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – Existing Litigation. Pursuant to Paragraph (1) of subdivision (d) of Section 54956.9. Name of case: Jacoby v GDPUD.

20. ADJOURN TO OPEN SESSION – Announcement of action taken in closed session.

21. NEXT MEETING DATE AND ADJOURNMENT – The next regular meeting will be July 12, 2016 at 2:00 PM at the Georgetown Divide Public Utility District office.

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 Wendell Wall 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 June 10, 2016.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Planned agenda items for Regular Meetings for the Board of Directors

January	<ul style="list-style-type: none"> • Current Year Budget Revision • Approval of Directors' Attendance at Spring ACWA Conference • Review of Investment Policy
February	<ul style="list-style-type: none"> • Second Quarter Budget Comparison
March	<ul style="list-style-type: none"> • Prior Year Water Supply and Demand Report • Next Fiscal Year Budget • El Dorado County Water Agency Matching Funds Project Request • Budget Workshop
April	<ul style="list-style-type: none"> • Budget Workshop • Consideration of Irrigation Applications for the Current Year Irrigation Season • Declaration of Projected Water Year • Fishing Derby Resolution
May	<ul style="list-style-type: none"> • Budget Workshop • Third Quarter Budget Comparison • Set Hearing on Proposition 4, Appropriation Limitation • Set Hearing on Adoption of UWMP (every five years-2011...) • Consolidated General Election Resolution (even years)
June	<ul style="list-style-type: none"> • Adoption of Budget • Select Firm to Conduct Annual Audit • Public Hearing on Proposition 4, Appropriation Limitation • Public Hearing on Adoption of UWMP (every five years-2011...)
July	<ul style="list-style-type: none"> • Auditor-Controller Requests for Certification of Assessments and Charges • Review of District's Conflict of Interest Code (even years)
August	<ul style="list-style-type: none"> • Status of Annual Audit • Approval of Directors' Attendance at Fall ACWA Conference
September	<ul style="list-style-type: none"> • Discussion of Irrigation Season Ending Date • Fourth Quarter Budget Comparison • Approval of Annual Audit
October	<ul style="list-style-type: none"> • General Manager's Evaluation
November	<ul style="list-style-type: none"> • Last Meeting for Outgoing Directors (even years) • First Quarter Budget Comparison
December	<ul style="list-style-type: none"> • First Meeting for Incoming Directors (even years) • Board Officer Election • Outside Agency Representatives Appointed • Represented and Non-Represented Employee Negotiation

Memo

To: Board of Directors

From: Darrell Creeks, Operations Manager

Date: June 6, 2016

Re: **PUBLIC HEARING – ADOPTION OF THE 2015 UPDATE TO THE GDPUD
URBAN WATER MANAGEMENT PLAN – RESOLUTION 2016-11**

Board Meeting of June 14, 2016; Agenda Item #04

BACKGROUND / DISCUSSION

The Urban Water Management Planning Act requires urban water suppliers that provide water for municipal purposes to more than 3,000 customers prepare or update an Urban Water Management Plan (“UWMP”).

The UWMP is a long-range planning document for water supply and conservation. The plan documents existing conditions and predicts the District’s ability to respond to future demands.

The Act also requires that the public be given the opportunity to comment on the plan prior to its adoption. The plan was circulated on May 11, 2016 for public comment. Copies of the plan were made available at the District headquarters and posted on the District web site. Notice of the opportunity for public comment was published in the Georgetown Gazette on May 5 and May 12, 2016.

The public hearing scheduled for the Board meeting will provide an opportunity to hear final comments from the public prior to consideration for adoption of the plan by the Board of Directors. If no comments are received that warrant continuation of the hearing, close the hearing and consider adopting **Resolution 2016-11**, adopting the 2015 update to the District’s Urban Water Management Plan.

A copy of **Resolution 2016-11** is included as **ATTACHMENT A** to this report.

RECOMMENDATION

Staff recommends the Board of Directors adopt the 2015 Urban Water Management Plan.

ATTACHMENT A

RESOLUTION 2016-11

**RESOLUTION OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
ADOPTING THE URBAN WATER MANAGEMENT PLAN AND WATER SHORTAGE
CONTINGENCY PLAN**

WHEREAS, the California Legislature enacted Assembly Bill 797 (Water Code Section 10610 et seq., known as the Urban Water Management Planning Act) during the 1983-1984 Regular Session, and as amended subsequently, which mandates that every supplier providing water for municipal purposes to more than 3,000 customers or supplying more than 3,000 acre feet of water annually, prepare an Urban Water Management Plan, the primary objective of which is to plan for the conservation and efficient use of water; and

WHEREAS, the District is an urban supplier of water providing water to over 3,500 customers and a population of about 9,000, and

WHEREAS, the Plan shall be periodically reviewed at least once every five years, and that the District shall make any amendments or changes to its plan which are indicated by the review; and

WHEREAS, the Plan must be adopted by July 1, 2016, and after public review and hearing, filed with the California Department of Water Resources within thirty days of adoption; and

WHEREAS, the District has therefore, prepared and circulated for public review the Urban Water Management Plan on May 11, 2016 and a properly noticed public hearing regarding said Plan was held by the District on June 14, 2016, and

WHEREAS, the District will update and file said Plan with the California Department of Water Resources by July 1, 2016;

WHEREAS, The Water Shortage Contingency Plan is a standalone document contained within the Urban Water Management Plan,

NOW THEREFORE, be it hereby resolved as follows:

1. 2015 Urban Water Management Plan and the Water Shortage Contingency Plan is hereby adopted and ordered filed with the District Clerk;
2. The General Manager is hereby authorized and directed to electronically file the 2015 Urban Water Management Plan with the California Department of Water Resources by July 1, 2016 and filed with the California State Library and El Dorado County within 30 days after this date;
3. The General Manager is hereby authorized and directed to implement the Water Conservation Programs as set forth in the 2015 Urban Water Management Plan, which includes

ATTACHMENT A

water shortage contingency analysis and recommendations to the District Board regarding necessary procedures, rules, and regulations to carry out effective and equitable water conservation and water recycling programs;

4. In a water shortage, the General Manager is hereby authorized to declare a Water Shortage Emergency according to the Water Shortage Stages and Triggers indicated in the Plan, and implement necessary elements of the Plan;

5. The General Manager shall recommend to the District Board of Directors additional regulations to carry out effective and equitable allocation of water resources.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT on the 14th day of June, 2016, by the following vote:

AYES:

NAYS:

ABSENT:

ABSTAIN:

Norman A. Krizl
President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTEST:

Wendell B. Wall, Clerk and ex officio
Secretary, Board of Directors

ATTACHMENT A

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of **Resolution 2016-11** duly and regularly adopted by the Board of Directors of THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT, County of El Dorado, State of California, on the 14th day of June, 2016.

Wendell B. Wall, Clerk and ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CONFORMED AGENDA

REGULAR MEETING

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

Special Notation:

Director Maria Capraun will participate in this meeting from a satellite location via telephone. The Public may participate in the Public Portion of this meeting from this location. The specifics of her location, while participating in this meeting, are as follows:

*384 West 5200 South
Washington Terrace, Utah 84405*

**TUESDAY, MAY 10, 2016
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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-

- 1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE** – *The meeting was called to order at 2:00 PM. Directors present: Capraun (via teleconference), Hanschild, Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Office Manager Victoria Knoll. Legal Counsel: Barbara Brenner of Churchwell White.*
- 2. ADOPTION OF AGENDA AND APPROVAL OF CONSENT CALENDAR** – These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.

A. Board action to adopt Agenda and approve Consent Calendar.

Director Uso requested that "Approval of the Consent Calendar" be considered under Item 4, separately from "Adoption of Agenda."

Motion by Director Uso to adopt the Agenda; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

- 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.

An irrigation customer in Pilot Hill raised concerns regarding his eligibility to receive ditch water. Director Uso referred the customer to staff.

- 4. CONSENT CALENDAR** – These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.

Director Hoelscher requested that Item 4C Approve FY 2014-15 Audit be removed from the Consent Calendar. Director Capraun requested that Item 4D Financial Reports be removed from the Consent Calendar.

ACTION:

A. SET HEARING ON PROPOSITION 4 APPROPRIATION LIMIT

This item was approved on the consent calendar.

B. CONSOLIDATED GENERAL ELECTION

This item was approved on the consent calendar.

C. APPROVE FY 2014-15 AUDIT

There was some discussion regarding when the audit should be made available for public viewing.

Motion by Director Uso to approve the FY 2014-15 Audit; second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Hanschild, Krizl, Uso

Noes: Capraun, Hoelscher

RECEIVE AND FILE:

D. FINANCIAL REPORTS

- 1) Accounts Payable for May 2016
- 2) Revenue and Expense Summary for March 2016
- 3) Balance Sheet for March 2016
- 4) Cash and Investment Reports for March 2016
- 5) ALT Zone and CDS Summary for March 2016

Director Capraun asked why irrigation applicants' deposit checks were cashed before applications were approved. Office Manager Knoll responded that the audit found fault with the previous practice of holding checks in a notebook. Ms. Capraun then commented regarding errors on the Revenue Summary. Ms. Knoll responded that those errors would be corrected going forward.

This item was approved on the consent calendar.

Motion by Director Uso to approve the Consent Calendar, minus Item 4C; second by Director Hanschild.

Public Comment: Ray Kringel took issue with the way some of the line items are shown under "Year-to-Date."

Vote: Motion carries.

Ayes: Hanschild, Hoelscher, Krizl, Uso

Abstain: Capraun

5. PRESIDENT'S REPORT – *There was nothing to report.*

6. BOARD REPORTS

Director Hanschild reported that he had attended the ACWA Conference and found it to be informative and beneficial.

Director Uso concurred. He further reported that the next day's El Dorado County Water Agency agenda had \$45,000 in the budget for cost sharing opportunities with GDPUD.

7. OPERATIONS MANAGER'S REPORT – *Operations Manager Darrell Creeks announced that the 2015 Urban Water Management Plan hearing has been scheduled for next month's June 14 regular meeting. He reported that Stumpy is still spilling and that the District is currently installing meters at six unmetered accounts.*

8. GENERAL MANAGER'S REPORT – *GM Wall presented the General Manager's Report noting the following:*

The GM recently attended a State Water Resource Control Board Workshop. Attendees spoke in favor of the Water Board acknowledging that the emergency drought conditions are over and that mandatory emergency drought restrictions and conservation targets should be reduced.

Staff is working on the District's spring newsletter and expects to go to press within the next week or two.

Managerial staff and two Directors attended the recent ACWA Conference in Monterey. Topics of some of the workshops and lectures included staff and facility safety and security, effective Board meetings, advanced use of AMI networks, statewide water issues, and successful communications and public outreach regarding water rate increases. Overall it was a very helpful conference.

At the request of Mr. Wall, Engineering Consultant George Sanders provided an update on staff's progress toward writing an ordinance regarding second meters.

- 9. FINANCE COMMITTEE REPORT** – *In the absence of Committee Chair Rick Gillespie, Dennis Goodenow provided the FC report. He reported that the FC met twice last month, once on April 19 to work on the Operations Budget, and again on April 28 to work on the Capital Improvement Plan. The Committee will be focusing on prioritizing issues into categories such as health and safety, infrastructure improvements, and major capital investments. Director Uso, the Board liaison to the Committee, expressed appreciation for the FC volunteers and noted that the subject of water meter replacement as a priority continues to come up at FC meetings.*

10. SELECT FIRM TO CONDUCT FY 2015-16 ANNUAL AUDIT

- a. Discussion** – In February 2016, the District solicited RFPs for audit services. Two firms were responsive. The Finance Committee has reviewed the responses and recommends that GDPUD accept the proposal from Moss, Levy & Hartzheim LLP for audit services for the Fiscal Year 2015-16.

Office Manager Knoll noted that some responses to the District's letter requesting proposals have been received already, but the deadline for responding is not until May 31, so it is premature to act on this item today.

- b. Possible Board Action** – Staff recommends the Board of Directors follow the recommendation of the Finance Committee to hire the firm of Moss, Levy & Hartzheim LLP to conduct the FY 2015-16 annual audit.

Motion by Director Uso to table this item until next month; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

11. ALT TREATMENT UPDATE

- a. **Discussion** – Recap and extension of prior month report on progress towards plant replacement.

Relative to the status of the \$10 million loan application, Engineering Consultant George Sanders reported that the environmental package is complete and has been submitted to the Water Board. Key members at Foothill are communicating with the Water Board.

The pre-bid meeting was well attended, and included a walk-through at the site. Director Hoelscher and Operations Manager Creeks attended the walk-through. The bid date has been moved out to the first part of June, due to a number of addenda to the document.

- b. **Possible Board Action** – *Informational item only; no action required or taken.*

12. GDPUD WATER RATE STUDY – PLANNING AND MANAGEMENT DISCUSSION

- a. **Discussion** – The most recent Water Rate Study/Cost of Services report was completed in 2011. Staff believes the Report should be updated to reflect current conditions and District services and has identified tasks, roles and responsibilities, and a timeline for completing a new Rate Study/Cost of Services report. A discussion paper outlining those details has been included in the agenda packet. Staff is proposing that an outside organization be contracted to complete this task and that a detailed Request for Proposal (RFP) be developed.

GM Wall presented the staff report and recommendation. Dennis Goodenow gave a presentation that summarized the discussion paper that was included in the Board packet. He noted that the presentation was intended to get the Board to start thinking about what it wants to include in a cost of service study.

Director Krizl asked staff to schedule a workshop so the Board can start working on what needs to be included in the RFP for a cost of service study.

- b. **Possible Board Action** – Staff recommends the Board of Directors 1) review the discussion paper and provide comments, concerns, and suggestions to staff for developing an RFP to solicit proposals for a Water Rate Study/Cost of Services report, and 2) schedule a workshop to approve the scope of the RFP.

13. BOARD MEMBER AND STAFF 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.

There were no requests.

14. CLOSED SESSION – *The Board adjourned to closed session at 4:15 PM.*

- A. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9 (one potential case).
- B. CONFERENCE WITH LEGAL COUNSEL – Board to consider the appointment, employment, evaluation of performance, discipline or dismissal of a public employee pursuant to Government Code Section 54957 (b)(1).

The Board returned to open session at 4:30 PM and reported that no action was taken in closed session.

- 15. **NEXT MEETING DATE AND ADJOURNMENT** – The next regular meeting will be June 14, 2016 at 2:00 PM at the Georgetown Divide Public Utility District office.

The meeting adjourned at 4:30 PM.

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 Wendell Wall 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 May 4, 2016.

Signed _____
Wendell B. Wall, General Manager

Date _____

**CONFORMED AGENDA
SPECIAL MEETING
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
6425 MAIN STREET, GEORGETOWN, CALIFORNIA
THURSDAY, APRIL 28, 2016
9:00 A.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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE – *The meeting was called to order at 9:00 AM. Directors present: Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Office Manager Victoria Knoll. Legal Counsel: Barbara Brenner of Churchwell White. Absent: Directors Capraun and Hanschild. (Director Hanschild arrived at 9:11 AM.)*

2. ADOPTION OF AGENDA

A. Board Action

Motion by Director Hoelscher to adopt the agenda; second by Director Uso.

Public Comment: None.

Vote: Motion carries.

Ayes: Hoelscher, Krizl, Uso

Absent: Capraun, Hanschild

3. PUBLIC FORUM – This is a special meeting under Government Code Section 54956. Public comment is limited to items appearing on the agenda. Under Section 54954.3, the public shall have the right to comment on any items appearing on the agenda prior to or during consideration of this item. Public comment on items not appearing on the agenda should be made at the regular meetings of the District.

Steven Proe stated that prior to the meeting he had requested documents relating to the meeting and was told that there were no documents. Director Krizl noted that there is only one item to be discussed in open session and that is an appeal hearing that was requested by a customer and the Board will be listening to an appeal that will be coming before the Board.

Mr. Proe also noted that there is a closed session item that he did not think was an appropriate matter for a closed meeting.

At this point, the Board took a short break to wait for Director Hanschild to appear. Director Hanschild arrived at 9:11 AM.

4. APPEAL HEARING: BRENT STONE ALLOCATION OF IRRIGATION WATER FOR 2016 IRRIGATION SEASON

- A.** Discussion – *Attorney Derek Cole represented Brent Stone. He noted that Director Uso has property that borders Mr. Stone's property and suggested that Director Uso may have a conflict of interest. Some conversation ensued, and Director Uso stated that he would not declare a conflict. He stated for the record that he has no personal feelings one way or the other for Mr. Stone.*

Mr. Cole continued by stating that a packet had been previously provided to the Board and directed the Board's attention to Exhibit 3, correspondence from former Director McLain indicating her understanding that the reinstatement directive that resulted from a closed session in August, 2014, meant restoring three inches of service. Legal Counsel Barbara Brenner objected to utilizing Ms. McLain's violation of confidentiality in this hearing, stating that the correspondence was an ethical violation. Mr. Cole then posited that there was no basis for a closed session at that time. This was refuted by Ms. Brenner. Mr. Cole then referred to Exhibit 10, a letter from the Interim General Manager stating that Mr. Stone's service was reinstated. He then proceeded to review the history of the issue.

Mr. Stone offered to answer any questions from the Board. There were no questions.

Ms. Brenner then continued with the rebuttal. She began with the issue of the prior Board and the closed session item, without debating the validity of the closed session item, or the calendaring of the item. She noted that the communications of prior Board members is a violation of their ethical obligations to keep confidential information confidential. However, since it has been made public, there is no reason to strike it from the record. There has been discussion along these lines of a prior determination, and counsel had been instructed to go back and look at the notes from the closed session item. That has occurred and from staff's (counsel's) perspective, there were particular conditions on that determination. Staff was instructed to go back and investigate further before making a final determination regarding priority and the amount of water to which Mr. Stone is entitled. That is counsel's recollection of the closed session. She then turned to Operations Manager Darrell Creeks for a review of the basic facts as they relate to the decision before the Board.

Mr. Creeks referred to Exhibit 9, Office Manager Diana Sampson's May 30, 2014, email to Mr. Stone indicating staff's belief that this email correspondence is a good representation of the facts.

Ms. Brenner continued, recapping the events that had occurred. Mr. Creeks added that Mr. Stone's service had been terminated for non-payment. Once a service is terminated for non-payment, the customer must reapply for service as a Priority 3.

General Manager Wall pointed out that Exhibit 5 indicate that a riser was installed, and even though Mr. Stone had not made his payment, he was observed by staff on September 10, 2011, taking water as a non-paying customer, clearly a violation of the District's Ordinance.

Mr. Stone was given the opportunity to rebut staff's presentation of distinguishing facts. Mr. Stone related his view of the history of the issue, emphasizing that he had made many attempts over the months and years to resolve the issue.

The Board was given the opportunity to ask questions. Director Uso asked Mr. Stone for an explanation for the non-payment. Mr. Stone contended that he had paid for water for May and June, but had not received water, so he withheld payment in July and August.

Director Hanschild asked when the plug was installed by Mr. Stone's employee to divert water to his property. Mr. Creeks and Mr. Stone said it was installed in September, 2011. Mr. Stone continued that he was billed for September after his water was shut off. Ms. Brenner directed the Board to Exhibit 5, reflecting an adjustment made in April, 2012, for the months of May and June, 2011.

Director Hoelscher stated that there was probably equal responsibility on both sides. Director Uso said that the Board needs to base its decision on District policy and the actions that were taken by all parties involved.

Director Hanschild said that in reviewing the history, the documentation seems lacking.

Director Uso stated that he is looking for a solution that honors the District's legal commitment to everyone and follows District policy.

Director Krizl stated that the District must abide by the ordinances in place, and this is an instance in which an ordinance has been violated. It says very clearly that if you stop payment, you will go back to a Priority 3. The fact that there was tampering of District infrastructure is inexcusable and is a show stopper. The District cannot ignore water theft. This is about whether or not the District abides by its policy. A compromise is already in play, and that is for Mr. Stone to get one inch and the other two customers to each get one inch.

There were no more comments from the Board.

B. Possible Board Action

Motion by Director Hanschild to reject Mr. Stone's appeal; second by Director Uso.

Public Comment: *Mr. Cole spoke on behalf of his client. Sam Rounseville, Steven Proe, Ray Kringel, and Dennis Goodenow made comments.*

Vote: ***Motion carries.***

Ayes: Hanschild, Krizl, Uso

Noes: Hoelscher

Absent: Capraun

5. CLOSED SESSION – *The Board adjourned to closed session at 10:43 AM.*

A. CONFERENCE WITH LEGAL COUNSEL – Board to consider the appointment, employment, evaluation of performance, discipline or dismissal of a public employee pursuant to Government Code Section 54957 (b)(1).

6. ADJOURN TO OPEN SESSION – Announcement of action taken in closed session.

The Board returned to open session at 10:55 A.M. and reported that no action was taken in closed session.

7. NEXT MEETING DATE AND ADJOURNMENT – Next regular meeting May 10, 2016 at 2:00 P.M. at the Georgetown Divide Public Utility District office.

The meeting adjourned at 10:56 A.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 Wendell Wall 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 April 26, 2016.

Signed _____

Date _____

CONFORMED AGENDA

REGULAR MEETING

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

TUESDAY, APRIL 12, 2016
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
 - Insure fiscal responsibility and accountability are observed by balancing immediate and long term needs
-

1. **CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE** – *The meeting was called to order at 2:00 PM. Directors present: Capraun, Hanschild, Hoelscher, Krizl, Uso. Staff present: General Manager Wendell Wall, Operations Manager Darrell Creeks, Office Manager Victoria Knoll. Legal Counsel: Barbara Brenner of Churchwell White.*

2. **ADOPTION OF AGENDA AND APPROVAL OF CONSENT CALENDAR** – These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.

Item No. 15 – Approve FY 2014-15 Audit is time specific, because the Auditor will be participating via phone conference. **The time set for this item is 3:40 PM.** It will be taken up at the conclusion of the item under consideration just prior to that time.

A. Board action to adopt Agenda and approve Consent Calendar.

Motion by Director Uso to adopt the Agenda and to remove Items 4C Consideration of Irrigation Requests and 4E Financial Reports from the Consent calendar and approve the remaining items and to hear Item 4C after returning from Closed Session (Item 18); second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

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.

Paul Dohms of Greenwood gave kudos to Nathan for his professional manner in recently carrying out some critical ditch repairs.

4. **CONSENT CALENDAR** – These items are expected to be routine and non-controversial. Action by the Board will be taken at one time without discussion. A Board member may request an item be removed from the Consent Calendar for discussion and possible action. Any member of the public may ask to address an item on the Consent Calendar prior to Board action.

ACTION:

A. APPROVE MINUTES

- 1) Regular Meeting of March 8, 2016
- 2) Special Meeting of March 22, 2016.

This item was approved on the consent calendar.

B. DECLARATION OF PROJECTED WATER YEAR

This item was approved on the consent calendar.

C. CONSIDERATION OF IRRIGATION APPLICATIONS – *This item was heard after Item 18.*

- a. **Discussion** – Irrigation Applications are part of an annual process by which existing irrigation service accounts renew or modify their contracts with the District.
- b. **Possible Board Action** – Staff recommends the Board 1) approve all applications to reduce a contract amount that are consistent with Ordinance 2005-01; 2) approve all P1, P2, and P3 service accounts; and 3) deny all P2 and P3 requests that result in an increase flow for a specific route or are inconsistent with Ordinance 2005-01.

Motion by Director Uso to adopt staff recommendations; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hoelscher, Krizl, Uso

Absent: Hanschild

D. RESOLUTION 2016-07 – GEORGETOWN KIDS FISHING DERBY

This item was approved on the consent calendar.

RECEIVE AND FILE:

E. FINANCIAL REPORTS

- 1) Accounts Payable for April 2016, and Disbursements for March 2016
- 2) Revenue and Expense Summary for February 2016
- 3) Balance Sheet for February 2016
- 4) Cash and Investment Reports for February 2016
- 5) ALT Zone and CDS Summary for February 2016

Office Manager Victoria Knoll presented the Financial Reports. There was some discussion.

Motion by Director Uso to approve the Financial Reports; second by Director Hanschild.

Public Comment: None.

Vote: Motion carries.

Ayes: Hanschild, Hoelscher, Krizl, Uso

Noes: Capraun

5. PRESIDENT'S REPORT – *There was nothing to report.*

6. BOARD REPORTS – *There was nothing to report.*

7. OPERATIONS MANAGER'S REPORT – *Operations Manager Darrell Creeks reported on the District's water use for the previous month. The District achieved a 15% reduction over the same period in 2013. Staff attended the Rural Communities Coalition meeting in Garden Valley on March 24 and shared information regarding the lifting of the moratorium, the new Ordinances, regarding 1" meters and second meters, and the new ALT plant.*

8. GENERAL MANAGER'S REPORT – *GM Wall presented the General Manager's Report noting the following:*

In March, an analysis of customer water usage patterns was conducted. Treated water usage by all GDPUD metered customers for the past five years was reviewed. Analysis findings have been incorporated into an action plan that was reviewed on March 31, 2016. Divide residents are doing a great job overall. Many residents have already adopted conservation measures and have achieved results that far exceed targets. The current water conservation program outreach plan is directed at approximately 11% of the GDPUD customer base that consumes approximately 33% of non-winter treated water production (March through October). Initial outreach is targeted for April. Program results will be reviewed and adjusted with each meter reading period.

The 2016 CA-NV-WWA Spring Conference was held at the Sacramento Convention Center March 21 through 24. The theme of the Conference was "Building a Sustainable Future."

The District is currently under contract with the consulting firm of EN2 to perform the environmental permitting and design. Staff has conducted a field review of the various work areas with the Consultant. During the month of April, staff will begin with the collection of the field data needed for the design. The next report to the Nevada Irrigation District will be made at the end of April.

The District received its applications for cost sharing opportunities with El Dorado County Water Agency. The Agency will share 50% of the cost on approved projects. Staff will be submitting applications for projects within the next couple of weeks.

Staff is working on the District's Spring Newsletter which will be issued in May.

On March 1, 2016, Director Uso and GM Wall met with El Dorado County Water Agency Interim General Manager Ken Payne and County Supervisor Michael Ranalli to discuss the Quintette Service Corporation ("QSC") vision of a consolidation between Quintette Service Corporation and GDPUD under SB 88. There was a discussion regarding the possibility of the District recommending that QSC engage a consultant to provide them with a Water Supply Reliability Study that would explore options of alternative water sources and associated costs, and would also provide an assessment of QSC's current water system. The El Dorado County Water Agency could assist with managing the study, and the District could provide the consultant with some data that might be requested. The other conversation pertained to SB 88 requirements under which QSC would have to fund the cost of a Municipal Service Review for its system. Currently the SB 88 targeted area is in Tulare County where consolidation planning is taking place. The District plans to send a letter to the QSC with staff's recommendation.

9. FINANCE COMMITTEE REPORT – *The Finance Committee did not meet in last month, but the members attended the Budget Workshop; at the next meeting they will be discussing the Operations Budget and Capital Budget.*

10. RESOLUTION 2016-08 – ADOPTION OF ALT WTP PROJECT IS/MND AND MMRP

a. Discussion – *The Auburn Lake Trails Water Treatment Plant Project proposed to construct a series of upgrades and new improvements to the existing plant. As an element of the CEQA process, the District is the designated lead agency and has evaluated the potential environmental effects of the upgrades and improvements,*

*Engineering Consultant George Sanders presented the staff report and resolution. Under the California Environmental Quality Act (CEQA), GDPUD has been designated as the lead agency. That is why this action is before the Board. **Resolution 2016-08** adopts the Auburn Lake Trails Water Treatment Plant Project Initial Study/Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program. Barring any challenges, this ends the CEQA process; the next resolution will approve the project.*

b. Possible Board Action – *Staff recommends the Board of Directors adopt **Resolution 2016-08** adopting the Project IS/MND and the MMRP.*

Motion by Director Uso to adopt Resolution 2016-08; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

11. RESOLUTION 2016-09 – APPROVAL OF ALT WTP PROJECT CONTINGENT ON COMPLIANCE WITH MMRP

- a. Discussion** – The Auburn Lake Trails Water Treatment Plant Project proposed to construct a series of upgrades and new improvements to the existing plant. Adoption of **Resolution 2016-09** will approve the project upgrades and improvements discussed in Item 10, above, contingent on compliance with the MMRP.

Engineering Consultant George Sanders presented the staff report and resolution. The adoption of this resolution would approve the Auburn Lake Trails Water Treatment Plant Project and make a formal commitment to implement the IS/MND and MMRP.

- b. Possible Board Action** – Staff recommends the Board of Directors adopt **Resolution 2016-09** approving the Project contingent on compliance with the MMRP.

Motion by Director Uso to adopt Resolution 2016-09; second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

12. PILOT HILL SOUTH ASSESSMENT DISTRICT CLOSEOUT

- a. Discussion** – The debt for the Pilot Hill South Assessment District was paid in full in June 2015. There is a residual held in GDPUD's cash accounts of \$46,915.26. NBS, the administrator of the District assessment, has provided a quote for providing closeout and apportionment services for Assessment District Number 1989-3 (Pilot Hill).

Office Manager Knoll presented the staff report and recommendation.

- b. Possible Board Action** – Staff recommends the Board authorize NBS to provide closeout and apportionment services for Assessment District No. 1989-3 (Pilot Hill South).

Motion by Director Capraun to authorize NBS to provide closeout and apportionment services for Assessment District No. 1989-3 (Pilot Hill); second by Director Hoelscher.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

13. ADMINISTRATIVE AIDE I POSITION – CONVERSION OF TEMPORARY POSITION

- a. **Discussion** – GDPUD currently has a contractor who functions as an Administrative Assistant. This position has fulfilled the need for a receptionist, accounting clerk, and administrative aide for the past four years. With turnover every six months, the normal, routine tasks are disrupted each time a new, temporary person is brought in. In addition to budgetary savings, the District will receive a range of intangible benefits that will have a positive impact on public services.

Office Manager Knoll presented the staff report and recommendation.

- b. **Possible Board Action** – Staff recommends the Board approve the creation of a permanent, full-time Administrative Aide I position to perform the Office Assistant duties currently being performed through temporary labor.

Motion by Director Uso to approve the creation of a permanent, full-time Administrative Aide I position to perform the Office Assistant duties currently being performed through temporary labor; second by Director Hanschild.

Directors Hoelscher and Capraun spoke in opposition to the motion. Director Uso spoke in favor of the motion.

Public Comment: Paul Dohms asked if the position would be publicly advertised. He was assured that it would be advertised

Vote: Motion carries.

Ayes: Hanschild, Krizl, Uso

Noes: Capraun, Hoelscher

14. ORDINANCE 2016-01 – SECOND READING

- A. **Discussion** – This is the second reading of **Ordinance 2016-01** amending Article 5 of Ordinance 07-01 to allow a connection fee waiver under certain, specified conditions. In response to a State requirement that one- or two-family dwellings and townhouses be equipped with residential automatic fire sprinkler systems, the Ordinance waives the additional charge for upgrading a 5/8-3/4-inch connection to a 1-inch connection when the upgrade is required to meet the needs of a residential automatic fire sprinkler system.

Engineering Consultant Sanders presented the staff report and recommendation.

Motion by Director Hoelscher to waive reading the full text of the Ordinance and read a summary instead; second by Director Uso.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

Mr. Sanders read a summary of the Ordinance.

- B. Possible Board Action** – Staff recommends the Board of Directors adopt **Ordinance 2016-01** adding a Connection Fee for Residential Fire Sprinkler.

Motion by Director Capraun to adopt Ordinance 2016-01 adding a Connection Fee for Residential Fire Sprinkler; second by Director Uso.

Public Comment: None.

Vote: Motion carries.

Ayes: Capraun, Hanschild, Hoelscher, Krizl, Uso

15. APPROVE FY 2014-15 AUDIT – This is a time certain item, scheduled for 3:40 PM.

- a. Discussion** – Moss, Levy & Hartzheim provided the independent external audit of the District. The FY 2014-15 Draft audited financials were reviewed by the Audit Committee on March 15, 2016, after being submitted to the Directors on March 2. The Auditor’s report is submitted to the Board for approval.

Derek Rampone of Moss, Levy & Hartzheim participated via telephone conference.

Director Capraun protested that the audit was not included in the agenda packet and that it would be inappropriate for the Board to approve the audit when all the documentation was not available for review.

- b. Possible Board Action** – Staff recommends the Board approve the Annual Audit Report for the Fiscal Year 2014-15.

Motion by Director Uso to approve the FY 2014-15 annual audit; second by Director Hanschild.

Director Krizl stated that it would be preferable to have all the documents before approving them.

Director Hanschild withdrew his second.

The motion died for lack of a second.

16. ALT TREATMENT UPDATE

- a. Discussion** – Recap and extension of prior month report on progress towards plant replacement.

Engineering Consultant George Sanders presented the staff report. The project has been advertised for bid – the Notice to Bidders has been published. Questions are already coming in from interested contractors. A pre-bid meeting is scheduled for April 28. Bids are due on May 18. Staff will soon be requesting proposals for construction management. The Board will award the contract for construction management; it will not be a staff decision. The construction schedule

will probably be adjusted based on timing of the Water Board loan and addenda to the bid document.

b. Possible Board Action – *Informational item only; no action required or taken.*

17. BOARD MEMBER AND STAFF 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 Capraun noted that she will be participating in the May 10 Board meeting via teleconference from Utah.

GM Wall noted that some Board members as well as staff will be attending the ACWA Spring Conference in Monterey from May 3-6.

Director Uso stated that the District needs to do the Cost of Service Study as soon as possible.

18. CLOSED SESSION – *The Board adjourned to closed session at 4:35 PM.*

A. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Government Code Section 54956.9 (one potential case).

The Board adjourned to open session at 5:43 PM, at which time Director Hoelscher left the meeting. Upon returning to open session, the Board's legal counsel announced that the District had received an appeal request from a customer, Brent Stone, by his counsel Derek Cole, and that the Board would set a date for the appeal hearing through Mr. Cole. President Krizl noted that there is one remaining item to be heard in open session, Item 4C Consideration of Irrigation Applications as well as Item 17 Board Member and Staff Comments.

19. NEXT MEETING DATE AND ADJOURNMENT – The next regular meeting will be May 10, 2016 at 2:00 PM at the Georgetown Divide Public Utility District office.

The meeting adjourned at 5:47 PM.

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 Wendell Wall 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 April 8, 2016.

Signed _____

Date _____

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: June 8, 2016

Re: **PUBLIC HEARING – PROPOSITION 4, APPROPRIATION LIMIT –
RESOLUTION 2016-12**

Board Meeting of June 14, 2016; Agenda Item #05B

BACKGROUND / DISCUSSION

As required by law, local governments must hold a public hearing to establish the appropriations limit for the upcoming fiscal year. Today's hearing provides the opportunity for the public to comment. This hearing was noticed in the Georgetown Gazette on May 26. A copy of the Proof of Publication is included with this report as **ATTACHMENT A**.

In November of 1979, the voters of the State of California approved Proposition 4, more commonly known as the (Paul) Gann Initiative. The proposition places limits on the amount of tax revenue that can be spent by all entities of government. The District is a local government and therefore must comply with the proposition. The proposition became effective for the 1980-81 fiscal year, but the formula for calculating the limits began with the 1978-79 "base year" tax revenues. Since that time, the District has been setting a public hearing annually to establish its appropriation limit (maximum general tax revenue that can be spent), which is derived from information received from the State Department of Finance during May. The change factor is based on the per capita personal income change for the year and population change for unincorporated areas of El Dorado County.

The District is in compliance as the limit for FY 2016-17 is calculated to be \$2,407,811. The estimated general tax revenue for FY 2016-17 is expected to be approximately \$1,460,000 which is considerably less than the limit.

A copy of **Resolution 2016-12** is included as **ATTACHMENT B**.

RECOMMENDATION

Staff recommends conducting the public hearing and adopting **Resolution 2016-12** setting the Proposition 4 Appropriation Limit for the District.

HISTORY OF PROPOSITION 4 APPROPRIATION LIMIT

	Fiscal Year Revenue	Cost of Living Per Capita Personal Income times	Population Increase	Increase = Factor	Maximum Tax
	78-79	Base Year			\$ 159,282
	79-80			1.2564	200,122
	80-81			1.2627	252,694
	81-82			1.2107	305,936
	82-83			1.1436	349,868
	83-84			1.0644	372,399
	84-85			1.0712	398,913
	85-86			1.0877	433,897
	86-87			1.0832	469,997
	87-88			1.0854	510,134
	88-89			1.0654	543,496
	89-90			1.1258	611,867
	90-91			1.1196	685,046
	91-92			1.1088	759,579
	92-93			1.0405	790,342*
	93-94			1.0671	843,373
	94-95			1.0327	870,951
	95-96			1.0741	935,489
	96-97			1.0641	995,454
	97-98	1.0467	x 0.9855 =	1.0315	1,026,810
	98-99	1.0415	x 1.0285 =	1.0712	1,099,919
	99-00	1.0460	x 1.0166 =	1.0634	1,169,653
	00-01	1.0491	x 1.0143 =	1.0641	1,244,627
	01-02	1.0782	x 1.0179 =	1.0975	1,365,978
	02-03	0.9873	x 1.0154 =	1.0025	1,369,393**
	03-04	1.0231	x 1.0193 =	1.0428	1,428,003
	04-05	1.0328	x 1.0194 =	1.0528	1,503,402
	05-06	1.0526	x 1.0203 =	1.0740	1,614,654
	06-07	1.0396	x 1.0211 =	1.0615	1,713,955
	07-08	1.0442	x 1.0136 =	1.0584	1,814,050
	08-09	1.0429	x 1.0120 =	1.0554	1,914,548
	09-10	1.0062	x 1.0085 =	1.0148	1,942,883
	10-11	0.9746	x 1.0080 =	0.9824	1,908,682
	11-12	1.0103	x 1.0251 =	1.0357	1,976,822
	12-13	1.0377	x 1.0010 =	1.0387	2,053,325
	13-14	1.0512	x 1.0035 =	1.0549	2,166,053
	14-15	0.9977	x 1.0021 =	0.9998	2,166,053
	15-16	1.0382	x 1.0093 =	1.0479	2,269,807
	16-17	1.0537	x 1.0067 =	1.0608	2,407,811

*corrected 06/01/1993

**corrected 06/01/2003

The Proposition 4 Appropriation Limit was implemented to limit the growth of governments by a cap on the amount of property taxes that can be spent on an annual basis. As the anticipated amount of property taxes to be received by the District in FY 2016-17 is far less than the calculated cap above, the District is in compliance with the limit.



PROOF OF PUBLICATION
(2015.5 C.C.P.)

STATE OF CALIFORNIA
County of El Dorado

I am a citizen of the United States and a resident of the County aforesaid; I'm over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am a principal agent of and/or the publisher of the El Dorado Gazette, Georgetown Gazette & Town Crier, a newspaper of general circulation printed and published once each week in the town of Georgetown, Ponderosa Judicial District, County of El Dorado, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court to the County of El Dorado, State of California, under the date of April 3, 1970, Case Number 18589; that the notice, of which the attached is a printed copy (set in type no smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

05/26

All in the year 2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Placerville, California, this 26th day of **MAY, 2016**

Signature

**Proof of Publication of:
NOTICE OF PUBLIC HEARING**

NOTICE OF PUBLIC HEARING
NOTICE IS HEREBY GIVEN that a public hearing will be held on the 14th Day of June, 2016 from 2:00 pm to 4:00 pm in the Board Room of Georgetown Divide Public Utility District at 6425 Main Street, Georgetown, CA 95627. The purpose of the hearing is to establish, by resolution, the appropriation funds for the 2016-17 fiscal year for Georgetown Divide Public Utility District as described in Article XIII B of the State Constitution. The proposed appropriation funds are \$2,407,811. At said hearing the Georgetown Divide Public Utility District will consider all comments by interested persons.
Date: _____
Clerk of the Board
Board of Directors of
Georgetown Divide Public Utility District
5/26 000281

ATTACHMENT B

**RESOLUTION NO. 2016-12
OF THE BOARD OF DIRECTORS OF
THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
SETTING THE FISCAL YEAR 2016-17 PROPOSITION 4
APPROPRIATIONS LIMITATION**

WHEREAS, the Board of Directors of GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT conducted a hearing on the appropriations limitation for GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT on the 14th day of June, 2016; and

WHEREAS, the hearing was advertised and noticed as required by law; and

WHEREAS, the Board received testimony and other evidence regarding the appropriations limitation to be established for the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT,

NOW, THEREFORE, be it resolved by the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY that:

The GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT appropriations limit for the 2016-17 Fiscal Year, as described in Article XIII B of the State Constitution and implemented by Chapter 1205, Statutes of 1980 is the sum of \$2,407,811 computed as follows:

$$\frac{\$2,269,807}{(2015-16 \text{ Approp. Limit})} (X) 1.0608 = \frac{\$2,407,811}{(2016-17 \text{ Approp. Limit})}$$

PASSED AND ADOPTED at a regularly held meeting of the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT this 14th day of June, 2016.

AYES:

NOES:

ABSENT/ABSTAIN:

Norman A. Krizl, President
Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTEST:

Wendell B. Wall, Clerk and ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTACHMENT B

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of **Resolution 2016-12** duly and regularly adopted by the Board of Directors of THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT, County of El Dorado, State of California, on the 14th day of June 2016.

Wendell B. Wall, Clerk and ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: June 6, 2016

Re: **PROFESSIONAL SERVICES AGREEMENT WITH GEORGE SANDERS –
EXTEND TERM**

Board Meeting of June 14, 2016; Agenda Item #05C

BACKGROUND/DISCUSSION

The District is currently under contract, through a Professional Services Agreement, with George W. Sanders, Civil Engineering Services (“Consultant”). Consultant’s work activities under this agreement focus on, but are not limited to, project related activities associated with the Auburn Lake Trails Water Treatment Plant Project (“ALT”) and the Cosumnes American Bear Yuba Integrated Regional Water Management Plan (“CABY”) grant. Work activities on ALT and CABY will be on-going through the next 2016-2017 Fiscal Year.

The subject contract agreement is for a term, commencing on September 8, 2015 and ending on June 30, 2016. Under Amendment No. 1, the term would be extended for one year, beginning on July 1, 2016 and ending on June 30, 2017.

Consultant receives compensation under a CalPERS retirement. A condition of that retirement is that the retiree not work more than 960 hours (1/2 time) during a fiscal year (July 1 through June 30). Also under Amendment No. 1, Consultant agrees to compensation at the rate of \$80.00 per hour, the same rate as prior to the amendment, for a total number of hours not to exceed 960, beginning July 1, 2016 and ending June 30, 2016.

Amendment No. 1 is included with this report as **ATTACHMENT A**. A copy of the current Professional Services Agreement is included for reference as **ATTACHMENT B**.

RECOMMENDATION

Staff recommends the Board of Directors approve Amendment No. 1 to Professional Services Agreement with George W. Sanders, Civil Engineering Services, extending the term by one year and increasing the total compensation accordingly.

ATTACHMENT A

AMENDMENT NUMBER 1
GEORGETOWN DIVIDE PUBLIC UTILITIES DISTRICT
PROFESSIONAL SERVICES AGREEMENT
(Effective Date of July 1, 2016)
With
George W. Sanders, Civil Engineer
For
PROFESSIONAL ENGINEERING SERVICES

This **AMENDMENT NUMBER 1** is limited to two sections of the Agreement. Those effected sections are **SECTION 3 – TERM** and **SECTION 4 – COMPENSATION**.

Under this action, **SECTION 3 – TERM** is hereby amended to read as follows:

GEORGETWON DIVIDE PUBIC UTILITY DISTRICE (“District”) and GEORGE W. SANDERS, CIVIL ENGINEER (“Consultant”) agree that the term of this Professional Services Agreement (“Contract”) shall be extended for one additional year. Under the current Contract the (“Term”) begins on September 8, 2015 and ends on June 30, 2016. Under this amendment the “Term” will be extended from July 1, 2016 through June 30, 2017. Consultant shall not exceed Nine Hundred Sixty (960) working hours for the District during the CalPERS fiscal year from July 1, 2016 through June 30, 2017.

Under this action, **SECTION 4 – COMPENSATION** is hereby amended to read as follows:

District and Consultant agree that the total compensation shall be increased to match the extended “Term”. District agrees to pay and Consultant agrees to accept on a time and materials basis an additional amount not to exceed \$76,800, for completion of the Services identified in the Scope of Work (Section 2). The Services shall be compensated at the same rate as prior to this amendment at \$80.00 per hour plus mileage at \$0.56/mile or the Federal rate.

This concludes the changes under this AMENDMENT.

IN WITNESS WHEREOF, the Parties hereto have executed and entered into this AMENDMENT 1 the day and year identified below.

District:

Consultant:

By: _____
Wendell B. Wall M.P.A., General Manager

By: _____
George W. Sanders, Civil Engineer

Date: _____

Date: _____

By: _____
Norman A. Krizl, President

Date: _____

ATTACHMENT B
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
PROFESSIONAL SERVICES AGREEMENT

With

George W. Sanders, Civil Engineer

For

PROFESSIONAL ENGINEERING SERVICES

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement"), made and entered into this 8day of September, 2015 ("Effective Date") by and between GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT ("District") and George W. Sanders, Civil Engineer, ("Consultant"). District and Consultant may each be referred to individually as "Party" or collectively as "Parties" in this Agreement. There are no other parties to this Agreement.

RECITALS

A. District seeks to hire an independent contractor to assist the District in a variety of civil engineering design and construction needs. Consultant's work activities, under this Agreement, will focus on, but not be limited to, project related activities associated with the Auburn Lake Trails Water Treatment Plant Project ("ALT Treatment Plant") and the Cosumnes American Bear Yuba Integrated Regional Water Management Plan grant ("CABY Grant") (collectively, "Services"); and

B. Consultant represents that he is duly licensed as a Civil Engineer, in the State of California, with experience in the design and construction fields; and

C. Consultant previously worked for District in a number of positions including Interim General Manager, and that previous work in addition to Consultants other work experience provides Consultant with the skills and knowledge necessary to do the required work; and

D. District shall retain Consultant's Services subject to the restrictions set forth in this Agreement and those established under Government Code section 7522.56, providing guidelines for retired annuitants to continue working for a California Public Employees' Retirement System ("CalPERS") contracting agency such as the District.

ATTACHMENT B

NOW THEREFORE, District and Consultant, for the consideration hereinafter set forth, agree as follows:

SECTION 1- RECITALS

The recitals set forth above ("Recitals") are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 18 of this Agreement, Sections 1 through 18 shall prevail.

SECTION 2 - SCOPE OF WORK

Consultant agrees to provide the Services, as directed by the General Manager, relating to as needed engineering design and construction activities.

SECTION 3 - TERM

District and Consultant agree that this contract shall be in effect for a one-year period beginning September 8, 2015 and ending June 30, 2016 ("Term"). Consultant shall not exceed Nine Hundred Sixty (960) working hours for the District during the CalPERS fiscal year of July 1, 2015 through June 30, 2016.

SECTION 4 - COMPENSATION

A. District agrees to pay and Consultant agrees to accept on a time and materials basis an amount not to exceed \$75,000, for completion of the Services identified in the Scope of Work (Section 2). The Services shall be compensated at a rate of \$80.00 per hour plus mileage at \$0.56/mile or the Federal rate. The total amount is not to exceed \$75,000 unless amended by both parties in writing.

B. The Consultant shall submit billing invoices to the District identifying number of hours and the specific services provided.

C. The granting of any payment by District, or the receipt thereof by Consultant, or any inspection, review, approval or oral statement by any representative of District, or State certification, shall not, in any way, waive, limit, or replace any certification or approval procedures normally required or lessen the liability of Consultant to re-perform or replace unsatisfactory Service, including but not limited to cases where the unsatisfactory character of such Service may not have been apparent or detected at the time of such payment, inspection, review or approval.

D. Nothing in this Agreement shall constitute a waiver or limitation of any right or remedy, whether in equity or at law, which District may have pursuant to this

ATTACHMENT B

Agreement or any applicable law. All rights and remedies of District, whether under this Agreement or applicable law, shall be cumulative.

SECTION 5 - TERMINATION OF CONTRACT

Either Party may terminate this Agreement or any part thereof at any time upon ten (10) days written notice to the Consultant. In the event of any such termination, the Consultant is to be fairly compensated for all work performed to the date of termination, and the District shall be entitled to all work performed.

If the District fails to pay the Consultant within sixty (60) days of the date provided for any payments hereunder, the District agrees that the Consultant shall have the right to consider such default a breach of this Agreement, and Consultant may terminate its duties under this Agreement upon ten (10) days written notice.

SECTION 6 - NOTICE OF DETRIMENTAL INFORMATION

The Consultant shall promptly notify the District of the discovery of any information that could be detrimental to the successful completion of the Services. The Consultant shall provide in writing to the District said detrimental information within 24 hours of the time of discovery. The District shall then promptly review such detrimental information and notify the Consultant to proceed with or terminate the remainder of the Services to be performed.

SECTION 7 - MISCELLANEOUS PROVISIONS

A. Consulting Standard: The Consultant represents and warrants to the District that it is fully experienced and properly qualified to perform Services called for herein. Consultant further agrees that he/she will follow the current, prevailing, generally accepted practice of the consulting profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the Services rendered under this Agreement.

B. Consultant is Independent Contractor: The Consultant shall finance its own operations hereunder, with the exception of District provided office space, shall operate as an independent contractor and not as an agent or employee of the District, and nothing in this Agreement shall be construed to be inconsistent with this relationship or status. The District shall provide the Consultant with office space, located within the District office, located at 6425 Wentworth Springs Road, Georgetown, CA 95634, dedicated for the sole purpose of conducting District business.

C. Consultant's Records: The Consultant shall maintain and make available for inspection by the District and its auditors accurate records of its costs,

ATTACHMENT B

disbursements, and receipts with respect to any Services under this Agreement that is to be compensated for on the basis of the Consultant's costs. Such inspections may be made during regular office hours at any time until six (6) months after the final payment under this Agreement is made to the Consultant.

D. Ownership of Data and Reports: All reports and all data compiled and used in the performance of this Agreement shall be the property of the District.

E. Responsibility for Changes in Work: If the District makes any changes in the work performed by the Consultant hereunder which affect the Consultant's Services, District shall waive any and all liability arising out of such changes as against the Consultant, and the District shall assume full responsibility for such changes, unless the District has given the Consultant prior notice and has received from the Consultant written consent for such changes.

F. Arbitration: All questions between the Parties as to their rights and obligations under this Agreement are subject to arbitration if agreed to by both Parties. In case of any dispute, either Party may request arbitration by submitting a written request for arbitration to the other Party. If the other Party agrees to arbitration, the disputed matter shall be referred to and decided by two competent persons who are experts in the subject matter of the dispute, one to be selected by the District and the other by the Consultant. In case these two experts cannot agree, they shall select a third arbitrator and the decision of any two of them shall be binding on both Parties.

G. Assignment: This contract shall be binding upon the heirs, successors, executors, administrators and assigns of the Parties; however, no assignment or subcontract by one Party shall be valid without the prior written consent of the other Party.

H. Invalidity of Contract Provisions: Should any provision of this contract be found or deemed to be invalid, this Agreement shall be construed as not containing such provision, and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end, the provisions of this contract are declared to be severable.

I. Place of Making and Performance of Contract: This contract shall be deemed to have been made in El Dorado County, California and the Services required to be performed in El Dorado County, California.

J. Financial Disclosure: The Consultant shall make all disclosures required by the District's conflict of interest code in accordance with the Consultant category designated by the District, unless the District's General Manager determines in writing that the Consultant's duties are more limited in scope than is warranted by the

ATTACHMENT B

Consultant category and that a narrower disclosure category should apply. The Consultant also agrees to make disclosure in compliance with the District's conflict of interest code if, at any time after the execution of this Agreement, Consultant's duties under this Agreement warrant greater disclosure by the Consultant than was originally contemplated. The Consultant shall make disclosures in the time, place and manner set forth in the District's conflict of interest code and as directed by the District.

K. Retired Annuitant Requirements: By signing this Agreement, Consultant certifies that there has been a One Hundred Eighty (180) gap day between the date of retirement and the Effective Date. Consultant also certifies that he/she has not received any unemployment insurance payment from any public employer within the twelve (12) months prior to the Effective Date of this Agreement.

SECTION 8 - CONFORMITY WITH LAW AND SAFETY

Consultant shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies having jurisdiction over any or all of the scope of Services, including all provisions of the Occupational Safety and Health Act of 1979 as amended, all California Occupational Safety and Health Regulations, the California Building Code, the American with Disabilities Act, any copyright, patent or trademark law and all other applicable federal, state, municipal and local safety regulations, appropriate trade association safety standards, and appropriate equipment manufacturer instructions. All Services performed by Consultant must be in accordance with these laws, ordinances, codes and regulations. Consultant's failure to comply with any laws, ordinances, codes or regulations applicable to the performance of the Services hereunder may constitute a breach of contract. Should the District discover a violation of any of the applicable laws, ordinances, codes or regulations referred to herein, the District shall give written notice of such violation to Consultant, and Consultant shall have a reasonable time to cure such violation. In cases where standards conflict, the standard providing the highest degree of protection shall prevail.

If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, Consultant shall immediately notify the District's General Manager by telephone. If any accident occurs in connection with this Agreement, Consultant shall promptly submit a written report to District, in such form as the District may require. This report shall include the following information: (a) name and address of the injured or deceased person(s); (b) name and address of Consultant's subcontractor, if any; (c) name and address of Consultant's liability insurance carrier; and (d) a detailed description of the accident, including whether any of District's equipment, tools or materials were involved.

ATTACHMENT B

SECTION 9 - INDEMNIFICATION BY CONSULTANT

Consultant agrees to indemnify the District and its elected and appointed councils, boards, commissions, officers, agents, employees, and representatives from any and all claims, costs, and liability for claims of damage, for any property damage or personal injury, including death, which may arise as a result of any negligent or grossly negligent acts or omissions by Consultant or Consultant's contractors, subcontractors, agents, or employees in connection with the Agreement.

SECTION 10 - NOTICES

Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service, addressed to the parties as follows:

To District: Wendell B. Wall M.P.A.
General Manager
GDPUD
P.O. Box 4240
6425 Main Street
Georgetown, CA 95634

With a courtesy copy to: Barbara A. Brenner, Esq.
Churchwell White LLP
1414 K Street, 3rd Floor
Sacramento, CA 95814

To Consultant: George W. Sanders
Civil Engineer
P.O. Box 1937
Placerville, CA 95667

Nothing hereinabove shall prevent either District or Consultant from personally delivering any such notices to the other.

SECTION 11 - JURISDICTION

Except as otherwise specifically provided, this Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in California. In the event of a dispute, venue in any court action shall be the County of El Dorado.

ATTACHMENT B

SECTION 12 - INTEGRATION

This agreement, together with its specific references, attachments and exhibits constitutes the entire Agreement of District and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both Parties.

SECTION 13 - NON-DISCRIMINATION

In connection with the performance of Consultant pursuant to this Agreement, Consultant will not willfully discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, sex, age, disability, genetic information, marital status, amnesty, ancestry, national origin, or status as a covered veteran in accordance with applicable federal or state statutes. Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, sex, age, disability, genetic information, marital status, amnesty, ancestry, national origin, or status as a covered veteran. Such action shall include, but not be limited to, the following: employment, upgrading or promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

SECTION 14 - WAIVER

No covenant, term, or condition or the breach thereof shall be deemed waived, except by written consent of the Party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other covenant, term, or condition.

SECTION 15 - AUTHORITY

All Parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement and the names, titles, and capacities herein stated on behalf of any entities, persons, states, or firms represented or purported to be represented by such entities, persons, states or firms and that all former requirements necessary or required by the state or federal law in order to enter into the Agreement have been fully complied with. Further, by entering into this Agreement, either Party hereto shall have breached the terms or conditions of any other contract or agreement to which such Party is obligated, which such breach would have a material effect hereon.

ATTACHMENT B

SECTION 16 - DRAFTING AND AMBIGUITIES

Each Party acknowledges that it has reviewed this Agreement with its own legal counsel, and based upon the advice of that counsel, freely entered into this Agreement. Each Party has participated fully in the review and revision of this Agreement. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

SECTION 17 - COUNTERPARTS

This Agreement may be executed simultaneously and in several counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

SECTION 18 - ATTORNEY'S FEES AND COSTS

If any action at law or in equity, including action for declaratory relief, is brought to enforce or interpret provisions of this Agreement, the prevailing Party shall be entitled to reasonable attorney's fees and costs, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which such Party may be entitled.

IN WITNESS WHEREOF, the Parties hereto have executed and entered into this Agreement the day and year first above written.

District:

Consultant:

By: Wendell B. Wall
Wendell B. Wall M.P.A
General Manager

By: George W. Sanders
George W. Sanders
Civil Engineer

Date: 9-10-2015

Date: 9/9/2015

By: Norm Krizl
Norm Krizl
President

Date: 9-14-2015

**AGENDA ITEM 6
FINANCIAL REPORTS**

TO COME

**(With the exception of Accounts Payable for
June 2016, which is included)**

GDPUD
PO BOX 4240
Georgetown, CA 95634
(530) 333 4356
Fax: (530) 333-9442

Memo

To: Board of Directors
From: Sarah Wright, Administrative Aide
Date: May 24, 2016
Re: June Early Pays

Please take note that checks have been printed May 24, 2016 for the following vendors to comply with payment/ mailing deadline.

ADT Security	MJT Enterprises	Wienhoff & Associates
American Messaging	Mobile Mini	
Anderson Sierra Pipe Co	Mountain Democrat	
ARC	Mountain Counties WRA	
AT&T	National Documents	
Blue Shield of CA	PG&E	
Caltronics Business Systems	Premier Access Insurance	
Churchwell White	Pro Cleaners	
Delage	Psomas	
Diamond Well Drilling	Riebes	
Placerville Auto Parts	River City Rentals	
Ecorp	Robinsons Enterprises	
EN2	Sierra Safety	
Ferguson Enterprises	Target Safety Products	
Georgetown Ace Hardware	Teichert & Son, Inc	
Georgetown Gazette	United Healthcare	
Georgetown Pre Cast	USA Bluebook	
Golden State Flow Measure	U S Bank	
Legalshield	Walkers Office Supply	
Medical Eye Services	Wells Fargo Bank	

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
Accounts Payable -- June 2016 Early Pay

Name Description	Amount	Account	Amount
ADT - Monthly service cost	\$ 178.64	10-1156-014	\$ 178.64
American Messaging - Pager charges	\$ 39.91	5344	\$ 39.91
Anderson's Sierra Pipe	\$ 613.37	5238	\$ 613.37
ARC	\$ 88.85	10-1553	\$ 88.85
AT&T- Monthly Serv	\$ 780.10	5344	\$ 104.39
		5544	\$ 132.71
		5644	\$ 275.11
		6744	\$ 132.69
		30-1226	\$ 135.20
Caltronics-Copier contract-copy charges	\$ 406.82	5640	\$ 406.82
Churchwell White	\$ 21,832.10	5636	\$ 11,312.50
		5236	\$ 3,970.00
		10-1553	\$ 6,294.20
		6736	\$ 255.40
De Lage - Copier lease 04/01/-5/31/16	\$ 617.44	5640	\$ 617.44
Diamond Well Drilling	\$ 440.00	5384	\$ 80.00
		5484	\$ 360.00
Divide Auto Parts	\$ 127.60	5246	\$ 127.60
Divide Supply	\$ 30.39	5446	\$ 30.39
Ecorp	\$ 4,790.08	5128	\$ 4,790.08
EN2 Resources	\$ 2,912.75	09-1650	\$ 2,912.75
Ferguson	\$ 3,966.08	5438	\$ 3,966.08
Foothill Associates	\$ 5,922.33	10-1553	\$ 5,922.33
Freelance Tech	\$ 895.00	5540	\$ 895.00
Georgetown Hardware	\$ 236.45	5438	\$ 37.60
		5138	\$ 95.27
		5446	\$ 66.30
		5238	\$ 25.18
		5438	\$ 12.10
Georgetown Gazette - Public Announcement	\$ 667.07	5340	\$ 518.19
		5584	\$ 148.88
Georgetown Precast - Supplies	\$ 412.66	5138	\$ 412.66
Golden State Flow Measurement - Admin fee	\$ 2,093.14	5546	\$ 2,093.14
Legal Shield	\$ 170.05	5190	\$ 17.90
		5290	\$ 35.80
		5390	\$ 8.95
		5490	\$ 8.95
		5590	\$ 17.90
		5690	\$ 35.80
		5690-10	\$ 26.85
		6790	\$ 17.90

Medical Eye Service	\$ 281.08	5118	\$ 9.37
		5218	\$ 46.85
		5318	\$ 9.37
		5418	\$ 37.48
		5518	\$ 18.74
		5618	\$ 140.53
		6718	\$ 18.74
MJT Enterprises, Inc.--Temporary Labor	\$ 10,271.10	5211	\$ 5,280.28
		5511	\$ 2,638.82
		5611	\$ 2,352.00
Mobile Mini - Storage Rental	\$ 197.85	5639	\$ 197.85
Mountain Democrat- Public Notice	\$ 490.40	5340	\$ 490.40
Mountain Counties WRA	\$ 4,000.00	10-1158	\$ 4,000.00
National Documents - office supplies	\$ 1,855.93	5644	\$ 1,855.93
PG&E--Utilities Electric	\$ 2,636.76	5344	\$ 1,711.40
		5444	\$ 109.45
		5644	\$ 632.86
		6744	\$ 183.05
Premier Access Dental	\$ 2,050.16	5118	\$ 111.56
		5218	\$ 167.34
		5318	\$ 55.78
		5418	\$ 278.90
		5518	\$ 111.56
		5618	\$ 1,213.46
		6718	\$ 111.56
Pro-Line Cleaning Services--Janitorial Services	\$ 250.00	5676	\$ 250.00
Psomas- ALT Upgrade	\$ 2,698.25	10-1553	\$ 2,698.25
Riebes Automotive--Misc Supplies	\$ 42.98	5238	\$ 42.98
River City Rentals	\$ 3,435.00	5139	\$ 3,435.00
Robinson Enterprise- Gasoline & Diesel	\$ 1,877.17	5148	\$ 171.11
		5248	\$ 821.30
		5348	\$ 204.09
		5448	\$ 539.38
		6748	\$ 141.29
Sierra Safety	\$ 434.52	5438	\$ 434.52
Target Specialty Products	\$ 1,320.87	5238	\$ 1,320.87
Teichert & Son, Inc	\$ 391.35	5438	\$ 391.35
USA Bluebook - misc materials	\$ 104.01	5238	\$ 104.01
US Bank - Cal Card	\$ 4,432.45	5439	\$ 3,119.83
		5448	\$ 100.06
		5540	\$ 565.35
		5640	\$ 607.21
		6740	\$ 40.00
Walker's Office Supply--Office Supplies	\$ 330.87	5540	\$ 173.67
		6740	\$ 56.06
		5640	\$ 101.14
Wienhoff Drug Testing	\$ 70.00	5484	\$ 70.00

Wells Fargo SRF	\$ 500.00	29-7090	\$ 500.00
Total General Fund	\$ 84,891.58		\$ 84,891.58

RETIREE FUND			
AARP Medicare Rx - May 2016		12-1157	
Anthem Blue Cross		12-1157	
Blue Shield of CA - J St Dennis 06/01-06/30/16	\$ 161.00	12-1157	\$ 161.00
Blue Shield of CA - M. Davis 06/01-08/31/16	\$ 483.00	12-1157	\$ 483.00
Unitedhealthcare Ins - Prepay for D Schwagel, May	\$ 142.25	12-5668	\$ 142.25
Total Various Fund	\$ 786.25	Fund #25	

TOTAL ALL FUNDS IN GENERAL ACCOUNT	\$ 85,677.83		\$ 85,677.83
------------------------------------	--------------	--	--------------

Approved for Payment:

Treasurer

General Manager

Memo

To: Board of Directors

From: Darrell Creeks, Operations Manager

Date: June 6, 2016

Re: **OPERATIONS MANAGER'S REPORT**

Board Meeting of June 14, 2016; Agenda Item #09

BACKGROUND/DISCUSSION

Water Treatment (ALT & Walton)

The Auburn Lake Trails Water Treatment Plant produced 20.969 million gallons of potable water for the month of May. This equates to an average of 676,419 gallons per day. This flow is an increase of 4.531 million gallons from the month of April. The Walton Lake Water Treatment Plant produced 22.031 million gallons of potable water for the month of May. This equates to an average of 710,677 gallons per day. This flow is an increase of 5.235 million gallons from the month of April.

As of July 2014, the District is required to report to the State the amount of total potable water produced through the two plants (ALT and Walton) on a monthly basis and to compare that value with the demands of the prior year over the same reporting period. The table below shows the percentage increase (+) or decrease (-) for 2015/2016.

The District is no longer required to reduce water consumption by 29% compared to 2013. We will be self-certified at 0%; however, we are still held to reduce 20% by 2020.

Month 2016	+/- over 2015	+/- over 2013	Month 2015	+/- over 2014	+/- over 2013
January	-6%	-8%	July	-20%	-41%
February	+5%	-0%	August	-10%	-31%
March	-16%	-15%	September	-6%	-17%
April	+3%	-23%	October	-5%	-19%
May	+6%	-37%	November	+1%	-18%
June			December	+11%	-21%

GIS

Paul Watkins and Associates have helped us get our GIS program up and running. This will be a great tool for the District.

DSOD

GEI Consultants have completed the work on Stumpy Meadows dam. They have given us data and an engineering evaluation from the leakage weirs and survey monuments on the dam. Division of Safety of Dams has approved the report.

Walton Lake

We had to hire a diving company to find and repair a problem with the outlet structure at Walton Lake. There was debris making it under the screen structure and getting caught in the needle valve at Buckeye Hydro. They were able to fix the problem.

Vehicles

We sold eight vehicles on June 1 for a total of \$7507.82.

Water Quality

The District conducted the required water quality monitoring at the treatment plants and in the distribution system and submitted the required water quality monitoring reports to the State Water Resources Control Board (SWRCB). Under contract with the District, Becky Siren prepared the required reports and reviewed key elements of the same with the General Manager prior to submittal.

The Treatment Plant reports showed compliance with all drinking water standards, with the exception of the Auburn Lake Trails Water Treatment Plant which is currently under a compliance order from SWRCB for failure to meet the requirements of the Surface Water Treatment Rule.

The distribution system monitoring results showed all samples absent/negative of any bacteriological contamination and adequate levels of disinfection through the system.

A copy of the report, as submitted to the SWRCB, has not been included in this report due to the technical nature and overall size of the document.

Waste Water; Auburn Lake Trails

Average daily flows in the community disposal system were 15,937 gallons per day. This value is below the limit of 71,800 gallons per day as identified in the Waste Discharge Requirements.

The District is currently up to date in the monitoring of waste water systems in the zone. It is anticipated the District will stay on schedule as a result of permanent staff dedicated to this effort.

Stumpy Meadows Reservoir

The latest measurements collected at Stumpy Meadows Reservoir on June 2, 2016, showed a reservoir elevation of 4,260 feet 11", representing storage of **19,649 acre-feet, or 98.2% of capacity**. This represents a decrease in storage of approximately 351 acre feet over the prior month.

Current releases from Stumpy on this date were 31.0 CFS. Flow into Stumpy on this date was recorded at 12.2 CFS.

Field Work Activities – Distribution and Maintenance

Distribution: Installed two new meters. Repairs were made on three water main leaks, three service leaks, and ten leaking meters. Installed two new pressure reducing valves. Assisted maintenance by cleaning a section of ditch for better water flow.

Maintenance: The crew spent the entire month struggling to get all the water to the ends of the ditches. The ditch needed work and still does in many areas that are overgrown with vegetation.

RECOMMENDATION

Receive and file this report.

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: June 6, 2016

Re: **GENERAL MANAGER'S REPORT**

Board Meeting of June 14, 2016; Agenda Item #10

BACKGROUND / DISCUSSION

Staffing Update

As of June 3, 2016, Office Manager Victoria Knoll is no longer with the District. In the absence of an office manager, Vaughn Johnson is assisting with accounting functions. We are grateful for her assistance in preparing financials for this month's Board meeting. The GM is working diligently toward filling this key position on the executive team as soon as possible.

Diana Michaelson, who has been with GDPUD on a temporary basis for about a year, is transitioning out of the organization in order to more fully enjoy her retirement. During this year we have seen the importance of keeping the quality of work that she has provided in coordinating Board meetings, workshops, including agenda preparation, Board packets, minutes and related support to Board Directors and the General Manager. She assured staff that she is only a phone call away to assist when needed.

Through Blue Ribbon, a gem was found with more than 40 years experience in public sector organizations, including chief of staff to a state legislator. Gloria Omania will be taking over where Diana is leaving off. Already she has shown herself to be an invaluable asset to the District. She will be assisting the GM during the transition of hiring a new Office Manager. She has a strong background in human resources, team building, organizational management, re-engineering and restructuring organizations to be efficient and effective. We welcome Gloria to our team. She has been very clear that she only wants to work limited hours, and that her real enjoyment in life is gardening, traveling, and spending time with her grandchildren. We welcome Gloria Omania to the GDPUD family.

Drought Funding – CABY Grant

The District is currently under contract with the consulting firm of EN2 to perform the environmental permitting and design. District staff has completed the field surveying on 5 of the 7 sites and expects to finalize this task by the end of June. All field data is submitted to EN2 and will be used in the preparation of the final design plans. Staff has submitted the Third Quarter Report and invoices to NID for processing.

Auburn Lake Trails Water Plant Loan – State of California

As reported earlier, staff met with Water Board personnel, at SWRCB offices, on April 8. The purpose of the meeting was to discuss the status of the loan. Two items were identified that required follow up or clarification. Those two items consisted of added information needed on the Loan Application together with added work (ENVIRONMENTAL CHECKLIST CONSTRUCTION) relating to the environmental process. All materials relating to the application and the environmental checklist have been submitted to the State. The application continues to be on track for approval this summer.

El Dorado County Water Agency – Cost Sharing Opportunities

The District submitted two projects for 50% reimbursement through the El Dorado County Water Agency's Cost Sharing program. The two projects are the "Sanitary Survey" and "Cost of Service Study." Together, the projects total \$90,000, of which the District will be responsible for \$45,000. Nothing to update at this time. The Water Agency's June 15 meeting has been cancelled.

District Newsletter

The Spring newsletter was mailed out last week. Staff has received positive feedback from customers who are in receipt of the newsletter. I would like to thank Kevin McClarnon for an outstanding job in producing the newsletter and Kat Mendenhall for her expertise in proofreading and editing. Kat provided this service at no charge to the District as a part of her contribution to community service.

Publication of another newsletter is planned for autumn.

Quintette Service District – Meeting

At the request of Mike Ranalli, District 4 Supervisor, a meeting was held with representatives of the Quintette Service District ("QSD") and the Georgetown Divide Public District ("GDPUD"). Those in attendance were Supervisor Ranalli, Stacy Snowman and Fred Heltzel of QSD, Directors Hanschild and Uso, together with Darrell Creeks and George Sanders.

Concerns of the QSD have been a topic of discussion at prior meetings of this Board. Now that the State Water Board Curtailment has been lifted, the immediate concerns relating to their source supply have been reduced. Immediate concerns of the QSD relate to permitting and the operation of their facilities. A multitude of options were discussed, such as the sale and importation, via truck, of District water together with an option, presented by the QSD, that the District take over the permit compliance and operation of the QSD facilities. A recommendation was made by staff that the QSD hire a State certified operator for the overall operation and management of their water system.

Nothing additional to report at this time.

RECOMMENDATION

Receive and file.

Georgetown Divide Public Utility District Finance Committee
“Providing financial research, review, and advisory services for the GDPUD Board of Directors in support of sound, prudent and business-like management of the water district”

FINANCE COMMITTEE MEETING MINUTES

Meeting Date & Time: May 24, 2016

Location: GDPUD Boardroom

Scheduled Time: 4:00- 6:00 PM

Committee Members Present: Rick Gillespie (RG), Ray Kringle (RK), Dennis Goodenow (DG), Dane Wadle (DMW)

Committee Member(s) Absent: Donna Bruss (DB)

Board Members Present: Lon Uso (LU) (Liaison)

Staff Present: Wendell Wall (GM), Victoria Knoll (OM), Darrell Creeks (OpM)

1. **Agenda and Minutes:** Agenda for May 24, 2016 meeting approved. Minutes of the FC meeting of May 28, 2016, were approved.
2. **Open Forum:** GM announced a Special Board Meeting to discuss Cost of Service prior to next 218.
3. **Operations Budget for FY 2016-17:** The proposed FY 2016-2017 Operating Budget was discussed. OM indicated that except for minor changes in the proposed revenue, the final version ready for Board approval at the next meeting. Since it contained a few revisions. OM will send final copies to the FC and Board members about 1 week before the next Board Meeting.
4. **Capital Budget and Listing Discussion:** GM is developing a 5-year capital outlay program.
5. **Next Meeting:** The meeting was adjourned at 6:05 PM. The next meeting will be a joint workshop with the Board to discuss the 2016-17 Capital Budget on June 21, 2016.

Memo

To: Board of Directors

From: Wendell B. Wall, General Manager

Date: June 8, 2016

Re: **REQUEST FOR PROPOSAL FOR CERTIFIED PUBLIC ACCOUNTANT
SERVICES**

Board Meeting of June 14, 2016; Agenda Item #12

BACKGROUND / DISCUSSION

Recent staff changes have created an opportunity to reassess our staffing structure and the process for creating financial reports. Financial reporting, office management, and human resources, has been the responsibility of the Office Manager.

Contracting out for CPA services for financial reporting will provide for greater efficiency and create important checks and balances to this important process.

The scope of work for this contract will include: (1) maintaining the District's general ledger; (2) preparing monthly budget reports, the cash balance sheets, and cash disbursement sheets; (3) preparing for the annual audit; and (4) performing other accounting tasks, as required.

A copy of the Request for Proposals is included with this report as **ATTACHMENT A**.

RECOMMENDATION

Staff recommends the Board of Directors approve the issuance of the Request for Proposal for Certified Public Accountant Services

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

REQUEST FOR PROPOSAL

CERTIFIED PUBLIC ACCOUNTANT SERVICES

Responders to this Request for Proposals (RFP) must deliver one unbound hard copy and one electronic copy in MS Word and/or Excel of both the Technical Proposal and the Cost Proposal in the format prescribed by the RFP.

Proposal Submission Deadline (date/time):

Submit Proposal to:

REGISTERING YOUR EMAIL ADDRESS FOR QUESTIONS CONCERNING THIS REQUEST FOR PROPOSAL:

Potential respondents who want to receive changes, additions, and deletions to the RFP, as well as a copy of all the questions and responses by the District should submit an email address to the Georgetown Divide Public Utility District (District) by emailing gm@gd-pud.org by _____. Those who submit an email address will receive a confirmation of receipt from the District. If an email address is submitted and a confirmation email is not received, please call Wendell B. Wall, District General Manager, at (530) 333-4356.

PLEASE SUBMIT EMAIL ADDRESS VIA EMAIL TO:

Georgetown Divide Public Utility District
Wendell B. Wall, General Manager
gm@gd-pud.org

PLEASE EMAIL YOUR QUESTIONS, DO NOT CALL WITH YOUR QUESTIONS.

INTRODUCTION

General Information

There is no expressed or implied obligation for the District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. The District reserves the right to reject any or all proposals submitted.

ATTACHMENT A

Proposals submitted will be evaluated by individuals from the District and/or outside agencies. During the evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the agreement between the District and the firm selected. The District has a standard two-party Professional Service Agreement, to which adherence is assumed unless specific objections are noted in the proposal by the candidate firm. The Professional Services Agreement is attached. (See Appendix A.) Please note the insurance requirement in the agreement.

Term of Engagement

A three-year contract is contemplated, subject to the annual review and recommendation of the General Manager, with the satisfactory negotiation of terms (including a not-to-exceed price, acceptable to both the District and the selected firm).

Subcontracting

Firms submitting proposals may not subcontract portions of the engagement to other qualified CPA firms.

NATURE OF SERVICES REQUIRED

Scope of Work

The District is soliciting the services of qualified firms of certified public accountants (CPA's) to:

1. Maintain the District's general ledger.
2. Prepare monthly budget to actual reports, cash balance sheet, and cash disbursement sheet.
3. Prepare for the annual audit, including the preparation of the basic financial statements and completion of the annual State Controller's reporting requirements.
4. Perform other accounting tasks, as required.

It is anticipated that the accounting tasks will require approximately 1,500 hours per year, with the hours concentrated at the beginning of the month and when audit activities are ongoing in July, August, and September.

ATTACHMENT A

The District is to be informed of new developments affecting special district accounting and reporting, as well as any other issues. This includes, but is not limited to, impacts of newly imposed Governmental Accounting Standards Board Statements, Governmental Auditing Standards, State of California mandated procedures, and required changes in grants and procedures. In addition, the District, from time to time, requests professional advice on accounting matters, and such advice should not be construed as consulting services, nor will compensation for such advice be contemplated unless explicitly negotiated by the District, or its agents.

DESCRIPTION OF THE DISTRICT

The CPA's principal contact with the District will be Wendell B. Wall, General Manager, or a designated representative, who will coordinate the assistance to be provided by the District to the CPA.

Background Information

The District serves an area of 72,000 acres of unincorporated area within El Dorado County with approximately 3,800 treated water service connections, 400 irrigation customers and 1,000 wastewater customers. The District was formed in 1946 and established under the Public Utility Code.

The District has an operating budget of approximately \$4 million for the fiscal year ending June 30, 2016. The District employs approximately 21 full-time employees and 1 part-time employee. The largest fund is the water general fund. The District accounts for its activities using a variety of funds, accounts, departments and cost centers. (Appendix B is a listing of key employees.)

Detailed information on the District and its finances can be found at www.gd-pud.org.

Budget Basis of Accounting

The District prepares its budget on a basis consistent with generally accepted accounting principles.

Federal and State Awards

During the fiscal years to be audited, the District will be participating in a U.S. Environmental Protection Agency grant of approximately \$746,000, a Department of Water Resources cost-sharing grant with a remaining balance of approximately \$1.1 million of 80-20% matching, and a California Department of Public Health loan of approximately \$10 million.

ATTACHMENT A

Pension Plans & Benefits

The District participates in the California Public Employees Retirement System (CalPERS) an agent multiple-employer plan. Actuarial Services for the plan are provided by CalPERS.

In addition, the District provides a District-administered post-retirement benefit plan for employees with 20 years or more of service and has been endeavoring to fund the GASB 45 obligation for these benefits.

Joint Ventures

The District participates in a joint venture under a joint powers agreement (JPIA) with the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The Authority is a risk-pooling self-insurance authority created under the provisions of California Government Code Section 6500, et seq. The Authority assists the District with property, liability and workers' compensation insurance.

Office Activities

The Office Manager (currently vacant) oversees the office operations supervising a staff of 3.4 full time equivalent positions. The principal functions performed are customer service, accounts payable, human resources/payroll, administration, budgeting and accounting.

Software

The District utilizes Multiple Operations Management software (MOM) for customer-related activities, including utility billing. The MOM financial modules include general ledger and accounts payable. The District uses ADP to process payroll.

Availability of Prior Audit Reports

Interested proposers who wish to review prior years' audit reports can find them on the District's website at gd-pud.org.

ASSISTANCE TO BE PROVIDED TO THE CPA

District office staff, as well as the responsible management personnel, will be available to assist the firm by providing information, documentation, and explanations.

Work Area, Telephones, Photocopying and FAX Machines

The District will provide the CPA with reasonable work space, desks and chairs, which may be in the general (not private) accounting area. The CPA will also be provided with

ATTACHMENT A

access to a telephone, photocopying and fax machines subject to the following restrictions: The District utilizes a 40-hour work week, Mondays through Fridays. If the CPA requires extended working hours, arrangements must be made with the General Manager.

PROPOSAL REQUIREMENTS

Contact with personnel of the District other than Wendell B. Wall, General Manager, regarding this Request for Proposal may be grounds for elimination from the selection process.

Transmittal Letter

A signed transmittal letter confirming the proposer's understanding of the work to be done, the commitment to perform the work within the time period depicted in this RFPI, a statement of why the firm believes itself to be best qualified to perform the engagement, and an acknowledgement that the proposal is a firm and irrevocable offer.

Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake the accounting tasks of the District in conformity with the requirements of this RFP. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should specify an accounting approach that will meet the RFP's requirements.

The Technical Proposal should address all the points outlined in the RFP (excluding any cost information, which should only be included in the Cost Proposal). The Technical Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the RFP.

While additional data may be presented, the following subjects (Items 1 through 6) must be included. They represent the criteria against which the proposal will be evaluated:

1. Independence

The firm should provide an affirmative statement that it is independent of the District as defined by generally accepted auditing standards, the standards set forth for financial audits in the U. S. General Accounting Office's *Government Auditing Standards (Yellow Book)*.

The firm also should provide an affirmative statement that it is independent of the District as defined by those same standards.

The firm should also list and describe the firm's professional relationships involving the District for the past five (5) years, together with a statement explaining why such

ATTACHMENT A

relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the District written notice of any professional relationships entered into during the period of this agreement.

2. License to Practice in California

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in California.

3. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement indicating whether that quality control review included a review of specific government engagements.

The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

4. Partner, Supervisory and Staff Qualifications, Experience and Continuity

The proposal should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Whether each such person is licensed to practice as a certified public accountant in California must be indicated. Information on the government accounting experience of each person must be provided, including relevant continuing professional education for the past three years and membership in professional organizations relevant to the performance of this accounting work.

As much information as possible must be provided for each person regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

ATTACHMENT A

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the District. Continuity of staffing sets the stage for an efficient audit. The firm will make every effort to maximize the continuity of staff from year to year. However, in either case, the District retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the District, which retains the right to approve or reject replacements.

Other accounting personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

5. Prior Engagements with the District

The proposal must list separately all engagements within the last five years, ranked on the basis of total staff hours, for the District by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

6. Similar Engagements with Other Special Districts

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of five) performed in the last five years that are similar to the engagement described in this Request for Proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

The Technical Proposal is not to be more than ten single-sided pages in length, including single page resumes of persons to be assigned to the project.

No dollar amounts should be included in the Technical Proposal.

ATTACHMENT A

Cost Proposal – Total All-Inclusive Not-to-exceed Price

(Appendix C is a Proposed Format for the Cost Proposal)

The Cost Proposal should contain all pricing information relative to performing the accounting tasks described in this RFP. The total all-inclusive not-to-exceed price is to contain all direct and indirect costs including all out-of-pocket expenses.

The District will not be responsible for expenses incurred in preparing and submitting the Technical Proposal or the Cost Proposal. Such costs should not be included in the proposal.

The first page of the Cost Proposal should include the following information:

- Name of Firm
- Certification that the person signing the Cost Proposal is entitled to represent the firm, empowered to submit the proposal, and authorized to sign a contract with the District.
- A total all-inclusive not-to-exceed annual price for the accounting services.
- Rates by Partner, Specialist, Supervisory, and Staff Level, and hours anticipated for each.

The second page of the Cost Proposal should include a schedule of professional fees and expenses that supports the total all-inclusive not-to-exceed price.

Out-of-Pocket Expenses Included in the Total All-Inclusive Not-to-exceed Price and Reimbursement Rates

Out-of-Pocket expenses for firm personnel (e.g. travel, lodging and subsistence) will be reimbursed at the rates used by the District for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the Cost Proposal. All expense reimbursements will be charged against the total all-inclusive not-to-exceed price submitted by the firm.

Rates for Additional Professional Services

If it should become necessary for the District to request the Accountant to render any additional service to either supplement the services requested in this RFP, or to perform additional work as a result of the specific request by the District, then the additional work shall be performed only if set forth in an addendum to the contract between the District and the firm. Any such additional work agreed to between the District and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the Cost Proposal.

ATTACHMENT A

Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's Cost Proposal. Interim billing shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending acceptance of the firm's final reports by the Board of Directors. The District pays bills each month in conjunction with the regular Board of Directors meeting. Progress payment requests received no later than eight (8) days prior to the regular Board of Directors meeting for the month will be approved for payment at the regular Board of Directors meeting.

Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected. The District reserves the right without prejudice to reject any or all proposals.

ATTACHMENT A

Appendix A

Proposed Professional Services Agreement

The successful bidder will be required to execute an agreement with the District substantially in the form of this agreement.

PROFESSIONAL SERVICES AGREEMENT

with

For Audit Services

THIS AGREEMENT, made and entered into this ____ day of _____ by and between the Georgetown Divide Public Utility District ("DISTRICT"), and _____, ("CONSULTANT").

SECTION 1 - ORGANIZATION AND CONTENTS

- SECTION 1 ORGANIZATION AND CONTENTS
- SECTION 2 SCOPE OF CONSULTING SERVICES
- SECTION 3 NOTICE TO PROCEED AND EFFECTIVE DATE OF CONTRACT;
PROGRESS; COMPLETION
- SECTION 4 PERFORMANCE
- SECTION 5 COMPENSATION
- SECTION 6 CHANGES TO SCOPE - BASIC
- SECTION 7 COMPLIANCE WITH LAWS, RULES, REGULATIONS
- SECTION 8 EXHIBITS INCORPORATED
- SECTION 9 RESPONSIBILITY OF CONSULTANT
- SECTION 10 RESPONSIBILITY OF DISTRICT
- SECTION 11 TERM
- SECTION 12 TERMINATION FOR CONVENIENCE OF DISTRICT
- SECTION 13 TERMINATION OF AGREEMENT FOR CAUSE
- SECTION 14 INTEREST OF OFFICIALS AND CONSULTANT
- SECTION 15 SUBCONTRACTING
- SECTION 16 SUCCESSORS AND ASSIGNS
- SECTION 17 INDEPENDENT CONTRACTOR
- SECTION 18 INDEMNIFICATION
- SECTION 19 OWNERSHIP OF DOCUMENTS

ATTACHMENT A

SECTION 20 DOCUMENTATION/ACCESS TO RECORDS
SECTION 21 NOTICES
SECTION 22 JURISDICTION
SECTION 23 INTEGRATION

SECTION 2 - SCOPE OF CONSULTING SERVICES - BASIC; SCHEDULE

CONSULTANT agrees to perform all work necessary to complete in a manner satisfactory to DISTRICT, those items described in Exhibit "A" entitled "Scope of Work" attached hereto and incorporated herein by this reference as if set forth in full.

SECTION 3 - TIME OF PERFORMANCE

Upon execution of this Agreement by the parties, CONSULTANT shall diligently proceed with the work authorized and complete it within the agreed time period. CONSULTANT shall proceed with each phase and description of the work in the attached Exhibit "A" upon receipt of verbal notification by DISTRICT.

SECTION 4 - PERFORMANCE

CONSULTANT shall perform its obligations under this Agreement in accordance with the job description attached as Exhibit "A".

SECTION 5 - COMPENSATION

For services performed pursuant to this Agreement, the parties agree that CONSULTANT shall be compensated in an amount not to exceed \$_____ according to the schedule of rates and charges set forth in the attached Exhibit B.

CONSULTANT shall be paid on a regular schedule, no more frequently than monthly, and no later than thirty (30) days following submission of a written, acceptable billing to DISTRICT. Said billing shall indicate the number of hours worked. CONSULTANT shall submit a detailed monthly progress report to DISTRICT describing the progress of the work to be performed.

SECTION 6 - CHANGES TO SCOPE

DISTRICT may at any time, and upon a minimum of ten (10) days written notice, modify the scope of basic services to be provided under this Agreement. CONSULTANT shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify DISTRICT in writing. Upon agreement between DISTRICT and CONSULTANT as to the extent of said impacts on time and compensation, an amendment to this Agreement shall be prepared describing

ATTACHMENT A

such changes. Execution of the amendment by DISTRICT and CONSULTANT shall constitute the CONSULTANT's notice to proceed with the changed scope.

SECTION 7 - COMPLIANCE WITH LAWS, RULES, REGULATIONS

All services performed by CONSULTANT pursuant to this Agreement shall be performed in accordance and full compliance with all applicable and non-conflicting Federal, State or City statutes, and any rules or regulations promulgated there under, as interpreted by the appropriate enforcement agency at the time of performance of this project.

SECTION 8 - EXHIBITS INCORPORATED

All Exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference.

SECTION 9 - RESPONSIBILITY OF CONSULTANT

By executing this Agreement, CONSULTANT warrants to DISTRICT that it possesses, or will arrange to secure from others, all of the necessary professional consulting capabilities, licenses, certifications, experience, resources and facilities to provide to DISTRICT the services contemplated under this Agreement. CONSULTANT further warrants that it will follow the best current, generally accepted practice of the consulting profession to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding the project for which services are rendered under this Agreement.

SECTION 10 - RESPONSIBILITY OF DISTRICT

To the extent appropriate to the project contemplated by this Agreement, DISTRICT shall:

- A. Assist CONSULTANT by placing at its disposal all available information pertinent to the project, including previous reports and any other relevant data.
- B. Guarantee access to and make all provisions for CONSULTANT to enter upon public and private property as required for CONSULTANT to perform its services.
- C. Examine all studies, reports, proposals and other documents presented by CONSULTANT, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of CONSULTANT.

ATTACHMENT A

D. Designate in writing a person to act as DISTRICT's representative with respect to all work to be performed under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define DISTRICT's policies and decisions with respect to materials, equipment, elements and systems pertinent to CONSULTANT'S services.

SECTION 11 - TERM

This Agreement shall be effective on the date first above written and shall terminate upon completion of the services.

SECTION 12 - TERMINATION FOR CONVENIENCE OF DISTRICT

DISTRICT may terminate this Agreement at any time by giving notice to CONSULTANT of such termination and specifying the effective date thereof, at least ninety (90) days before the effective date of such termination. In such event, all finished or unfinished documents and other materials shall, at the option of DISTRICT, become its property. If this Agreement is terminated by DISTRICT as provided herein, CONSULTANT shall be paid the amount due for the audit services performed.

SECTION 13 - TERMINATION OF AGREEMENT FOR CAUSE

A. DISTRICT may, by written notice to CONSULTANT, terminate the whole or any part of this Agreement in any one of the following circumstances:

1. If CONSULTANT fails to perform the services called for by this Agreement within the time(s) specified herein, or any extension thereof; or
2. If CONSULTANT fails to perform the services called for by this Agreement or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two circumstances does not correct such failure within a period of ten (10) days (or such longer period as DISTRICT may authorize in writing) after receipt of notice from DISTRICT specifying such failure.

B. In the event DISTRICT terminates this Agreement in whole or in part as provided in Paragraph "A" above, DISTRICT may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

C. Except with respect to defaults of subcontractors, CONSULTANT shall not be liable for any excess costs if the failure to perform arises out of causes beyond the control and without the fault or negligence of CONSULTANT. Such causes include, but are not limited to, acts of God or of the public enemy, acts of government, in either its

ATTACHMENT A

sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, and unusually severe weather. In the event the failure to perform is caused by the default of a subcontractor, CONSULTANT shall not be liable for failure to perform, unless the services to be furnished by the subcontractor were obtainable from other sources in sufficient time and within budgeted resources to permit CONSULTANT to meet the required delivery schedule or other performance requirements.

D. Should the Agreement be terminated as provided in Paragraph "A" above, CONSULTANT shall provide DISTRICT with copies of all finished and unfinished documents, data, studies, services, drawings, maps, models, photographs, reports, etc., prepared by CONSULTANT pursuant to this Agreement. Upon termination as provided in Paragraph "A" above, CONSULTANT shall be paid the value of the work performed, as determined by DISTRICT, less payments of compensation previously made. Payments previously made by DISTRICT to CONSULTANT shall be credited to the amount payable to CONSULTANT for allowable costs as provided herein, except, however, CONSULTANT shall be entitled to a proportionate fixed fee, if any, which in the opinion of DISTRICT, it has legitimately earned and was not related to the cause for which this Agreement was terminated.

E. If after notice of termination of this Agreement, as provided for in this Section, it is determined for any reason that CONSULTANT was not in default under the provisions of this Section or that the default was excusable under the provisions of this Section, then the rights and obligations of the parties shall be the same as if the Agreement had been terminated for the convenience of DISTRICT.

SECTION 14 - INTEREST OF OFFICIALS AND CONSULTANT

CONSULTANT hereby covenants that it has, at the time of the execution of this Agreement, no interest, and that it shall not acquire any interest in the future, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed pursuant to this Agreement. CONSULTANT further covenants that in the performance of this work, no person having any such interest shall be employed.

SECTION 15 - SUBCONTRACTING

CONSULTANT shall not subcontract or otherwise assign any portion of the work to be performed under this Agreement without the prior written approval of DISTRICT.

SECTION 16 - SUCCESSORS AND ASSIGNS

ATTACHMENT A

This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the parties. CONSULTANT shall not assign, delegate or transfer the rights and duties under this Agreement or any part thereof without the prior written consent of DISTRICT.

SECTION 17 - INDEPENDENT CONTRACTOR

DISTRICT and CONSULTANT agree that CONSULTANT is an independent contractor. CONSULTANT shall be solely responsible for the conduct and control of the work performed under this Agreement. CONSULTANT shall be free to render consulting services to others during the term of this Agreement, so long as such activities do not interfere with or diminish CONSULTANT'S ability to fulfill the obligations established herein to DISTRICT.

SECTION 18 – INDEMNIFICATION/INSURANCE

A. **Workers' Compensation Insurance** - By its signature hereunder, CONSULTANT certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and it will comply with such provisions before commencing the performance of the work of this agreement.

B. **Indemnification** - To the fullest extent permitted by law, CONSULTANT will defend, indemnify and hold harmless the DISTRICT, its directors, officers, employees, or authorized volunteers, and each of them from and against:

1. When the law establishes a professional standard of care for the CONSULTANT'S services, all claims and demands of all persons arising out of the performance (or actual or alleged non-performance) of the work under this agreement, for damages to persons or property due to the CONSULTANT'S negligent or willful acts, errors or omissions committed. CONSULTANT shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of CONSULTANT'S performance or non-performance of the work hereunder, and shall not tender such claims to the DISTRICT nor to its directors, officers, employees, or authorized volunteers, for defense or indemnity.

2. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of CONSULTANT.

ATTACHMENT A

3. Any and all losses, expenses, damages (including damages to the work itself), attorneys' fees, and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of CONSULTANT to faithfully perform the work and all of the CONSULTANT'S obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.

CONSULTANT shall defend, at CONSULTANT'S own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against DISTRICT or its directors, officers, employees, or authorized volunteers.

CONSULTANT shall pay and satisfy any judgment, award or decree that may be rendered against DISTRICT or its directors, officers, employees, or authorized volunteers, in any and all such suits, actions, or other legal proceedings.

CONSULTANT shall reimburse DISTRICT or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

CONSULTANT'S obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the DISTRICT, or its directors, officers, employees, or authorized volunteers.

GENERAL CONDITIONS

Laws, Regulations and Permits - The CONSULTANT shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of the work. The CONSULTANT shall be liable for all violations of the law in connection with work furnished by the CONSULTANT. If the CONSULTANT performs any work knowing it to be contrary to such laws, ordinances, rules and regulations, the CONSULTANT shall bear all costs arising there from.

Safety - The CONSULTANT shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its work, the CONSULTANT shall at all times exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including California Department of Industrial Relations (Cal/OSHA) regulations.

ATTACHMENT A

Liability Insurance - The CONSULTANT shall provide and maintain at all times during the performance of this agreement, the following commercial general liability, professional liability and automobile liability insurance:

Coverage - Coverage shall be at least as broad as the following:

1. Coverage for Professional Liability appropriate to the CONSULTANT'S profession covering CONSULTANT'S wrongful acts, negligent actions, errors or omissions. The retroactive date (if any) is to be no later than the effective date of this agreement.
2. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

Limits - The CONSULTANT shall maintain limits no less than the following:

1. Professional Liability - One million dollars (\$1,000,000) per claim and annual aggregate.
2. General Liability - One million dollars (\$1,000,000) per occurrence for Bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the DISTRICT) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

Required Provisions -

1. The policies specified above are to state, or be endorsed to state, that coverage shall not be canceled by the insurance carrier or the CONSULTANT, except after thirty (30) days (10 days for non-payment of premium) prior written notice by U.S. mail has been given to the DISTRICT.
2. Any failure to comply with the reporting or other provisions of the policies including breaches and warranties shall not affect coverage provided to the DISTRICT, its directors officers, employees, or authorized volunteers.

Such liability insurance shall indemnify the CONSULTANT and its sub-consultants against loss from liability imposed by law upon, or assumed under contract by, the CONSULTANT or its sub-consultants for damages on account of such bodily injury

ATTACHMENT A

(including death), property damage, personal injury, completed operations, and products liability.

The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation, and removal of lateral support.

The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

All of the insurance shall be provided on policy forms and through companies satisfactory to the DISTRICT.

Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be declared to and approved by the DISTRICT. At the option of the DISTRICT, the insurer shall either reduce or eliminate such deductibles or self-insured retentions.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-: VII or equivalent or as otherwise approved by the DISTRICT.

Evidences of Insurance - Prior to execution of the agreement, the CONSULTANT shall file with the DISTRICT a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 1 and 2.

The CONSULTANT shall, upon demand of the DISTRICT, deliver to the DISTRICT such policy or policies of insurance and the receipts for payment of premiums thereon.

Continuation of Coverage - If any of the required coverages expire during the term of this agreement, the CONSULTANT shall deliver the renewal certificate(s) to the DISTRICT at least ten (10) days prior to the expiration date.

Sub-Consultants - In the event that the CONSULTANT employs other consultants (sub-consultants) as part of the services covered by this agreement, it shall be the CONSULTANT'S responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above.

SECTION 19 - OWNERSHIP OF DOCUMENTS

ATTACHMENT A

The final audit report shall be the property of District and consultant shall provide District with an electronic version of the report upon request.

SECTION 20 - DOCUMENTATION / ACCESS TO RECORDS

CONSULTANT shall document the results of the work to the satisfaction of DISTRICT. Such documentation may include preparation of progress and final reports, plans, specifications and estimates, or similar evidence of attainment of contract objectives.

CONSULTANT and its subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred, and makes such materials available at their respective offices at all reasonable times during the contract period and for three years from the date of final payment to CONSULTANT.

SECTION 21 - NOTICES

Any notices required to be given pursuant to this Agreement shall be deemed to have been given by their deposit, postage prepaid, in the United States Postal Service, addressed to the parties as follows:

a. to DISTRICT: Georgetown Divide Public Utility District
P.O. Box 4240
Georgetown, CA 95634

b. To CONSULTANT:

Nothing hereinabove shall prevent either DISTRICT or CONSULTANT from personally delivering any such notices to the other.

SECTION 23 - JURISDICTION

Except as otherwise specifically provided, this Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in that State. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall be in full force and effect.

SECTION 24 - INTEGRATION

ATTACHMENT A

This agreement represents the entire understanding of DISTRICT and CONSULTANT as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered *except in writing signed by DISTRICT and CONSULTANT.*

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

DATED: _____

CONSULTANT

By: _____

DATED: _____

DISTRICT

**GEORGETOWN DIVIDE PUBLIC
UTILITY DISTRICT**

By: _____

Wendell B. Wall, General Manager

APPROVED AS TO FORM:

Barbara Brenner, Churchwell White LLC
Attorney for GDPUD

Appendix B

Key Personnel

Wendell Wall, General Manager

Darrell Creeks, Operations Manager

Stephanie Beck, Administrative Aide III

Sarah Wright, Administrative Aide II

Christina Cross, Administrative Aide I

Appendix C

Proposed Cost Proposal Format

Name of Firm: _____

Certification:

I, [name of person signing certification] , certify by signing bellow, that I am entitled to represent the firm above, empowered to submit this proposal, and authorized to sign a contract with the District.

(signature)

Staffing Rates & Estimated Hours for Annual Audit

<u>Description</u>	<u>Partner</u>	<u>Specialist</u>	<u>Supervisory</u>	<u>Staff</u>	<u>Clerical</u>
FY 2013-14 Rates					
FY 2013-14 Hours					
FY 2014-15 Rates					
FY 2014-15 Hours					
FY 2011-12 Rates					
FY 2011-12 Hours					

Staffing Rates & Estimated Hours for Single Audit

<u>Description</u>	<u>Partner</u>	<u>Specialist</u>	<u>Supervisory</u>	<u>Staff</u>	<u>Clerical</u>
Rates					
Hours					

ATTACHMENT A

Summary of Total Audit Costs

<u>Description</u>	<u>Total Cost</u>	<u>Option</u>				<u>Years</u>
		<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>FY 2017-18</u>	<u>FY 2018-19</u>	<u>FY 2019-20</u>
Labor Costs						
Out-of-Pocket						
All-Inclusive Not-to-exceed Annual Audit Cost						
Not-to-exceed Single Audit Cost						
Additional Not-to-exceed Cost, if any for Annual Audit of a CAFR						

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: June 8, 2016

Re: **SELECT FIRM TO CONDUCT FY 2015-16 ANNUAL AUDIT**

Board Meeting of June 14, 2016; Agenda Item #13

BACKGROUND/DISCUSSION

On February 12, 2016, the District mailed requests for proposals to five firms with a response deadline of May 31, 2016. In addition, Board members also notified some contractors of the pending RFP. At the suggestion of the Finance Committee, staff posted the RFP to the District web page. The District developed an objective criteria-based score sheet to evaluate the responses. Five responses were received by the due date.

The Board Treasurer requested that staff send the score sheet to the Audit Committee asking them to score the responsive firms. Staff received three responses prior to publication of the Board packet. The scoring of one member of the Audit Committee showed a concern about the lack of experience by one firm. In all other areas, the proposals were rated equally. The other members showed no preference for any proposal and all responding firms demonstrated the ability to conduct the audit services requested in the RFP.

The five proposals are attached to this staff report as follows:

ATTACHMENT A – Fechter & Company

ATTACHMENT B – Fedak & Brown, LLP

ATTACHMENT C – Moss, Levy & Hartzheim, LLP

ATTACHMENT D – Mann, Urrutia, Nelson, CPAs & Associates, LLP

ATTACHMENT E – Patel & Associates, LLP

The Audit Committee reviewed the five (5) proposals and rated them; below is the tally sheet:

COMPANY	BRUSS	GOODENOW	USO
Fechter & Comany	7	8	8
Fedak & Brown	7	8	8
Moss, Levy & Hartzheim	7	8	8
Mann, Urrutia, Nelson CPAs & Associates	7	8	8
Patel & Associates	6	8	8

RECOMMENDATION

Staff recommends the Board of Directors consider all the facts, documentation, and appropriate additional information and select a company for next year's audit.

Attachments A – E will be found in a separate document.

Memo

To: Board of Directors

From: George Sanders, Consultant

Date: June 6, 2016

Re: **ORDINANCE 2016-02; AMENDING ORDINANCE NO. 07-01; ARTICLE 5 -
REDUCTION OF WATER CONNECTION FEE FOR SECOND SERVICE**

Board Meeting of June 14, 2016; Agenda Item #14

BACKGROUND/DISCUSSION

At a regular meeting of this Board, held on March 8, 2016, Agenda Item #10, a topic was under discussion relating to service connection charges for those parcels that have multiple water service connections ("meters"). A key element of that discussion centered around a possible reduction in the service connection charge for the second meter, based on consumption or added water demands placed on the system. Staff was directed by the Board to review this matter and return at a future date with a possible solution.

District Ordinance No. 07-01 provides detailed information relating to the establishment of Capital Facility Fees and Capacity Charges for water service connections. That same Ordinance makes reference to the "Georgetown Divide Public Utility District Capital Facility Charge Study" as prepared by Stantec Engineering. As identified within the Ordinance, that study evaluates "the fees and charges required to cover the cost of existing facilities and the facility expansions and upgrades necessary to address the increased demands on the system as a result of serving the new development."

Recital E provides the justification for reducing the connection fee for a second meter. **Ordinance 2016-02** amends Article 5 of Ordinance 07-01 by adding section (c). It is helpful to note that section (c) (1) of **Ordinance 2016-02** refers back to section (a), which is found in Ordinance 07-01.

For the purposes of this analysis, as used in **Ordinance 2016-02** the term "new development" will equate to new services, which is linked to added consumption. Staff conducted a review of the water consumption for all treated water customers, together with those parcels that currently contain two residences or two meters. With this data, a comparison can be made which shows the added consumption of the second meter in relation to all meters. Consumption records were reviewed from 2011 through 2016. Those results show that the second meter, on multi-meter parcels, consumed between 45% and 67% the amount of water, when compared to parcels with one meter. The average second meter consumption over this period of time is 60%.

The full text of **Ordinance 2016-02** is included as **ATTACHMENT A** to this report. A summary is included as **ATTACHMENT B**. For your convenience, a copy of Ordinance 2016-01, showing section (a) (as recently amended), is included as **ATTACHMENT C**.

To adopt the Ordinance, the Board of Directors must use the following procedures:

Step 1: First Reading. The Ordinance is introduced and the Board has its first opportunity to discuss the Ordinance at its meeting. The Board votes to introduce the Ordinance for first reading.

Step 2: Second Reading. At a Board meeting at least five days after the Board meeting at which the First Reading took place, the Ordinance must be presented a second time. The Board may again discuss the Ordinance and may vote to adopt the Ordinance once the Second Reading is complete. Note, the full text of the Ordinance must be read at either the First or Second Reading, or the Board must pass a motion that waives reading the full text.

Step 3: Publication. After adoption, the Ordinance Summary and roster of votes for and against must be published within 15 days with the full ordinance posted at the District office.

Step 4: Ordinance Effective Date. The Ordinance will be effective 30 days after adoption.

RECOMMENDATION

Staff recommends the Board introduce for first reading **Ordinance 2016-02** setting the connection fee for the second 5/8-3/4 meter at 60% of the current rate. Staff further recommends the Board vote to read a *summary* of the Ordinance in lieu of reading the full text of the Ordinance.

ATTACHMENT A

ORDINANCE NO. 2016-02

AN ORDINANCE AMENDING ORDINANCE NO. 07-01; ARTICLE 5 – *Connection to the District's Treated Water System*

BE IT ENACTED by the Board of Directors of the Georgetown Divide Public Utility District (“District”), County of El Dorado, State of California, as follows:

ARTICLE 1. *Recitals*

A. Pursuant to Government Code Section 66013 et seq. the governing board of a district is authorized to levy a fee or capacity charge for any new connection to the district's water system to defray the cost of the public facilities necessary to serve the new connection.

B. Under this Ordinance, new connections shall include situations where a second connection is made to a parcel for residential purposes and that parcel already has an existing, operable connection.

C. District records indicated that there are multiple accounts with two meters serving one residential parcel. Generally, these parcels have two individual residences on the parcel, and each residence is served by a separate meter.

D. District water consumption records show that the parcels with multiple meters tend to consume less water per meter, on average, than accounts where one meter serves one parcel.

E. Installing additional connections taking less water will result in a long-term cost savings to the District as the maintenance costs of these connections will be less than connections that take the full capacity of the connection for sustained periods.

F. By Ordinance 07-01, ARTICLE 5. *Connection to the District's Treated Water System*, the governing board of the District established a Capital Facility Connection Fee and Capacity Charge for connections to the District's treated water system.

G. The Board of Directors (“Board”) finds that prior to adopting this Ordinance, the Board held a public meeting at which time oral or written presentations were received regarding the above ordinance at a regularly scheduled meeting on the 14th day of June, 2016.

ARTICLE 2. *Amendment to Ordinance No. 07-01; ARTICLE 5-Connection to the District's Treated Water System:*

Upon the effective date of this Ordinance, ARTICLE 5, of Ordinance No. 07-01 is amended. ARTICLE 5. *Connection to the District's Treated Water System* is amended to add the following section:

ATTACHMENT A

(c) Reduced connection fee for a second service connection providing residential service to the same parcel.

(1) The connection fee for a second 5/8-3/4 meter, serving the same parcel for residential purposes, shall be 60 percent of the value identified in section (a) above for 5/8-3/4 meters.

(2) Should an upgrade in meter size from a 5/8-3/4 meter to a 1-inch meter be required to meet the demands of a residential fire sprinkler system for the second service connection identified in this section, the upgrade fee waiver established in section (b)(1) above shall apply.

ARTICLE 3. *Commencement Date*

The effective date of this Ordinance shall be 30 calendar days following its adoption by the Board.

ARTICLE 4. *Severability*

If any portion, phrase or segment of this Ordinance is found by a Court of competent jurisdiction to be invalid, such finding shall not affect the validity of the remaining portions of this Ordinance. The District hereby declares its intent to adopt this Ordinance irrespective of the fact that one or more of its provisions may be declared invalid subsequent thereto.

I HEREBY CERTIFY that the foregoing Ordinance was duly INTRODUCED at a regularly held meeting of the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT on the 14th day of June, 2016, and was PASSED AND ADOPTED by the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT on this ____ day of _____, 2016, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN

By: _____

Norman A. Krizl, President

Board of Directors

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTACHMENT A

ATTEST:

By:

Wendell B. Wall, 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 **Ordinance 2016-02** duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, El Dorado County, California, at a meeting duly held on the ____ day of _____, 2016.

Wendell B. Wall, Clerk and ex officio
Secretary of the
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTACHMENT B

ORDINANCE NO. 2016-02 – Reduction of Water Connection Fee for Second Service

SUMMARY

Ordinance 2016-02 amends Article 5 of Ordinance 07-01, Connection to the District's Treated Water System, by adding Section (c). The amendment allows for a reduction of the water connection fee for a second service on a residential parcel. The connection fee for the second service will be 60% of the value of the Capital Facility Connection Fee charged for connecting to the District's treated water system.

The effective date of this Ordinance shall be 30 calendar days following its adoption by the Board.

ATTACHMENT C

ORDINANCE NO. 2016-01

AN ORDINANCE AMENDING ORDINANCE NO. 07-01; ARTICLE 5 - *Connection to the District's Treated Water System*

BE IT ENACTED by the Board of Directors of the Georgetown Divide Public Utility District ("District"), County of El Dorado, State of California, as follows:

ARTICLE 1. *Recitals*

A. Pursuant to Government Code Section 66013 et seq. the governing board of a district is authorized to levy a fee or capacity charge for any new connection to the district's water system to defray the cost of the public facilities necessary to serve the new connection. For the purposes of this Ordinance, new connections shall also include upgrades to existing connections where those upgrades are deemed necessary under a residential building permit, through the County of El Dorado, for both new and expanded construction where a residential automatic fire sprinkler system is required.

B. On 1 January 2011, the California Building Standards Commission began requiring residential automatic fire sprinkler systems for one and two family dwellings and townhouses.

C. All new residential construction within the District's service area must comply with this automatic fire sprinkler system requirement.

D. Residential automatic fire sprinkler systems, when activated, can place demands on a residential service that cannot be met by a 5/8-3/4-inch meter. Most automatic fire sprinkler systems require a 1-inch meter that allows for elevated flows to properly operate.

E. By Ordinance 07-01, ARTICLE 5. *Connection to the District's Treated Water System*, the governing board of the District established a Capital Facility Connection Fee and Capacity Charge ("fee" herein) for connections to the District's treated water system.

F. The Board of Directors ("Board") finds that prior to adopting this Ordinance, the Board held a public meeting at which time oral or written presentations were received regarding the above ordinance at a regularly scheduled meeting on the 8th day of March, 2016.

ARTICLE 2. *Amendment to Ordinance No. 07-01; ARTICLE 5-Connection to the District's Treated Water System:*

Upon the effective date of this Ordinance, ARTICLE 5, of Ordinance No. 07-01 is

ATTACHMENT C

amended. ARTICLE 5. *Connection to the District's Treated Water System* is amended to read as follows:

- (a) Based on the foregoing findings, the Board hereby approves, adopts, and levies a Capital Facility Connection Fee and Capacity Charge ("fee" herein) for connection to the District's treated water system in the following amount of \$9,200 for a 5/8-3/4 meter; \$22,575 for a 1-inch meter; \$45,148 for a 1 ½ inch meter; and \$72,239 for a 2-inch meter. The fee shall be paid directly to District prior to making a new connection or increasing the amount of an existing connection to the District's treated water system for which a service connection charge has not been paid or financed through an assessment district. If a parcel within an assessment district that included financing for connection charges is further subdivided, only the original parcel shall be exempt from the connection fee.
- (b) Residential fire sprinkler system connection fee waiver
 - (1) Upgrading a 5/8-3/4-inch meter to a 1-inch meter shall not require an additional connection fee where the upgrade is required to meet the increased capacity needs of a residential automatic fire sprinkler system required under the 1 January 2011 California Building Standards Commission revisions to the California Building Code.
 - (2) Individuals seeking a waiver of the connection fee established in subsection (b)(1) shall provide the District with verified calculations and findings by a State or El Dorado County approved designer of residential fire sprinkler systems demonstrating the need for a 1-inch meter.
 - (3) Based on a review of the verified calculations in subsection (b)(2), the General Manager of the District or his or her designee may grant a waiver of an additional connection fee where he or she finds that the increased capacity of a 1-inch meter is required to meet the requirements of a residential fire sprinkler system required under the 1 January 2011 California Building Standards Commission revisions to the California Building Code.
 - (4) The District reserves the right to monitor the water usage of accounts that are granted a waiver of the connection fee provided in subsection (b)(1) to verify that the upgraded capacity is required for a residential fire sprinkler system.
 - (5) Where the General Manager of the District or his or her designee finds that water use of an account that received the connection fee waiver established in subsection (b)(1) exceeds the use available for a 5/8-3/4-inch meter, demonstrating that the upgrade was not required for a residential fire sprinkler system, the General Manager of the District or his or her designee, in addition to all other legal rights and remedies, may impose the waived connection fees on that account.

ATTACHMENT C

ARTICLE 3. *Commencement Date*

The effective date of this Ordinance shall be 30 calendar days following its adoption by the Board.

ARTICLE 4. *Severability*

If any portion, phrase or segment of this Ordinance is found by a Court of competent jurisdiction to be invalid, such finding shall not affect the validity of the remaining portions of this Ordinance. The District hereby declares its intent to adopt this Ordinance irrespective of the fact that one or more of its provisions may be declared invalid subsequent thereto.

I HEREBY CERTIFY that the foregoing Ordinance was duly INTRODUCED at a regularly held meeting of the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT on the 8th day of March, 2016, and was PASSED AND ADOPTED by the Board of Directors of the GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT on this 12th day of April, 2016, by the following vote:

AYES: Capraun, Hanschild, Hoelscher, Krizl, Uso

NOES:

ABSENT/ABSTAIN

By:



Norman A. Krizl, President
Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTEST:

By:




Wendell B. Wall, Clerk and ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTACHMENT C

CERTIFICATION

I hereby certify that the foregoing is a full, true, and correct copy of **Ordinance 2016-01** duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, El Dorado County, California, at a meeting duly held on the 12th day of April, 2016.


Wendell B. Wall, Clerk and ex officio
Secretary of the
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: June 8, 2016

Re: **GDPUD WATER RATE STUDY – NEXT STEPS**

Board Meeting of June 14, 2016; Agenda Item #15

BACKGROUND / DISCUSSION

At a regular Board meeting on May 10, 2016, staff proposed that a consultant be hired to complete a Water Rate Study/Cost of Services report. A discussion paper was presented to the Board which outlined tasks, roles and responsibilities, and a proposed timeline. The Board instructed staff to schedule a public workshop to discuss the scope of an RFP. At the public workshop, which was held on May 31, Board members and staff discussed and clarified the scope of the RFP. Because the Board desires to move forward posthaste, a second alternative was offered for consideration, and that is to simply update the existing 2010 Cost of Service report. Staff was instructed to investigate that possibility and report back to the Board at the June 14 meeting.

Staff contacted Greg Clumpner, Director at NBS, to get a professional opinion as to whether the second alternative would be realistic. **ATTACHMENT A** is a copy of the emails between GM Wall and Mr. Clumpner. The response, in a nutshell, is that verifying previous work would entail starting from scratch. He offered another possibility, which would be to update the report internally. It is important to note that at a prior Board meeting, the question was posed to the community members in attendance whether they would accept a Cost of Service Study done by GDPUD staff. Those present heartily responded that they would not trust a study performed internally.

Staff sees two options for the Board to consider:

- 1) Hire an outside consultant to complete a current Rate Study/Cost of Services Report.
- 2) Update the 2010 Report internally.

RECOMMENDATION

Staff recommends the Board of Directors discuss the two options and provide direction to staff.

ATTACHMENT A

Wendell Wall

From: Greg Clumpner <gclumpner@nbsgov.com>
Sent: Wednesday, June 8, 2016 1:45 PM
To: Wendell Wall
Subject: RE: Water Rate Study RFP's

Wendell – Interesting question. If you hired a consultant, they would not want to, and I'm 99% sure they would not agree to try to use your previous study to develop proposed rates. It's just a matter of having to verify everything you've done, and a rate consultant would need to be able to say they developed a valid rate study they can professionally stand behind. That would entail starting from scratch.

If you wanted to update your previous study internally, and you are comfortable with the methodology used and the results, I'd say that would be a very cost-effective approach and would probably take less time to develop new rates. Obviously I can't vouch for the previous study itself, but if you and your board are comfortable with it, there are no requirements to use a rate consultant.

Hopefully that answered your question, but let me know if you need more information.

Thanks,

GREG CLUMPNER

director

800.676.7516 | gclumpner@nbsgov.com

530.297.5856 (cell)



helping communities fund tomorrow

From: Wendell Wall [mailto:wwall@gd-pud.org]
Sent: Wednesday, June 08, 2016 1:22 PM
To: Greg Clumpner
Subject: RE: Water Rate Study RFP's

Greg –

Good Afternoon, I wanted to ask you a question which has been raised by my Board of Directors. The District completed a Cost of Service in 2011. The bases of the document was performed based on sound engineering, also included Salaries and Benefits as a functioning organization and a reserved policy based reserve levels set by the Board of Directors. Attached is a copy of the Cost of Service for the your review if necessary

The big question is can this Cost of Service be updated as appose to starting from scratch and if so would there be any fatal flaws or pitfalls the District may face by updating this cost of Service with the required updated information.

Please give me your professional opinion as it is highly respected.

Regards,

Wendell B. Wall

General Manager

Georgetown Divide Public Utility District

(530) 333 – 4356

wwall@gd-pud.org

Fax 333 - 9442

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: June 6, 2016

Re: **Salary Evaluation/Increase – Water Treatment Plant Operator II;
Distribution Operator II; and Distribution Operator Lead**

Board Meeting of June 14, 2016; Agenda Item #16

BACKGROUND/DISCUSSION

This item is included on the agenda at the request of Vice President Carl Hoelscher. The item relates to a proposed salary increase for a total of three different positions within the District. These positions are the Water Treatment Plant Operator II, the Distribution Operator II, and the Distribution Operator Lead.

The proposed increases are the result of added requirements and responsibilities, in the form of additional certifications, placed on employees within these positions by the State Water Resources Control Board, together with an attempt to bring salaries in line with the current industry standards.

A summary of the proposed increases is as follows:

Current salary in normal print, and proposed salary in **bold print**.

Water Treatment Plant Operator II

Step A	Step B	Step C	Step D	Step E
\$19.25	\$20.23	\$21.22	\$22.28	\$23.41
\$23.98	\$25.18	\$26.44	\$27.76	\$29.14

Distribution Operator II

Step A	Step B	Step C	Step D	Step E
\$22.31	\$23.43	\$24.59	\$25.82	\$27.12
\$23.98	\$25.18	\$26.44	\$27.76	\$29.14

Salary Evaluation/Increase
Board Meeting of June 14, 2016
Agenda Item 16

Distribution Operator Lead

Step A	Step B	Step C	Step D	Step E
\$24.54	\$25.77	\$27.07	\$28.42	\$29.84
\$29.38	\$30.85	\$32.39	\$34.01	\$35.71

A copy of the current *Salary Schedule as of July 1, 2015* for these and job titles is attached for reference. (See **ATTACHMENT A.**)

Should the Board decide to take action on this item, a Resolution should follow reflecting the changes in the salary of the various job titles.

RECOMMENDATION

Staff remains neutral on this agenda item and is prepared to follow the direction of this Board.

ATTACHMENT A

**Stationary Engineers, Local 39 Represented Employees
Salary Schedule as of July 1, 2015**

<u>Job Title</u>	<u>Step A</u>	<u>Step B</u>	<u>Step C</u>	<u>Step D</u>	<u>Step E</u>
Maintenance Worker I	\$17.49	\$18.36	\$19.27	\$20.25	\$21.24
Maintenance Worker II	\$20.24	\$21.23	\$22.29	\$23.42	\$24.58
Wastewater Technician I	\$18.34	\$19.25	\$20.23	\$20.91	\$22.28
Wastewater Technician II	\$21.24	\$22.31	\$23.43	\$24.59	\$25.82
Canal Operator I	\$19.25	\$20.23	\$21.22	\$22.28	\$23.41
Canal Operator II	\$21.75	\$22.85	\$23.99	\$25.18	\$26.44
Distribution Operator I	\$19.25	\$20.23	\$21.22	\$22.28	\$23.41
Distribution Operator II	\$22.31	\$23.43	\$24.59	\$25.82	\$27.12
Water Treatment Plant Operator II	\$19.25	\$20.23	\$21.22	\$22.28	\$23.41
Water Treatment Plant Operator III	\$27.11	\$28.46	\$29.89	\$31.38	\$32.95
Maintenance Worker Lead	\$24.54	\$25.77	\$27.07	\$28.42	\$29.84
Distribution Operator Lead	\$24.54	\$25.77	\$27.07	\$28.42	\$29.84
Water Treatment Plant Operator Lead	\$29.82	\$31.31	\$32.88	\$34.52	\$36.24

Memo

To: Board of Directors

From: George Sanders, Engineering Consultant

Date: June 6, 2014

Re: **AUBURN LAKE TRAILS WATER TREATMENT PLANT**

Board Meeting of June 14, 2016; Agenda Item #17

BACKGROUND / DISCUSSION

This is part of a monthly update, provided by staff, relating to the status of the Auburn Lake Trails Water Treatment Plant Project. The content changes monthly with the deletion of those items that are deemed complete. This would include the Fire Marshall Review, US Fish & Wildlife Review, State Water Board Plan Review, Utility Reviews and Design and the adoption of the Initial Study/Mitigated Negative Declaration (dated February 19, 2016). Staff remains available to discuss any of these activities upon request.

Foothill Associates – This firm has completed the preparation and submittal, to the Water Board, of those documents identified as ENVIRONMENTAL PACKAGE (CONSTRUCTION). The completion of this PACKAGE is a requirement of the Water Board and a condition of the loan. This activity is deemed complete.

State Water Board – Environmental Document – An element of the environmental process included the ENVIRONMENTAL PACKAGE (CONSTRUCTION). **Area of Concern...**In the review of the PACKAGE, by the Water Board, it was noted that a concern was raised by a representative from the Auburn United Indian Community. Staff within the Water Board had an initial discussion with the representative of the Indian Community but nothing of material substance was noted. In an email from Shaun Rohrer of the Water Board, dated 06 June 2016, the District was informed that the Water Board will “be moving forward with the project but will be putting in the archeological conditions that have been mentioned both in the CEQA document and cultural report. I should be able to finish the environmental clearance in the next few days.”

Funding – District reserves, together with the EPA Grant, remain in place. Nothing additional to report.

State Loan – Amount of \$10,000,000. District staff continues to work directly with the State on matters relating to the loan. As reported in the regular meeting of April 12, staff met with the Water Board on April 8 to discuss the loan. Key elements of that meeting are outlined as follows:

- **Financial** – Identified additional information required on the application, the need to provide an updated tax questionnaire, modifications to the financials to reflect anticipated revenue collected under the Prop 218 Supplemental Charge, together with

a copy of the EPA Grant Agreement. Staff has submitted the information requested. It was noted that the District has the ability to request additional funds at this time.

- Environmental – Identified the need to complete ENVIRONMENTAL PACKAGE (CONSTRUCTION). Foothill Associates, under contract with the District, has completed the PACKAGE and the materials have been submitted to the Water Board. This activity is deemed complete.
- Assurance to Fund – Based on information provided by staff within the Water Board, it is a goal (Water Board and District) to obtain an Assurance to execute the Funding Agreement by August of this year. This is a critical step in the process!

The Funding through the Water Board remains work in progress.

Bid Documents – Solicit Bids Copies of the Contract Documents, including the Plans and Specifications, were made available through PlanWell, a service offered by ARC Document Solutions. Based on records on file with PlanWell, 24 sets of bid documents were issued to contractors or different interested parties. A Pre-Bid meeting was held on April 28 of which 22 representatives of contractors attended. Five addendums were issued on the project. Bids were due to the District on Wednesday, June 8, 2016 at 2:00 p.m. All bids were opened shortly after 2:00 p.m., with a summary of those bid results reported as follows:

Contractor	Bid Amount
C. Overaa & Co.	\$ 11,834,000
Steven P. Rados, Inc.	\$ 10,415,000
Gateway Pacific Contractors, Inc.	\$ 10,975,404
Myers & Sons Construction LP	\$ 10,249,000
Western Water Constructors, Inc.	\$ 11,300,000
K.G. Walters Construction Co., Inc.	\$ 10,845,500
GSE Construction Company, Inc.	\$ 11,452,000
C.W. Roen Construction Co.	\$ 10,860,500
Auburn Constructors, Inc.	\$ 11,039,300
Flatiron West, Inc.	\$ 12,242,380

The Apparent Low Bid was received from Myers & Sons Construction LP in the amount of \$10,249,000.

All of the Contractor materials, relating to the three lowest bid proposals, will be reviewed and discussed with District Counsel. It is the intent of staff to bring recommendations relating to the possible award of a contract at the next regular meeting in July.

Construction Management – Staff is currently in the process of preparing a Request for Proposal from engineering consulting firms for the construction management phase of this project.

Construction Schedule – *Modifications to schedule relate to an extension to the bidding process together with anticipated award date. With uncertainties in the award date, changes in the dates to begin construction, substantial completion and final completion would all follow the award date. The construction schedule is intended to assist the District in measuring progress as we move forward with the various work activities.*

WORK PLAN ACTIVITIES Updated 06/06/16	
Item	Planned Completion Date
Project Design	March 2015 (Completed)
Addendum to CEQA Document	November 2015 – April 2016
Bid Project	April 2016 – June 2016
Agency Approvals	April 2016
Award for Construction	Up to 90 days from Bid Opening (July 2016 – September 2016)
Begin Construction	August 2016 – October 2016
Substantial Completion (18-month Construction)	February 2018 – May 2018
Final Completion	April 2018

This concludes the monthly report on the Auburn Lake Trails Water Treatment Plant Project.

RECOMMENDATION – Possible Board Action.

