

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

**TUESDAY, NOVEMBER 13, 2018**  
**2:00 P.M.**

**MISSION STATEMENT**

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

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

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

**2. ADOPTION OF AGENDA**

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

**4. PROCLAMATIONS AND PRESENTATIONS**

**5. CONSENT CALENDAR**

**A. Approval of Minutes**

1. Regular Meeting of October 9, 2018

**B. Financial Reports**

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

**C. Approve Professional Services Agreement for Temporary As-Needed Labor with Blue Ribbon Personnel Services (MJT).**

**Possible Board Action:** Adopt Resolution 2018-50.

- D. **Authorize the General Manager to Execute an amended Professional Services Agreement for Vavrinek, Trine, Day & Co., LLP increasing the amount by \$50,000.**

**Possible Board Action:** Adopt Resolution 2018-54 authorizing the amended Agreement with Vavrinek, Trine, Day & Co., LLP

## **6. INFORMATIONAL ITEMS**

- A. **President's Report**
- B. **Board Reports**
- C. **General Manager's Report**
- D. **Operation Manager's Report**
- E. **ALT Treatment Plant Update**
- F. **Finance Committee Report**

## **7. NEW BUSINESS**

- A. **Approve Professional Services Agreement for Engineering Services with Bennett Engineering Services Inc. in the Amount of \$108,750.**

**Possible Board Action:** Adopt Resolution 2018-51.

- B. **Approve Professional Services Amendment for Engineering Services with PSOMAS in the Amount of \$29,194.**

**Possible Board Action:** Adopt Resolution 2018-52.

- C. **Fourth Quarter Budget Comparison**

**Possible Board Action:** Receive and file.

- D. **Adopt Revised Financial Reserve Policy.**

**Possible Board Action:** Adopt Resolution 2018-53.

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

## **9. ADJOURN TO CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL**

- A. **Conference with Labor Negotiators Pursuant to Government Code Section 54954.9(f) and Government Code 54957.6:**

District Representatives – District General Manager Steven Palmer; District General Counsel.

Employee Organization – Management and Confidential Employees, Local No. 1.

**B. Public Employee Performance Evaluation** – Pursuant to Government Code 54957(b)(1). Title: General Manager

**C. Existing Litigation** – Pursuant to Paragraph (1) of Subdivision (d) of Section 54956.9: Georgetown Divide Taxpayers Association v. Georgetown Divide Public Utility District.

**D. Existing Litigation** – Pursuant to Paragraph (1) of Subdivision (d) of Government Code Section 54956.9: Jean Lee Choo Leow v. Georgetown Divide Public Utility District.

**10. NEXT MEETING DATE AND ADJOURNMENT** – Next Regular Meeting is December 11, 2018, at 2:00 P.M. at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Steve Palmer by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on November 9, 2018.



Steven Palmer, PE, General Manager



Date

**CONFORMED AGENDA – DRAFT**

**REGULAR MEETING**

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

**TUESDAY, OCTOBER 9, 2018  
2:00 P.M.**

**MISSION STATEMENT**

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

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

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

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

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

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

**2. ADOPTION OF AGENDA**

***Motion by Director Hanschild to adopt the agenda. Second by Director Halpin.***

***Public Comment:*** *There were no comments from the public.*

***Vote:*** *The motion passed unanimously.*

- 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.

*Stephen Proe asked about the General Manager's purchasing authority and about claims paid out by the District.*

#### 4. PROCLAMATIONS AND PRESENTATIONS

##### A. GASB 68 Unfunded Liability Planning – Presentation by Brandon Young, LSL CPAs

*Brandon Young, Assurance Manager for LSL CPAs, the District's external auditors, presented information on some options the District has for funding its increasing pension costs.*

#### 5. CONSENT CALENDAR

***It was moved and seconded to adopt the Consent Calendar.***

***Public Comment:*** *Cherie Carlyon requested that Items 5.B.1. and 5.B.2. be removed from the Consent Calendar.*

***Vote:*** *The Consent Calendar minus Items 5.B.1 and 5.B.2 was approved unanimously.*

##### A. Approval of Minutes

1. Regular Meeting of September 11, 2018

##### B. Financial Reports

***Items 5.B.1. and 5.B.2. were pulled from the Consent Calendar.***

1. Statement of Cash Balances

*Ms. Carlyon asked about the Wells Fargo account. GM Palmer said that the Wells Fargo account is a non-fiduciary account.*

2. Month-End Cash Disbursements Report

*Ms. Carlyon asked about specific checks.*

***Vote:*** *The Financial Reports were approved unanimously.*

##### C. Adopt Amended Conflict of Interest Code

**Possible Board Action:** Adopt Resolution 2018-48.

##### D. Approve Revision to Procurement Policy to Clarify Purchasing through Cooperative Agreements, add Federal Grant Provisions, and Clarify Contract Authority

**Possible Board Action:** Adopt Resolution 2018-46.

## 6. INFORMATIONAL ITEMS

### A. President's Report

*There was no President's Report.*

### B. Board Reports

*Director Wadle reported that in conjunction with his full-time job he attended the annual CSDA (California Special Districts Association) conference. He also reported that certain bills recently signed by the Governor are of interest to local water agencies.*

*Directors Souza and Hanschild reported on the Folsom Dam educational program and tour that they attended.*

### C. General Manager's Report

*Mr. Palmer reported that two interactive tools have been added to the GDPUD website: The Capital Improvement Program Storyboard, and the Fire Hydrant Locator. He also reported that the Treated Water Line Replacement and Main Canal Reliability Projects are moving forward. Engineering design proposals were received October 5. Mr. Palmer noted that the second Irrigation Ordinance Workshop would be held at Northside School on October 16. He also reported that staff would be bringing data to the Finance Committee later in the month or early in November for a preliminary wastewater fee review.*

### D. Operation Manager's Report

*Operations Manager Darrell Creeks reported that the lake is a little lower, but now that irrigation season has ended the level has stabilized at about 76%, which is good for this time of year. Treatment plants are not producing as much water with the cooler temperatures. There were 11 water leaks last month, most of which were service laterals and not mains.*

*Director Wadle complimented Brian Rule for his great customer service when he came out to the Wadle residence to do an inspection. Director Uso mentioned that he has received several compliments on Brian's service, too.*

### E. ALT Treatment Plant Update

*Engineering Consultant George Sanders gave a brief status report of the work done at the plant in September. Following his report, he showed a 10-minute video tour of the plant. (Note: The video can be viewed on the District's website, [http://www.gd-pud.org/#Projects/Auburn Lake Trails \(ALT\) Water Treatment Plant Replacement](http://www.gd-pud.org/#Projects/Auburn_Lake_Trails_(ALT)_Water_Treatment_Plant_Replacement).)*

## F. Finance Committee Report

*In the absence of Committee Chairperson Rick Gillespie, Mr. Palmer reported that the Finance Committee did not meet in September. Staff intends to schedule a special meeting for the Committee in either late October or early November to review the Wastewater ALT Zone fee information. Staff also intends to bring the draft reserve policy to the Committee at that time.*

## 7. NEW BUSINESS

### A. Approve Purchase of Two Replacement Trucks

**Possible Board Action:** Adopt Resolution 2018-49.

*Mr. Creeks presented the staff report and recommendation.*

**Motion by Director Halpin to adopt Resolution 2018-49. Second by Director Wadle.**

**Public Comment:** *There were no comments from the public.*

**Vote:** *The motion passed unanimously.*

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

*There were no additional comments.*

*The Board adjourned to closed session at 3:42 PM.*

## 9. ADJOURN TO CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL

### A. Conference with Labor Negotiators Pursuant to Government Code Section 54954.5(f) and Government Code 54957.6:

District Representatives – District General Manager Steven Palmer; District General Counsel.

Employee Organization – Management and Confidential Employees, Local No. 1.

*The Board returned to open session at 4:15 P.M. and reported that no action was taken in closed session.*

## 10. NEXT MEETING DATE AND ADJOURNMENT – Next Regular Meeting will be November 13, 2018, at 2:00 P.M. at the Georgetown Divide Public Utility District, 6425 Main Street, Georgetown, California 95634.

*The Board adjourned at 4:15 P.M.*

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Steve Palmer by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on October 5, 2018.

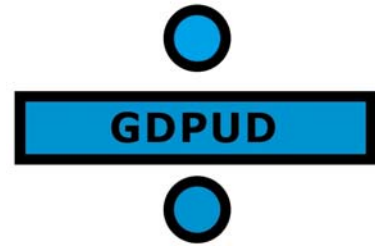
\_\_\_\_\_  
Steven Palmer, PE, General Manager

\_\_\_\_\_  
Date

DRAFT



**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
AGENDA ITEM NO. 5.B.1.**



**AGENDA SECTION: CONSENT CALENDAR**

**SUBJECT: CASH BALANCES – SEPTEMBER 2018**

**PREPARED BY:** Christina Cross, Management Analyst

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

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**BACKGROUND**

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

**DISCUSSION**

The Cash Balance Report as of month ending September 30, 2018 shows the District's cash balances total \$9,728,056.54.

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

El Dorado Savings Bank - Checking	\$	155,206.18
El Dorado Savings Bank - Savings		2,522,107.65
Local Agency Investment Fund (LAIF)		7,050,742.71
	\$	<u>9,728,056.54</u>

Cash balances are allocated based on the Fund for which the source of the monies are generated by or used from.

Fund	Beginning Balance	Cash In Cash Receipts	Accounts Payable	Payroll	Journal Entries	Ending Balance
08 SMUD FUND	194,522.78	-	-	-	-	194,522.78
09 CABY GRANT	(49,988.67)	-	(2,441.70)	-	-	(52,430.37)
10 Water Fund	1,769,707.84	614,429.01	(159,653.75)	(104,895.54)	(59,841.37)	2,059,746.19
12 RETIREE FUND	485,660.35	3,192.22	(7,714.78)	-	-	481,137.79
14 STEWART MINE FD	44,248.58	(10,079.55)	-	-	-	34,169.03
17 WATER DEVE.FUND	408,426.83	-	-	-	-	408,426.83
19 SMERFUND	1,056,141.39	-	-	-	-	1,056,141.39
20 ALT Fund	915,364.58	-	(281,983.77)	-	-	633,380.81
24 CAPITAL REPLACE	662,509.62	-	-	-	-	662,509.62
25 BAYNE RD BND FD	45,700.08	-	-	-	-	45,700.08
29 STATE REV FUND	(7,923.21)	-	(2,296.95)	-	-	(10,220.16)
30 Hydro Fund	653,935.77	8,941.97	-	-	-	662,877.74
35 Restricted P/L	(90,530.11)	-	-	-	-	(90,530.11)
37 GARDEN VALLEY	72,710.33	-	-	-	-	72,710.33
39 CAP FAC CHARGE	1,758,825.01	-	(29,658.20)	-	-	1,729,166.81
40 Zone Fund	978,373.27	39,153.34	(7,508.02)	(6,299.99)	(1,079.30)	1,002,639.30
41 CDS M & O Fund	39,633.34	-	-	-	-	39,633.34
42 CDS RESRV EXP.	170,855.72	-	-	-	-	170,855.72
43 CAPITAL RESERVE	536,440.75	-	(71,463.47)	-	-	464,977.28
51 KELSEY NORTH	129,681.56	-	(15,397.73)	-	-	114,283.83
52 KELSEY SOUTH	55,785.43	-	-	-	-	55,785.43
53 PILOT HILL NO.	(7,480.80)	-	-	-	-	(7,480.80)
54 PILOT HILL SO.	53.68	-	-	-	-	53.68
	<u>\$ 9,822,654.12</u>	<u>\$ 655,636.99</u>	<u>\$ (578,118.37)</u>	<u>\$ (111,195.53)</u>	<u>\$ (60,920.67)</u>	<u>\$ 9,728,056.54</u>

Sources of cash during the month were from recurring utility payments in the amount of \$655,636.99. The details of the uses of cash during the month can be seen on the approved check register in the amount of \$578,118.37. Additional uses of cash during the month not in the check register include payroll disbursements in the amount of \$111,195.53, and PERS Unfunded Liability payments and bi-weekly retirement contributions in the amount of \$60,920.67.

**FISCAL IMPACT**

No fiscal impact.

**CEQA ASSESSMENT**

Not a CEQA Project.

**RECOMMENDED ACTION**

Staff recommends the Board of Directors discuss and file for month ending September 30, 2018.

**ALTERNATIVES**

No alternatives.

**ATTACHMENTS**

1. Statement of Cash Flows September 2018

For Period September 1, 2018 through September 30, 2018

Fund Description	Beginning Balance	Cash In Cash Receipts	Accounts Payable	Payroll	Journal Entries	Ending Cash Balance
08 - SMUD Fund	194,522.78	0	0	0	0	194,522.78
09 - CABY Grant	(49,988.67)	0	2,441.70	0	0	(52,430.37)
10 - Water Fund	1,769,707.84	614,429.01	159,653.75	104,895.54	(59,841.37)	2,059,746.19
12 - Retiree Fund	485,660.35	3,192.22	7,714.78	0	0	481,137.79
14 - Stewart Mine Water Project Fund	44,248.58	(10,079.55)	0	0	0	34,169.03
17 - Water Development Fund	408,426.83	0	0	0	0	408,426.83
19 - STUMPY MDWS Emergency Fund	1,056,141.39	0	0	0	0	1,056,141.39
20 - ALT Fund	915,364.58	0	281,983.77	0	0	633,380.81
24 - Capital Replacement Fund	662,509.62	0	0	0	0	662,509.62
25 - Bayne Rd bond Fund	45,700.08	0	0	0	0	45,700.08
29 - State Revolving Fund	(7,923.21)	0	2,296.95	0	0	(10,220.16)
30 - Hydro Fund	653,935.77	8,941.97	0	0	0	662,877.74
35 - Restricted Pipeline Fund	(90,530.11)	0	0	0	0	(90,530.11)
37 - Garden Valley Maintenance Fund	72,710.33	0	0	0	0	72,710.33
39 - Cap Facility Charges ORD 2007-01	1,758,825.01	0	29,658.20	0	0	1,729,166.81
40 - Zone Fund	978,373.27	39,153.34	7,508.02	6,299.99	(1,079.30)	1,002,639.30
41 - CDS M&O Fund	39,633.34	0	0	0	0	39,633.34
42 - CDS Reserve Expansion Fund	170,855.72	0	0	0	0	170,855.72
43 - New Capital Reserve	536,440.75	0	71,463.47	0	0	464,977.28
51 - Kelsey North WAD 1989-1	129,681.56	0	15,397.73	0	0	114,283.83
52 - Kelsey South WAD 1989-4	55,785.43	0	0	0	0	55,785.43
53 - Pilot Hill North WAD 1989-2	(7,480.80)	0	0	0	0	(7,480.80)
54 - Pilot Hill South WAD 1989-3	53.68	0	0	0	0	53.68
<b>Total Distributed Cash -----&gt;</b>	<b>9,822,654.12</b>	<b>655,636.99</b>	<b>578,118.37</b>	<b>111,195.53</b>	<b>(60,920.67)</b>	<b>9,728,056.54</b>

Cash in Eldorado Savings and LAIF

1000 - El Dorado Savings Bank General Checking	155,206.18
1010 - El Dorado Savings Bank Collections	2,522,107.65
1022 - LAIF	7,050,742.71
<b>Total Cash -----&gt;</b>	<b>9,728,056.54</b>

# **AGENDA ITEM 5.B.2**

**Month End Cash Disbursements Report**

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 1 of 10

Page: 1  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029289	10/10/18	CAL18	California State Disbursement	PAYROLL CLEARING-N. TILMAN	366.92
Sub-Total:(1)					366.92
Sub-Count: 1					
029290	10/10/18	ICM02	ICMA-R.T.-457 (ee)	Payroll withholding-ICMA	1506.46
Sub-Total:(1)					1506.46
Sub-Count: 1					
029291	10/10/18	IU001	IUOE, LOCAL 39	Union Dues Payable-LOCAL 39	345.75
Sub-Total:(1)					345.75
Sub-Count: 1					
029292	10/10/18	IU002	PEU LOCAL #1	UNION DUES-LOCAL 1	215.53
Sub-Total:(1)					215.53
Sub-Count: 1					
029293	10/10/18	JOH02	JOHN D'AGOSTINI SHERIFF-CORONE	LEVY-C.CROSS	155.00
Sub-Total:(1)					155.00
Sub-Count: 1					
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	3805.19
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	5503.18
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	4490.99
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	7357.98
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	1499.96
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	9908.27
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS NOVEMBER 2018	1480.27
029294	10/10/18	ACW05	ACWA/JPIA HEALTH	RETIREE HEALTH INSURANCE PREMIUMS NOVEMBER 2018	6630.20
Sub-Total:(1)					40676.04
Sub-Count: 8					
029295	10/10/18	ADT01	ADT SECURITY SERVICES	SECURITY SERVICE 10/20-11/19/18 8180 BALDERSTON RD	42.08
Sub-Total:(1)					42.08
Sub-Count: 1					
029296	10/10/18	DCO01	DIVIDE CHAMBER OF COMMERCE	2019 CHAMBER OF COMMERCE MEMBERSHIP DUES	100.00
Sub-Total:(1)					100.00
Sub-Count: 1					
029297	10/10/18	GEI02	GEI Consultants, Inc.	2017 PROFESSIONAL SERVICE AGREEMENT	371.25
Sub-Total:(1)					371.25
Sub-Count: 1					
029298	10/10/18	GOV02	GOVERNMENT TAX SEMINARS, LLC	REGISTRATION DUES 2018 GOVERNMENT TAX SEMINAR	395.00
Sub-Total:(1)					395.00
Sub-Count: 1					
029299	10/10/18	GRA01	GRAINGER, INC.	PO#017912 CORDLESS BANDSAW KIT	852.95
Sub-Total:(1)					852.95
Sub-Count: 1					
029300	10/10/18	INT05	INTERWEST CONSULTING GROUP	PROFESSIONAL SERVICES FOR AUGUST 1-31 2018	2047.50
Sub-Total:(1)					2047.50
Sub-Count: 1					
029301	10/10/18	MOB01	MOBILE MINI, LLC-CA	STORAGE RENTAL 10/3/18-10/30/18	197.79
Sub-Total:(1)					197.79
Sub-Count: 1					
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	T & D RAW WATER FUEL USAGE ALLOCATION	574.06
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	WATER TREATMENT FUEL USAGE ALLOCATION	192.12
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	T & D TREATED WTR FUEL USAGE ALLOCATION	1026.79
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	ZONE FUEL USAGE ALLOCATION	154.67
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	UPCOUNTRY FUEL USAGE ALLOCATION	219.69
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	ADMIN. FUEL USAGE ALLOCATION	.00
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	T & D RAW WATER FUEL USAGE ALLOCATION	809.25

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 2 of 10

Page: 2  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	WATER TREATMENT FUEL USAGE ALLOCATION	306.76
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	T & D TREATED WTR FUEL USAGE ALLOCATION	847.01
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	ZONE FUEL USAGE ALLOCATION	117.63
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	UPCOUNTRY FUEL USAGE ALLOCATION	237.94
029302	10/10/18	ROB02	ROBINSON ENTERPRISES	ADMIN. FUEL USAGE ALLOCATION	.00
Sub-Total:(1)					4485.92
Sub-Count: 12					
029303	10/10/18	SCH08	HANNAH SCHNETZ	MILEAGE REIMB FOR AP TRAINING IN SAC 10/02/18	50.47
Sub-Total:(1)					50.47
Sub-Count: 1					
029304	10/10/18	USA03	USA BLUE BOOK	PO#017907 SUPPLIES FOR WATER TREATMENT PLANT	266.67
Sub-Total:(1)					266.67
Sub-Count: 1					
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY LORMAN.COM		224.25
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY MICROSOFT		16.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY MICROSOFT		16.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY MICROSOFT		84.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY BROWNPAPERTICKETS.COM		35.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY COSTCO		31.63
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY COSTCO		37.53
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY COSTCO		187.62
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY COSTCO		34.31
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY COSTCO		27.88
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY COSTCO		20.37
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY STAMPS.COM		96.50
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY STAMPS.COM		400.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY ATYOURPACEONLINE.COM		125.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY FREDPRYOR CAREERTRACK		199.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY CSMFO		370.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY AMAZON - PRESENTATION REMOTE		19.95
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY FEDEX OFFICE		154.06
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY FEDEX OFFICE		96.36
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY FEDEX OFFICE		89.94
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY DRI CRASHPLAN		2.49
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY ACWA		35.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY STAMPS.COM		15.99
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY ACT CUEMA		20.00
029305	10/10/18	USB05	U.S. BANK CORPORATE PAYMENT SY ACT CUEMA		20.00
Sub-Total:(1)					2358.88
Sub-Count: 25					
029306	10/10/18	VAV01	VAVRINEK, TRINE, DAY & CO., LL INCREASE IN CONTRACT AS OF JANUARY 9, 2018		-2780.00
029306	10/10/18	VAV01	VAVRINEK, TRINE, DAY & CO., LL INCREASE IN CONTRACT AS OF JANUARY 9, 2018		2556.93
029306	10/10/18	VAV01	VAVRINEK, TRINE, DAY & CO., LL INCREASE IN CONTRACT AS OF JANUARY 9, 2018		3003.07
Sub-Total:(1)					2780.00
Sub-Count: 3					
029307	10/24/18	AAR01	AARP MEDICARERX SAVER PLUS, PD AARP MEDICARE M DAVIS NOVEMBER 2018		44.20
Sub-Total:(1)					44.20
Sub-Count: 1					
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	699.19
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	3597.05
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	1242.63
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	2588.71
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	358.34
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	279.21
029308	10/24/18	ACW01	ACWA/JPIA	WORKERS COMPENSATION 7/1/18-9/30/18	492.60
Sub-Total:(1)					9257.73
Sub-Count: 7					
029309	10/24/18	ADT01	ADT SECURITY SERVICES	SECURITY SERVICE 10/21-11/20/18 6425 MAIN ST	155.57
Sub-Total:(1)					155.57
Sub-Count: 1					
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	142.36
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	35.59
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	35.59
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	-71.18
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	166.88
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	41.72
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	41.72
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	-83.44

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 3 of 10

Page: 3  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	157.07
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	39.27
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	39.27
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	-78.54
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	88.50
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	22.13
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	22.13
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	-44.26
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	29.97
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	29.98
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	29.98
029310	10/24/18	ALL01	ALLEN KRAUSE	Misc. Vehicle Maintenance & Repairs	.00
Sub-Total:(1)					644.74
Sub-Count: 20					
029311	10/24/18	BLU01	ANTHEM BLUE CROSS	PREPAID HEALTH INSURANCE J. MANZER 11/01-11/30/18	298.35
029311	10/24/18	BLU01	ANTHEM BLUE CROSS	PREPAID HEALTH INSURANCE W. MANZER 11/01-11/30/18	298.35
029311	10/24/18	BLU01	ANTHEM BLUE CROSS	PREPAID HEALTH INSURANCE R.PRINCE JR 11/1-11/30/18	234.81
029311	10/24/18	BLU01	ANTHEM BLUE CROSS	PREPAID HEALTH INSURANCE M. WILSON 11/01-11/30/18	298.35
Sub-Total:(1)					1129.86
Sub-Count: 4					
029312	10/24/18	BRE01	BREAKER GLASS CO., INC.	PO#017916:REPLACE WINDSHIELD ON TOPKICK DUMP TRUCK	70.89
029312	10/24/18	BRE01	BREAKER GLASS CO., INC.	PO#017916:REPLACE WINDSHIELD ON TOPKICK DUMP TRUCK	70.90
029312	10/24/18	BRE01	BREAKER GLASS CO., INC.	PO#017916:REPLACE WINDSHIELD ON TOPKICK DUMP TRUCK	70.90
Sub-Total:(1)					212.69
Sub-Count: 3					
029313	10/24/18	BRO05	BROWN, ADAM	MILEAGE REIMB PER MOU 10/9-10/15/18	103.55
029313	10/24/18	BRO05	BROWN, ADAM	MILEAGE REIMB PER MOU 10/9-10/15/18	71.94
029313	10/24/18	BRO05	BROWN, ADAM	MILEAGE REIMB PER MOU 10/9-10/15/18	71.94
029313	10/24/18	BRO05	BROWN, ADAM	MILEAGE REIMB PER MOU 10/9-10/15/18	18.53
029313	10/24/18	BRO05	BROWN, ADAM	GENERATOR OIL FOR POWER OUTAGE 10/15/18	9.20
Sub-Total:(1)					275.16
Sub-Count: 5					
029314	10/24/18	CHA03	MICHAEL CHAIDEZ	PANTS REIMB 2018 CALENDAR YEAR PER MOU	100.00
Sub-Total:(1)					100.00
Sub-Count: 1					
029315	10/24/18	CHU02	CHURCHWELL WHITE, LLP	PROFESSIONAL SERVICES THROUGH 9/30/18	3201.78
Sub-Total:(1)					3201.78
Sub-Count: 1					
029316	10/24/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	45.00
029316	10/24/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	45.00
029316	10/24/18	CLS01	CLS LABS	LT2ESWTR RAW BACT	78.40
029316	10/24/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	44.10
029316	10/24/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	44.10
029316	10/24/18	CLS01	CLS LABS	LT2ESWTR RAW BACT	78.40
Sub-Total:(1)					335.00
Sub-Count: 6					
029317	10/24/18	CSD00	CALIFORNIA SPECIAL DISTRICT AS	2019 CSDA MEMBERSHIP RENEWAL	6740.00
Sub-Total:(1)					6740.00
Sub-Count: 1					
029318	10/24/18	DEL05	DELAGE LANDEN, INC	KONICA COPIER CONTRACT 10/01-10/31/18	228.20
029318	10/24/18	DEL05	DELAGE LANDEN, INC	FORMAX FOLDING MACHINE 10/01-10/31/18	185.65
Sub-Total:(1)					413.85
Sub-Count: 2					
029319	10/24/18	DIG01	DIGITAL DEPLOYMENT	WEBSITE MIGRATION SERVICES, 1 @ \$3,000.00	3000.00
Sub-Total:(1)					3000.00
Sub-Count: 1					
029320	10/24/18	DIV05	PLACERVILLE AUTO PARTS, INC	Misc. Vehicle Maintenance, Materials & Supplies	18.22
029320	10/24/18	DIV05	PLACERVILLE AUTO PARTS, INC	Misc. Vehicle Maintenance, Materials & Supplies	18.22
029320	10/24/18	DIV05	PLACERVILLE AUTO PARTS, INC	Misc. Vehicle Maintenance, Materials & Supplies	18.23
Sub-Total:(1)					54.67
Sub-Count: 3					

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029321	10/24/18	EAS01	EASY SIGNS	CABY 4x6' single face MDO sign	461.13
Sub-Total:(1)					461.13
Sub-Count: 1					
029322	10/24/18	FRE03	FREEMAN, D'AIUTO, PIERCE	LEGAL FEES	10275.00
Sub-Total:(1)					10275.00
Sub-Count: 1					
029323	10/24/18	GAR02	GARDEN VALLEY FEED & HDW.	Misc. Materials & Supplies for treated water and	94.29
029323	10/24/18	GAR02	GARDEN VALLEY FEED & HDW.	Misc. Materials & Supplies for treated water and	55.75
Sub-Total:(1)					150.04
Sub-Count: 2					
029324	10/24/18	GEO03	STEPHANIE BECK	SUPPLIES FOR SPECIAL BOARD MEETING	4.28
029324	10/24/18	GEO03	STEPHANIE BECK	WATER FOR IRRIGATION WORKSHOPS	4.38
029324	10/24/18	GEO03	STEPHANIE BECK	EXPRESS MAIL SRF CLAIM TO SWRCB	7.00
029324	10/24/18	GEO03	STEPHANIE BECK	OFFICE DEPOT - COPIES FOR IRRIGATION WORKSHOP	136.83
Sub-Total:(1)					152.49
Sub-Count: 4					
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	53.61
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	17.87
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-17.87
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	93.26
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	31.09
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-31.09
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	196.52
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	65.51
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-65.51
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	40.73
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	13.58
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-13.58
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	81.49
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	27.16
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-27.16
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	29.86
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	9.95
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-9.95
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	36.12
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	12.04
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-12.04
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	25.00
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	8.33
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-8.33
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	8.56
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	2.85
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-2.85
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	13.14
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	4.38
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-4.38
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	175.33
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	58.44
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-58.44
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	14.61
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	4.87
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-4.87
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	6.50
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	2.17
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-2.17
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	194.33
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	64.78
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-64.78
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	67.71
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	22.57
029325	10/24/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	-22.57
Sub-Total:(1)					1036.77
Sub-Count: 45					
029326	10/24/18	HAN09	HANSFORD ECONOMIC CONSULTING	WASTEWATER RATE STUDY SEPTEMBER 2018	2270.00
Sub-Total:(1)					2270.00
Sub-Count: 1					
029327	10/24/18	INT05	INTERWEST CONSULTING GROUP	PROFESSIONAL SERVICES FOR 9/1-9/30/18	2887.50
Sub-Total:(1)					2887.50
Sub-Count: 1					
029328	10/24/18	MAD01	KYLE MADISON	REIMB PER MOU:BOOTS FY 18-19,PANTS CALEN YEAR 2018	98.24
029328	10/24/18	MAD01	KYLE MADISON	REIMB PER MOU:BOOTS FY 18-19,PANTS CALEN YEAR 2018	98.24



Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029328	10/24/18	MAD01	KYLE MADISON	REIMB PER MOU:BOOTS FY 18-19,PANTS CALEN YEAR 2018	98.24
Sub-Total:(1)					294.72
Sub-Count: 3					
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	DIANA M. 9/17-9/23/18	529.20
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 9/17-9/23/18	813.63
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 9/17-9/23/18	32.99
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 9/17-9/23/18	529.20
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 9/17-9/23/18	215.60
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	DIANA M. 9/24-9/30/18	548.80
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 9/24-9/30/18	333.20
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 9/24-9/30/18	19.60
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 9/24-9/30/18	215.60
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 9/24-9/30/18	544.25
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	DIANA M. 10/1-10/7/18	921.20
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/1-10/7/18	186.20
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/1-10/7/18	98.00
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/1-10/7/18	205.80
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/1-10/7/18	890.59
029329	10/24/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/1-10/7/18	5.50
Sub-Total:(1)					6089.36
Sub-Count: 16					
029330	10/24/18	MOU02	MOUNTAIN DEMOCRAT	PUBLIC NOTICE TO BIDDERS:DIST PARTS;PUB DATE 10/12	66.53
Sub-Total:(1)					66.53
Sub-Count: 1					
029331	10/24/18	PRO04	PAUL FUNK	CLEANING SERVICES FOR OCTOBER 2018	265.00
Sub-Total:(1)					265.00
Sub-Count: 1					
029332	10/24/18	RIE01	RIEBES AUTO PARTS,LLC	PO#017917: FOR WALTON STORAGE TANK & TELEMETRY	83.02
Sub-Total:(1)					83.02
Sub-Count: 1					
029333	10/24/18	ROB02	ROBINSON ENTERPRISES	T & D RAW WATER FUEL USAGE ALLOCATION	630.44
029333	10/24/18	ROB02	ROBINSON ENTERPRISES	WATER TREATMENT FUEL USAGE ALLOCATION	359.52
029333	10/24/18	ROB02	ROBINSON ENTERPRISES	T & D TREATED WTR FUEL USAGE ALLOCATION	1259.47
029333	10/24/18	ROB02	ROBINSON ENTERPRISES	ZONE FUEL USAGE ALLOCATION	164.05
029333	10/24/18	ROB02	ROBINSON ENTERPRISES	UPCOUNTRY FUEL USAGE ALLOCATION	310.35
029333	10/24/18	ROB02	ROBINSON ENTERPRISES	ADMIN. FUEL USAGE ALLOCATION	.00
Sub-Total:(1)					2723.83
Sub-Count: 6					
029334	10/24/18	ROY01	KENNETH ROYAL	Utilities-ALT WTP PORTABLE RSTRM SVC W/ HAND WASH	435.00
029334	10/24/18	ROY01	KENNETH ROYAL	Utilities-WALTON PORTABLE RSTRM SVCS 7/13-10/13/18	345.00
Sub-Total:(1)					780.00
Sub-Count: 2					
029335	10/24/18	SAN02	Santander Leasing	INTEREST - TRUCK LEASE PAYMENT	73.30
029335	10/24/18	SAN02	Santander Leasing	PRINCIPAL - TRUCK LEASE PAYMENT	1157.58
Sub-Total:(1)					1230.88
Sub-Count: 2					
029336	10/24/18	SHI01	SHINGLE SPRINGS HEATING	MAINTENANCE FOR BOTH HEATERS IN OFFICE 10/9/18	295.22
Sub-Total:(1)					295.22
Sub-Count: 1					
029337	10/24/18	STI02	BRYAN STILES	BOOTS REIMB FISCAL YEAR 2018-2019 PER MOU	200.00
Sub-Total:(1)					200.00
Sub-Count: 1					
029338	10/24/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4" AB-2 ROCK FOR DIST/IRR	126.86
029338	10/24/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4" AB-2 ROCK FOR DIST/IRR	126.87
029338	10/24/18	TEI01	A. TEICHERT & SON, INC	PO#017914: 1 1/2" DRAIN ROCK KELSEY IRRIGATION	203.25
Sub-Total:(1)					456.98
Sub-Count: 3					
029339	10/24/18	TIR01	TIREHUB, LLC	PO#017908: TIRE FOR UNIT #10	277.65
029339	10/24/18	TIR01	TIREHUB, LLC	PO#017908: TIRE FOR UNIT #10	277.65

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 6 of 10

Page: 6  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
Sub-Total:(1)					555.30
Sub-Count: 2					
029340	10/24/18	UNI06	UNITEDHEALTHCARE INSURANCE CO	PREPAID HEALTH INSURANCE D SCHWAGEL 11/1-11/30/18	149.25
Sub-Total:(1)					149.25
Sub-Count: 1					
029341	10/24/18	UNI07	UNITEDHEALTHCARE CLAIM DIVISIO	PREPAID HEALTH INSURANCE J ST DENNIS 11/1-11/30/18	167.07
Sub-Total:(1)					167.07
Sub-Count: 1					
029342	10/24/18	USA03	USA BLUE BOOK	PO#017911: BOX LOCATOR FOR UNIT #30	888.98
Sub-Total:(1)					888.98
Sub-Count: 1					
029343	10/24/18	USB05	U.S. BANK CORPORATE PAYMENT SY	WESTIN HOTELS - FOR WORK TRAINING	303.68
Sub-Total:(1)					303.68
Sub-Count: 1					
029344	10/24/18	WEL02	WELLS FARGO BANK, NA	WALTON LAKE ANNUAL RESERVE NOVEMBER 2018	2296.95
Sub-Total:(1)					2296.95
Sub-Count: 1					
029345	10/24/18	WOO03	WOOD ENVIRONMENT & INFRASTRUCT	PROFESSIONAL SERVICES THROUGH 9/28/18	2233.00
Sub-Total:(1)					2233.00
Sub-Count: 1					
029346	10/24/18	YOU01	YOUNGDAHL CONSULTING GRP.	PROFESSIONAL SERVICES THROUGH 9/30/18	424.00
Sub-Total:(1)					424.00
Sub-Count: 1					
029347	10/24/18	AFL01	AMERICAN FAMILY LIFE INS	Insurance - H&L	1223.40
Sub-Total:(1)					1223.40
Sub-Count: 1					
029348	10/24/18	CAL18	California State Disbursement	PAYROLL CLEARING-N TILMAN	366.92
Sub-Total:(1)					366.92
Sub-Count: 1					
029349	10/24/18	ICM02	ICMA-R.T.-457 (ee)	Payroll withholding-ICMA	1519.84
Sub-Total:(1)					1519.84
Sub-Count: 1					
029350	10/24/18	IU001	IUOE, LOCAL 39	Union Dues Payable-LOCAL 39	346.19
Sub-Total:(1)					346.19
Sub-Count: 1					
029351	10/24/18	IU002	PEU LOCAL #1	UNION DUES-LOCAL 1	216.90
Sub-Total:(1)					216.90
Sub-Count: 1					
029352	10/24/18	JOH02	JOHN D'AGOSTINI SHERIFF-CORONE C	CROSS GARNISHMENT	155.00
Sub-Total:(1)					155.00
Sub-Count: 1					
029353	11/07/18	ANS01	ANSWERING SPECIALISTS INC	OCTOBER 2018 ANSWERING SERVICE	79.95
Sub-Total:(1)					79.95
Sub-Count: 1					
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 530-333-4356 918 9 10/14-11/13/18	237.25
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 530-333-4356 918 9 10/14-11/13/18	355.88
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 530-333-4356 918 9 10/14-11/13/18	355.88

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 7 of 10

Page: 7  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 530-333-9442 243 7 10/14-11/13/18	134.62
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 530-333-1119 106 5 10/14-11/13/18	170.90
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 530-885-6287 473 6 10/14-11/13/18	164.27
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 234-343-7252 777 4 10/14-11/13/18	67.07
029354	11/07/18	ATT02	AT&T	Utilities-PHONE 234-371-7957 823 9 10/14-11/13/18	67.07
Sub-Total:(1)					1552.94
Sub-Count: 8					
029355	11/07/18	BEA01	BUTTE EQUIPMENT RENTALS	PO#017913: 3/4 AB ROCK 10/5,10/11,10/12,10/25/18	250.00
029355	11/07/18	BEA01	BUTTE EQUIPMENT RENTALS	PO#017913: 3/4 AB ROCK 10/5,10/11,10/12,10/25/18	250.00
Sub-Total:(1)					500.00
Sub-Count: 2					
029356	11/07/18	BLU07	BLUE SHIELD OF CALIFORNIA	PREPAID HEALTH INSURANCE ELDON LEU 11/1/18-1/31/19	879.00
029356	11/07/18	BLU07	BLUE SHIELD OF CALIFORNIA	PREPAID HEALTH INSURANCE JERI LEU 11/1/18-01/31/19	795.00
Sub-Total:(1)					1674.00
Sub-Count: 2					
029357	11/07/18	CAL16	CALTRONICS BUSINESS SYSTEMS CO	KONICA COPIER CONTRACT 9/14-10/13/18	698.76
Sub-Total:(1)					698.76
Sub-Count: 1					
029358	11/07/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	45.00
029358	11/07/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	44.10
029358	11/07/18	CLS01	CLS LABS	LT2ESWTR RAW BACT	78.40
029358	11/07/18	CLS01	CLS LABS	ROUTINE DIST. SYST. BACTERIA	44.10
Sub-Total:(1)					211.60
Sub-Count: 4					
029359	11/07/18	CWS01	CORBIN WILLITS SYS. INC.	MONTHLY CHARGE FOR NOVEMBER 2018	573.20
Sub-Total:(1)					573.20
Sub-Count: 1					
029360	11/07/18	ELD16	EL DORADO DISPOSAL	Utilities-GARBAGE 6425 MAIN ST 10/1-10/31/18	110.47
029360	11/07/18	ELD16	EL DORADO DISPOSAL	Utilities-GARBAGE 3650 SWEETWATER TR 10/1-10/31/18	110.47
029360	11/07/18	ELD16	EL DORADO DISPOSAL	Utilities-GARBAGE 8180 BALDERSTON 10/1-10/31/18	110.47
Sub-Total:(1)					331.41
Sub-Count: 3					
029361	11/07/18	ELL02	ALEXIS ELLIOTT	BOOT REIMB 2018-2019 FISCAL YEAR PER MOU	200.00
029361	11/07/18	ELL02	ALEXIS ELLIOTT	PANTS REIMB 2018 CALENDAR YEAR PER MOU	53.61
Sub-Total:(1)					253.61
Sub-Count: 2					
029362	11/07/18	GEO02	GEORGETOWN GAZETTE	NTC TO VNDRS;BIDS REQ WTR DIST PARTS, PUB:10/18/18	56.15
Sub-Total:(1)					56.15
Sub-Count: 1					
029363	11/07/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	8.57
029363	11/07/18	GEO04	DIVIDE SUPPLY ACE HARDWARE	Misc. Materials & Supplies for treated water and	75.90
Sub-Total:(1)					84.47
Sub-Count: 2					
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	18.74
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	56.22
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	18.74
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	56.22
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	28.11
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	200.48
029364	11/07/18	MED01	MEDICAL EYE SERVICES	VISION INSURANCE NOVEMBER 2018	18.74
Sub-Total:(1)					397.25
Sub-Count: 7					
029365	11/07/18	NAT04	NATIONAL DOCUMENT	PO#017910: 250 BUSINESS CARDS K. MADISON	74.90
Sub-Total:(1)					74.90
Sub-Count: 1					
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	9644745072-5	66.82

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 8 of 10

Page: 8  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	1383483826-3	12.08
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	8019291332-7	34.90
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	9592050405-7	29.44
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	7269328928-1	19.71
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	9103062795-3	271.63
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	0800178691-5	54.75
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	2102211877-8	18.83
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	7804325001-4	10.89
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	2060545213-3	415.53
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	2060545213-3	138.50
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	6228064022-8	417.90
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	7727208388-0 WALTON	3502.21
029366	11/07/18	PAC02	PACIFIC GAS & ELECTRIC	0967683154-9 ALT	11730.46
Sub-Total:(1)					16723.65
Sub-Count: 14					
029367	11/07/18	POW01	POWERNET GLOBAL COMM.	Utilities-LONG DISTANCE 9/19/18-10/19/18	189.57
Sub-Total:(1)					189.57
Sub-Count: 1					
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	116.60
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	349.80
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	116.60
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	349.80
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	174.90
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	2215.85
029368	11/07/18	PRE01	PREMIER ACCESS INS CO	DENTAL INSURANCE NOVEMBER 2018	116.60
Sub-Total:(1)					3440.15
Sub-Count: 7					
029369	11/07/18	PSO01	PSOMAS	PROFESSIONAL SERVICES FROM 7/27/18-9/27/18	19688.00
Sub-Total:(1)					19688.00
Sub-Count: 1					
029370	11/07/18	ROB02	ROBINSON ENTERPRISES	T & D RAW WATER FUEL USAGE ALLOCATION	775.56
029370	11/07/18	ROB02	ROBINSON ENTERPRISES	WATER TREATMENT FUEL USAGE ALLOCATION	572.95
029370	11/07/18	ROB02	ROBINSON ENTERPRISES	T & D TREATED WTR FUEL USAGE ALLOCATION	1065.84
029370	11/07/18	ROB02	ROBINSON ENTERPRISES	ZONE FUEL USAGE ALLOCATION	108.24
029370	11/07/18	ROB02	ROBINSON ENTERPRISES	UPCOUNTRY FUEL USAGE ALLOCATION	354.97
029370	11/07/18	ROB02	ROBINSON ENTERPRISES	ADMIN. FUEL USAGE ALLOCATION	.00
Sub-Total:(1)					2877.56
Sub-Count: 6					
029371	11/07/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4 AB ROCK 10/11/18	126.34
029371	11/07/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4 AB ROCK 10/11/18	126.34
029371	11/07/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4 AB ROCK 10/12/18	124.56
029371	11/07/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4 AB ROCK 10/12/18	124.57
029371	11/07/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4" AB ROCK FOR UP COUNTRY & DIST	126.86
029371	11/07/18	TEI01	A. TEICHERT & SON, INC	PO#017913: 3/4" AB ROCK FOR UP COUNTRY & DIST	126.87
Sub-Total:(1)					755.54
Sub-Count: 6					
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-3494	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-3760	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-3872	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-3940	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-3970	.00
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-3978	140.11
029372	11/07/18	VER01	VERIZON WIRELESS	530-333-7608	27.36
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-4413	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-5427	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-5471	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-5472	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-5492	53.34
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-8086	95.01
029372	11/07/18	VER01	VERIZON WIRELESS	530-957-8155	95.01
Sub-Total:(1)					837.55
Sub-Count: 14					
029373	11/07/18	ICM02	ICMA-R.T.-457 (ee)	Payroll withholding-ICMA	1519.84
Sub-Total:(1)					1519.84
Sub-Count: 1					
029374	11/07/18	IUO01	IUOE, LOCAL 39	Union Dues Payable-LOCAL 39	346.19
Sub-Total:(1)					346.19
Sub-Count: 1					

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

Georgetown Divide USD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 9 of 10

Page: 9  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029375	11/07/18	IU002	PEU LOCAL #1	UNION DUES-LOCAL 1	216.90
Sub-Total:(1)					216.90
Sub-Count: 1					
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	4030.37
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	7620.48
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	6071.75
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	8469.99
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	1484.03
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	12332.64
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	HEALTH INSURANCE PREMIUMS DECEMBER 2018	1852.67
029376	11/13/18	ACW05	ACWA/JPIA HEALTH	RETIREE HEALTH INSURANCE PREMIUMS DECEMBER 2018	6250.84
Sub-Total:(1)					48112.77
Sub-Count: 8					
029377	11/13/18	ADT01	ADT SECURITY SERVICES	SECURITY SERVICE 11/20-12/19/18 8180 BALDERSTON RD	42.08
Sub-Total:(1)					42.08
Sub-Count: 1					
029378	11/13/18	ADT01	ADT SECURITY SERVICES	SECURITY SERVICE 11/21-12/20/18	161.46
Sub-Total:(1)					161.46
Sub-Count: 1					
029379	11/13/18	AME08	AMERICAN MESSAGING	PAGECOPY USAGE 10/26/18	10.73
Sub-Total:(1)					10.73
Sub-Count: 1					
029380	11/13/18	BEC01	STEPHANIE BECK	MILEAGE REIMB FOR TRAINING 11/06/18	69.76
Sub-Total:(1)					69.76
Sub-Count: 1					
029381	11/13/18	BOS01	BOSCO CONSTRUCTORS, INC	CABY GRANT FUNDED	320854.50
029381	11/13/18	BOS01	BOSCO CONSTRUCTORS, INC	CAPITAL FACILITY CHARGE DISTRICT FUNDED	106951.50
Sub-Total:(1)					427806.00
Sub-Count: 2					
029382	11/13/18	CAR08	CSI	MONTHLY SERVICE FEE NOVEMBER 2018	59.00
Sub-Total:(1)					59.00
Sub-Count: 1					
029383	11/13/18	CCS01	CCSINTERACTIVE	MONTHLY WEBSITE HOSTING NOVEMBER 2018	69.00
Sub-Total:(1)					69.00
Sub-Count: 1					
029384	11/13/18	LSL01	LANCE, SOLL & LUNGHARD, LLP	2018 GOVERNMENT AUDIT INTERIM	6500.00
029384	11/13/18	LSL01	LANCE, SOLL & LUNGHARD, LLP	2018 GOVERNMENT FINAL AUDIT PROGRESS	9745.00
Sub-Total:(1)					16245.00
Sub-Count: 2					
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	DIANA M. 10/8-10/14/18	509.60
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/8-10/14/18	196.00
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/8-10/14/18	127.40
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/8-10/14/18	372.40
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/8-10/14/18	868.60
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/8-10/14/18	11.00
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	DIANA M. 10/15-10/21/18	235.20
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/15-10/21/18	39.20
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/15-10/21/18	215.60
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	GLORIA O. 10/15-10/21/18	313.60
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/15-10/21/18	874.10
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/15-10/21/18	5.50
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	DIANA M. 10/22-10/28/18	450.80
029385	11/13/18	MJT01	MJT ENTERPRISES, INC.	MINDEE R. 10/22-10/28/18	626.72
Sub-Total:(1)					4845.72
Sub-Count: 14					
029386	11/13/18	MOB01	MOBILE MINI, LLC-CA	STORAGE RENTAL 10/31/18-11/27/18	197.79
Sub-Total:(1)					197.79
Sub-Count: 1					

Date...: Nov 8, 2018  
 Time...: 2:38 pm  
 Run by.: Hannah Schnetz

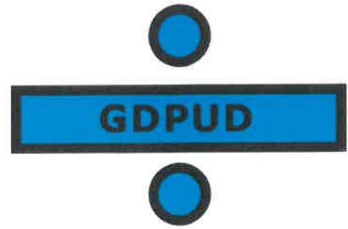
Georgetown Divide PUD  
 BOARD CHECK REVIEW

GDPUD Bd. Mtg. of 11/13/2018  
 AGENDA ITEM 5.B.2.  
 Page 10 of 10

Page: 10  
 List: BOAR  
 ID #: PYDMPH

Check#	Check Date	Vend#	Vendor Name	Description	Check Amount
029387	11/13/18	MYE01	Myers and Sons	CONTRACTOR'S APPLICATION #18 PERIOD: 8/1-8/31/18	219332.01
Sub-Total:(1)					219332.01
Sub-Count: 1					
029388	11/13/18	USP01	POSTMASTER	PERMIT 6 ANNUAL RENEWAL	168.75
029388	11/13/18	USP01	POSTMASTER	PERMIT 6 ANNUAL RENEWAL	33.75
029388	11/13/18	USP01	POSTMASTER	PERMIT 6 ANNUAL RENEWAL	22.50
Sub-Total:(1)					225.00
Sub-Count: 3					
029389	11/13/18	VAV01	VAVRINEK, TRINE, DAY & CO., LL	INCREASE IN CONTRACT AS OF JANUARY 9, 2018	-20767.50
029389	11/13/18	VAV01	VAVRINEK, TRINE, DAY & CO., LL	INCREASE IN CONTRACT AS OF JANUARY 9, 2018	19101.13
029389	11/13/18	VAV01	VAVRINEK, TRINE, DAY & CO., LL	INCREASE IN CONTRACT AS OF JANUARY 9, 2018	22433.87
Sub-Total:(1)					20767.50
Sub-Count: 3					
029390	11/13/18	WAL02	WALKER'S OFFICE SUPPLY	Misc. Office Supplies	150.94
Sub-Total:(1)					150.94
Sub-Count: 1					
029391	11/13/18	\L001	LEWIS, DONNA	MQ CUSTOMER REFUND FOR LEW0019	20.00
Sub-Total:(1)					20.00
Sub-Count: 1					
029392	11/13/18	\R002	RAMIRO, SENA	MQ CUSTOMER REFUND FOR RAM0025	12.00
Sub-Total:(1)					12.00
Sub-Count: 1					
029393	11/13/18	\R008	RHODES, JOHN/SHERI	MQ CUSTOMER REFUND FOR RHO0003	23.72
Sub-Total:(1)					23.72
Sub-Count: 1					
Grn-Total:					914578.08
Ttl-Count: 356					

**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
AGENDA ITEM NO. 5.C.**



**AGENDA SECTION: CONSENT**

**SUBJECT: APPROVAL OF PROFESSIONAL SERVICES AGREEMENT  
WITH BLUE RIBBON PERSONNEL SERVICES**

**PREPARED BY:** Stephanie Beck, Human Resource/Information Specialist 

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

**BACKGROUND**

The District has utilized the services of MJT Enterprises, Inc., doing business as Blue Ribbon Personnel Services (MJT Enterprises), to recruit qualified employees to fill temporary job assignments for the District since April 29, 2005. The District uses temporary field labor to accommodate increased workload during irrigation season, and temporary administrative staff to accommodate increased workload during billing cycles and to provide coverage during vacations.

**Attachment 1** of this staff report is the existing Professional Services Agreement with Blue Ribbon Personnel Services.

**DISCUSSION**

The District continues to require these temporary personnel services, and the term of the existing Professional Services Agreement with MJT Enterprises expired on October 3, 2018. MJT Enterprises has agreed to extend the Professional Services Agreement another year with no changes to the terms of the agreement.

The proposed Professional Services Agreement is included with this report as **Attachment 2**.

**FISCAL IMPACT**

Temporary personnel services are used on an as needed basis and will be utilized within the existing adopted budget. As budget amendment is not required.

**CEQA ASSESSMENT**

This is not a CEQA Project.

**RECOMMENDED ACTION**

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District adopt Resolution 2018-50 (Attachment 3) authorizing the General Manager to execute a Professional Services Agreement with MJT Enterprises for temporary personnel services.

**ALTERNATIVES**

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

**ATTACHMENTS**

1. Existing Professional Services Agreement
2. Proposed Professional Services Agreement
3. Resolution 2018-50



## PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this 3rd day of October, 2017, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and MJT Enterprises, Inc., a California corporation, doing business as Blue Ribbon Personnel Services (the “Agency”). District and Agency may be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

### RECITALS

**A.** District has determined that personnel services are required to identify qualified employees to fill temporary job assignments for the District.

**B.** Agency has submitted a proposal to provide temporary employees to District that includes a Scope of Services, attached hereto and described more fully in **Exhibit A** (the “Services”).

**C.** Agency represents that it is qualified, willing, and able to provide the Services to District according to the mark-up rate schedule (“Mark-up Rate Schedule”), included and attached hereto as **Exhibit B**.

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**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 16 of this Agreement, Section 1 through 16 shall prevail.

**2. Services.** Agency agrees to perform the Services for District under the terms and conditions described in **Exhibit A**.

**3. Compensation.** District shall pay Agency according to the Mark-up Rate Schedule set forth in **Exhibit B** as full remuneration for the performance of the Services. On a weekly basis, Agency shall provide District, in reasonable and understandable detail, an invoice of the Services rendered in the previous billing period. Payment is due upon receipt of invoice. District shall pay such invoice within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall pay the undisputed portion within the time stated above, and at the same time advise Agency in writing of the disputed portion. The balance due on any invoice that is more than thirty (30) days past due shall bear interest at the rate of 18% per annum.

**4. Term.** This Agreement shall become effective on the Effective Date and will continue in effect until October 3, 2018 (the "Term").

**5. Termination.** District may terminate this Agreement at any time without cause or reason ("Termination"), by notifying Agency in writing of District's desire to terminate this Agreement (the "Termination Notice"). Upon receipt of a Termination Notice, Agency shall immediately cease performing the Services. Agency will be entitled to compensation, as of the date Agency receives the Termination Notice, only for Services actually performed.

**6. Duties of Agency.** Agency shall perform all of the following:

**A.** Reasonably recruit, screen, interview, hire, and assign its employees ("Assigned Employees") to perform the work requested by District, under District's supervision at the location specified by District.

**B.** Pay all of Assigned Employees' wages and provide them with any applicable benefits, as required by local, state, or federal law, including, but not limited to, access to low cost group Medical, Dental, Vision and Life benefit plans, holiday and vacation bonuses for qualifying temporary employees, and sick leave accrual after 30 or more days of employment at no cost to District.

**C.** Pay, withhold, and transmit payroll taxes for Assigned Employees and provide unemployment insurance and workers' compensation benefits to Assigned Employees.

**D.** Comply with federal, state, and local labor and employment laws applicable to Assigned Employees, including but not limited to federal, state, and county safety and health regulations. Agency shall perform all work according to generally accepted standards within the industry. Agency shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District.

**7. Duties of District.** In order to allow Agency to render the Services contemplated by this Agreement, District shall do all of the following:

**A.** Furnish to Agency a written job order with a sufficient job description and established hourly rate for the position requested from Agency. When District makes a staffing request, District assumes full responsibility for determining whether the position requested is entitled to the payment of prevailing wages pursuant to California law and or any applicable federal prevailing wage laws, and for determining the appropriate class of prevailing wages to be paid.

**B.** Properly supervise, control, and safeguard its premises, processes, and systems. District shall not allow Assigned Employees to (i) operate any vehicle or machinery; (ii) be entrusted with any unattended cash, negotiable instruments, or other valuables; or (iii) perform work other than the Services specified for that assignment. District shall maintain a written workplace harassment policy applicable to Assigned Employees.

C. Provide a safe and suitable workplace for Assigned Employees. District shall be solely responsible for complying with applicable federal and state occupational safety and health laws and regulations, including training, supplying protective equipment and providing information, warnings and safety instructions, and ensuring meal and rest periods are taken. District shall notify Agency immediately of any safety infractions or injuries.

D. Notify Agency of issues relating to job performance of Assigned Employees. For purposes of this Agreement, job performance includes Assigned Employees' dismissal, discipline for cause, or recognition for merit. District shall direct any evaluations of Assigned Employees to Agency rather than to Assigned Employees.

**8. Employees of Agency.** All Assigned Employees shall be employed solely by Agency. Assigned Employees shall not be treated as employees of District for purposes of sick leave, holidays, vacations, disability insurance, pensions, or other employee benefits offered or provided by District, unless otherwise required by local, state, or federal law.

**9. District Hiring of Assigned Employees.** If District hires, without Agency's involvement, any Assigned Employee provided by Agency directly or indirectly to District within one hundred and eighty (180) days of receipt of that Assigned Employee's resume, District shall pay Agency an amount equal to thirty percent (30%) of that Assigned Employee's annual salary.

**10. Indemnification.** To the extent permitted by law, Agency hereby agrees to indemnify, defend, and hold harmless District, its agents, officers, employees and volunteers (collectively, "District's Agents"), against all liability, obligations, claims, demands, losses, costs, and expenses caused or created by Agency or its agents negligence or willful misconduct related to acts or omissions of Agency in connection with the Services, or arising out of injuries suffered or allegedly suffered by Assigned Employees in the course of their employment by Agency or upon premises owned or controlled by District. Agency's obligation to indemnify, defend, and hold District and District's Agents harmless shall survive the expiration of the Term.

To the extent permitted by law, District hereby agrees to indemnify, defend, and hold harmless Agency, its agents, officers, employees and volunteers (collectively, "Agency's Agents"), against all liability, obligations, claims, demands, losses, costs, and expenses caused or created by District or District's Agents negligence or willful misconduct related to acts or omissions of District in connection with the Services, or arising out of injuries suffered or allegedly suffered by Assigned Employees upon premises owned or controlled by District. District's obligation to indemnify, defend, and hold Agency and Agency's Agents harmless shall survive the expiration of the Term.

**11. Independent Contractor; Subcontracting.** Agency and Assigned Employees shall represent and conduct themselves as independent contractors and not as employees of District. Agency has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Agency shall have no authority, express or implied, to act on behalf of District in any capacity. Agency is prohibited from subcontracting this Agreement in whole or in part unless such subcontracting is expressly approved by District in writing.

**12. Confidential Information.** A Party may receive information that is proprietary or confidential to the other Party or its affiliated companies and their clients. The Parties agree not to disclose such information to third parties or to use such information for any purpose whatsoever other than performance under this Agreement or as required by law. District agrees that the resumes submitted by Agency to District are confidential.

**13. Workers' Compensation Insurance.** Agency shall carry workers' compensation insurance as required by the State of California under the Labor Code. Agency shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

**14. Costs and Attorney's Fees.** In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

**15. Notices.** Any notice or communication required hereunder between District or Agency must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS, or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District:

Georgetown Divide Public Utility District  
P.O. Box 4240  
6425 Main Street  
Georgetown, CA 95634  
Attention: General Manager

With courtesy copies to:

Churchwell White LLP  
1414 K Street, 3rd Floor  
Sacramento, California 95814  
Attention: Barbara A. Brenner, Esq.

{CW046466.7}

If to Agency:

MJT Enterprises, Inc.  
dba Blue Ribbon Personnel Services  
601 Main Street, Placerville, CA 95667  
Attention: Nancy Dixon, President/Manager

**16. General Provisions.**

**A. Modification.** No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

**B. Waiver.** The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

**C. Assignment.** No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

**D. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

**E. Venue.** Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

**F. Partial Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**G. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

**H. Severability.** If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

**I. Audit.** District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

**J. Entire Agreement.** This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

**K. Headings Not Controlling.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

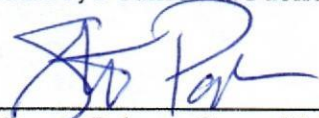
{CW046466.7}

**L. Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**

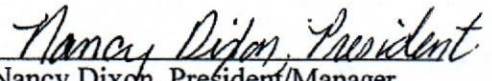
GEORGETOWN DIVIDE PUBLIC UTILITIES DISTRICT, a California Public Utilities District

By:   
Steven Palmer, General Manager

Date: 10/12/17

**AGENCY:**

MJT ENTERPRISES, INC., a California Corporation, doing business as Blue Ribbon Personnel Services

By:   
Nancy Dixon, President/Manager  
Blue Ribbon Personnel Services

Date: 9-28-17

Approved as to Form:

\_\_\_\_\_  
Barbara A. Brenner, General Counsel



## **Professional Services Agreement**

**Between Georgetown Divide Public Utility District  
and MJ Enterprises, Inc. dba Blue Ribbon Personnel Services**

### **EXHIBIT A**

#### **Scope of Services**

MJ Enterprises, dba Blue Ribbon Personnel Services (“Agency”) agrees to provide the Georgetown Divide Public Utility District (“District”) with personnel services including, but not limited to, the following:

1. Agency shall recruit, screen, interview, hire, and assign its employees (“Assigned Employees”) to perform the work requested by District. This work is to be performed under District’s supervision at the location specified by District.
2. Assigned Employees are employed solely by Blue Ribbon Personnel Services. Agency shall comply with all applicable State and Federal laws and assume full responsibility for paying all of Assigned Employees’ wages, withholding and transmitting payroll taxes, and providing applicable benefits required by local, state, or federal law, including sick leave, vacation and holidays.
3. Agency shall provide unemployment insurance and workers’ compensation benefits to Assigned Employees and respond to claims for unemployment and workers’ compensation proceedings involving Assigned Employees.
4. Agency shall comply with federal, state, and local labor and employment laws applicable to Assigned Employees, including, but not limited to federal, state, and county safety and health regulations.



**Professional Services Agreement  
Between Georgetown Divide Public Utility District  
and MJ Enterprises, Inc. dba Blue Ribbon Personnel Services**

**EXHIBIT B**

**Mark-Up Rate Schedule for Georgetown Public Utilities District**

Blue Ribbon Personnel Services ("Agency") shall bill the Georgetown Divide Public Utility District ("District") for its services rendered based upon the hourly mark-up rate of each of the Agency's Assigned Employees, as described below:

<b><u>Positions</u></b>	<b><u>Mark-up Rate</u></b>
All Clerical Positions	40%
Utility/Maintenance Workers	52%
Meter Readers	45%

These mark-up rates are based on the employee's hourly pay (as established by District), employer payroll taxes, workers' compensation coverage, and Agency fee.

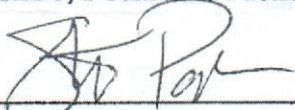


L. **Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**

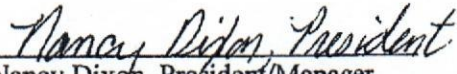
GEORGETOWN DIVIDE PUBLIC UTILITIES DISTRICT, a California Public Utilities District

By:   
Steven Palmer, General Manager

Date: 10/12/17

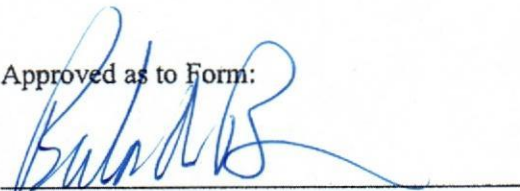
**AGENCY:**

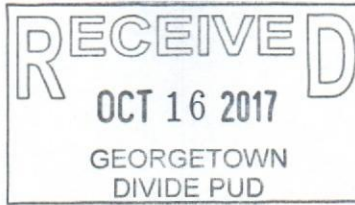
MJT ENTERPRISES, INC., a California Corporation, doing business as Blue Ribbon Personnel Services

By:   
Nancy Dixon, President/Manager  
Blue Ribbon Personnel Services

Date: 9-28-17

Approved as to Form:

  
Barbara A. Brenner, General Counsel



church

1414 K

Sacramento, CA 95814  
T 916.468.0950 | F 916.468.0951

Donna M. Gulrich  
T 916-468-4544  
donna@churchwellwhite.com

## Transmittal Letter

Date: October 12, 2017

### VIA U.S. MAIL/EMAIL

([gomania@gd-pud.org](mailto:gomania@gd-pud.org))

TO: Gloria Omania  
Georgetown Divide Public Utility District  
6425 Main Street  
Georgetown, CA 95634

**RE: Professional Services Agreement between GDPUD & Blue Ribbon**

COMMENTS: Pursuant to your request, attached the original signature page to the above-referenced agreement, which has been executed by Barbara Brenner.

- For your file
- For review and comment
- For signature
- Per your request
- Other Instructions/requests

Sincerely,

Churchwell White LLP

Donna Gulrich, Legal Secretary  
Enclosure

## PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this 13th day of November, 2018, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and MJT Enterprises, Inc., a California corporation, doing business as Blue Ribbon Personnel Services (the “Agency”). District and Agency may be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

### RECITALS

**A.** District has determined that personnel services are required to identify qualified employees to fill temporary job assignments for the District.

**B.** Agency has submitted a proposal to provide temporary employees to District that includes a Scope of Services, attached hereto and described more fully in **Exhibit A** (the “Services”).

**C.** Agency represents that it is qualified, willing, and able to provide the Services to District according to the mark-up rate schedule (“Mark-up Rate Schedule”), included and attached hereto as **Exhibit B**.

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**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 16 of this Agreement, Section 1 through 16 shall prevail.

**2. Services.** Agency agrees to perform the Services for District under the terms and conditions described in **Exhibit A**.

**3. Compensation.** District shall pay Agency according to the Mark-up Rate Schedule set forth in **Exhibit B** as full remuneration for the performance of the Services. On a weekly basis, Agency shall provide District, in reasonable and understandable detail, an invoice of the Services rendered in the previous billing period. Payment is due upon receipt of invoice. District shall pay such invoice within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall pay the undisputed portion within the time stated above, and at the same time advise Agency in writing of the disputed portion. The balance due on any invoice that is more than thirty (30) days past due shall bear interest at the rate of 18% per annum.

{CW046466.7}

4. **Term.** This Agreement shall become effective on the Effective Date and will continue in effect until November 13, 2019 (the “Term”).

5. **Termination.** District may terminate this Agreement at any time without cause or reason (“Termination”), by notifying Agency in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Agency shall immediately cease performing the Services. Agency will be entitled to compensation, as of the date Agency receives the Termination Notice, only for Services actually performed.

6. **Duties of Agency.** Agency shall perform all of the following:

A. Reasonably recruit, screen, interview, hire, and assign its employees (“Assigned Employees”) to perform the work requested by District, under District’s supervision at the location specified by District.

B. Pay all of Assigned Employees’ wages and provide them with any applicable benefits, as required by local, state, or federal law, including, but not limited to, access to low cost group Medical, Dental, Vision and Life benefit plans, holiday and vacation bonuses for qualifying temporary employees, and sick leave accrual after 30 or more days of employment at no cost to District.

C. Pay, withhold, and transmit payroll taxes for Assigned Employees and provide unemployment insurance and workers’ compensation benefits to Assigned Employees.

D. Comply with federal, state, and local labor and employment laws applicable to Assigned Employees, including but not limited to federal, state, and county safety and health regulations. Agency shall perform all work according to generally accepted standards within the industry. Agency shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District.

7. **Duties of District.** In order to allow Agency to render the Services contemplated by this Agreement, District shall do all of the following:

A. Furnish to Agency a written job order with a sufficient job description and established hourly rate for the position requested from Agency. When District makes a staffing request, District assumes full responsibility for determining whether the position requested is entitled to the payment of prevailing wages pursuant to California law and or any applicable federal prevailing wage laws, and for determining the appropriate class of prevailing wages to be paid.

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C. Provide a safe and suitable workplace for Assigned Employees. District shall be solely responsible for complying with applicable federal and state occupational safety and health laws and regulations, including training, supplying protective equipment and providing information, warnings and safety instructions, and ensuring meal and rest periods are taken. District shall notify Agency immediately of any safety infractions or injuries.

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To the extent permitted by law, District hereby agrees to indemnify, defend, and hold harmless Agency, its agents, officers, employees and volunteers (collectively, "Agency's Agents"), against all liability, obligations, claims, demands, losses, costs, and expenses caused or created by District or District's Agents negligence or willful misconduct related to acts or omissions of District in connection with the Services, or arising out of injuries suffered or allegedly suffered by Assigned Employees upon premises owned or controlled by District. District's obligation to indemnify, defend, and hold Agency and Agency's Agents harmless shall survive the expiration of the Term.

**11. Independent Contractor; Subcontracting.** Agency and Assigned Employees shall represent and conduct themselves as independent contractors and not as employees of District. Agency has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Agency shall have no authority, express or implied, to act on behalf of District in any capacity. Agency is prohibited from subcontracting this Agreement in whole or in part unless such subcontracting is expressly approved by District in writing.

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**14. Costs and Attorney's Fees.** In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

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If to District:

Georgetown Divide Public Utility District  
P.O. Box 4240  
6425 Main Street  
Georgetown, CA 95634  
Attention: General Manager

With courtesy copies to:

Churchwell White LLP  
1414 K Street, 3rd Floor  
Sacramento, California 95814  
Attention: Barbara A. Brenner, Esq.

{CW046466.7}

If to Agency: MJT Enterprises, Inc.  
dba Blue Ribbon Personnel Services  
601 Main Street, Placerville, CA 95667  
Attention: Nancy Dixon, President/Manager

**16. General Provisions.**

**A. Modification.** No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

**B. Waiver.** The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

**C. Assignment.** No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

**D. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

**E. Venue.** Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

**F. Partial Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

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**J. Entire Agreement.** This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

**K. Headings Not Controlling.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

{CW046466.7}

**L. Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**

GEORGETOWN DIVIDE PUBLIC UTILITIES DISTRICT, a California Public Utilities District

By: \_\_\_\_\_  
Steven Palmer, General Manager

Date: \_\_\_\_\_

**AGENCY:**

MJT ENTERPRISES, INC., a California Corporation, doing business as Blue Ribbon Personnel Services

By: Nancy Dixon, President  
Nancy Dixon, President/Manager  
Blue Ribbon Personnel Services

Date: 10-25-18

Approved as to Form:

\_\_\_\_\_  
Barbara A. Brenner, General Counsel





## Professional Services Agreement

Between Georgetown Divide Public Utility District  
and MJ Enterprises, Inc. dba Blue Ribbon Personnel Services

### EXHIBIT A

#### Scope of Services

MJ Enterprises, dba Blue Ribbon Personnel Services (“Agency”) agrees to provide the Georgetown Divide Public Utility District (“District”) with personnel services including, but not limited to, the following:

1. Agency shall recruit, screen, interview, hire, and assign its employees (“Assigned Employees”) to perform the work requested by District. This work is to be performed under District’s supervision at the location specified by District.
2. Assigned Employees are employed solely by Blue Ribbon Personnel Services. Agency shall comply with all applicable State and Federal laws and assume full responsibility for paying all of Assigned Employees’ wages, withholding and transmitting payroll taxes, and providing applicable benefits required by local, state, or federal law, including sick leave, vacation and holidays.
3. Agency shall provide unemployment insurance and workers’ compensation benefits to Assigned Employees and respond to claims for unemployment and workers’ compensation proceedings involving Assigned Employees.
4. Agency shall comply with federal, state, and local labor and employment laws applicable to Assigned Employees, including, but not limited to federal, state, and county safety and health regulations.



**Professional Services Agreement  
Between Georgetown Divide Public Utility District  
and MJ Enterprises, Inc. dba Blue Ribbon Personnel Services**

**EXHIBIT B**

**Mark-Up Rate Schedule for Georgetown Public Utilities District**

Blue Ribbon Personnel Services (“Agency”) shall bill the Georgetown Divide Public Utility District (“District”) for its services rendered based upon the hourly mark-up rate of each of the Agency’s Assigned Employees, as described below:

<b><u>Positions</u></b>	<b><u>Mark-up Rate</u></b>
All Clerical Positions	40%
Utility/Maintenance Workers	52%
Meter Readers	45%

These mark-up rates are based on the employee’s hourly pay (as established by District), employer payroll taxes, workers’ compensation coverage, and Agency fee.

**RESOLUTION NO. 2018-50**  
**OF THE BOARD OF DIRECTORS OF THE**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
**AUTHORIZING THE GENERAL MANAGER TO EXECUTE A**  
**PROFESSIONAL SERVICES AGREEMENT WITH MJT ENTERPRISES**  
**FOR TEMPORARY PERSONNEL SERVICES**

**WHEREAS**, the Georgetown Divide Public Utility District (“District”) has utilized the services of MJT Enterprises, Inc., a California Corporation, doing business as Blue Ribbon Personnel Services (“MJT Enterprises”), to identify qualified employees to fill temporary job assignments for the District; and

**WHEREAS**, the District periodically has a need for additional personnel services to fill temporary assignments with qualified employees; and

**WHEREAS**, MJT Enterprises is well qualified and has submitted a proposal that includes a Scope of Services and Rate Schedule that is acceptable to the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT** that the General Manager is authorized to execute a professional services agreement with MJT Enterprises for temporary personnel services.

**PASSED AND ADOPTED** by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the 13<sup>th</sup> day of November 2018, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

---

Londres Uso, President, Board of Directors  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

*Attest:*

---

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

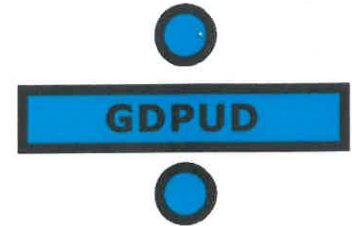
## CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2018-50 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this 13<sup>th</sup> day of November 2018.

---

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

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



**AGENDA SECTION: CONSENT**

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

**PREPARED BY:** Christina Cross, Management Analyst *CC*

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

---

**BACKGROUND**

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

**DISCUSSION**

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

**FISCAL IMPACT**

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

**CEQA ASSESSMENT**

Not a CEQA project.

**RECOMMENDED ACTION**

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

**ATTACHMENTS**

1. Resolution
2. Amended Professional Services Agreement

**RESOLUTION NO. 2018-54**

**OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AMENDED  
PROFESSIONAL SERVICES AGREEMENT WITH VAVRINEK, TRINE, DAY & CO.,  
LLP**

**WHEREAS**, the Georgetown Divide Public Utility District (“District”) retained Vavrinek, Trine, Day & Co., LLP (VTD) to perform initial finance and accounting oversight to address immediate needs of the District; and

**WHEREAS**, VTD employs personnel at the appropriate experience level to meet the needs of the District; and; and

**WHEREAS**, VTD provided an amended schedule of services and rates.

**NOW, THEREFORE, IT IS RESOLVED** that the General Manager is authorized to execute the amended professional services agreement with Vavrinek, Trine, Day & Co., LLP increasing the amount by \$50,000 to not exceed amount of \$201,960 for finance and accounting management services.

**PASSED AND ADOPTED** by the Board of Directors of the Georgetown Divide Public Utilities District at a meeting of said Board held on the 13th day of November 2018, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

---

Londres Uso, President  
Board of Directors  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

ATTEST:

---

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

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2018-54 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 9th day of January 2018.

---

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



## AMENDED PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this 13th day of November 2018, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and Vavrinek, Trine, Day & Co., LLP (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

### RECITALS

**A.** District has determined that consultant services are required for non-audit services to assist the District in reviewing and updating finance and accounting policies and procedures (the “Project”).

**B.** Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto and described more fully in **Exhibit A** (“Services”).

**C.** Consultant represents that it is qualified, willing and able to provide the Services to District, and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto as **Exhibit B** (the “Rates”).

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**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 20 of this Agreement, Section 1 through 20 shall prevail.

**2. Consulting Services.** Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded or an outside consultant engaged by Consultant unless prior written approval is obtained from District.

**3. Compensation.** District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed \$201,960, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide District, in reasonable and understandable detail, a description of the services rendered pursuant to the Services and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice

within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall pay the undisputed portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.

**5. Term.** This Agreement shall become effective on the Effective Date and will continue in effect until the Services provided herein have been completed, unless terminated earlier as provided in Section 6 or 7 below (the “Term”).

**6. Termination.** District may terminate this Agreement prior to the expiration of the Term (“Termination”), without cause or reason, by notifying Consultant in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

**7. Termination for Cause.** Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits or registrations required for the continued provision of the Services, or Consultant’s malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

**8. Confidential Information.** Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District (“Confidential Information”).

Consultant shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Consultant written authorization to make any such disclosure, Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District’s General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

**9. Performance by Key Employee.** Consultant has represented to District that Kristen West will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this Agreement in reliance on that representation by Consultant.

**10. Property of District.** The following will be considered and will remain the property of District:

**A. Documents.** All reports, drawings, graphics, working papers and Confidential Information furnished by District in connection with the Services (“Documents”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Documents.

**B. Data.** All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials (“Data”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Data.

**C. Delivery of Documents and Data.** Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

**11. Duties of District.** In order to permit Consultant to render the services required hereunder, District shall, at its expense and in a timely manner:

**A.** Provide such information as Consultant may reasonably require to undertake or perform the Services;

**B.** Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant’s performance of the Services; and

**C.** Promptly notify Consultant of any fault or defect in the performance of Consultant’s services hereunder.

**12. Representations of Consultant.** District relies upon the following representations by Consultant in entering into this Agreement:

**A. Qualifications.** Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant’s sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant’s profession at the time the Services are rendered.

**B. Consultant Performance.** Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required

under this Agreement in a manner consistent with generally accepted professional customs, procedures and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

**13. Compliance with Laws and Standards.** Consultant shall insure compliance with all applicable federal, state, and local laws, ordinances, regulations and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work.

**14. Independent Contractor; Subcontracting.** Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

**15. Insurance.** Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

**A. General Liability Insurance.** Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

**B. Workers' Compensation Insurance.** Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

**C. Automobile Insurance.** Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

**D. Errors and Omissions Liability.** Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents"); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**E. Other Insurance Requirements.** Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement ("Certificates"), excluding the required worker's compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker's compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days' prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District's Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied, or used by the Consultant, or automobiles owned, leased, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District's Agents and any insurance or self-insurance maintained by District or District's Agents shall be in excess of Consultant's insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**16. Indemnification.** Consultant hereby agrees to indemnify and hold harmless District, its agents, officers, employees and volunteers, against all liability, obligations, claims, loss, and expense (a) caused or created by Consultant, its subcontractors, or the agents or employees of either, whether negligent or not, pertaining to or related to acts or omissions of Consultant in connection with the Services, or (b) arising out of injuries suffered or allegedly suffered by employees of Consultant or its subcontractors (i) in the course of their employment, (ii) in the performance of work hereunder, or (iii) upon premises owned or controlled by District. Consultant's obligation to defend, indemnify and hold District and its agents, officers, employees and volunteers harmless is not terminated by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

**17. Consequential Damages.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits

or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

**18. Litigation.** In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

**19. Notices.** Any notice or communication required hereunder between District or Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District: Georgetown Divide Public Utility District  
P.O. Box 4240  
6425 Main Street  
Georgetown, CA 95634  
Attention: General Manager

With courtesy copies to: Churchwell White LLP  
1414 K Street, 3rd Floor  
Sacramento, California 95814  
Attention: Barbara A. Brenner, Esq.

If to Consultant: Vavrinek, Trine, Day & Co., LLP  
2151 River Plaza Drive, Suite 308  
Sacramento CA 95833  
Attention: Joseph Aguilar

## 20. General Provisions.

**A. Modification.** No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

**B. Waiver.** The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

**C. Assignment.** No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

**D. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

**E. Venue.** Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

**F. Partial Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**G. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

**H. Severability.** If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

**I. Audit.** District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

**J. Entire Agreement.** This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

**K. Headings Not Controlling.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

**L. Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

**M. Drafting and Ambiguities.** Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**

GEORGETOWN DIVIDE PUBLIC  
UTILITIES DISTRICT, a California Public  
Utilities District

By: \_\_\_\_\_  
Steven V. Palmer, General Manager

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Barbara A. Brenner, General Counsel

**CONSULTANT:**

VAVRINEK, TRINE, DAY & CO., LLP  
Limited Liability Partnership

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_



## **EXHIBIT A**

### **Services**

Vavrinek, Trine, Day & Co., LLP will provide finance and accounting services as directed by the General Manager. Consultant will provide personnel to function as finance/accounting manager for approximately 8-10 hours per week. Services will include tasks typical of a finance/accounting manager and are likely to include the following:

- Oversee and review various tasks needed to assist the District in closing the accounting records (“books”), preparing financial statements, etc. in preparation of yearend financial audits. This includes inspecting and evaluating the condition of the original books of entry (e.g. accounts payable, payroll, billing, etc.)
- Assist with format and staff training for monthly budget to actual tracking and reports, monthly, quarterly and annual financial reports to the Board
- Assist in development of policies and procedures
- Support preparation of annual budgets and capital improvement plans

## EXHIBIT B

### Rates

#### VAVRINEK, TRINE, DAY & CO., LLP Fee Proposal

Position	Hourly Rates		
	2016-17	2017-18	2018-19
Partner	\$ 175	\$ 185	\$ 195
Manager	\$ 160	\$ 165	\$ 170
Supervisor	\$ 140	\$ 140	\$ 145
Senior Accountant	\$ 100	\$ 100	\$ 105
Staff Accountant	\$ 80	\$ 80	\$ 83

	Annual Costs		
	Finance Manager	Admin Aide	Total
FY 2017-18	89,100	53,760	\$ 142,860
FY 2018-19	92,700	92,160	\$ 184,860

# CSDA Legislative Round-Up

## November 1, 2018



# Overview

- Sexual Harassment Legislation
- Legislative Update
- Legal Advocacy
- Questions & Answers



# Legislative Round-Up – New California Legislation



Thursday, November 1, 2018

Lori Liu  
Senior Associate, Renne Public Law Group



# AGENDA

- Impact of #MeToo Movement on Legislation
- Sexual Harassment Bills:
  - AB 3109
  - SB 820
  - SB 1300
  - SB 1343
- Non-Harassment Bills: AB 1976

# #MeToo Movement

- Unprecedented outcry involving sexual harassment in the work place
- Retaliation of record number of bills addressing the issue
- Newer, stronger legislation protecting employees
- Stricter, broader liability placed on employers

# SEXUAL HARASSMENT BILLS





# AB 3109 (Stone) – Contracts: Waiver of Right of Petition or Free Speech

- Provision in contract or settlement becomes void and unenforceable if it waives a party's right to testify in an administrative, legislative, or judicial proceeding regarding criminal conduct or sexual harassment



# AB 3109 (Stone) – Contracts: Waiver of Right of Petition or Free Speech



- Applies to testimony in an administrative, legislative, or judicial proceeding, so long as the person's testimony was required or requested by the court, administrative agency, or legislative body

# AB 3109 (Stone) – Contracts: Waiver of Right of Petition or Free Speech

GDPUD Board Mtg. of 11/13/2018  
AGENDA IEM 6.B.  
Director's Report  
Page 9 of 46

- Addresses settlement agreements that have the effect of silencing the accuser of sexual harassment claims
- Makes it easier for sexual harassment or assault victims to report incidents

# AB 3109 (Stone) – Contracts: Waiver of Right of Petition or Free Speech

## Impact:

- Bans settlement provisions barring victims from testifying about criminal conduct or sexual harassment
- Ensures such silencing provisions in settlement agreements would not be enforceable

# SB 820 (Leyva) – Settlement Agreements: Confidentiality

## Prevents inclusion of confidentiality agreements in settlements regarding:

- sexual assault
- harassment
- gender discrimination



**\*unless requested by victim**

# SB 820 (Leyva) – Settlement Agreements: Confidentiality

- Makes void as a matter of law and against public policy any provisions of settlement agreements that prevent disclosure of factual information related to such claims
- Broader than just sexual assault

## Impact:

- settlement agreements that prevent an individual from disclosing factual information related to claims of sexual assault or harassment or discrimination, including retaliation for reporting sexual harassment or discrimination, will no longer be permitted
- effective *January 1, 2019*, SB 820 voids any provision in a settlement agreement that restricts disclosure of such facts.

# SB 820 (Leyva) – Settlement Agreements: Confidentiality

## Exception:

- Claimant may request a provision in the agreement that conceals all of his or her identifying information
- The accused does not have the same protection
- Does not apply if a government agency or public official is a party to the settlement agreement
- Monetary amount of settlement may remain private

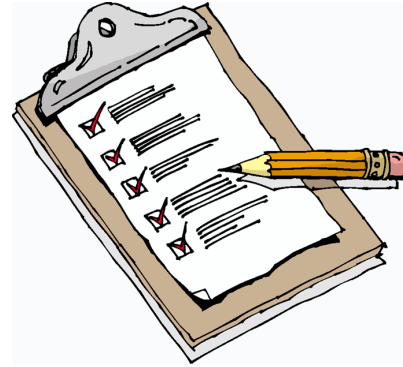




# SB 1300 (Jackson) – Unlawful Employment Practices: Discrimination and Harassment

- Sexual harassment omnibus bill – amends the FEHA (Gov. Code Sections 12940 and 12965) and adds provisions
- Expands harassment liability for acts of non-employees: any type of harassment
- Applies when an employer knows or should have known of the conduct and fails to take immediate and appropriate corrective action

# SB 1300 (Jackson) – Unlawful Employment Practices: Discrimination and Harassment



Makes it an unlawful for an employer, ***in exchange for a raise or bonus, or as a condition of employment or continued employment, to:***

- Require the employee to sign a release of a claim or right under the FEHA.
- Require the employee to sign a non-disparagement agreement or other document that purports to deny the employee the right to disclose information about unlawful acts in the workplace, including but not limited to sexual harassment.

# SB 1300 (Jackson) – Unlawful Employment Practices: Discrimination and Harassment

- Prohibits a prevailing defendant from being awarded attorney's fees and costs (unless the court finds the action was frivolous, unreasonable, or groundless when brought or that the plaintiff continued to litigate after it clearly became so)
- Authorizes (but does not require) employers to provide bystander intervention training to its employees

# SB 1300 (Jackson) – Unlawful Employment Practices: Discrimination and Harassment

## **Expressly affirms or denies specified judicial decisions:**

- **Affirms** *Harris v. Forklift Systems*: decline of productivity
- **Rejects** *Brooks v. City of San Mateo*: single incident can be harassment
- **Affirms** *Reid v. Google, Inc.*: rejects “stray remarks doctrine”
- **Rejects** *Kelley v. Conco Companies*: nature of workplace irrelevant
- **Affirms** *Nazir v. United Airlines, Inc.*: MSJ not appropriate

# SB 1343 (Mitchell) – Employers: Sexual Harassment Training: Requirements



- Expands the scope of required sexual harassment training
- Requires training for employers with at least five employees, including non-supervisors and temporary or seasonal employees

**SB 1343 (Mitchell)** – Employers:  
Sexual Harassment Training: Requirements

## **Beginning in 2020:**

- Employers must provide employees with sexual harassment prevention training once every two years
- Supervisorial employees required to have a two-hour training, while non-supervisorial employees will have a one-hour training
- Department of Fair Employment and Housing required to develop a training video, informational posters, and fact sheets in multiple languages that employers could use to provide the training

# NON-HARASSMENT BILLS



## AB 1976 (Limón) – Employment: Lactation Accommodation

- Requires employers to make reasonable efforts to provide employees with the use of a room or other location to express milk, ***other than a toilet stall***
- Location must also be private and in close proximity to the employee's work area
- AB 1976 applies to all employers regardless of size



# AB 1976 (Limón) – Employment: Lactation Accommodation

## Impact:



- Makes it easier for nursing mothers to express milk at work
- May increase the burden on employers to provide such accommodations

# SUMMARY: NEW CALIFORNIA LEGISLATION



- Impact of #MeToo on legislation
- New requirements and broader employer liability for employers



# QUESTIONS & ANSWERS

# THANK YOU!

- Lori Liu
- *Renne Public Law Group,  
Senior Associate*
- *lliu@publiclawgroup.com*
- *(415) 848-7200*



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SOLUTIONS

# New Pension Prefunding Option

- [SB 1413 \(Nielsen\) Pension Prefunding Trust Program](#)
  - Provides the California Public Employees' Retirement System (CalPERS) the authority to establish the Pension Prefunding Trust Program (PPTP).
  - The PPTP will allow CalPERS to establish, in accordance with Section 115 of the Internal Revenue Code (IRC), an irrevocable trust (115 Trust) through which eligible California public agency employers may prefund their future annual pension contributions.
  - Public agencies that utilize the 115 Trust established through SB 1413 would receive the benefits of being able to offset their unfunded pension obligation by an amount equal to their balance in the trust, the ability to smooth annual CalPERS rate adjustments by drawing on the trust, increase the diversity of their investments beyond general fund investments, and potentially improve their bond ratings.



# Special District Websites

- [SB 929 \(McGuire\) Special District Websites](#)
  - CSDA sponsored legislation to increase the awareness, accessibility, and transparency of special districts
  - This bill will require every independent special district to have a website that meets existing website requirements and includes district contact information by 2020.
  - The bill allows special districts facing a hardship to exempt themselves by detailing their circumstances in a resolution adopted in a public meeting. The legislation recognizes the lack of access to broadband Internet and insufficient staff and financial resources as barriers to maintaining a website.
  - The Special Districts Leadership Foundation (SDLF) is offering scholarships to cover the costs of a special district website for 15 months, for qualifying districts.



# Board Member Compensation

- [AB 2329 \(Obernolte\) Special Districts Board Compensation](#)
  - Authorizes cemetery, healthcare, fire protection, recreation and park, resource conservation, and airport districts to compensate their members for **no more than six meetings in a calendar month.**
  - If a district compensates their members for more than five meetings in a calendar month, the board of directors shall annually adopt a written policy describing, based on a finding supported by substantial evidence, why more than five meetings per month are necessary for the effective operation of the district.
  - Districts may increase the amount of compensation received for attending meetings of the board by no more than 5 percent annually.



# Funding for LAFCO actions

- [AB 2258 \(Caballero\) LAFCo's: grant program](#)
  - Would have created a grant program for Local Agency Formation Commissions to perform studies and local government re-organization actions administered by the Strategic Growth Council.
  - It would have been limited to actions in disadvantaged communities and would have been dependent on a budget appropriation and sunset in five years. .
  - CSDA worked with the sponsor of the bill to clarify protest threshold language in the bill which resulted in amendments that changed CSDA's position from oppose to support.
  - This measure was vetoed by the Governor.





# Public High Speed Internet

- AB 1999 (Chau) Public broadband services
  - Expands certain local agencies', including Community Service Districts, ability to provide Broadband Internet infrastructure and services to their constituents.
  - CSDs will no longer have to wait for a private provider to affirm lack of interest or to surrender the infrastructure or services to a private entity involuntarily.
  - Requires that those public agencies providing broadband internet conform to net neutrality policies as included in the measure.
  - Measure was signed into law by the Governor.



# Prop 13 Base Year Value Portability

- [AB 1748](#) & [ACA 20 \(Steinorth\)](#) Property Taxation: Base Year Value Transfer
  - AB 1748 would have allowed any person to transfer the base year property value of their property regardless of age or disability, to any replacement dwelling, regardless of the value of the replacement property or whether the replacement property is located within the same county.
  - It provided for a blended base for “up-sizing” purchasing, allowing those under 55 years to do one such transfer and those over 55 unlimited transfers. This measure would only be implemented upon passage of ACA 20 and its approval by the voters. These measures failed, or failed to move.
- [AB 1322](#) & [ACA 7 \(Bocanegra\)](#) Property Taxation: Intercounty Base Year Value Transfers
  - Would have allowed any person over 55 years or severely disabled person to transfer their base year value to a replacement dwelling in any county, regardless if that county has passed an ordinance to allow for it. This bill would have only become operative if ACA 7 (Bocanegra) was passed by the voters. These measures failed, or failed to move.



# Property Tax Allocation

- AB 898 (Frazier) Property Taxation: Revenue Allocations: East Contra Costa Fire Protection District
  - Would have reallocated ad valorem property tax revenues from the East Bay Regional Park District to the East Contra Costa Fire Protection District. This measure failed to move.
- AB 2916 (Grayson) Property Tax Revenue Allocations: Qualified Fire Protection Districts
  - Would, for seven years, have required county auditors to increase ad valorem revenue to certain fire districts that are found to be underfunded by subtracting the same amount from all other types of districts proportionately. This measure failed to move.



# Redevelopment 2.0

- [AB 3037 \(Chiu\) Community Redevelopment Law of 2018](#)
  - Sought to recreate redevelopment agencies (RDAs) by mandating participation by all taxing entities when a land-use authority created one.
  - It took amendments to make special districts fiscally whole by providing a “passthrough provision” for any tax increment diverted to an RDA.
  - More amendments were planned to clarify this and other provisions, which would have moved CSDA’s position from oppose unless amended to at least neutral. The measure was held under submission in the Assembly Appropriations Committee.
- [AB 1778 \(Holden\) Transit-Oriented Redevelopment Law of 2018](#)
  - Earlier versions would have reinstated (RDAs), including compulsory tax increment investment in redevelopment from special districts. It was amended to be specific to transit-oriented redevelopment but was never heard.

# Developer Impact Fees Measures

- [SB 1202 \(Stone\) Land Use: Development Fees](#)
  - This measure was dramatically amended from what was a much more punitive measure, to now reflect that 3 years of non-compliance of the public availability of the accounting of funds as mandated by existing [Government Code § 66006\(b\)](#) can [result in an audit](#) - the cost of which is borne by the offending agency.
- [SB 1296 \(Glazer\) Database of Local Fees](#)
  - Would have created a statewide database of developer fees and mandate that all special districts send a new report to the Housing and Community Development Agency annually. This measure was held in the Appropriations Committee.
- [AB 3147\(Caballero\) Fee Mitigation Act: Housing Developments](#)
  - This measure attempted to lock in development impact fees at the point of project application. This measure was held in under submission the Assembly Appropriations Committee.



# Title

- [AB 2065 \(Ting\) Leases of Surplus Land](#)
  - The Surplus Land Act requires public agencies to offer surplus land to schools, parks, and affordable housing developers before disposing of it.
  - Would have redefined and substantially broadened the term “dispose of” to include the sale, lease, transfer, or other conveyance of surplus land.
  - Problematic for agencies trying to lease land reserved for future use or as a buffer site.
  - Bill was attempting to target BART, the City of San Jose, and the City of Oakland.
  - This bill died in the Assembly Appropriations Committee.



# Ban on Accessory Dwelling Unit Fees

- [SB 831 \(Wieckowski\) ADU Development Fees](#)
  - Would have banned impact fees, connection fees, capacity charges, or any other fees charged by special districts on ADUs less than 1,200 square feet.
  - Under the California Constitution it is unlawful to ask other ratepayers to subsidize the costs these fees would cover (Proposition 218 & 26 Proportionality Clause).
  - Would likely lead to widespread moratoriums on ADU construction (e.g. [City of Downey](#))
  - Impacts water districts, sanitation districts, fire protection districts, and park districts.
  - [SB 1069 \(Wieckowski, 2016\)](#) and [SB 229 \(Wieckowski, 2017\)](#), passed in the last two years, already limit the fees special districts can charge to ADUs connected to an existing single family home.



# Ban on Accessory Dwelling Unit Fees

- [SB 1469 \(Skinner\) Land Use: ADUs](#)
  - Would have also banned impact fees, connection fees, capacity charges, or any other fees charged by special districts on ADUs less than 1,200 square feet.
  - Died in Senate Appropriations Committee.
  
- [AB 2890 \(Ting\) Land Use: ADUs](#)
  - Would have also banned impact fees, connection fees, capacity charges, or any other fees charged by special districts on ADUs less than 1,200 square feet.
  - Died in Assembly Appropriations Committee.





# Legal Advocacy

## ***Paradise Irrigation District v. Commission on State Mandates (C081929)*** **Third Appellate District, *petition for rehearing granted – decision vacated*** **[State Mandates]**

### **Issues**

- The issues before the Court of appeal focused on the circumstances in which water districts may be entitled to subvention for unfunded state mandates, including: 1) whether special districts have sufficient “authority” to levy fees to cover the costs of state mandated programs, 2) whether special districts that do not receive property tax revenue are eligible for reimbursements for the costs of state mandated programs, and 3) whether all special districts must “try and fail” to raise water, sewer, or refuse collection fees in order to cover the cost of state mandated programs before seeking reimbursement from the Commission on State Mandates.



# Legal Advocacy

## ***Paradise Irrigation District v. Commission on State Mandates (C081929)*** **Third Appellate District, *petition for rehearing granted – decision vacated*** **[State Mandates]**

### **Facts**

- The Commission on State Mandates denied the District's test claims related to the requirements imposed by the Water Conservation Act of 2009 and associated agricultural water measurement regulations.
- In February 2016, a Sacramento Superior Court ruling supported the argument that the costs for some of the Legislature's preferred programs must be paid by special district ratepayers in the form of increased rates.



# Legal Advocacy

## ***Paradise Irrigation District v. Commission on State Mandates (C081929)*** **Third Appellate District, *petition for rehearing granted – decision vacated*** **[State Mandates]**

### **Facts**

- The trial court held that districts have sufficient legal authority to levy fees to pay for the costs of mandated programs and services, notwithstanding Proposition 218.
- The trial court held that enterprise districts (entities which do not collect revenues subject to appropriation limits – also known as a “Gann Limit”) are ineligible to receive reimbursement for mandates.
- The trial court held that enterprise districts must “try and fail” to raise water, wastewater, or trash fees before seeking reimbursement.



# Legal Advocacy

## ***Paradise Irrigation District v. Commission on State Mandates (C081929)*** **Third Appellate District, *petition for rehearing granted – decision vacated*** **[State Mandates]**

### **Court of Appeal Ruling**

- Court held that Proposition 218 does not divest special districts of legal authority to levy fees to pay for state mandated programs, even if that authority is subject to majority protest of fee and rate-paying customers.
- The opinion focused on the distinction between general and special taxes that require voter approval before they can go into effect, and fees subject to majority protest procedures that go into effect unless a sufficient protest is mounted.
- The court did not rule on the issue of eligibility of enterprise-only special districts for state mandate reimbursement. However, the Court of Appeal rejected the trial court's "try and fail" test, which suggested that the districts' could potentially be entitled to reimbursement upon showing that the districts' customers defeated the proposed increase with a majority protest. Instead, the Court of Appeal stated that it must "presume voters will give appropriate consideration and deference to proposals of fees by the boards of the Water Districts."



# Legal Advocacy

***Paradise Irrigation District v. Commission on State Mandates (C081929)***  
**Third Appellate District, *petition for rehearing granted – decision vacated***  
**[State Mandates]**

## Why It Matters

- The court's decision may be used as legal precedent to effectively permit the state to implement costly programs and regulations without providing reimbursement to local governments, while local governments are required to pass the cost of implementation to their fee and rate-payers. If these districts are prevented from raising fees by a majority protest, existing services would have to be cut to cover the costs of the new mandated programs.



# Legal Advocacy

## ***Paradise Irrigation District v. Commission on State Mandates (C081929)*** **Third Appellate District, *petition for rehearing granted – decision vacated*** **[State Mandates]**

### **CSDA Action**

- CSDA led the effort to file an amicus curiae brief to the Court of Appeal on behalf of enterprise districts, joined by the ACWA and California Association of Sanitation Agencies (CASA). Separate amicus briefs were filed by the League and CSAC. CSDA was present at oral argument before the three-judge panel. A petition for rehearing by the Court of Appeal was filed on behalf of the districts on October 15.
- The petition for rehearing was granted on October 31. As a result, the opinion and decision of the court filed on October 1 is vacated, and the case is pending again before the Court of Appeal at-large.



# Questions?



This publication is provided for general information only and is not offered or intended as legal advice. Readers should seek the advice of an attorney when confronted with legal issues and attorneys should perform an independent evaluation of the issues raised in these materials.

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**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
AGENDA ITEM NO. 6.C.**



**AGENDA SECTION: INFORMATIONAL ITEMS**

**SUBJECT: GENERAL MANAGER'S REPORT**

**PREPARED BY: Steven Palmer, PE, General Manager**

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

---

**PROJECTS**

- Water Conservation, Supply Reliability, and Environmental Protection Project funded by CABY
  - Construction started on October 3.
  - Substantial completion in November 2018.
  - Site inspection by Water Quality Control Board yielded no significant findings
- Treated Water Line Replacement and Main Canal Reliability Projects
  - Proposals for Engineering Services received on October 5, 2018
  - Board action to award engineering services agreement today.
- Automated Meter Reading and Meter Replacement Project
  - Reviewing finance application with State
- Irrigation Ordinance Update
  - First Workshop on September 20
  - Second Workshop on October 16
  - Staff working to update based on direction from Second Workshop
- Wastewater Fee Review
  - Draft presented to Finance Committee on October 31.
  - Staff is addressing comments
  -

**ANNOUNCEMENTS**

- Congratulations to Management Analyst Christina Cross for receiving a full scholarship from the California Society of Municipal Finance Officers (CSMFO) to attend their annual conference. The scholarship funds registration fees, lodging, and one-year of membership. CSMFO's purpose is "to improve the knowledge, skills, and performance of individuals responsible for municipal and other local government fiscal policy and management." Having a staff member attend this conference is important to developing a high performing finance function and meets Board Goal C Objective C-1 "Encourage and support training that furthers the District's mission."

- Long time District employee Stephanie Beck was recently promoted to the newly created Human Resources/Information Technology Specialist position. She has already implemented an online benefits enrollment program for our employees. One of her other projects, to improve workflow at the District, is to replace paper timecards with an electronic timecard reporting and approval system that is linked to the electronic payroll system. We have already started implementation of this new electronic system and expect to complete a full transition in January.
- In response to the pre-emptive electrical outage by Pacific Gas & Electric, the District submitted a claim for overtime and gasoline.

### **UPCOMING BOARD ITEMS**

#### *December*

- New Board Member Transition
- Selection of Board Officers

#### *January*

- Receive Fiscal Year 2018/2019 Audit
- Update Leakage Consideration Policy

#### *Future*

- Memorandum of Understanding – Local 1
- Board Policy Updates
- Accounting/Finance Software Contract
- Personnel Manual
- Capital Facility Charge Update
- District Fee Update
- Communications Professional Services Agreement

# GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

## Operations Manager's Report for November 2018

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

November 13, 2018, AGENDA ITEM #6.D.

### Water Production for the Month of October

#### Auburn Lake Trails Water Treatment Plant

21.940 million gallons  
707,741 gallons/day  
average

#### Walton Lake Water Treatment Plant

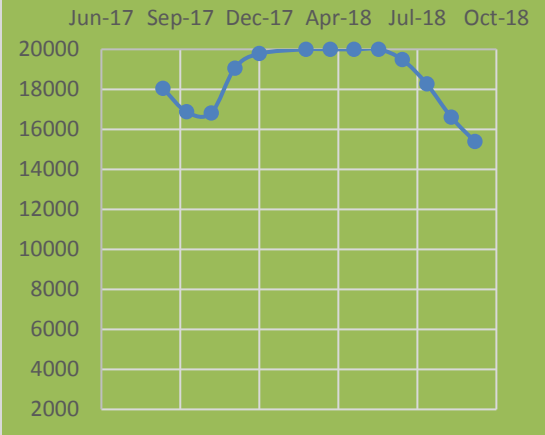
23.439 million gallons  
756,096 gallons/day  
average

### Water Quality Monitoring

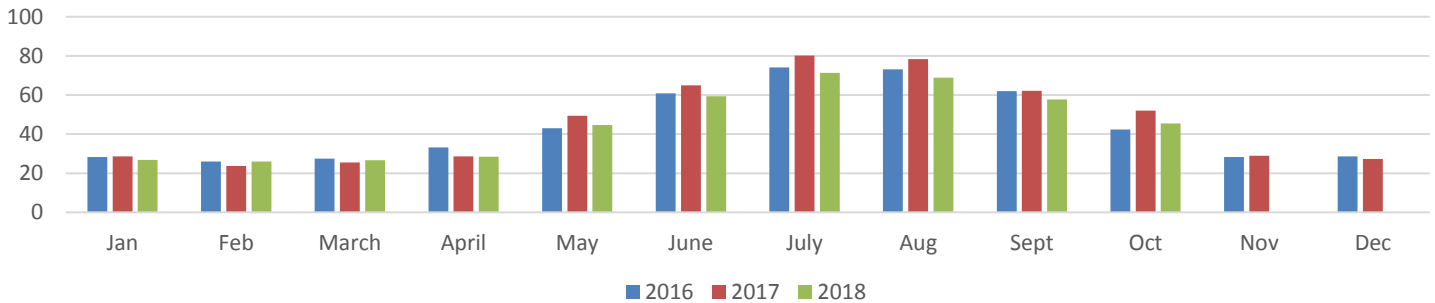
Monitoring has been completed and reports have been submitted to the State Water Resources Control Board.

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

### Stumpy Meadows Volume (Acre-FT)



### Chart Water Production (MG)



### Summary of Field Work Activities

#### Distribution Crew

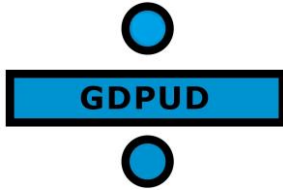
- ✓ Repaired leaks: 8
- ✓ Repair/replace meters: 0
- ✓ Installed new service: 0 treated
- ✓ Adjusted altitude and pressure reducing valves
- ✓ Performed Maintenance on Pressure Reducing Stations
- ✓ Read Meters and performed lock offs

#### Maintenance Crew

The maintenance crew continued to use the excavator and brush cutters to clean canals. Trying to stop leaks in high priority areas where properties could be impacted.

#### Georgetown Divide Public Utility District

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



**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

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

**MEMORANDUM**

**DATE:** October 31, 2018  
**TO:** Darrell Creeks, Operations Manager  
**FROM:** Adam Brown, Water Resources Manager  
**SUBJECT:** Auburn Lake Trails Monthly Zone Activity Summary (October 2018)

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This memorandum has been prepared to summarize inspections, zone monitoring, maintenance, repairs and other activities completed to wastewater disposal systems located in Auburn Lake Trails (ALT) during the month of October 2018. Activities were completed in compliance with California Regional Water Quality Control Board (CRWQCB) Monitoring and Reporting Program (MRP) No. R5-2002-0031 for Georgetown Divide Public Utility District (GDPUD) ALT On-Site Wastewater Disposal Zone (OSWDS). As of November 1, 2018, there are 1,019 developed lots utilizing septic systems within ALT. The following activities occurred during the month of August.

**ALT Zone Activities**

Wastewater Disposal Systems Finalled	1 lot 101
Routine Inspections	115
Follow-up Inspections	4
Routine POA Inspections	0
Escrow Inspections	8
Homeowner Requests for Service	3 (lot 1525, lot 363, lot 506)
Construction Inspection	Lot 1392 twice, 1708 twice
Plan/Review Inspections	0
Re-testing of Lots	0
New Wastewater Disposal Systems Design	0
Enforcement/Correction Notices Sent	75 door hangers

**ALT Zone Activities and Homeowner Requests for Service**

New Conventional System	0
New Pump Tank	0
CDS Tank Replacement	

**ALT CDS Activities**

Number of CDS connections	137
---------------------------	-----

Routine CDS Inspections	5
Follow-up CDS Inspections	0
CDS Tanks Replaced to Date	83
Lots Video Camera Inspected	0
CDS Watertight Test	2 (lot 38, lot 86)
New CDS Tank	0
Routine Community Disposal Field Inspections	4
CDS Pump Station Inspections	5

**Monitoring Activities – Groundwater Monitoring Wells**

The third quarter 2018 groundwater monitoring and sampling was conducted on August 30, 2018, by GDPUD staff. The third quarter monitoring and sampling report was submitted on November 1, 2018.

**Training**

N/A

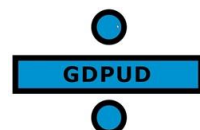
**ALT Regulatory Zone Reports**

The monthly Sanitary Sewer Overflow (SSO) – *No Spill Certification* was submitted electronically to California Integrated Water Quality System (CIWQS) November 1, 2018.

**CDS Average Daily Flow & Average Daily Wastewater Flow/Home**

Month	Flow Amount (gallons)	Per Home Per Day (gallons)	Rain (inches)	Date Range
October 2017	16,194	119.95	0.75	10/1 – 11/1/17
November 2017	24,274	179.80	10.85	11/1 – 11/30/17
December 2017	23,209	168.18	1.02	12/1/17 – 1/1/18
January 2018	40,458	295.31	7.84	1/1 – 2/1/18
February 2018	25,607	186.91	1.40	2/1 – 3/1/18
March 2018	62,727	457.86	12.95	3/1 – 4/2/18
April 2018	40,000	291.97	4.31	4/1 – 5/1/18
May 2018	19,838	144.8	0.5	5/1 – 6/1/18
June 2018	16,454	120.1	0	6/1 – 7/1/18
July 2018	16,845	122.9	0	7/1 – 8/2/18
August 2018	15,412	112.4	0	8/2/18-8-31-18
September 2018	16,974	123.9	0	8/31-18-10/1/18
October 2018	16,761	122.3	1.09	10/1/18-10/31/18

Notes: WDR Limit – 71,800 gallons/day



**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
Agenda Item No. 6.E.**



**AGENDA SECTION:** INFORMATIONAL ITEMS

**SUBJECT:** ALT WATER TREATMENT PLANT PROJECT UPDATE

**PREPARED BY:** George Sanders, Engineering Consultant

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

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

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

*Myers & Sons Construction*

Construction activities at the site, during the month of October, have concentrated in the Filter Building, the Raw Water Pump Station Building, modifications to the Backwash Water Storage Tank, together with miscellaneous Site Improvements.

Filter Building – This is the largest building at the site, approximately 5,500 SF. It is a metal building on a concrete slab with exterior footings. The Chlorine Contact Basin is below grade and under the center portion of this building.

Work activities during this reporting period have concentrated on final grading and placement of aggregate base material in preparation for paving. Other activities have consisted of electrical wiring, painting of the piping, placement of seismic supports and installation of the cabinetry.

Raw Water Pump Station Building – This is a metal building on a concrete slab with exterior footings, consisting of approximately 1350 SF.

Work activities within this building have been limited to minor painting of the piping together with electrical at the control panel.

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

Work activities on this tank have concentrated on the final painting of the exterior of the tank together with the placement of aggregate material around the perimeter.

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

Work activities have consisted of the placement of drainage inlets, construction of rock lined drainage ditches, miscellaneous grading and the placement of aggregate road base material in preparation for paving.

PSOMAS

This firm is under contract with the District to provide Engineering Support during construction. Primary functions consist of the review of contractor submittals, requests for information (RFI) and to provide added clarity on various construction related matters.

Youngdahl Consulting Group

This firm is under contract to provide the material testing of soils and concrete. This firm conducted compaction testing on portions of the aggregate base material placed around the buildings and access road, in preparation for paving.

Foothill Associates

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

SWPPP – Myers & Sons

Under the construction contract, Myers & Sons is responsible for the installation and maintenance of the storm water improvements together with the inspection and reporting of individual storm events. There was one qualifying rain event during the month of October.

NEXGEN

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

Budget

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

<b>Phase</b>	<b>Expended to Date</b>	<b>Budget</b>
Construction	\$ 9,367,092	\$ 11,249,000
Construction Engineering, Construction Management, and Environmental	\$ 622,177	\$ 1,076,226
Total	\$ 9,989,269	\$ 12,325,226

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Contract Change Orders

There were no Contract Change Orders processed during this reporting period. Contract Change Orders are summarized as follows:

- Contract Change Order Number 1 resulted in a net increase in the contract amount by \$39,772. This Change Order was identified at the regular Board meeting in September.
- Contract Change Order Number 2 resulted in a net decrease in the contract amount by <\$970.41>. This Change Order was identified at the regular Board meeting in October.
- Contract Change Order Number 3, a no cost change order, increased the contract time by 17 days due to weather related days during the months of March, April, May and June of this year. This Change Order was identified at the regular Board meeting in November.
- Contract Change Order Number 4 resulted in a net increase in the contract amount by \$12,184.00. This Change Order relates to the placement of additional backfill material in the sludge drying beds and was identified at the regular Board meeting in February.
- Contract Change Order Number 5 resulted in a net increase in the contract amount by \$20,922. This change order relates to the addition and upgrade of miscellaneous pipe supports to meet current seismic requirements together with an upgrade of moisture resistant sheetrock in all rooms within the Filter Building. This Change Order was identified at the regular Board Meeting in June.

State SRF Payment Requests

The District has received fourteen reimbursement payments from the State Revolving Fund Loan Agreement for a total amount of \$ 7,692,131. The first payment was received during the month of June in the amount of \$ 1,157,141. The second payment was received in August in the amount of \$ 439,850. The third payment was received in September in the amount of \$ 68,457. The fourth payment was received in October in the amount of \$ 540,675. The fifth payment was received in November in the amount of \$ 497,125. The sixth payment was received in December in the amount of \$ 550,310. The seventh payment was received in January in the amount of \$ 1,047,320. The eighth payment was received in February in the amount of \$218,722. The ninth payment was received in March in the amount of \$350,605. The tenth payment was received in March in the amount of \$ 891,256. The eleventh payment was received in April in the amount of \$ 766,107. The twelfth payment was received in the month of May in the amount of \$395,007. The thirteenth payment was received in the month of June in the amount of \$255,916. The fourteenth payment was received in the month of August in the amount of \$513,640. The fifteenth payment was received on October 1<sup>st</sup> in the amount of \$336,926. The sixteenth payment was received on October 15<sup>th</sup> in the amount of \$249,456. At the time of this report, the District has two outstanding reimbursement requests. The first in the amount of \$250,012 and the second in the amount of \$96,788.

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

ATTACHMENTS

1. Project Update #18





GDPUD



Georgetown Divide Public Utility District

AUBURN LAKE TRAILS WATER TREATMENT PLANT

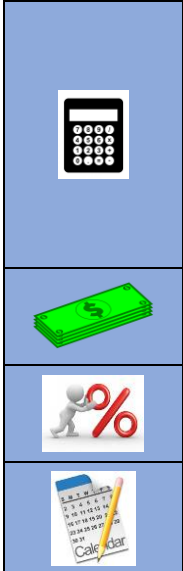
PROJECT UPDATE

UPCOMING ACTIVITIES:

- Filter Bldg.- Paving around building and roadway
Filters – Testing of filter units
Raw Water Pump Station – Painting pipe systems and finalize Electrical
Backwash Water Recovery – finalize all piping

COMPLETED ACTIVITIES:

- Raw Water Siphon
Filter Bldg.- Footings, Slab, Exterior Building, and Final Grading
Chlorine Contact Basin with Baffles
Raw Water Pump Station Footing, Slab, Building and Final Grading
Backwash Water Recovery Tank



CONTRACT UPDATE:

Table with 3 columns: Contract Description, Amount, Total New Contract Amount. Includes Original Contract Amount, Contract Change Orders #1-5, and New Contract Amount.

Table with 2 columns: Expended thru October 2018 (\$9,367,092)

Table with 2 columns: Percent Complete (91%)

Table with 2 columns: Anticipated Completion Date (December 2018)

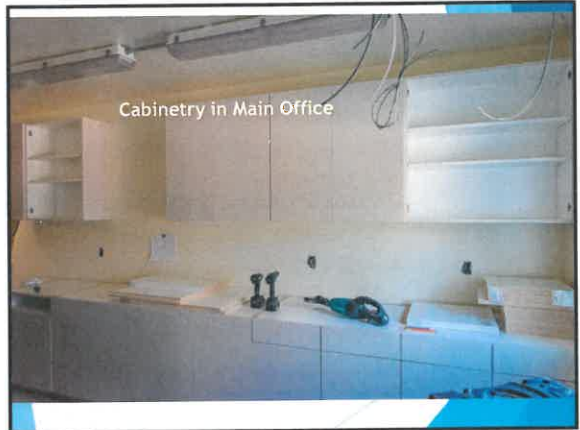
PROJECT CONSTRUCTION SCHEDULE

Construction schedule table with activities in rows and months (M, A, M, J, J, A, S, O, N, D, J, F, M, A, M, J, J, A, S, O, N, D) in columns. Includes activities like Mobilization, Earthwork, Concrete pour, Filtration, and Pump station work.

Contact information for Georgetown Divide Public Utility District, including address, phone number, website, and project manager details.

A Presentation for the  
GDPUD Board of Directors  
November 13, 2018

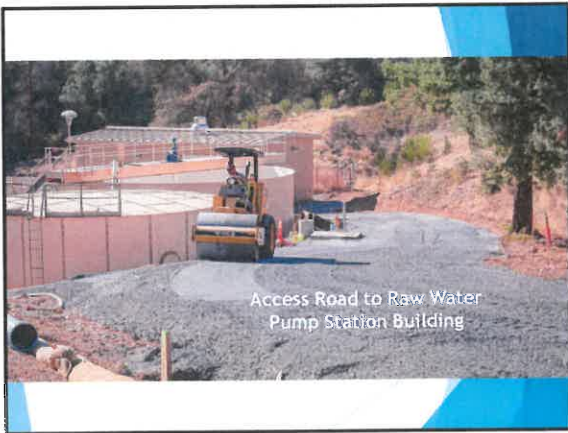
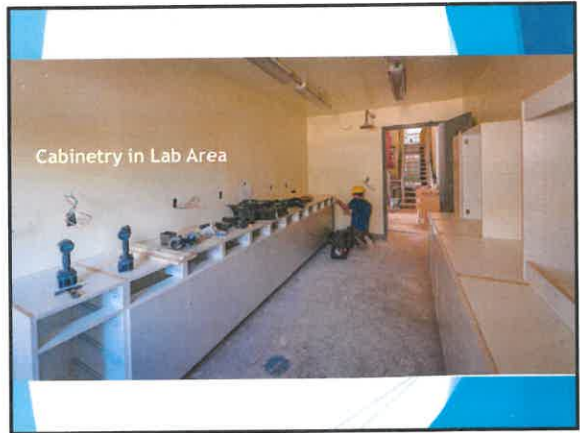
**Summary of  
Work Activities at ALT Plant  
October 2018**



ALT Water Treatment Plant Project Partners



MYERS Construction  
PSOMAS Engineering Support  
YOUNGDAHL & CO CONSULTING GROUP, INC. Materials Testing  
FOOTHILL ASSOCIATES Environmental Consulting + Planning + Landscape Architecture CEQA Compliance and SWPPP  
NEXON Construction Management





Painting in the Raw Water Pump Station



Constructing Drainage Along Sludge Drying Beds



Access Road Around Filter Building



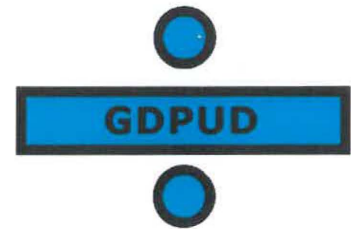
Main Access Road to Filter Building



Painting in Filter Building

	CLAIM NO	CONSTRUCTION	CONST MGMT E ADMIN	AMOUNT
STATE SRF PAYMENTS RECEIVED	1	1,101,614	55,527	1,157,141
	2	439,850	0	439,850
	3	0	68,457	68,457
	4	540,675	0	540,675
	5	395,965	101,200	497,165
	6	550,310	0	550,310
	7	952,916	94,404	1,047,320
	8	218,722	0	218,722
	9	350,605	0	350,605
	10	830,366	60,890	891,256
	11	744,230	21,877	766,107
	12	329,492	65,515	395,007
	13	255,916	0	255,916
	14	509,295	4,345	513,640
	15	192,102	144,824	336,926
	16	240,040	9,416	249,456
	TOTALS	7,652,098	626,455	8,278,553
Submitted	17	219,332	30,680	250,012
	18	96,788	0	96,788

**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
AGENDA ITEM NO. 7.A.**



**AGENDA SECTION: NEW BUSINESS**

**SUBJECT: APPROVE A PROFESSIONAL SERVICES AGREEMENT FOR ENGINEERING SERVICES FOR THE 2018 MAIN CANAL RELIABILITY AND THE 2018 TREATED WATER LINE REPLACEMENT PROJECTS WITH BENNETT ENGINEERING SERVICES, INC. FOR AN AMOUNT NOT TO EXCEED \$108,750**

**PREPARED BY:** Steven Palmer, PE, General Manager

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

A handwritten signature in blue ink, consisting of several overlapping loops, is written over the name "Steven Palmer, PE, General Manager" in the "APPROVED BY" line.

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**BACKGROUND**

The 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects are planned for Fiscal Year 2018/2019 in the Board adopted Five Year Capital Improvement Plan. Completion of these Projects support Fiscal Year 2018/2019 Board of Directors Goal B – “Address Immediate Infrastructure Needs and Begin Long Term Planning,” Objective B-1 – “Repair/Replace a few key facilities that are prone to failure.”

The 2018 Treated Water Line Replacement Project will replace approximately 1,350 linear feet of 4-inch treated water line in Kit Fox Court and Angel Camp Court. These two segments have experienced multiple water line and service failures in recent years, and District Staff has found that portions of the existing pipe and installation do not meet current standards.

The 2018 Main Canal Reliability Project will include improving the Main Ditch by lining a section of the Main Ditch identified as a priority segment in the 2002 Water System Reliability Study by KASL Engineering Consultants. The Project will gunite line 2,500 linear feet of ditch between Spanish Dry Diggins Road and Taylor Mine Outlet.

A Site Location Map is included as Attachment 1.

The District requires engineering services in order to design and construct these projects. The scope of work for these services includes engineering design services to design projects in compliance with the governing codes, regulations, and best practices applicable to each work effort. This includes engineering design, environmental review, permitting, bid documents, engineering estimates, bid support services, and engineering support during construction for two projects – 2018 Treated Water Line Replacement, and 2018 Main Canal Reliability. The two projects will be bid and constructed as separate projects.

Board Meeting of November 13, 2018  
Agenda Item No. 7.A.

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**DISCUSSION**

A Request for Proposal (RFP) to select a consulting firm to provide engineering services for the 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects was issued on September 10, 2018 (Attachment 2). In issuing the RFP and selecting a consultant, District Staff followed the professional services procurement policy that was adopted on February 13, 2018 and complied with California Government Code Section 4527.

Four (4) proposals were received on October 5, 2018. Proposals were received from Bennet Engineering Services, Inc., Domenichelli & Associates Civil Engineering, KASL Consulting Engineers, and Wood Rodgers, Inc.

A team of three District Staff reviewed the proposals for criteria listed in the RFP and ranked Bennett Engineering Services, Inc. as the top proposer. The General Manager then opened and reviewed Bennett Engineering Services, Inc. fee proposal, and concluded that the level of effort, rates, and total amount are appropriate for the scope of work.

The following proposals and cost estimates were received by the District. In order to account for different approaches to environmental review and obtain a level comparison, environmental costs were limited to a categorical exemption and minimal permitting. If it is determined that additional environmental review and permitting will be required, those costs will be in addition to those listed here.

<b>Firm</b>	<b>Fee Proposal</b>
Bennett Engineering Services, Inc.	\$114,664
Domenichelli & Associates Civil Engineering	\$105,578
KASL Consulting Engineers	\$ 76,836
Wood Rodgers, Inc.	\$211,230

The General Manager then negotiated a reduced hourly rate schedule and a reduction in “other direct costs” (ODCs). This resulted in a new fee of \$108,750 which will be billed on a time and materials basis.

Bennett Engineering Service, Inc. has signed the Professional Services Agreement included as Attachment 3, and Staff recommends Board approval.

**FISCAL IMPACT**

This work and the expenditure associated with this agreement were included in the adopted Five-Year Capital Improvement Plan and the Fiscal Year 2018/2019 budget. The Five-Year Capital Improvement Plan estimated that this work would cost \$90,000 for the 2018 Treated Water Line Replacement Project, and \$84,000 for the 2018 Main Canal Reliability Project. The total cost of \$108,750 associated with this agreement is less than the budgeted amount of \$174,000 and will be funded from Fund 39 – Capital Facility Charge.

Board Meeting of November 13, 2018  
Agenda Item No. 7.A.

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**CEQA ASSESSMENT**

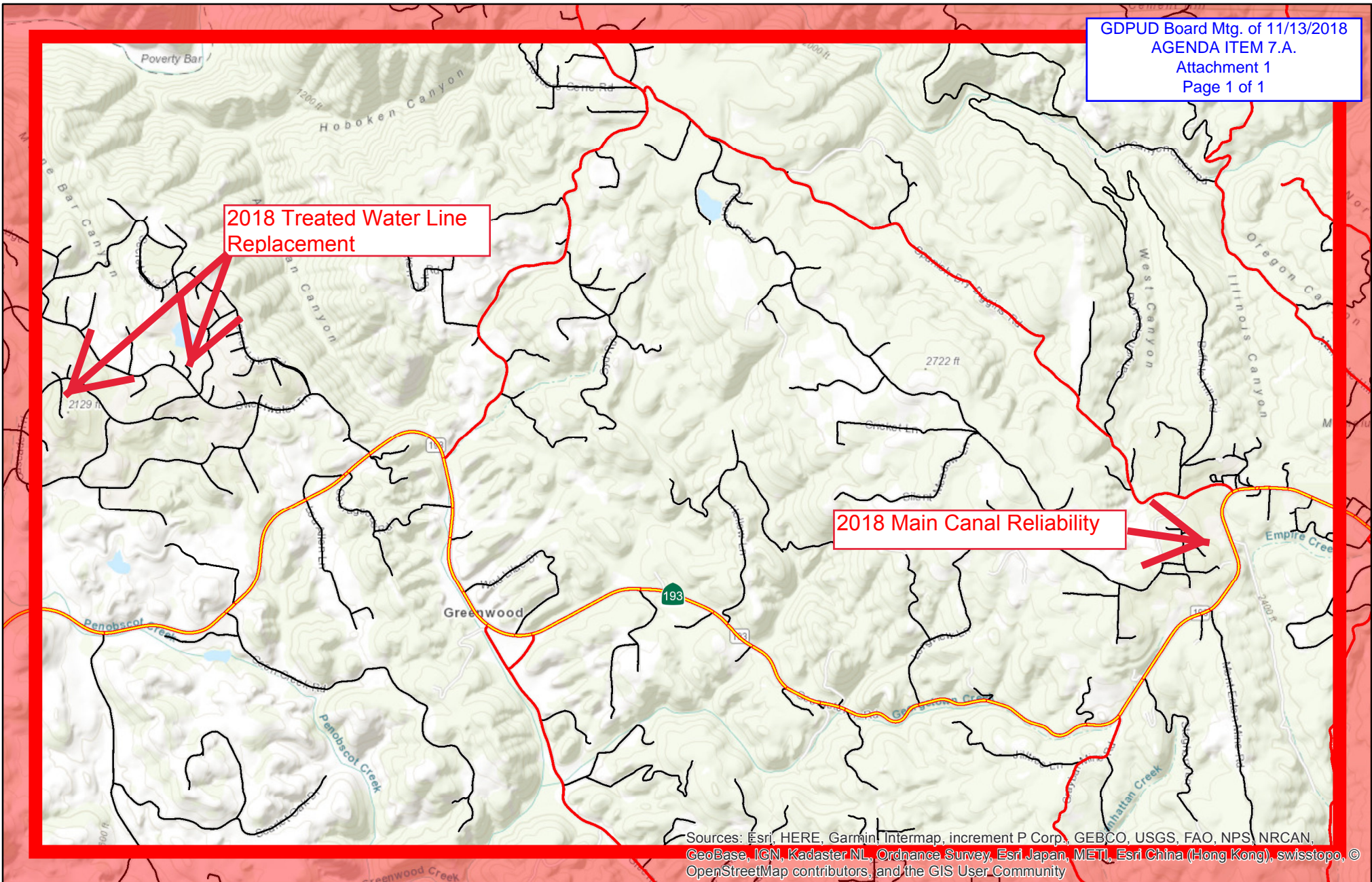
CEQA Assessments for these Projects have not yet been performed. CEQA Assessments will be performed separately.

**RECOMMENDED ACTION**

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District (GDPUD) adopt the attached Resolution authorizing the General Manager to execute a Professional Services Agreement (Attachment 3) with Bennett Engineering Services, Inc. for an amount not to exceed \$108,750 for Engineering Services for the 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects.

**ATTACHMENTS**

1. Site Location Map
2. Request for Proposals
3. Professional Services Agreement
4. Resolution 2018-51

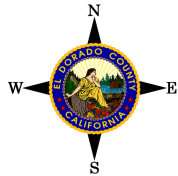


Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

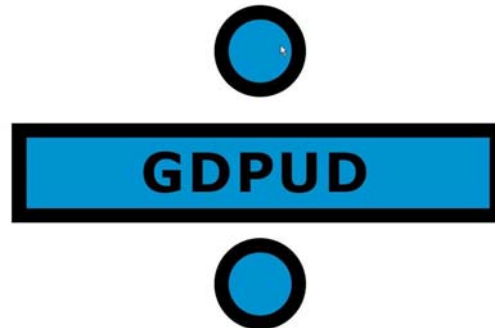
November 5, 2018

### Attachment 1 - Site Location Map

- Highway Labels
- Major Roads
- Highways
- Major Roads
- Minor Roads



0 1,100 2,200 3,300 4,400 Feet



## **GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

### **REQUEST FOR PROPOSAL**

#### **Engineering Services for 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects**

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Responders to this Request for Proposals (RFP) must deliver one signed original, two (2) copies, and one electronic copy of the proposal.

**Proposal Submission Deadline (date/time): October 5, 2018 at 3:00pm**

**Submit Proposal to: Georgetown Divide Public Utility District Office  
6425 Main Street  
Georgetown, CA 95634**

#### **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 Georgetown Divide Public Utility District, should register online by following the link on the GDPUD website. The link to open RFPs is at the following website: [http://gd-pud.org/#Bids\\_&\\_Proposals](http://gd-pud.org/#Bids_&_Proposals)



## **TABLE OF CONTENTS**

<b><u>SECTION</u></b>	<b><u>Page</u></b>
<b>1. INTRODUCTION</b>	<b>3</b>
1.1 General Description of RFP	
1.2 RFP Schedule	
1.3 General Selection Process	
<b>2. SCOPE OF SERVICES</b>	<b>4</b>
<b>3. RFP SUBMITTAL REQUIREMENTS</b>	<b>7</b>
<b>4. SELECTION PROCESS AND EVALUATION CATEGORIES</b>	<b>9</b>
4.1 Selection Criteria	
<b>5. GENERAL TERMS AND CONDITIONS</b>	<b>10</b>
5.1 Limitation	
5.2 Public Records	
5.3 Contract Agreement	
<b>6. QUESTIONS</b>	<b>11</b>

### **ATTACHMENTS**

- A. Sample Professional Services Agreement
- B. 2018 Treated Water Line Replacement Project Information
- C. 2018 Main Canal Reliability Project Information

**REQUEST FOR PROPOSAL**  
**Engineering Services for 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects**

**SECTION 1 — INTRODUCTION**

The Georgetown Divide Public Utility District (GDPUD) is soliciting proposals from Consultants to provide professional engineering services for the 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects. In general, the work will consist of engineering design, environmental review, permitting, bid documents, engineering estimates, bid support services, and engineering support during construction for water line replacement and upgrades, and canal repair and lining.

GDPUD will use a “Qualifications Based Selection” process in determining which Consultant to be selected for the contract. The process will include an evaluation and ranking of Consultants based on set evaluation criteria. Top ranking Consultants may be asked to participate in an oral interview.

GDPUD will open and review the proposal of the top ranked consultant. If for any reason an acceptable contract cannot be negotiated with the top ranked consultant, negotiations will commence with the next-ranked firm.

GDPUD reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

Proposals submitted will be evaluated by individuals from GDPUD and/or outside agencies. During the evaluation process, GDPUD reserves the right, where it may serve GDPUD’s best interest, to request additional information from proposers, or to allow corrections of errors or omissions.

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 GDPUD and the firm selected. GDPUD reserves the right, without prejudice, to reject any or all proposals

**1.1 General Description of RFP**

This RFP describes the general Scope of Services, necessary RFP components, consultant selection process, and required format of the RFP, as well as a sample copy of GDPUD’s Professional Services Agreement.

## 1.2 RFP Schedule

Advertisement of RFP	September 10, 2018
Deadline for Questions	September 26, 2018
Response to Questions	September 28, 2018
<b>Deadline for RFP Submittal</b>	<b>No later than 3:00 PM, October 5, 2018</b>
Final Consultant Selection	Anticipated October 19, 2018

## 1.3 General Selection Process

GDPUD intends to select a Consultant based on demonstrated competence and qualifications for the types of services to be performed at a fair and reasonable price to the public. GDPUD will review all proposals and evaluate them according to the following criteria:

- Qualifications of Team
- Project Understanding and Innovation
- Work Plan / Scope of Work
- Project Schedule
- Similar Experience / References

Consultant may be either selected based on information included in the proposal or the Consultant may be requested to interview prior to final selection.

## SECTION 2 — SCOPE OF SERVICES

The Consultant shall provide engineering design services to design projects in compliance with the governing codes, regulations, and best practices applicable to each work effort. Scope of services will include engineering design, environmental review, permitting, bid documents, engineering estimates, bid support services, and engineering support during construction for two projects – 2018 Treated Water Line Replacement, and 2018 Main Canal Reliability. The two projects will be bid and constructed as separate projects, and consultant should plan and propose accordingly. Conceptual project information is included as Attachment B and C.

The 2018 Treated Water Line Replacement Project will include replacement of 4-inch treated water line in Kit Fox Court and Angel Camp Court (approximately 1,350 linear feet). The 2018 Main Canal Reliability Project will include improving the Main Ditch by lining a section of the Main Ditch identified as a priority segment in the 2002 Water System Reliability Study by KASL Engineering Consultants; anticipated improvement is to gunite or reinforce 2,500 linear feet of ditch between Spanish Dry Diggins Road to Taylor Mine Outlet. A typical scope is anticipated to include the following tasks:

### Task 1: Project Management and Coordination

The consultant shall be responsible for providing all contract management and quality control services throughout the duration of the project. The consultant shall deliver a high quality product within budget and on schedule. The consultant shall meet weekly with GDPUD to discuss the project, present design options, review alternatives, etc. These meetings may be either in phone or in person. The consultant shall provide monthly schedule updates in conjunction with submittals of invoices.

#### Deliverables:

- Project Schedule and updates
- Meeting agendas and minutes for all design and coordination meetings

### Task 2: Design

The consultant shall be responsible for coordinating with all utility companies to obtain existing utility record plans, as-builts, schematics, etc. The existing utility information shall be shown on the final design plans. The consultant shall coordinate with pertinent regulatory agencies, stakeholders, material and equipment suppliers, etc. The consultant shall coordinate appropriate public outreach as directed by GDPUD. For cost estimation, assume a total of three meetings with stakeholders or Board of Directors. GDPUD will provide sample specifications and bid documents from previous projects. Specifications shall not be written in CSI format. The schedule of items shall address all items of work as specifically as possible and shall indicate as precisely as possible the quantities.

#### Deliverables:

- Utility coordination letters
- 35% conceptual drawings, 65%, 95%, and 100% PS&E submittals in electronic (PDF, AutoCAD, Word and Excel) format
- A letter report summarizing review comments and the resolution of the review comments
- Final bid documents in electronic format

### Task 3: Environmental Compliance and Permitting

The consultant shall be responsible for preparing, submitting and obtaining all required permits and environmental review documentation required by State, local, and jurisdictional agencies needed to ensure this project is cleared for construction. The consultant shall prepare appropriate California Environmental Quality Act (CEQA) documents and any associated technical studies required to clear the project for construction. The consultant shall prepare a schedule of permits with the required timelines to ensure each permit is obtained prior to the start of construction. All environmental documents shall be prepared in preliminary and final draft stages for GDPUD review and shall incorporate any comments made during the preliminary document review. For the purposes of providing a scope of services and consultant fee for this task, the following environmental documents, studies, permits, agreements, and activities should be considered:

- Department of Fish and Wildlife
- RWQCB Clean Water Act Section 401 Water Quality Certification
- US Army Corps of Engineers CWA Nationwide Permit

Deliverables:

- Preliminary and final permit applications for submittal by GDPUD
- Preliminary and final CEQA documentation for submittal by GDPUD

Task 4: Final Bid Phase and Bid Phase Support

The consultant shall attend the pre-bid meeting (if deemed necessary by GDPUD) and respond to questions concerning the plans, specifications, and estimates prior to bid opening and prepare contract addenda, if required. The consultant shall review construction bids received and make a recommendation to GDPUD for award of construction contract.

Deliverables:

- Prepare contract addenda, if required, for distribution by GDPUD, including answers to bidder's questions
- Prepare recommendation to GDPUD for the award of the construction contract

Task 5: Construction Support Services

The consultant shall attend weekly construction meetings, including the preconstruction meeting, to respond to questions concerning the plans, specifications and estimates. These meetings will be independent of those discussed under separate tasks identified elsewhere in this RFP. The consultant shall be available to be called to the site in response to questions arising from the progress of the work. The consultant shall review all material submittals and shop drawings as required by the Special Provisions. The consultant shall respond to Request for Information (RFIs) from the contractor when called for by GDPUD and prepare modifications or revisions that are related to the project's original scope and character. GDPUD shall not be billed for nor shall they pay for any revisions to the plans and specifications that are required due to errors or omissions in the original contract documents due to negligence or lack of attention to detail stemming from poor design or field work. The consultant shall assist GDPUD in preparation of contract change orders, if necessary. The consultant shall participate in the final walk through of the constructed project and assist in the preparation of "punch list" items in need of work. The consultant shall prepare record drawings following construction from mark ups by the contractor and the resident engineer.

Deliverables:

- Attend weekly meetings during construction, which includes the pre-con meeting with contractor
- Response to RFIs, material submittals, and shop drawings from the contractor
- Plan revisions that are related to the original scope and character
- Review contract change orders

### **SECTION 3 — RFP SUBMITTAL REQUIREMENTS**

The intent of these requirements is to assist proposers in the preparation of their proposal and to simplify the review process for GDPUD. One signed original, two (2) copies, and one electronic copy of the proposal must be received and date stamped by GDPUD no later than **October 5, 2018 at 3:00 PM**. If a proposal is sent by mail or other delivery system, the sender is totally responsible for the mail or delivery system delivering the proposal to GDPUD on or before the deadline.

Proposals shall be clearly marked "Request for Proposals for Engineering Services," and submitted to:

**Georgetown Divide Public Utility District  
6425 Main Street  
PO Box 4240  
Georgetown, CA 95634**

Note: Late submittals or submittals delivered to the wrong location will be rejected.

GDPUD requires the proposer to submit a concise proposal clearly addressing all the requirements outlined in this RFP. The proposal must be signed by proposer's representative authorized to execute a contract between GDPUD and proposer. The proposal must include, at a minimum, the following sections; however, the proposer is encouraged to expand on the scope as needed:

#### **A. Cover Letter**

- List the name, address, and telephone number of the firm.
- Signed by an authorized representative of the consultant. The Consultant shall furnish documentation that the person signing the proposal is empowered with signatory authority for the Consultant. The form could be a Corporate Resolution.
- State the proposal is firm for a 90-day period from the proposal submission deadline.
- Provide the name, title, address and telephone number of the individual to whom correspondence and other contacts should be directed during the Consultant selection process.
- Provide the location of the Consultant's headquarters. In addition, provide the location of any local support offices, which will provide service to GDPUD.
- Acknowledge that the Consultant will provide the insurance and indemnification required per the attached Professional service agreement.

**B. Project Team Information**

Consultant must provide the names and positions of all staff proposed including staff for proposed sub-consultants. The proposal should also designate who will be the project manager in charge of the project, and who will be GDPUD's contact throughout the project. It is allowable for a single individual to fulfill multiple roles by the Consultant's staff.

**C. Project Understanding and Innovation**

Include visions or concepts for performing the services.

**D. Work Plan / Scope of Work**

Include a work plan/scope of work meeting the minimum requirements of the projects listed in the Scope of Services. Consultant is encouraged to modify or expand the minimum Scope of Services if they believe it is necessary to achieve the goals.

**E. Project Schedule**

Schedule needs to be adequate and reasonable to ensure timely completion of the tasks listed in the Work Plan / Scope of Work. Emphasis should be placed on realistic review cycles.

**F. Sub-consultant & Work by Others**

This section shall include a matrix showing the estimate of time (in hours) to perform the work, detailed by tasks, listed in the Scope of Work.

Identify any and all sub-consultant proposed to serve on the project, with background information for each and particular experience of key personnel, including project descriptions and resumes.

This section should describe all work not included in the proposal. Any work that is needed to complete the project that is not listed in the "Work Done by Others" will be considered part of the work provided by the Consultant and included in the proposal. Please include a list of tasks which the Consultant expects GDPUD staff to perform, information the Consultant expects GDPUD to provide, and an estimated amount of GDPUD staff time required for each task of the scope of work.

**G. Relevant Experience and References**

The Consultant must state the qualifications and experience of the proposed team, emphasizing the specific qualifications and experience acquired while providing services similar to those being sought by GDPUD, particularly for the Project Manager and other key project staff members assigned to the project. Except under circumstances beyond the Consultant's control, GDPUD will not accept substitutions of key members of the team put forth as part of the winning proposal.

For all staff members, describe their role giving not only their title but also the specific services they will perform and illustrate clearly the applicability of the individual's background, education, and experience to his or her assigned role.

Provide a brief description of at least three similar projects for which the Consultant has provided services during the past five years. For all referenced projects list the:

- Client (contact person, address and phone number)
- Project description and location
- Description of services by Consultant
- Total value of services provided by Consultant
- Consultant's project manager
- Key personnel involved
- Sub consultant employed

#### **H. Rate Schedule**

A rate schedule (one copy) for engineering services must be submitted in a separately sealed enveloped marked "Rate Schedule" and will be the basis for which the Consultant will be compensated. The rates quoted will remain in effect for the duration of the Agreement, unless approved by GDPUD. Rates shall be included for all employment categories necessary to perform the work outlined in this RFP in accordance with applicable State of California Industrial Labor Rate Standards.

Failure to provide a fee schedule in a separately sealed envelope can be grounds for GDPUD, at its sole discretion, to determine the submittal to be non-responsive and the proposal may be rejected.

### **SECTION 4 — SELECTION PROCESS AND EVALUATION CATEGORIES**

Proposals submitted will be evaluated by individuals from GDPUD and/or outside agencies. During the evaluation process, GDPUD reserves the right, where it may serve GDPUD's best interest, to request additional information from proposers, or to allow corrections of errors or omissions.

#### **4.1 Selection Criteria**

GDPUD intends to select a Consultant based on demonstrated competence and qualifications for the types of services to be performed at a fair and reasonable price to the public. GDPUD will review all proposals and evaluate them according to the following criteria:

- Qualifications of team
- Project Understanding and Innovation
- Similar Experience / References



- Work Plan / Scope of Work
- Project Schedule

Consultant may be either selected based on information included in the proposal or the Consultant may be requested to interview prior to final selection.

## **SECTION 5 — GENERAL TERMS AND CONDITIONS**

### **5.1 Limitation**

This RFP does not commit GDPUD to award a contract, to pay any cost incurred in the preparation of the Consultant's RFP response, or to procure or contract for services or supplies. GDPUD is not responsible for proposals that are delinquent, lost, mismarked, and sent to an address other than that given above, or sent by mail or courier service. GDPUD reserves the right to accept or reject any or all RFP responses received because of this request or to cancel all or part of this RFP.

### **5.2 Public Records**

All proposals shall become the property of GDPUD and will become public records and, as such, may be subject to public review.

### **5.3 Contract Agreement**

Once a proposed contract agreement is accepted, the Consultant will be required to sign the Agreement for Consultant Services and submit all other required certifications and documentation within ten (10) calendar days of the Notice of Selection from GDPUD.

The contents of the submitted proposal will be relied upon and incorporated into the awarded contract and shall become a contractual obligation. Failure of the Consultant to agree to include the proposal as part of the contractual agreement will result in the cancellation of the award. GDPUD reserves the right to reject those parts that do not meet with the approval of GDPUD, or to modify the Scope of Services, as agreed by Consultant, in the final negotiated contract.

A sample agreement that will be used for this contract is included as Attachment A. GDPUD will require the selected Consultant to provide the indemnification and insurance required per the attached sample agreement. Consultant is advised to pay close attention to the indemnification and insurance requirements. Execution of an agreement does not guarantee Consultant will receive any assignments. Assignment of work under this Agreement will be by task order as approved by the General Manager.

## **SECTION 6 — QUESTIONS**

If you have any questions regarding this RFP, prior to September 26, 2018, please email:  
Steven Palmer, General Manager  
Email: [spalmer@gd-pud.org](mailto:spalmer@gd-pud.org)

**ATTACHMENT A**  
**SAMPLE PROFESSIONAL SERVICES AGREEMENT**

## PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 201\_\_, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and \_\_\_\_\_ (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

### RECITALS

**A.** District has determined that consultant services are required for non-audit services to assist the District in reviewing and updating finance and accounting policies and procedures (the “Project”).

**B.** Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto and described more fully in **Exhibit A** (“Services”).

**C.** Consultant represents that it is qualified, willing and able to provide the Services to District, and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto as **Exhibit B** (the “Rates”).

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**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 20 of this Agreement, Section 1 through 20 shall prevail.

**2. Consulting Services.** Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded or an outside consultant engaged by Consultant unless prior written approval is obtained from District.

**3. Compensation.** District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed \_\_\_\_\_, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide District, in reasonable and understandable detail, a description of the services rendered pursuant to the Services and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall

pay the undisputed portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.

**5. Term.** This Agreement shall become effective on the Effective Date and will continue in effect until the Services provided herein have been completed, unless terminated earlier as provided in Section 6 or 7 below (the “Term”).

**6. Termination.** District may terminate this Agreement prior to the expiration of the Term (“Termination”), without cause or reason, by notifying Consultant in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

**7. Termination for Cause.** Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits or registrations required for the continued provision of the Services, or Consultant’s malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

**8. Confidential Information.** Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District (“Confidential Information”).

Consultant shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Consultant written authorization to make any such disclosure, Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District’s General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

**9. Performance by Key Employee.** Consultant has represented to District that \_\_\_\_\_ will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this Agreement in reliance on that representation by Consultant.

**10. Property of District.** The following will be considered and will remain the property of District:

**A. Documents.** All reports, drawings, graphics, working papers and Confidential Information furnished by District in connection with the Services (“Documents”).

Nothing herein shall be interpreted as prohibiting or limiting District's right to assign all or some of District's interests in the Documents.

**B. Data.** All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials ("Data"). Nothing herein shall be interpreted as prohibiting or limiting District's right to assign all or some of District's interests in the Data.

**C. Delivery of Documents and Data.** Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

**11. Duties of District.** In order to permit Consultant to render the services required hereunder, District shall, at its expense and in a timely manner:

**A.** Provide such information as Consultant may reasonably require to undertake or perform the Services;

**B.** Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant's performance of the Services; and

**C.** Promptly notify Consultant of any fault or defect in the performance of Consultant's services hereunder.

**12. Representations of Consultant.** District relies upon the following representations by Consultant in entering into this Agreement:

**A. Qualifications.** Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant's profession at the time the Services are rendered.

**B. Consultant Performance.** Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted professional customs, procedures and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations

under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

**13. Compliance with Laws and Standards.** Consultant shall insure compliance with all applicable federal, state, and local laws, ordinances, regulations and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work.

**14. Independent Contractor; Subcontracting.** Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

**15. Insurance.** Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

**A. General Liability Insurance.** Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

**B. Workers' Compensation Insurance.** Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

**C. Automobile Insurance.** Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

**D. Errors and Omissions Liability.** Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers' coverage is to be endorsed to include contractual liability. Any deductibles or self-insured

retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives (“District’s Agents”); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**E. Other Insurance Requirements.** Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement (“Certificates”), excluding the required worker’s compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker’s compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days’ prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District’s Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied, or used by the Consultant, or automobiles owned, leased, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District’s Agents and any insurance or self-insurance maintained by District or District’s Agents shall be in excess of Consultant’s insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**16. Indemnification.** Consultant hereby agrees to indemnify and hold harmless District, its agents, officers, employees and volunteers, against all liability, obligations, claims, loss, and expense (a) caused or created by Consultant, its subcontractors, or the agents or employees of either, whether negligent or not, pertaining to or related to acts or omissions of Consultant in connection with the Services, or (b) arising out of injuries suffered or allegedly suffered by employees of Consultant or its subcontractors (i) in the course of their employment, (ii) in the performance of work hereunder, or (iii) upon premises owned or controlled by District. Consultant’s obligation to defend, indemnify and hold District and its agents, officers, employees and volunteers harmless is not terminated by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

**17. Consequential Damages.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.



**18. Litigation.** In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

**19. Notices.** Any notice or communication required hereunder between District or Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District: Georgetown Divide Public Utility District  
P.O. Box 4240  
6425 Main Street  
Georgetown, CA 95634  
Attention: General Manager

With courtesy copies to: Churchwell White LLP  
1414 K Street, 3rd Floor  
Sacramento, California 95814  
Attention: Barbara A. Brenner, Esq.

If to Consultant:  
Attention:

**20. General Provisions.**

**A. Modification.** No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

**B. Waiver.** The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

**C. Assignment.** No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

**D. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

**E. Venue.** Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

**F. Partial Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**G. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

**H. Severability.** If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

**I. Audit.** District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

**J. Entire Agreement.** This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

**K. Headings Not Controlling.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

**L. Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

**M. Drafting and Ambiguities.** Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**

GEORGETOWN DIVIDE PUBLIC  
UTILITIES DISTRICT, a California Public  
Utilities District

By: \_\_\_\_\_  
Steven V. Palmer, General Manager

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Barbara A. Brenner, General Counsel

**CONSULTANT:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**Services**

**EXHIBIT B**

**Rates**

**ATTACHMENT B**

**2018 TREATED WATER LINE REPLACEMENT**

**Project Name:** 2018 Treated Water Line Replacement/Rehab  
**Project Number:**  
**Project Description:** Prioritized replacement or rehabilitation of treated water lines  
**Funding Sources:**

Sources	Prior Years	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Future Years	Total
CABY Grant (9)								0
Capital Reserve (43)								0
Prior Reimbursements Received (35)								0
Capital Facility Charge (39)		379,500		396,750		412,850		1,189,100
ALT WTP Capital Reserve (24)								0
ALT Zone Fund (40)								0
ALT Tank Replacement Loans & Repair (41)								0
ALT CDS Reserve Connection (42)								0
Grants (EPA)								0
SRF Loan								0
General Fund (10)								0
Other (EDCWA Cost Share)								0
Unfunded								0
<b>Total</b>	0	379,500	0	396,750	0	412,850	0	1,189,100

**Project Cost Estimate:**

Elements	Prior Years	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Future Years	Total
Preliminary Engineering (7020)		60,000		63,000		65,000		188,000
Environmental (7021)								0
Land/ROW Acquisition (7022)								0
Construction Engineering (7024)		30,000		32,000		34,000		96,000
Construction Contract (7023)		240,000		250,000		260,000		750,000
Other CIP Costs (7025)		49,500		51,750		53,850		155,100
Other - TBD								0
<b>Total</b>	0	379,500	0	396,750	0	412,850	0	1,189,100

**Engineer's Estimate**  
**Angel Camp Court Water Main Replacement**  
**Kit Fox Court Water Main Replacement**

S. Palmer  
 18-Apr-18

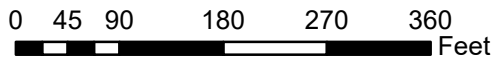
Description	Quantity	Units	Unit Price	Subtotal
Mobilization	1	LS	\$ 23,550.00	\$ 23,550.00
<i>Kit Fox Court</i>				
Sawcut	870	LF	\$ 1.75	\$ 1,522.50
Remove and replace 4-inch PVC with 6-inch	420	LF	\$ 60.00	\$ 25,200.00
Remove and replace service lateral	8	EA	\$ 1,300.00	\$ 10,400.00
Remove and replace meters	8	EA	\$ 500.00	\$ 4,000.00
Fire hydrant assembly	1	EA	\$ 4,500.00	\$ 4,500.00
6-inch RWGV	1	EA	\$ 1,350.00	\$ 1,350.00
8-inch RWGV	2	EA	\$ 1,800.00	\$ 3,600.00
8"x8"x6" Tee	1	EA	\$ 1,000.00	\$ 1,000.00
T-cut and patch pave	6300	SF	\$ 1.00	\$ 6,300.00
Slurry Seal	14800	SF	\$ 0.50	\$ 7,400.00
<i>Angel Camp Court</i>				
Sawcut	1890	LF	\$ 1.75	\$ 3,307.50
Remove and replace 4-inch PVC with 6-inch	930	LF	\$ 60.00	\$ 55,800.00
Remove and replace service lateral	11	EA	\$ 1,300.00	\$ 14,300.00
Remove and replace meters	11	EA	\$ 500.00	\$ 5,500.00
Fire hydrant assembly	2	EA	\$ 4,500.00	\$ 9,000.00
6-inch RWGV	2	EA	\$ 1,350.00	\$ 2,700.00
8-inch RWGV	2	EA	\$ 1,800.00	\$ 3,600.00
8"x8"x6" Tee	1	EA	\$ 1,000.00	\$ 1,000.00
T-cut and patch pave	13950	SF	\$ 1.00	\$ 13,950.00
Slurry Seal	32550	SF	\$ 0.50	\$ 16,275.00

Subtotal	\$ 214,255.00
Rounded Subtotal	\$ 214,300.00
Engineering, environmental (25%)	\$ 53,600.00
Contingency (15%)	\$ 32,100.00
<b>Total</b>	<b>\$ 300,000.00</b>



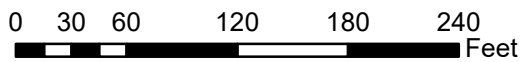


# Angels Camp Court





# Kit Fox Court



**ATTACHMENT C**  
**2018 MAIN DITCH RELIABILITY**

**Project Name:** 2018 Main Canal Reliability  
**Project Number:**  
**Project Description:** Prioritized repair and lining of Main Canal  
**Funding Sources:**

Sources	Prior Years	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Future Years	Total
CABY Grant (9)								0
Capital Reserve (43)								0
Prior Reimbursements Received (35)								0
Capital Facility Charge (39)		345,000						345,000
ALT WTP Capital Reserve (24)								0
ALT Zone Fund (40)								0
ALT Tank Replacement Loans & Repair (41)								0
ALT CDS Reserve Connection (42)								0
Grants (EPA)								0
SRF Loan								0
General Fund (10)								0
Other (EDCWA Cost Share)		0						0
Unfunded								0
<b>Total</b>	0	345,000	0	0	0	0	0	345,000

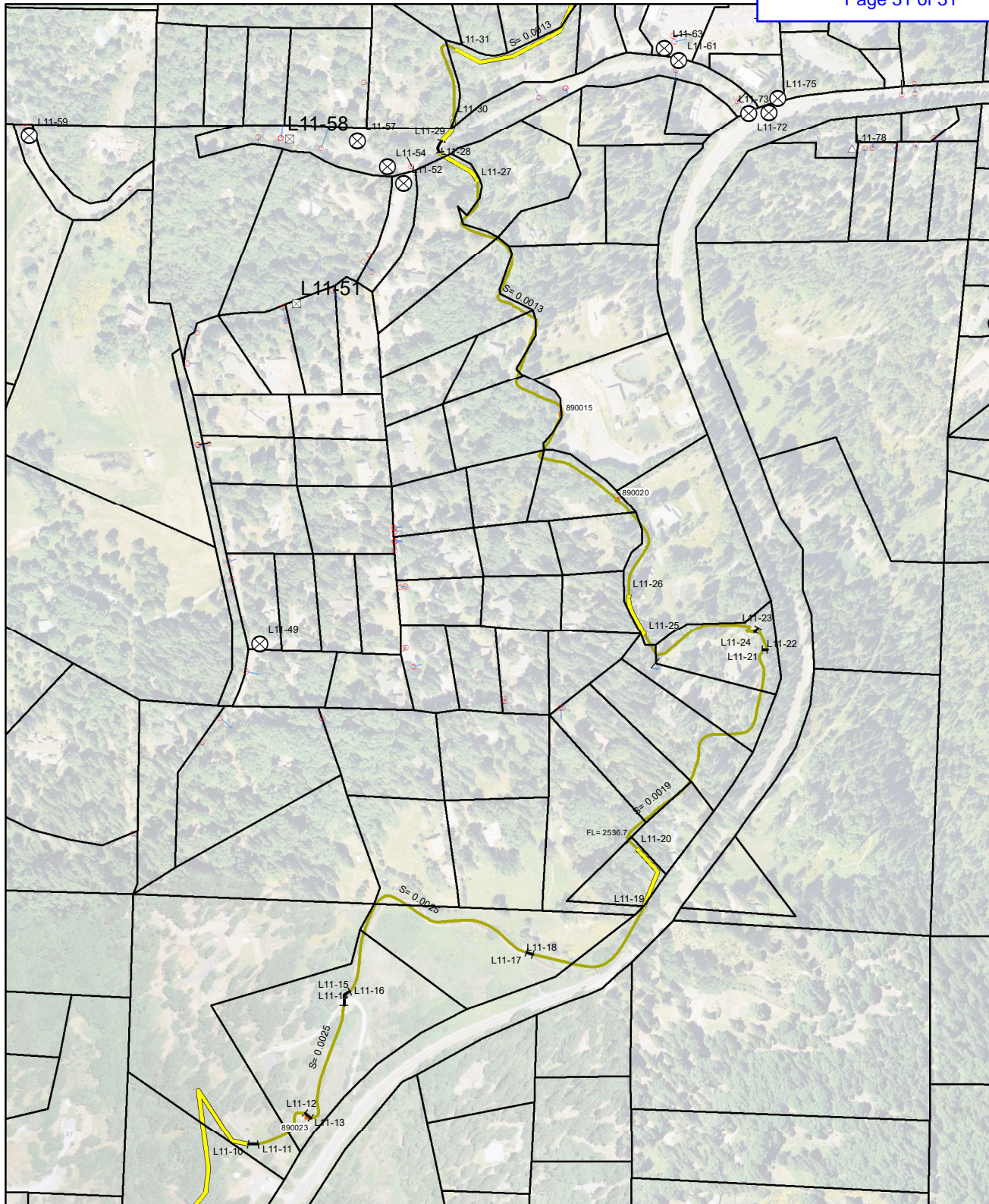
**Project Cost Estimate:**

Elements	Prior Years	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	Future Years	Total
Preliminary Engineering (7020)		54,000						54,000
Environmental (7021)								0
Land/ROW Acquisition (7022)								0
Construction Engineering (7024)		30,000						30,000
Construction Contract (7023)		216,000						216,000
Other CIP Costs (7025)		45,000						45,000
Other - TBD								0
<b>Total</b>	0	345,000	0	0	0	0	0	345,000

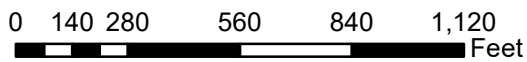
**Engineer's Estimate  
 Main Ditch Reliability Project - 2018**

S. Palmer  
 18-Apr-18

Description	Quantity	Units	Unit Price	Subtotal
Mobilization	1	LS	\$ 32,900.00	\$ 32,900.00
<i>Spanish Dry Diggins to Taylor Mine Outlet</i>				
Prepare and install 4-inch thick gunite lining	2500	LF	\$ 108.00	\$ 270,000.00
			Subtotal	\$ 302,900.00
			Rounded Subtotal	\$ 302,900.00
			Engineering, environmental (25%)	\$ 75,700.00
			Contingency (15%)	\$ 45,400.00
			<b>Total</b>	<b>\$ 424,000.00</b>



# Unlined Main Canal



## PROFESSIONAL SERVICES AGREEMENT

**THIS PROFESSIONAL SERVICES AGREEMENT** (“Agreement”) is made and entered into this 13th day of November 2018, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and Bennett Engineering Services, Inc (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

### RECITALS

**A.** District has determined that consultant services are required for non-audit services to assist the District in reviewing and updating finance and accounting policies and procedures (the “Project”).

**B.** Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto and described more fully in **Exhibit A** (“Services”).

**C.** Consultant represents that it is qualified, willing and able to provide the Services to District, and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto as **Exhibit B** (the “Rates”).

**NOW, THEREFORE**, in consideration of the promises and covenants set forth below, the Parties agree as follows:

### AGREEMENT

**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 20 of this Agreement, Section 1 through 20 shall prevail.

**2. Consulting Services.** Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded or an outside consultant engaged by Consultant unless prior written approval is obtained from District.

**3. Compensation.** District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed \$108,750, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide District, in reasonable and understandable detail, a description of the services rendered pursuant to the Services and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice

within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall pay the undisputed portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.

**5. Term.** This Agreement shall become effective on the Effective Date and will continue in effect until the Services provided herein have been completed, unless terminated earlier as provided in Section 6 or 7 below (the “Term”).

**6. Termination.** District may terminate this Agreement prior to the expiration of the Term (“Termination”), without cause or reason, by notifying Consultant in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

**7. Termination for Cause.** Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits or registrations required for the continued provision of the Services, or Consultant’s malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

**8. Confidential Information.** Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District (“Confidential Information”).

Consultant shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Consultant written authorization to make any such disclosure, Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District’s General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

**9. Performance by Key Employee.** Consultant has represented to District that David Harden will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this Agreement in reliance on that representation by Consultant.



**10. Property of District.** The following will be considered and will remain the property of District:

**A. Documents.** All reports, drawings, graphics, working papers and Confidential Information furnished by District in connection with the Services (“Documents”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Documents.

**B. Data.** All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials (“Data”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Data.

**C. Delivery of Documents and Data.** Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

**11. Duties of District.** In order to permit Consultant to render the services required hereunder, District shall, at its expense and in a timely manner:

**A.** Provide such information as Consultant may reasonably require to undertake or perform the Services;

**B.** Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant’s performance of the Services; and

**C.** Promptly notify Consultant of any fault or defect in the performance of Consultant’s services hereunder.

**12. Representations of Consultant.** District relies upon the following representations by Consultant in entering into this Agreement:

**A. Qualifications.** Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant’s sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant’s profession at the time the Services are rendered.

**B. Consultant Performance.** Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required

under this Agreement in a manner consistent with generally accepted professional customs, procedures and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

**13. Compliance with Laws and Standards.** Consultant shall insure compliance with all applicable federal, state, and local laws, ordinances, regulations and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work.

**14. Independent Contractor; Subcontracting.** Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

**15. Insurance.** Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

**A. General Liability Insurance.** Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

**B. Workers' Compensation Insurance.** Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

**C. Automobile Insurance.** Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

**D. Errors and Omissions Liability.** Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers' coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives ("District's Agents"); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

**E. Other Insurance Requirements.** Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement ("Certificates"), excluding the required worker's compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker's compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days' prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District's Agents as additional insureds with respect to liability arising out of Services, work or operations performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied, or used by the Consultant, or automobiles owned, leased, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District's Agents and any insurance or self-insurance maintained by District or District's Agents shall be in excess of Consultant's insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

**16. Indemnification.** Consultant hereby agrees to indemnify and hold harmless District, its agents, officers, employees and volunteers, against all liability, obligations, claims, loss, and expense (a) caused or created by Consultant, its subcontractors, or the agents or employees of either, whether negligent or not, pertaining to or related to acts or omissions of Consultant in connection with the Services, or (b) arising out of injuries suffered or allegedly suffered by employees of Consultant or its subcontractors (i) in the course of their employment, (ii) in the performance of work hereunder, or (iii) upon premises owned or controlled by District. Consultant's obligation to defend, indemnify and hold District and its agents, officers, employees and volunteers harmless is not terminated by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

**17. Consequential Damages.** Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits

or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

**18. Litigation.** In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

**19. Notices.** Any notice or communication required hereunder between District or Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District: Georgetown Divide Public Utility District  
P.O. Box 4240  
6425 Main Street  
Georgetown, CA 95634  
Attention: General Manager

With courtesy copies to: Churchwell White LLP  
1414 K Street, 3rd Floor  
Sacramento, California 95814  
Attention: Barbara A. Brenner, Esq.

If to Consultant: Bennett Engineering Services, Inc.  
Attention: David Harden  
1082 Sunrise Avenue, Suite 100  
Roseville, California 95661

**20. General Provisions.**

**A. Modification.** No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

**B. Waiver.** The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

**C. Assignment.** No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

**D. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of California.

**E. Venue.** Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

**F. Partial Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

**G. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

**H. Severability.** If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

**I. Audit.** District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

**J. Entire Agreement.** This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

**K. Headings Not Controlling.** Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

**L. Time is of the Essence.** Time is of the essence in this Agreement for each covenant and term of a condition herein.

**M. Drafting and Ambiguities.** Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last day and date below written.

**DISTRICT:**

GEORGETOWN DIVIDE PUBLIC  
UTILITIES DISTRICT, a California Public  
Utilities District

By: \_\_\_\_\_  
Steven V. Palmer, General Manager

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Barbara A. Brenner, General Counsel

**CONSULTANT:**

By:  \_\_\_\_\_

Name: Leo Rubio, President

Date: November 06, 2018

## EXHIBIT A

### Services

#### TASK 1. Project Management and Coordination

##### Subtask 1.1. Project Administration

BEN|EN's Project Manager will submit monthly project status updates and invoicing, and will be responsible for contract management. BEN|EN will also manage the project schedule, subconsultant work, and integrate deliverables.

##### Subtask 1.2. Project Meetings

BEN|EN will attend a project management kick-off meeting. The Project Manager will coordinate regular weekly update meetings (assumes 12), either by phone or in person. BEN|EN will also coordinate design review meetings after the 35% and 100% submittals (assumes 2).

##### Subtask 1.3. Quality Control

BEN|EN's Quality Control Program will be implemented and constructability reviews will be conducted by senior BEN|EN staff prior to submittal of the 35%, 65%, 95%, and 100% design submittals.

#### DELIVERABLES:

- Project schedule and monthly status updates
- Meeting agendas and minutes for all design and coordination meetings

#### TASK 2. Design

##### Subtask 2.1. Background Research and Field Measurements

BEN|EN will visit the site to investigation of existing conditions and identify the location of existing utilities in the project areas. BEN|EN will also review existing documents and will provide utility coordinate as need within the pipeline replacement project areas.

BEN|EN will visit the site for investigation of existing conditions and take field measurements of the canal at intervals to develop cross-sections along the Main Ditch requiring rehabilitation. BEN|EN will also research and review existing documents for the project area.

##### Subtask 2.2. Design of Treated Water Line Replacement Project

BEN|EN will prepare the construction plans, specifications, and cost estimates (PS&E), including 35% conceptual plans and PS&E submittals prepared for 65%, 95%, 100%, and final bid documents.

##### Design of Main Canal Reliability Project

BEN|EN will prepare the construction plans, specifications, and cost estimates (PS&E), including 35% conceptual plans and PS&E submittals prepared for 65%, 95%, 100%, and final bid documents.

##### Subtask 2.3. Public Outreach Support

BEN|EN will support GDPUD and the contractor for the treated water line replacement project as needed in public outreach efforts and will attend stakeholder and/or GDPUD board meetings as requested by GDPUD (up to one (1) meeting) and provide appropriate materials for presentation of the project.

BEN|EN will support GDPUD and the contractor for the main canal reliability project as needed in public outreach efforts and will attend stakeholder and/or GDPUD board meetings as requested by GDPUD (up to two (2) meetings) and provide appropriate materials for presentation of the project.

#### DELIVERABLES:

- Utility coordination letters (electronic)
- Base mapping (electronic)
- A letter report summarizing comments, including a comment resolution matrix at each design review submittal (35%, 65%, 95%, and 100%)
- One (1) electronic copy (PDF format) of the 35% conceptual plans
- One (1) electronic copy (PDF format) of the 65% conceptual plans, specifications, and estimate
- One (1) electronic copy (PDF format) of the 95% conceptual plans, specifications, and estimate
- One (1) electronic copy (PDF format) of the 100% plans, specifications, and estimate
- One (1) electronic copy (PDF format) and up to five (5) 24"x36" hardcopy final bid sets of plans, one hardcopy final bid set of specifications, and one hardcopy final bid set of the cost estimate
- 11"x 17" hardcopies of plans will be provided for each design submittal as requested
- Drawing files in AutoCAD, specifications in Word format, and the cost estimate in Excel format

### TASK 3. Environmental Compliance and Permitting

#### Subtask 3.1. CEQA Documentation

BEN|EN assumes that filing a Categorical Exemption for CEQA compliance will be sufficient for both Projects. As such, the BEN|EN team will provide all necessary support for this Categorical Exemption. If it is determined during the design of the project that further environmental documentation is required, BEN|EN will then retain services of an environmental sub-consultant under a contract amendment to complete additional requirements for CEQA documentation. It is assumed that GDPUD will pay all fees associated with CEQA documentation.

#### Subtask 3.2. Permitting

BEN|EN assumes that no environmental permits are required for the Projects. If it is determined during the design of the project that environmental permitting is required, BEN|EN will then retain services an environmental sub-consultant under a contract amendment to complete any additional permitting.

BEN|EN will assist GDPUD obtain an encroachment permit from Caltrans for staging and construction access off Highway 193.

BEN|EN will assist GDPUD obtain an encroachment permit from the County, if required for work within the Auburn Lake Trails Community.

It is assumed that GDPUD will pay all fees associated with compliance, permits, and filings.



**DELIVERABLES:**

- Categorical Exemption documentation
- Encroachment permit application (if needed)

**TASK 4. Final Bid Phase and Bid Phase Support**

**Subtask 4.1. Bid Advertisement**

BEN|EN will advertise the Projects for bidding and make the construction documents available to potential bidders.

**Subtask 4.2. Pre-bid Meeting**

BEN|EN's project manager will coordinate the pre-bid meetings at the project site with GDPUD staff and potential bidders to address potential bidder questions.

**Subtask 4.3. Bid Support**

BEN|EN will respond to questions concerning the plans, specifications, and estimate prior to the bid openings, and prepare addenda and letters of clarification as required to respond to potential bidder Requests for Information (RFIs). BEN|EN will provide revised or supplemental project plans or exhibits as needed to be fully responsive to RFIs. Assumes two (2) RFIs and one (1) Bid Addendum for each Project.

BEN|EN will attend opening of the public bids at the GDPUD office. Upon receipt of bids, BEN|EN will review the bids for completeness and responsiveness and make a recommendation for award of the construction contract to GDPUD.

**DELIVERABLES:**

- RFI responses
- Bid tabulation
- Recommendation for award

**TASK 5. Construction Support Services**

**Subtask 5.1. Construction Meetings**

BEN|EN will coordinate and facilitate a preconstruction meeting with GDPUD staff the contractor. Additionally, BEN|EN will participate weekly construction meetings throughout the duration of construction. Assumes 6 construction meetings for each Project.

**Subtask 5.2. Construction Support**

BEN|EN will review submittals and shop drawings, assist in the preparation of "punch list" items in need of work, provide responses to the contractor in a timely manner, keep organized documentation of each submittal, and provide GDPUD with copies once construction begins. Assumes up to 10 submittals and up to 1 contract change order (CCO) for each Project. BEN|EN assumes GDPUD will provide construction management and inspection, and that GDPUD will provide all required materials testing.

**Subtask 5.3. Record Drawings**

BEN|EN will address contractor-prepared field revisions and GDPUD comments, and then prepare record drawings accordingly.

**DELIVERABLES:**

- Construction meeting agenda and minutes
- Submittal log and pdfs of all submittals
- Record drawings

## Exhibit B: Fee Estimate-Pipeline

Client: Georgetown Divide Public Utility District

Consultant: Bennett Engineering Services Inc

Project: 2018 Treated Water Line Replacement

Date: October 26, 2018



Fee Estimate	Principal Engineer 240 \$/hr		Project Manager III 185 \$/hr		Engineer V 195 \$/hr		Engineer II 160 \$/hr		Engineering Tech I 115 \$/hr		Administrative 75 \$/hr		BEN EN Subtotal		MISC. EXPENSES	TOTAL
	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost		
<b>Task 1 - Project Management and Coordination</b>																
1.1 - Project Administration	1 hrs	\$240	10 hrs	\$1,850	hrs	\$0	hrs	\$0	hrs	\$0	8 hrs	\$600	19 hrs	\$2,690	\$0	\$2,690
1.2 - Project Meetings	hrs	\$0	20 hrs	\$3,700	hrs	\$0	6 hrs	\$960	hrs	\$0	1 hrs	\$75	27 hrs	\$4,795	\$150	\$4,885
1.3 - Quality Control	1 hrs	\$240	hrs	\$0	5 hrs	\$975	hrs	\$0	hrs	\$0	hrs	\$0	6 hrs	\$1,215	\$0	\$1,215
<b>Subtotal</b>	<b>2 hrs</b>	<b>\$480</b>	<b>30 hrs</b>	<b>\$5,550</b>	<b>5 hrs</b>	<b>\$975</b>	<b>6 hrs</b>	<b>\$960</b>	<b>hrs</b>	<b>\$0</b>	<b>9 hrs</b>	<b>\$675</b>	<b>52 hrs</b>	<b>\$8,640</b>	<b>\$150</b>	<b>\$8,790</b>
<b>Task 2 - Design</b>																
2.1 - Background Research and Field Measurements	hrs	\$0	12 hrs	\$2,220	hrs	\$0	6 hrs	\$960	6 hrs	\$690	1 hrs	\$75	25 hrs	\$3,945	\$100	\$4,045
2.2 - Design of Treated Water Line Replacement Project	2 hrs	\$480	20 hrs	\$3,700	8 hrs	\$1,560	48 hrs	\$7,680	32 hrs	\$3,680	4 hrs	\$300	114 hrs	\$17,400	\$600	\$18,000
2.3 - Public Outreach Support	hrs	\$0	4 hrs	\$740	hrs	\$0	hrs	\$0	2 hrs	\$230	hrs	\$0	6 hrs	\$970	\$50	\$1,020
<b>Subtotal</b>	<b>2 hrs</b>	<b>\$480</b>	<b>36 hrs</b>	<b>\$6,660</b>	<b>8 hrs</b>	<b>\$1,560</b>	<b>54 hrs</b>	<b>\$8,640</b>	<b>40 hrs</b>	<b>\$4,600</b>	<b>5 hrs</b>	<b>\$375</b>	<b>145 hrs</b>	<b>\$22,315</b>	<b>\$750</b>	<b>\$23,065</b>
<b>Task 3 - Environmental Compliance and Permitting</b>																
3.1 - CEQA Documentation	hrs	\$0	4 hrs	\$740	hrs	\$0	hrs	\$0	hrs	\$0	1 hrs	\$75	5 hrs	\$815	\$0	\$815
3.2 - Permitting	hrs	\$0	4 hrs	\$740	hrs	\$0	hrs	\$0	1 hrs	\$115	hrs	\$0	5 hrs	\$855	\$0	\$855
<b>Subtotal</b>	<b>hrs</b>	<b>\$0</b>	<b>8 hrs</b>	<b>\$1,480</b>	<b>hrs</b>	<b>\$0</b>	<b>hrs</b>	<b>\$0</b>	<b>1 hrs</b>	<b>\$115</b>	<b>1 hrs</b>	<b>\$75</b>	<b>10 hrs</b>	<b>\$1,670</b>	<b>\$0</b>	<b>\$1,670</b>
<b>Task 4 - Final Bid Phase and Bid Phase Support</b>																
4.1 - Bid Advertisement	hrs	\$0	1 hrs	\$185	hrs	\$0	2 hrs	\$320	hrs	\$0	1 hrs	\$75	4 hrs	\$580	\$0	\$580
4.2 - Pre-bid Meeting	hrs	\$0	4 hrs	\$740	hrs	\$0	2 hrs	\$320	hrs	\$0	hrs	\$0	6 hrs	\$1,060	\$55	\$1,115
4.3 - Bid Support	hrs	\$0	4 hrs	\$740	hrs	\$0	7 hrs	\$1,120	hrs	\$0	1 hrs	\$75	12 hrs	\$1,935	\$0	\$1,935
<b>Subtotal</b>	<b>hrs</b>	<b>\$0</b>	<b>9 hrs</b>	<b>\$1,665</b>	<b>hrs</b>	<b>\$0</b>	<b>11 hrs</b>	<b>\$1,760</b>	<b>hrs</b>	<b>\$0</b>	<b>2 hrs</b>	<b>\$150</b>	<b>22 hrs</b>	<b>\$3,575</b>	<b>\$55</b>	<b>\$3,630</b>
<b>Task 5 - Construction Support Services</b>																
5.1 - Construction Meetings	hrs	\$0	24 hrs	\$4,440	hrs	\$0	6 hrs	\$960	hrs	\$0	hrs	\$0	30 hrs	\$5,400	\$270	\$5,670
5.2 - Construction Support	hrs	\$0	4 hrs	\$740	hrs	\$0	6 hrs	\$960	12 hrs	\$1,380	hrs	\$0	22 hrs	\$3,080	\$0	\$3,080
5.3 - Record Drawings	hrs	\$0	2 hrs	\$370	hrs	\$0	4 hrs	\$640	18 hrs	\$2,070	hrs	\$0	24 hrs	\$3,080	\$150	\$3,230
<b>Subtotal</b>	<b>hrs</b>	<b>\$0</b>	<b>30 hrs</b>	<b>\$5,550</b>	<b>hrs</b>	<b>\$0</b>	<b>16 hrs</b>	<b>\$2,560</b>	<b>30 hrs</b>	<b>\$3,450</b>	<b>hrs</b>	<b>\$0</b>	<b>76 hrs</b>	<b>\$11,560</b>	<b>\$420</b>	<b>\$11,980</b>
<b>PROJECT TOTAL</b>	<b>4 hrs</b>	<b>\$960</b>	<b>113 hrs</b>	<b>\$20,905</b>	<b>13 hrs</b>	<b>\$2,535</b>	<b>87 hrs</b>	<b>\$13,920</b>	<b>71 hrs</b>	<b>\$8,165</b>	<b>17 hrs</b>	<b>\$1,275</b>	<b>305 hrs</b>	<b>\$47,760</b>	<b>\$1,375</b>	<b>\$49,135</b>

### Additional Fee Information

- ▶ This fee estimate is valid for 90 days.
- ▶ This fee estimate contains an abbreviated list of staff classifications and does not restrict BEN|EN to those classifications. The Standard Rate Schedule with a full list of staff classifications is available upon request.
- ▶ Standard hourly rates do not apply to a demand to perform work during an overtime period. Work required to be performed during an overtime period (as mandated by California law) will be charged at a 50% premium.
- ▶ Substantial changes in the required scope of work or schedule may result in the revision of the proposed fees and total contract amount.
- ▶ Rates are subject to change annually effective July 1st.

GDPUD Board Mtg: of 11/13/2018  
 AGENDA ITEM 7.A.  
 Attachment 3  
 Page 13 of 15



**Exhibit B: Fee Estimate-Canal**

Client: Georgetown Divide Public Utility District  
 Consultant: Bennett Engineering Services Inc  
 Project: 2018 Main Canal Reliability Projects  
 Date: October 26, 2018



Fee Estimate	Principal Engineer 240 \$/hr		Project Manager III 185 \$/hr		Engineer V 195 \$/hr		Engineer II 160 \$/hr		Engineering Tech I 115 \$/hr		Administrative 75 \$/hr		BEN EN Subtotal		MISC. EXPENSES	TOTAL
	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost		
<b>Task 1 - Project Management and Coordination</b>																
1.1 - Project Administration	1 hrs	\$240	10 hrs	\$1,850	hrs	\$0	hrs	\$0	hrs	\$0	8 hrs	\$600	19 hrs	\$2,690	\$0	\$2,690
1.2 - Project Meetings	hrs	\$0	20 hrs	\$3,700	hrs	\$0	6 hrs	\$960	hrs	\$0	1 hrs	\$75	27 hrs	\$4,735	\$150	\$4,885
1.3 - Quality Control	1 hrs	\$240	hrs	\$0	5 hrs	\$975	hrs	\$0	hrs	\$0	hrs	\$0	6 hrs	\$1,215	\$0	\$1,215
<b>Subtotal</b>	<b>2 hrs</b>	<b>\$480</b>	<b>30 hrs</b>	<b>\$5,550</b>	<b>5 hrs</b>	<b>\$975</b>	<b>6 hrs</b>	<b>\$960</b>	<b>hrs</b>	<b>\$0</b>	<b>9 hrs</b>	<b>\$675</b>	<b>52 hrs</b>	<b>\$8,640</b>	<b>\$150</b>	<b>\$8,790</b>
<b>Task 2 - Design</b>																
2.1 - Background Research and Field Measurements	hrs	\$0	12 hrs	\$2,220	hrs	\$0	8 hrs	\$1,280	14 hrs	\$1,610	1 hrs	\$75	35 hrs	\$5,185	\$100	\$5,285
2.2 - Design of Main Canal Reliability Project	2 hrs	\$480	32 hrs	\$5,920	10 hrs	\$1,950	64 hrs	\$10,240	48 hrs	\$5,520	4 hrs	\$300	160 hrs	\$24,410	\$600	\$25,010
2.4 - Public Outreach Support	hrs	\$0	8 hrs	\$1,480	hrs	\$0	hrs	\$0	6 hrs	\$690	hrs	\$0	14 hrs	\$2,170	\$110	\$2,280
<b>Subtotal</b>	<b>2 hrs</b>	<b>\$480</b>	<b>52 hrs</b>	<b>\$9,620</b>	<b>10 hrs</b>	<b>\$1,950</b>	<b>72 hrs</b>	<b>\$11,520</b>	<b>68 hrs</b>	<b>\$7,820</b>	<b>5 hrs</b>	<b>\$375</b>	<b>209 hrs</b>	<b>\$31,765</b>	<b>\$810</b>	<b>\$32,575</b>
<b>Task 3 - Environmental Compliance and Permitting</b>																
3.1 - CEQA Documentation	hrs	\$0	4 hrs	\$740	hrs	\$0	hrs	\$0	hrs	\$0	1 hrs	\$75	5 hrs	\$815	\$0	\$815
3.2 - Permitting	hrs	\$0	8 hrs	\$1,480	hrs	\$0	hrs	\$0	3 hrs	\$345	hrs	\$0	11 hrs	\$1,825	\$0	\$1,825
<b>Subtotal</b>	<b>hrs</b>	<b>\$0</b>	<b>12 hrs</b>	<b>\$2,220</b>	<b>hrs</b>	<b>\$0</b>	<b>hrs</b>	<b>\$0</b>	<b>3 hrs</b>	<b>\$345</b>	<b>1 hrs</b>	<b>\$75</b>	<b>16 hrs</b>	<b>\$2,640</b>	<b>\$0</b>	<b>\$2,640</b>
<b>Task 4 - Final Bid Phase and Bid Phase Support</b>																
4.1 - Bid Advertisement	hrs	\$0	1 hrs	\$185	hrs	\$0	2 hrs	\$320	hrs	\$0	1 hrs	\$75	4 hrs	\$580	\$0	\$580
4.2 - Pre-bid Meeting	hrs	\$0	4 hrs	\$740	hrs	\$0	2 hrs	\$320	hrs	\$0	hrs	\$0	6 hrs	\$1,060	\$55	\$1,115
4.3 - Bid Support	hrs	\$0	4 hrs	\$740	hrs	\$0	7 hrs	\$1,120	hrs	\$0	1 hrs	\$75	12 hrs	\$1,935	\$0	\$1,935
<b>Subtotal</b>	<b>hrs</b>	<b>\$0</b>	<b>9 hrs</b>	<b>\$1,665</b>	<b>hrs</b>	<b>\$0</b>	<b>11 hrs</b>	<b>\$1,760</b>	<b>hrs</b>	<b>\$0</b>	<b>2 hrs</b>	<b>\$150</b>	<b>22 hrs</b>	<b>\$3,575</b>	<b>\$55</b>	<b>\$3,630</b>
<b>Task 5 - Construction Support Services</b>																
5.1 - Construction Meetings	hrs	\$0	24 hrs	\$4,440	hrs	\$0	6 hrs	\$960	hrs	\$0	hrs	\$0	30 hrs	\$5,400	\$270	\$5,670
5.2 - Construction Support	hrs	\$0	4 hrs	\$740	hrs	\$0	6 hrs	\$960	12 hrs	\$1,380	hrs	\$0	22 hrs	\$3,080	\$0	\$3,080
5.3 - Record Drawings	hrs	\$0	2 hrs	\$370	hrs	\$0	4 hrs	\$640	18 hrs	\$2,070	hrs	\$0	24 hrs	\$3,080	\$150	\$3,230
<b>Subtotal</b>	<b>hrs</b>	<b>\$0</b>	<b>30 hrs</b>	<b>\$5,550</b>	<b>hrs</b>	<b>\$0</b>	<b>16 hrs</b>	<b>\$2,560</b>	<b>30 hrs</b>	<b>\$3,450</b>	<b>hrs</b>	<b>\$0</b>	<b>76 hrs</b>	<b>\$11,560</b>	<b>\$420</b>	<b>\$11,980</b>
<b>PROJECT TOTAL</b>	<b>4 hrs</b>	<b>\$960</b>	<b>133 hrs</b>	<b>\$24,605</b>	<b>15 hrs</b>	<b>\$2,925</b>	<b>105 hrs</b>	<b>\$16,800</b>	<b>101 hrs</b>	<b>\$11,615</b>	<b>17 hrs</b>	<b>\$1,275</b>	<b>375 hrs</b>	<b>\$58,180</b>	<b>\$1,435</b>	<b>\$59,615</b>

**Additional Fee Information**

- ▶ This fee estimate is valid for 90 days.
- ▶ This fee estimate contains an abbreviated list of staff classifications and does not restrict BEN|EN to those classifications. The Standard Rate Schedule with a full list of staff classifications is available upon request.
- ▶ Standard hourly rates do not apply to a demand to perform work during an overtime period. Work required to be performed during an overtime period (as mandated by California law) will be charged at a 50% premium.
- ▶ Substantial changes in the required scope of work or schedule may result in the revision of the proposed fees and total contract amount.
- ▶ Rates are subject to change annually effective July 1st.

GDPUD Board Mtg. of 11/13/2018  
 AGENDA ITEM 7.A.  
 Attachment 3  
 Page 14 of 15



**EXHIBIT B**

**Rates**

**RESOLUTION NO. 2018-51**

**OF THE BOARD OF DIRECTORS OF THE  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
AUTHORIZING THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL  
SERVICES AGREEMENT FOR ENGINEERING SERVICES FOR THE 2018 TREATED  
WATER LINE REPLACEMENT AND 2018 MAIN CANAL RELIABILITY PROJECTS  
WITH BENNETT ENGINEERING SERVICES, INC. FOR AN AMOUNT NOT TO  
EXCEED \$108,750**

**WHEREAS**, the District issued a Request for Proposal on September 10, 2018, to select a qualified consultant to provide Engineering Services for the 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects; and

**WHEREAS**, four bids received on October 5, 2018 were reviewed by District Staff who determined that Bennett Engineering Services, Inc. was the most qualified; and

**WHEREAS**, the contracted cost is not to exceed \$108,750.

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF  
DIRECTORS OF THE GEORGETOWN PUBLIC UTILITY DISTRICT THAT:**

1. The professional services contract is awarded to Bennett Engineering Services, Inc.; and
2. The General Manager is authorized to execute a professional services contract with Bennet Engineering Services, Inc. in the amount not to exceed \$108,750 for Engineering Services for the 2018 Treated Water Line Replacement and 2018 Main Canal Reliability Projects.

**PASSED AND ADOPTED** by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the 13<sup>th</sup> day of November 2018, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

---

Londres Uso, President, Board of Directors  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

*Attest:*

---

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

### **CERTIFICATION**

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2018-51 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this 13<sup>th</sup> day of November 2018.

---

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

**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF November 13, 2018  
AGENDA ITEM NO. 7.B.**

**GDPUD**

**AGENDA SECTION: NEW BUSINESS**

**SUBJECT: AMENDMENT SIX TO PSOMAS CONTRACT TO PROVIDE  
CONTINUED ASSISTANCE WITH ENGINEERING SUPPORT  
DURING CONSTRUCTION TOGETHER WITH STATE  
REQUIRED TRACER STUDY**

**PREPARED BY:** George Sanders, Engineering Consultant

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

---

**BACKGROUND**

The contract between the Georgetown Divide Public Utility District and PSOMAS to provide engineering design services for the Auburn Lake Trails Water Treatment Plant project was entered into on October 10, 2010. The amount of that contract was \$368,706. Amendments One, Two, Three and Four relate to the re-design and CEQA compliance. The sum of these amendments added \$222,396. Amendment Number Five provided for Engineering Support During Construction. The amount of Amendment Number Five is \$276,226. The original Contract and Amendments are included with this report as **Attachment 1**.

**DISCUSSION**

This item, Amendment Number Six, in the amount of \$71,374, relates to Engineering Support during Construction (\$53,374) together with the need for a Tracer Study (\$18,000), as required by the State Water Resources Control Board, Division of Drinking Water. As of this date the Contractor has made 220 submittals and has submitted 150 Requests for Information (RFI's). The initial agreement with PSOMAS assumed 150 submittals and 30 RFI's. This elevated number of submittals and RFIs and has resulted in extra time for PSOMAS to review and respond. The Tracer Study is a new requirement from the State that was not considered in the initial agreement with PSOMAS.

The proposal dated November 7, 2018, by PSOMAS in the form of a spread sheet, is included as **Attachment 2** of this report. Amendment Number Six will increase the total PSOMAS contract amount to \$938,702.

**FISCAL IMPACT**

The cost to provide the added Engineering Support and the Tracer Study will not exceed the amount of \$ 71,374. The funds for this item of work are on reserve within Funds 24, 35 and 39. This amendment will not increase the overall budget for the project.



**CEQA ASSESSMENT**

The Mitigated Negative Declaration was adopted by the Board on April 12, 2016, by Resolution 2016-08.

**RECOMMENDED ACTION**

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District (GDPUD) adopt the attached Resolution (**Attachment 3**) authorizing the General Manager to execute Amendment Number Six (**Attachment 4**) to the PSOMAS contract.

**ALTERNATIVES**

Alternatively, Staff would need to terminate the current agreement with PSOMAS, and negotiate and execute an agreement with a new engineering firm to provide services for the remainder of the project.

**ATTACHMENTS**

1. Original Contract with PSOMAS and Amendment Numbers One - Five
2. PSOMAS Proposal
3. Contract Amendment Number Six
4. Resolution 2018-52

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

**PROFESSIONAL SERVICES AGREEMENT**

with

**CONSULTANT**

for

**PROVIDING PROFESSIONAL SERVICES FOR  
DESIGN OF THE AUBURN LAKE TRAILS WTP UPGRADE**

THIS AGREEMENT, made and entered into this 4<sup>th</sup> day of October 2010  
~~20~~ by and between GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT,  
hereinafter referred to as "District," and **PSOMAS**, hereinafter referred to as  
"Consultant".

**WITNESSETH:**

**SECTION 1- ORGANIZATION AND CONTENTS**

- SECTION 1 ORGANIZATION AND CONTENTS
- SECTION 2 SCOPE OF CONSULTING SERVICES
- SECTION 3 COMPENSATION
- SECTION 4 PAYMENT
- SECTION 5 COMPLIANCE WITH LAWS, RULES, REGULATIONS
- SECTION 6 EXHIBITS INCORPORATED
- SECTION 7 RESPONSIBILITY OF CONSULTANT
- SECTION 8 TERMINATION FOR CONVENIENCE
- SECTION 9 TERMINATION OF AGREEMENT FOR CAUSE
- SECTION 10 INTEREST OF OFFICIALS AND CONSULTANT
- SECTION 11 SUCCESSORS AND ASSIGNS
- SECTION 12 INDEPENDENT CONTRACTOR
- SECTION 13 INDEMNIFICATION
- SECTION 14 INSURANCE
- SECTION 15 DOCUMENTATION/ACCESS TO RECORDS
- SECTION 16 NOTICES
- SECTION 17 JURISDICTION
- SECTION 18 INTEGRATION
- SECTION 19 EQUAL EMPLOYMENT OPPORTUNITY
- SECTION 20 DISADVANTAGED BUSINESS ENTERPRISE (DBE)

SECTION 21 TITLES VI and VII COMPLIANCE  
SECTION 22 CHANGE REQUESTS

EXHIBIT A REQUEST FOR PROPOSAL/ CONSULTANT'S SCOPE  
CLARIFICATIONS  
EXHIBIT B CONSULTANT PROPOSAL FEE ESTIMATE

SECTION 2 - SCOPE OF CONSULTING SERVICES

Consultant agrees to perform the work described in Exhibit "A" attached hereto and incorporated herein by this reference as if set forth in full as directed by District.

SECTION 3 - COMPENSATION

For services performed pursuant to this Agreement, District agrees to pay and Consultant agrees to accept an amount not-to-exceed **Three hundred sixty-eight thousand, seven hundred six dollars (\$368,706)** based on estimated hourly rates and reimbursable expenses as attached in Exhibit B. The hourly rates as provided in Exhibit B shall remain unchanged through the completion of the scope of services provided by this agreement. The Consultant shall be reimbursed only for the time and expenses incurred while performing the worked required under this scope, and which are deemed reasonable and necessary by the District.

SECTION 4 - PAYMENT

District shall pay Consultant for services rendered pursuant to this Agreement at the times and in the manner set forth in this Agreement. The payments shall be made to the Consultant for the services rendered pursuant to this Agreement unless District approves additional compensation for additional services. Consultant shall submit all billings for said services to District in the manner specified in this section.

Payments to Consultant shall be made within two weeks of Board approval of Consultant's invoice, with said payments to be made in proportion to services performed or as otherwise specified above. Consultant may request payment on a monthly basis. Consultant shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of District.

All invoices submitted by Consultant shall contain the following information:

1. Job Name
2. Description of services billed under this invoice, and overall status of project
3. Date of Invoice Issuance

4. Sequential Invoice Number
5. Total Contract Amount
6. Amount of this Invoice (Itemize all Reimbursable Expenses and provide copies of all receipts supporting expenses)
7. Total Billed to Date
8. Total Remaining on Contract.

Any invoices which do not contain the required information necessary to support and verify the payment request, or cannot otherwise be supported by the District, will be returned to the Consultant for revision and resubmittal.

#### SECTION 5 - COMPLIANCE WITH LAWS, RULES, REGULATIONS

All services performed by Consultant pursuant to this Agreement shall be performed in accordance and full compliance with professional standards regarding the interpretation of all applicable and non-conflicting Federal, State or County statutes, and any rules or regulations promulgated thereunder, as interpreted by the appropriate enforcement agency at the time of performance of this project.

#### SECTION 6 - EXHIBITS INCORPORATED

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

#### SECTION 7 - RESPONSIBILITY OF CONSULTANT

By executing this Agreement, Consultant warrants to District that he/she possesses the licenses, certifications, experience, resources, facilities, and signatory authority necessary to commit the firm to provide the services outlined by this Agreement. 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 project for which services are rendered under this Agreement.

#### SECTION 8 - TERMINATION FOR CONVENIENCE

Either party may terminate this Agreement at any time by giving notice to the other party of such termination and specifying the effective date thereof, at least thirty (30) 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. In such event Consultant shall be paid for all work satisfactorily completed.

SECTION 9 - 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 substantially begin to 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.

SECTION 10 - INTEREST OF OFFICIALS AND CONSULTANT

- A. No member of the Board of Directors of District or General Manager or employees of the District shall be admitted to any share or part hereof or to any benefits to arise herefrom.
- B. Consultant hereby covenants that he or she has, at the time of the execution of this Agreement, no interest, and that he or she 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 11- SUCCESSORS AND ASSIGNS

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 12 - 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 as well as any Subconsultants retained by the

Consultant. 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 13- INDEMNIFICATION

To the fullest extent allowed by law, the Consultant shall defend, indemnify, and hold the District, its officers, agents and employees, harmless against and from any and all claims, suits, losses, damages and liability for damages, including reasonable attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, District employees, and the public, or damage to property, or any economic or consequential losses, to the extent caused by the negligent acts, errors or omissions, recklessness, or willful misconduct, of the Consultant or those for whom Consultant is legally liable and which are claimed to or in any way arise out of or are connected with the Work by Consultant, his agents or employees including Consultant's services, operations, or performance hereunder, regardless of the existence or degree of fault or negligence on the part of the District, Consultant, subcontractor(s) and employee(s) of Consultant, or any of these, except for the sole, or active negligence of the District, its officers and employees, and except as expressly prescribed by statute. This duty of Consultant to indemnify and save the District harmless includes the duties to defend set forth in California Civil Code Section 2778.

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### SECTION 14 - INSURANCE

The Consultant shall provide proof of a policy of insurance satisfactory to the District and documentation evidencing that the Consultant and any Subconsultants maintain insurance that meets the following requirements.

- A. Full Workers' Compensation and Employer's Liability Insurance covering all employees of Consultant as required by law in the State of California. If Consultant does not have any employees, Consultant is not required to maintain Worker's Compensation Insurance.
- B. Commercial General Liability Insurance of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage, and Two Million Dollars (\$2,000,000) combined aggregate.
- C. Automobile Liability Insurance of not less than Five Hundred Thousand (\$500,000) is required per accident, with a combined aggregate of One Million (\$1,000,000) in the event motor vehicles are used by the Consultant in performance of the Agreement.

- D. Proof of coverage satisfactory to the District as evidence that the insurance required herein is being maintained shall be provided. The insurance will be issued by an insurance company acceptable to the District, or be provided through partial or total self-insurance likewise acceptable to the District.
- E. The certificate of insurance must include the following provisions stating that:
- 1) The insurance required herein shall provide that no cancellation in any policy shall become effective except upon thirty (30) days prior written notice to the District, except that 10 days' notice of cancellation may be given for nonpayment of premium; and
  - 2) The District, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to all liability policies except Workers' Compensation, Employer's Liability and professional liability insurance policies. Proof that the District is named additional insured shall be made by providing the District with a certified copy, or other acceptable evidence, or an endorsement to insurance policy naming the District as additional insured.
- F. Consultant agrees that the insurance required herein shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Consultant agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the District and Consultant agrees that no work or services shall be performed prior to such approval. In the event Consultant fails to keep in effect at all times insurance coverage as herein provided, District may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- G. Certificate of insurance shall meet such additional standards as may be determined by the contracting District either independently or in consultation with the District, as essential for protection of the District.
- H. Consultant shall not commence performance of this Agreement unless and until compliance with each and every requirement of the insurance policy is achieved.

- I Failure of Consultant to maintain the insurance required herein, or to comply with any of the requirements of the insurance provisions, shall constitute a material breach of the entire Agreement.
- J Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the District, its officers, officials, employees or volunteers.
- K. The Consultant's insurance coverage shall be primary insurance as respects the District, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the District, its officers, officials, employees, or volunteers shall be in excess of the Consultant's insurance and shall not contribute with it.
- L. The insurance companies shall have no recourse against the District, its officers, agents, employees or any of them for payment of any premiums or assessments under any policy issued by an insurance company.
- M. Consultant's indemnity and other obligations shall not be limited by the insurance required herein and shall survive the expiration of this Agreement.
- N. Any deductibles or self-insured retentions must be declared and approved by the District. At the District's option, either: Insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the District, its officers, employees and volunteers, or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- O. In the event Consultant cannot provide an occurrence policy, Consultant shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.

SECTION 15 - 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. Electronic copies of all documents, plans, reports, and supporting information associated with the project shall be delivered in a format suitable to the District.

Original documents, methodological explanations, computer programs, computer files, drawings, designs and reports generated by this Agreement shall belong



to and become the property of the District in accordance with accepted standards relating to public work contracts. Any additional copies, not otherwise provided for herein, shall be the responsibility of the District. Software used but not created in the performance of this agreement is not included. Consultant shall not be held responsible for modification, re-use, or misuse of these various documents and other instruments of professional service.

Consultant and its subcontractors shall maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred, and make 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. Such materials shall be available for inspection by authorized representatives of the Federal and State government, as well as the District, or the copies thereof shall be furnished upon request.

SECTION 16 - 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: Hank White,  
GDPUD  
P.O. Box 4240  
Georgetown, CA 95634

b. To Consultant: Mike Thalhammer, V.P.  
Psomas  
1075 Creekside Ridge Drive, Suite 200  
Roseville, CA. 95678

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

SECTION 17 - 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 18 - INTEGRATION

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.

#### SECTION 19 - EQUAL EMPLOYMENT OPPORTUNITY

In connection with the performance of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, color, age, creed, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, 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 20 - DISADVANTAGED BUSINESS ENTERPRISE (DBE)

- A. Minority and women-owned business enterprises (hereby referred to as DBEs), shall have the maximum opportunity to participate in the performance of contracts or subcontracts financed in whole or in part with Federal funds under this Agreement.
- B. Consultant agrees to ensure that DBEs have the maximum opportunity to participate in the performance of contracts and subcontracts financed in whole or in part with Federal funds provided under this Agreement. In this regard, Consultant shall take all necessary and reasonable steps to ensure that DBEs have the maximum opportunity to compete for and perform contracts. Consultant shall not discriminate on the basis or race, color, national origin, or sex in the award and performance of contracts.
- C. All subcontracts awarded by Consultant shall contain the provisions included in paragraphs (A) and (B), as described immediately above.

#### SECTION 21- TITLES VI and VII COMPLIANCE

- A. Consultant agrees to comply with Titles VI and VII of the Civil Rights Act of 1964 (49 USC 2000d) and any applicable regulations thereunder.
- B. During the performance of this Agreement the Consultant, for itself, its assignees and successors in interest, agrees as follows:

1. Compliance with Regulations: The Consultant shall comply with the Regulations relative to nondiscrimination in federally-assisted programs, as they may be amended during the period of this contract (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this Agreement.
  2. Nondiscrimination: The Consultant, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection or retention of subcontracts, including procurements of materials and leases of equipment. The Consultant shall not participate either directly or indirectly in the discrimination prohibited by law.
  3. Solicitations for subcontracts, including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by the Consultant for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Consultant of the Consultant's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.
  4. Information and Reports: The Consultant shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by GDPUD to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Consultant shall so certify to GDPUD, as appropriate, and shall set forth what efforts it has made to obtain the information.
- C. Sanctions for Non-compliance: In the event of the Consultant's non-compliance with the nondiscrimination provisions of this Agreement, GDPUD shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:

1. Withholding of payments to the Consultant under the Agreement until the Consultant complies, and/or;
  2. Cancellation, termination or suspension of the Agreement, in whole or in part.
- D. Incorporation of Provisions: the Consultant shall include the provisions of Paragraphs A and B (including all subparts) of this Section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Consultant shall take such action with respect to any subcontract or procurement as GDPUD may direct as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Consultant may request GDPUD to enter into such litigation to protect the interests of GDPUD, and in addition, the Consultant may request the United States to enter into such litigation to protect the interests of the United States.
- E. Civil Rights: All subcontractors awarded by contractors shall contain provisions requiring compliance with Titles VI and VII of the Civil Rights Act of 1964, as amended and all regulations or EPA requirements made applicable thereby.

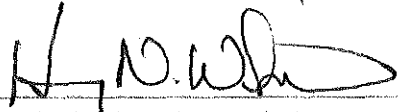
SECTION 22 - CHANGE REQUESTS


Requests for additional compensation or change orders shall be brought to the attention of the District's Project Manager immediately by the Consultant. The Consultant shall prepare and submit documentation supporting such requests and shall describe in detail the need for the change order, why the change is not considered part of the scope of work described in Exhibit A and the cost to complete the additional work, including any credits to District due to the change in work. Any request for a change order shall be deemed denied unless approved in writing by the District. The Consultant and District shall negotiate all such change requests. District staff shall determine whether the change order can be approved at a staff level or must be submitted to the District Board for approval.

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

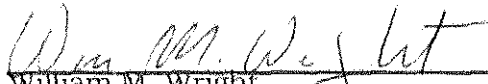
District:

Consultant:

By:   
Henry N. White - General Manager  
10/4/10

By:   
Mike Thalhammer, P.E. - Vice President

APPROVED AS TO FORM:

  
William M. Wright  
Attorney for Georgetown Divide Public Utility District.

FIRST AMENDMENT TO AGREEMENT  
BETWEEN  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
AND  
PSOMAS

The agreement for Services previously entered into between the parties on October 4, 2010 for design of the Auburn Lake Trails WTP Upgrade is hereby amended as follows:

Period of performance

The amended project completion date shall be **January 31, 2013**.

Compensation and Method of Payment

Additional compensation for services as listed on the attached Table shall be provided in an amount not-to-exceed \$33,895 .

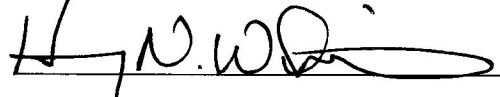
Original Agreement Amount:	\$368,706
Amendment #1 Amount:	<u>\$33,895</u>
<b>Total Contract Amount:</b>	<b>\$402,601</b>

Except as noted above, all provisions of the original Agreement and Amendments remain in force.

IN WITNESS WHEREOF, this Amendment is executed as of the date(s) indicated.

GEORGETOWN DIVIDE PUBLIC  
UTILITY DISTRICT

Date: 11/26/12

By: 

PSOMAS

Date: 11-20-12

By: 

Brian E. Bullock  
Vice President

Amendment #1  
 Psomas  
 11/16/12

Table:

Items	Change Amount
1. District Delay	\$7,000
2. Inclusion of General Requirements	\$6,140
3. Increase due to Backwash and FTW Tanks	\$6,021
4. Raw Water Pump Station	\$0
5. Grade Site for Future Chlorine Tank	\$1,200
6. Evaporative Coolers	\$8,122
7. Sludge Drying Beds	\$1,000 <sup>(1)</sup>
8. Filter Building Grading	\$0
9. Critical Loads Generator	\$4,412
10. Sole Source for Packaged Filter Units	\$0
<b>TOTAL</b>	<b>\$33,895</b>

Footnote:

<sup>(1)</sup> This amount is provided for Psomas to perform additional analysis of the drying bed system as flows increase above 2.3 MGD. It is not approval of previous design efforts performed to date.

**SECOND AMENDMENT TO AGREEMENT**  
**BETWEEN**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
**AND**  
**PSOMAS**

The agreement for services previously entered into between the parties on October 4, 2010 for the design of the Auburn Lake Trails Treatment Plant Upgrade is hereby amended as follows:

**Period of Performance**

The amended project completion date shall be **April 30, 2014**.

**Compensation and Method of Payment**

Additional compensation for the additional services listed in Attachment No.1 shall be provided in an amount not to exceed \$103,000.

Original Contract Amount:	\$368,706
Amendment No.1	\$33,895
<u>Amendment No.2</u>	<u>\$103,000</u>
Total Contract Amount	\$505,601

Payment for the additional services rendered in accordance with Attachment No. 1 shall be made on a "time and materials" basis with invoices submitted monthly.

Invoicing must identify the specific Attachment No.1 task, personnel classification, number of hours, and receipts for required expenses (if applicable).

**Remainder of Contract Provisions**

Except as specified above, all other provisions in the original agreement and first amendment remain in force.



IN WITNESS THEREOF, this amendment is executed as of the date(s) shown below.

GEORGETOWN DIVIDE PUBLIC  
UTILITY DISTRICT

Date: 1/8/14

By: Bonnie K. McLean, President

PSOMAS

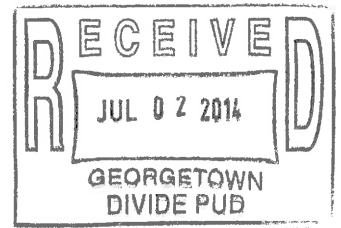
Date: 1/8/14

By: 

ATTACHMENT NO.1

Design Task	Additional Cost
Eliminate 300K Steel Tank & Transfer Pumps & Placement of CT Basin Beneath Filter Bldg.	\$74,340
Reduce or Eliminate VFD's on Pump Motors	\$8,305
Eliminate Evaporative Coolers	\$2,477
Revise Sizing of HVAC System in Bldgs.	\$4,251
Revise Landscaping and Irrigation System	\$859
Review & Revise As Appropriate Sludge Drying Beds Structural Design	\$6,411
Reduction in Paved Area Around Filter Bldg.	\$862
Eliminate 2 <sup>nd</sup> Backup Generator	\$2,183
Plan Submittal & Revision	\$3,312
Total	\$103,000

**THIRD AMENDMENT TO AGREEMENT**  
**BETWEEN**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
**AND**  
**PSOMAS**



GDPUD Board Mtg. of 11/13/2018  
AGENDA ITEM 7.B.  
Attachment 1  
Page 18 of 43

The agreement for services previously entered into between the parties on October 4, 2010 for the design of the Auburn Lake Trails Treatment Plant Upgrade is hereby amended as follows:

**Period of Performance**

A completion date has not been identified for this component of the work. Work activities are for Pre-Bid and Bid Services and will follow the schedule set by the District once a bid date has been identified.

**Compensation and Method of Payment**

Additional compensation for the additional services listed in that correspondence dated May 27, 2014 from PSOMAS to the District, herein after referred to as Attached Number 1, shall be provided in an amount not to exceed \$80,265. A summary of the original contract with amendments is as follows:

Original Contract Amount:	\$368,706
Amendment Number 1	\$ 33,895
Amendment Number 2	\$103,000
Amendment Number 3	<u>\$ 80,265</u>
Total Contract Amount	\$585,866

Payment for the additional services rendered in accordance with Attachment Number 1 shall be made on a "time and materials" basis with invoices submitted monthly.

Invoicing must identify the specific task, personnel classification, number of hours and receipts for required outside expenses (if applicable).

**Remainder of Contract Provisions**

Except as specified above, all other provisions in the original agreement , together with the first and second amendment remain in force.

IN WITNESS THEREOF, this Amendment Number 3 is executed as of the date(s) shown below.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Date: 6/19/14

By: Bonnie R. Mc Lane

By: [Signature]

PSOMAS

Date: 7/1/14

By: [Signature]

Steven Mangaroni  
Vice President

**ATTACHMENT NUMBER 1**  
**THIRD AMENDMENT OF AGREEMENT**  
**BETWEEN**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
**AND**  
**PSOMAS**

**(5 Pages Including This Sheet—Letter dated May 27, 2014 GDPUD - PSOMAS)**

**PSOMAS**

May 27, 2014

Maria Capraun, Treasurer  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
P. O. Box 4240  
Georgetown, CA 95634

Re: Request for Amendment to Provide Pre-bid and Bid Services - Auburn Lake Trails WTP Project.

Dear Maria:

As requested, enclosed is Psomas' fee estimate for providing pre-bid and bid services activities for the Auburn Lake Trails WTP project.

We have included in this proposal:

1. Revisions to the construction cost estimate, based on the current design,
2. Coordination needed to gather comments on the drawings and specification by the Fire Marshal, CA DPH, and as a result of preparation of the final SWPPP, and incorporation of those comments into the plan set.
3. Completion of the SWPPP. This extra work required by changes in the regulations after our contract was signed has been approved by the GDPUD Board, but you have requested that it be rolled into this amendment.
4. Assist with bidding the project, including transmitting the construction documents to plan rooms, assistance with answering bidder questions, preparing addenda, attending the pre-bid conference, attending the bid opening, and assisting with bid evaluation and recommendations for awarding the contract. The attached spreadsheet includes Psomas taking a larger role in this bid, since District staff time is limited.
5. Incorporate bid addenda items into the construction documents to create "Conformed Documents" that will be used during construction phase.

Table 1, attached, summarizes our estimate of labor hours and fees to provide assistance. Our total estimated not-to-exceed fee for these services is \$80,265.

1075 Creekside Ridge Drive  
Suite 200  
Roseville, CA 95678-3502  
916.788.8122  
Fax 916.788.0600

[www.psomas.com](http://www.psomas.com)

**PSOMAS**

Maria Capraun  
ALT WTP Project, Bid Phase Assistance

Page 2 of 2  
May 27, 2014

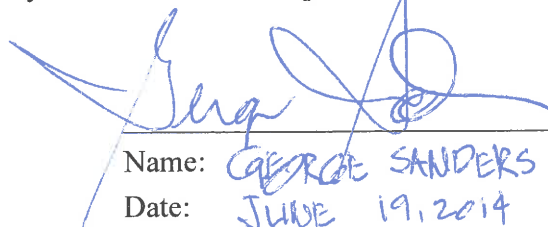
Please review the attached information and let me know if it meets your requirements for Psomas' role during the pre-bid and bid phases of the improvements to the Auburn Lake Trails Water Treatment Plant. Services will be performed under an amendment to our current contract for design services and all other terms will apply. Please do not hesitate to contact me if you have questions about this proposal at (916) 788-8122 or at [kstram@psomas.com](mailto:kstram@psomas.com). If you are in agreement with the requested amendment please indicate so by providing an authorized signature below and returning one copy for our records.

Sincerely,  
**PSOMAS**



Ken Stram, P.E.  
Vice President

I hereby authorize Psomas to proceed with the above services.



Name: GEORGE SANDERS  
Date: JUNE 19, 2014  
Title: INTERIM GENERAL MANAGER

Enclosures: Psomas Fee Estimate (Table 1)

cc: Joe Boyle, Psomas  
Ernie Leporini, Psomas

RE: CONTRACT AMENDMENT #3  
BOARD APPROVED JUNE 17, 2014  
AGENDA ITEM #7

**Georgetown Divide Public Utility District  
Auburn Lake Trails WTP Project  
Table 1 Plan Review, Bid Phase, and Award Phase**

Billing Rates:		Project Mgr.	QA/QC	Design Eng	Const Eng	Drafting	Admin	Electrical**	Structural**	Landscaping**	Other Costs	Task Total
		\$175	\$185	\$150	\$150	\$105	\$80					
<b>9</b>	<b>Agency Review</b>											
9.a	Revise Cost Estimate		3.6	36		1	2	\$1,430		\$660		\$8,421.00
9.b	Develop funding agreement with CDPH for project funding. To be done by GDPUD, included for coordination.											
9.c	Coordinate with Fire Marshal to receive comments/approval (GDPUD to initiate review process)		0.4	4								\$674.00
9.d	Coordinate with CDPH to receive comments/approval (GDPUD to initiate review process)		0.8	8								\$1,348.00
9.e	General Coordination with District and Sub-Consultants (10 phone calls with email followup)		1.0	10		2		\$2,750	\$2,750		\$1,200	\$8,595.00
9.f	Complete SWPPP (subconsultant), contract mod for this amount previously approved by board due to additional requirements implemented after contract was signed. (Foothill Environmental)		0.1	1							\$2,750	\$2,918.50
9.g	Incorporate comments from Fire Marshal, CDPH, and SWPPP into Construction Documents and create final bid set		19.0	30		30		\$2,497	\$825			\$14,487.00
<b>Total Task - Distribution</b>												<b>\$36,443.50</b>
<b>10</b>	<b>Bid Phase</b>											
10.a	Send plans to ARC (formerly Brownies) for posting to their virtual plan room. Coordinate with plan rooms for proper format for documents submittal and transmit documents.		0.4	4		8						\$1,514.00
10.b	Advertise project. GDPUD to post. Advertisement for Bids to publications, included as coordination item.											
10.c	Answer Bidder Questions. Receive planholder questions from GDPUD and develop responses. Transmit to GDPUD for transmittal to planholder list (collect questions/responses and transmit weekly).		1.6	16	20			\$3,234	\$660			\$9,590.00
10.d	Attend Pre-Bid conference, record questions from potential bidders and develop answers. Transmit documents to GDPUD for transmittal to planholder list.		0.6	6	6						\$50	\$1,961.00
10.e	Develop bid addenda. When necessary develop bid addenda and transmit to GDPUD for transmittal to planholder list. (assume two addenda)		1.0	10	20	8		\$1,760	\$440			\$7,725.00
10.f	Attend Bid Opening, assist GDPUD, and develop bid abstract. Transmit to GDPUD.		1.2	12			1				\$50	\$2,152.00



**Georgetown Divide Public Utility District  
 Auburn Lake Trails WTP Project  
 Table 1 Plan Review, Bid Phase, and Award Phase**

	Project Mgr.	QA/QC	Design Eng	Const Eng	Drafting	Admin	Electrical**	Structural**	Landscaping**	Other Costs	Task Total
	\$175	\$185	\$150	\$150	\$105	\$80					
10.g											
10.h		0.4	4	12						\$50	\$2,524.00
10.i		3.0	30		40		\$6,600	\$1,100	\$200	\$1,200	\$18,355.00
10.j											
<b>Total Task - Bid Phase</b>											<b>\$43,821.00</b>
<b>Total Hours</b>											<b>3</b>
<b>Rates</b>											<b>\$80</b>
<b>Cost</b>											<b>\$240</b>
<b>Total Fee Estimate =</b>											<b>\$80,265</b>

**FOURTH AMENDMENT TO AGREEMENT**

**BETWEEN**

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

**AND**

**PSOMAS**

2010 

The agreement for services previously entered into between the parties on October 4, 2014 for the design of the Auburn Lake Trails Treatment Plant Upgrade is hereby amended as follows:

**Period of Performance**

A completion date has not been identified for this component of the work. All work is to be performed in a timely manner with a substantial completion date estimated a 4 weeks from the date of this Amendment.

**Assignment of Work**

Work activities under this amendment are for additional environmental consulting services, utilizing the consulting firm of Foothill Associates. Foothill Associates prepared the current environmental document for the Project. The District acknowledges that Foothill Associates is a subcontractor working under PSOMAS. The District will remain under contract with PSOMAS for this additional work.

**Compensation and Method of Payment**

The District will reimburse PSOMAS for the services provided by Foothill (\$4,760) plus 10 percent, for a total amount under this agreement of \$5,236. Attention is directed to Attachment Number 1 of this Amendment which identifies the TERMS AND CONDITIONS of the Foothill proposal together with a portion of the e-mail dated July 14, 4014 from Ernie Leporini to the District which identifies the 10 percent additional fee by PSOMAS. A summary of the original contract with Amendments 1-4 inclusive is as follows:

Original Contract Amount	\$368,706
Amendment Number 1	\$ 33,895
Amendment Number 2	\$103,000
Amendment Number 3	\$ 80,265
Amendment Number 4	<u>\$ 5,236</u>
Total Contract Amount	\$591,102

Invoicing must reference the Terms and Conditions as identified in the proposal from Foothill Associates.

**Remainder of Contract Provisions**

Except as specified above, all other provisions in the original agreement, together with the first, second, and third amendments remain in force.

**IN WITNESS THEREOF**, this Amendment Number 4 is executed as of the date(s) shown below.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Date: 8/12/14

By: Bonnie McLaue

By: [Signature]

PSOMAS

Date: 9/5/14

By: [Signature]



ENVIRONMENTAL CONSULTING • PLANNING • LANDSCAPE ARCHITECTURE

SCOPE OF WORK - Not To Exceed

JULY 9, 2014

<b>CLIENT:</b> Ernie Leporini	<b>WITH:</b> Psomas
<b>FROM:</b> Meredith Branstad	<b>PROJECT:</b> Auburn Lake WTP Upgrade Addendum #2

TASK	DESCRIPTION	COST
One	<p><b>Update Biological Resource Assessment</b>            Foothill Associates will prepare a letter report updating the biological resource assessment to reflect the revised site plan and updated information on special-status species. The report will include an updated CNDDDB map and site map showing permanent and temporary impacts to habitats, with particular attention to potential impacts to upland and aquatic California red-legged frog habitat.</p> <p>The draft report will be provided electronically in PDF format for review by Georgetown PUD staff. Once staff comments are integrated into the report, one hard copy and one electronic (PDF) copy of the final report will be provided.</p>	\$4,760
	<b>TOTAL:</b>	<b>\$4,760</b>



ENVIRONMENTAL CONSULTING • PLANNING • LANDSCAPE ARCHITECTURE

### TERMS AND CONDITIONS

This document constitutes an agreement for environmental consulting services to be provided by Whitney Environmental Consulting, Inc., dba Foothill Associates (FOOTHILL) on behalf of Psomas (CLIENT).

#### **Services/Expenses:**

Services to be provided by FOOTHILL under this agreement are described in the attached scope of work. Consulting Services shall be performed on a Not to Exceed basis. CLIENT also agrees to pay reimbursable expenses necessary for the performance of the services listed in the attached scope of work. Additional services beyond those outlined in the attached scope of work may be provided if confirmed in writing.

Landscape Architect agrees to provide its professional services in accordance with generally accepted professional standards. Landscape Architect agrees to put forth reasonable efforts to comply with codes, laws, and regulations in effect as of the date of this agreement. Landscape Architects are licensed by the State of California and/or the State of Nevada and/or the State of Oregon.

#### **Billings/Payments:**

Invoices for FOOTHILL'S services and expenses shall be submitted, at FOOTHILL'S option, either upon completion of such services or on a monthly basis. Invoices shall be payable within 30 days after the invoice date. If the invoice is not paid within 30 days, FOOTHILL may, without waiving any claim or right against CLIENT, and without liability whatsoever to CLIENT, terminate the performance of the service.

#### **Late Payments:**

Accounts unpaid 60 days after the invoice date may be subject to a monthly service charge of 1.5% (or the legal rate) on the then unpaid balance. In the event any portion or all of an account remains unpaid 90 days after billing, CLIENT shall pay all costs of collection.

#### **Delay, Changes in Scope:**

In the event that CLIENT requests a work stoppage of more than 45 days, FOOTHILL reserves the right to renegotiate our fees for the remaining work. Any required services additional to those specifically included herein shall be provided as an extra service on a time and material basis or at an agreed additional fixed fee amount. If the Scope of Work is significantly different from what is described herein, FOOTHILL reserves the right to renegotiate the fee for services based on a revised Scope of Work. Requests for additional consulting services by CLIENT from FOOTHILL beyond the Scope of Work will be billed on a time and materials basis.

**Contract Assumptions, Adequacy of Base Data, Project Changes:**

FOOTHILL assumes that any base data or engineering drawings provided by CLIENT in support of this Scope of Work are complete, accurate, and are adequate for use by FOOTHILL in completing the work described in this Scope of Work. If this is not the case, FOOTHILL, at CLIENTS expense, or CLIENT, will develop adequate supporting data.

**Access to Project Site and Materials:**

CLIENT agrees to comply with all requests made by FOOTHILL for information held by CLIENT reasonably necessary for the performance of FOOTHILL'S duties under this Agreement. FOOTHILL will have access to the project site for activities necessary for the performance of the services described in this Agreement. FOOTHILL will take precautions to minimize damage due to these activities, but have not included in the fee the cost of restoration of any resulting damage.

**Ownership of Documents:**

All instruments of professional services prepared by FOOTHILL including, but not limited to, drawings and specifications are the property of FOOTHILL, and these documents shall not be reused without FOOTHILL'S written permission. FOOTHILL retains all rights, including copyright, of its documents. CLIENT or others are not permitted to use FOOTHILL'S documents to complete this project unless FOOTHILL is found to have materially breached this agreement. FOOTHILL reserves the right to include representations of the project in its promotional and professional materials.

**Dispute Resolution:**

Any claims or disputes made during performance of the services between CLIENT and FOOTHILL shall be submitted to non-binding mediation. CLIENT and FOOTHILL agree to include a similar mediation agreement with all contractors, sub contractors, sub consultants, suppliers and fabricators, thereby providing for mediation as the primary method for dispute resolution between all parties.

**Limitation of Liability:**

CLIENT agrees that FOOTHILL'S total liability to CLIENT for any and all injuries, claims, losses, expenses, damages, or claim expenses arising out of this agreement, from any cause or causes, shall not exceed the amount of services for which invoices have been issued and payments have been received. Such causes include, but are not limited to, FOOTHILL'S negligence, errors, omissions, strict liability, breach of contract, or breach of warranty.

**Termination of Services:**

This agreement may be terminated by CLIENT at any time, upon written notice, prior to the completion of the terms of this agreement. In the event of termination, CLIENT shall pay FOOTHILL for reimbursable expenses and services rendered to the date of termination.

Page 4 of 4

**Board of Landscape Architects:**

The California Board of Landscape Architects regulates Landscape Architects. Any questions concerning a Landscape Architect may be referred to the Board at:

California Board of Landscape Architects  
2420 Del Paso Road, Suite 105  
Sacramento, CA 95834  
Telephone: (916) 757-7230

This agreement shall be interpreted in accordance with the laws of the State of California.

**Offered by:**

---

Meredith Branstad, Principal Date  
For Whitney Environmental Consulting, Inc.

**Accepted by:**

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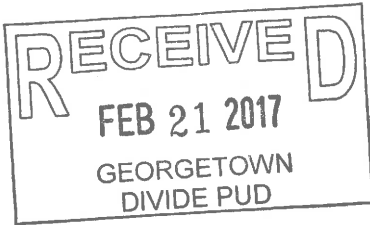
Jodie Day Date  
For Psomas

**For Landscape Architect Services:**

Kathleen M. C. Kirsh  
California Landscape Architect License Number: 4362

Edward T. Armstrong  
California Landscape Architect License Number: 4870  
Oregon Landscape Architect License Number: 717

Meredith M. Branstad  
California Landscape Architect License Number: 5122  
Nevada Landscape Architect License Number 803



**FIFTH AMENDMENT TO AGREEMENT  
BETWEEN  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
AND PSOMAS**

The agreement for services previously entered into between the parties on October 10, 2010 for the design of the Auburn Lake Trails Treatment Plant Upgrade is hereby amended as follows:

**Period of Performance**

A completion date has not been identified for this component of the work. Work activities are for Engineering Services During Construction and will commence prior to and follow the work activities during construction.

**Compensation and Method of Payment**

Compensation for the additional services listed in that correspondence dated February 9, 2017 from PSOMAS to the District, herein after referred to as Attachment 1, shall be provided in an amount not to exceed \$ 276,226. A summary of the original contract together with amendments 1 through 5 are summarized as follows:

Original Contract Amount	\$ 368,706
Amendment Number 1	\$ 33,895
Amendment Number 2	\$ 103,000
Amendment Number 3	\$ 80,265
Amendment Number 4	\$ 5,236
Amendment Number 5	<u>\$ 276,226</u>
Total Contract Amount	\$ 867,328

Payment for the additional services rendered in accordance with Attachment 1 shall be made on a "time and materials" basis with invoices submitted monthly.

Invoicing must identify the specific task, personnel classification, number of hours and receipts for required outside expenses (if applicable).

**Remainder of Contract Provisions**

Except as specified above, all other provisions as identified in the original agreement, together with the first, second, third and fourth amendment remain in force.



**Board Approval**

The District Board of Directors approved Amendment 5 at a regular meeting held on February 14, 2017;  
Agenda Item Number 21.

**IN WITNESS THEREOF**, this Amendment 5 is executed as of the date(s) shown below.

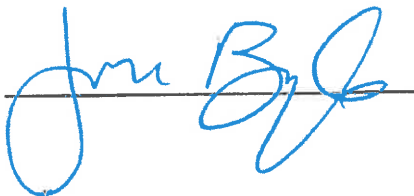
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Date: 2/17/17

By:   
Darrell Creeks, Interim General Manager

PSOMAS

Date: 2/21/17

By: 

**P S O M A S**

February 9, 2017

George Sanders  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
P. O. Box 4240  
Georgetown, CA 95634

**SUBJECT: Proposal to Provide Engineering Services During Construction  
Auburn Lake Trails WTP Project**

Dear George:

As requested, enclosed is Psomas' fee estimate for providing engineering services during construction of the Auburn Lake Trails WTP project. Ernie Leporini, PE, will serve as our local point of contact for this project. However, we also anticipate providing engineering assistance from our Santa Ana office as required. Our same subconsultants responsible for the project design will be utilized for construction phase assistance, including ATEEM Electrical Engineering for electrical/controls, Anderson Structural Group for structural and Nece Landscape Architecture for landscape.

Our proposed scope of services includes the following tasks:

1. **Project Meetings:** Attend meetings, site visits, startup and testing, including:
  - Attendance at pre-construction conference.
  - Attendance at weekly construction meetings as requested. For purposes of this proposal, we have included attendance at a maximum of 14 meetings (20% of 71 estimated meetings) by Ernie Leporini and 4 meetings by ATEEM. Attendance at additional meetings can be provided on a T&M basis upon prior authorization by District.
  - Startup testing; assumed attendance of 4 days by Ernie Leporini and 2 days by ATEEM. Attendance at additional startup testing meetings can be provided on a T&M basis upon prior authorization by District.
  - Electrical/Control Equipment Factory and Field tests; assumed attendance by ATEEM of 2 days for factory tests and 2 days for field tests for electrical and control equipment testing. If attendance at additional factory/field testing meetings is required, this service will be provided on a T&M basis upon prior authorization by District.

1075 Creekside Ridge Drive  
Suite 200  
Roseville, CA 95678-3502  
916.788.8122  
Fax 916.788.0600

[www.psomas.com](http://www.psomas.com)

- Electrical/Control Inspection and Punch-list; 4 days have been included for final inspection and punch-list visits by ATEEM. Attendance at additional site meetings/inspections can be provided on a T&M basis upon prior authorization by District.
  - Maximum of 6 site visits by Anderson Structural. Additional site visits can be provided on a T&M basis upon prior authorization by District.
  - Landscape walk-through (assume one day)
2. **Material Submittals and Shop Drawing Review:** Review of material, equipment, and supply submittals, including shop drawings. For purposes of this proposal we have budgeted for review of 120 submittals/shop drawings, assuming 20% (24) are re-submittals. In addition, ATEEM will review up to 30 electrical submittals. Please note that the number of submittals/shop drawings and re-submittals is highly variable and depends largely on the contractor. If more submittals and/or re-submittals are received than anticipated, we will inform the District and after receiving authorization will proceed on a time and materials basis. This proposal does not include review of construction management submittals, such as project schedules, coordination of work, partial pay requests, etc.
  3. **Operation and Maintenance Submittals:** Review of operation and maintenance submittals, as required by the contract documents. This proposal does not include organizing the individual O&M submittals into one package, nor does it include preparation of an O&M manual.
  4. **Requests for Information (RFI):** Provide response to contractor requests for information. Note that the number of RFI's received for a project is highly variable and is dependent on the type of project and the contractor working on the project. For purposes of this proposal we have assumed 30 RFI's.
  5. **As-Builts:** As-built drawings will be prepared based on redline markups as provided by the contractor and/or construction manager.
  6. **Change Order Support:** Provide assistance the District in implementing up to 3 change orders. This is another item that is highly variable, depending on the nature and scope of the change.

George Sanders  
Auburn Lake Trails WTP Project, Engineering Services During Construction

Page 3 of 3  
February 9, 2017

Table 1, attached, summarizes our estimate of labor hours/fees by task to provide engineering services during the construction phase. These services do not include construction management or inspection (except for electrical as noted). Travel time and expenses related to meetings are included in the hourly rates.

Please do not hesitate to contact me if you have questions about this proposal at (714) 481-8060 or at [joeboyle@psomas.com](mailto:joeboyle@psomas.com).

Very truly yours,

**PSOMAS**



Joseph L. Boyle, PE  
*Senior Project Manager/Vice President*

Enclosures:

Psomas Fee Estimate

ATEEM Scope of Work and Fee

ASG Scope of Work and Fee

Georgetown Divide Public Utility District  
 Auburn Lake Trails WTP Project  
 Table 1 Fee Estimate - Engineering Services During Construction

	PM	Project Engineer	Ast Proj Engineer	CE Designer	Admin	Electrical	Structural	Landscaping	Other Costs	Task Total
<b>1 Project Meetings</b>										
Attend Pre-Construction Conference		5								\$750.00
Attend Weekly Meetings as Required (Assume 20% of 71 meetings or 14)		70								\$10,500.00
Landscaping Walkthrough		7						\$1,650		\$2,700.00
Startup Testing (Assume 4 days)		36								\$5,400.00
Attend Pre-Final Site Visit		8								\$1,200.00
Attend Final Inspection		6								\$900.00
										\$21,450.00
<b>2 Material Submittals and Shop Drawings</b>										
Submittals (100 standard items @ 3 hrs/item)	16		300					\$1,100		\$45,280.00
Major Submittals (15 major items @ 8 hours/item)	8	120								\$19,840.00
Shop Drawings (5 shop drawings @ 4 hours/item)	5	20								\$4,150.00
Coordinate Electrical Submittals	2	10	8							\$3,040.00
Coordinate Structural Submittals	2	2	4							\$1,300.00
										\$73,610.00
<b>3 O&amp;M Submittals</b>										
O&M Submittals	2	64	8						\$200	\$10,260.00
										\$10,260.00
<b>4 Requests for Information</b>										
Respond to RFI (30 @ 3 hours/RFI)	8	90	30							\$19,390.00
Coordinate Electrical RFI (30 @ 0.5 hr/RFI)		15	8							\$3,330.00
Coordinate Structural RFI (10 @ 0.5 hr/RFI)		5	2							\$1,020.00
										\$23,740.00
<b>5 As-Builts</b>										
As-builts (74 sheets @ 2 hour/sheet)	4	20	148	8						\$20,920.00
Coordinate Structural As-builts	1	10	4							\$2,170.00
Coordinate Electrical As-builts	1	10	4							\$2,170.00
Plan Sets of As-builts (4 @ \$400 per set)									\$1,600	\$1,600.00
										\$26,860.00
<b>6 Change Order Support (3 Change Orders)</b>										
Initial Review of Change Order Request (Assume 3 CO)	4	12								\$2,720.00
Research and Proposed Solution		48	8							\$8,280.00
Drawing modifications		10	8	40	8				\$100	\$7,800.00
Coordination	2	9	4							\$2,350.00
										\$21,150.00
<b>7 Sub-Consultants</b>										
Electrical Subconsultant (cost plus 10 percent)						\$77,264				\$77,264.00
Structural Subconsultant (cost plus 10 percent)							\$15,400			\$15,400.00
(Landscaping sub included above)										\$0.00
										\$92,664.00

Total Hours Rates Cost \$12,650 \$86,550 \$51,300 \$21,560 \$1,440 \$82,676 \$15,400 \$2,750 \$1,900

Total Subconsultants \$92,664.00

Total Fee Estimate = \$276,226



**A T.E.E.M. ELECTRICAL  
ENGINEERING Inc.**  
INDUSTRIAL & COMMERCIAL DESIGN

3841 NORTH FREEWAY BOULEVARD, SUITE 145  
SACRAMENTO, CA 95834

TEL: (916) 457-8144  
FAX: (916) 457-7876

February 8, 2017

GDPUD Board Mtg. of 11/13/2018  
AGENDA ITEM 7.B.  
Attachment 1  
Page 37 of 43

Joe Boyle, P.E.  
Psomas  
3 Hutton Centre Drive, Suite 200  
Santa Ana, CA 92707  
E-mail: [JoeBoyle@psomas.com](mailto:JoeBoyle@psomas.com)  
[ernie.leporini@gmail.com](mailto:ernie.leporini@gmail.com)

Location: Georgetown Divide Public Utility District  
Subject: Electrical Engineering Construction Services Quotation & Scope of Work  
Project: Auburn Lake Trails Water Treatment Plant Improvements – Revised 2

The following lists the revised *A T.E.E.M.* Electrical Engineering Construction Services for the project.

A. Construction Services

1. Attend four (4) project meetings.
2. Review electrical, instrumentation and control shop drawings and submittals/ resubmittals. (~30 combined total).
3. Answer construction questions and provide clarifications.
4. Respond to “Request for Information” regarding electrical and instrumentation items.
5. Witness and Verify:
  - a. Factory Tests (2 Days)
  - b. Field Tests (2 Days)
  - c. Start-up (2 Days)
6. Provide electrical inspection and generate punch-list. (4 Days)
7. Prepare as-built Contract drawings.

*A T.E.E.M.* Electrical Engineering Construction Services fee proposal is on the attached spreadsheet.

Note:

1. Budget from one task may be used at our discretion to cover the overage of another task that has exceeded its estimated budget. ATEEM will stop work when our total not-to-exceed cost has been met, regardless of if a task has been completed or started. Any additional time, outside our total not-to-exceed cost, requested of us, will be billed on a Time and Material basis.

2. We do not believe that two days are enough for the factory test. For a factory test that includes the switchboard, two MCCs and two PLC control panels with the program and screen checks, a four day factory test is typically budgeted. Extra time spent at the factory test will be deducted from effort on other tasks.

All prices include overhead, profit, insurance, and travel expenses for site visits to the jobsite. Currently *A T.E.E.M.* has \$2,000,000 general liability and \$2,000,000 professional liability insurance in force.

*A T.E.E.M.* is dedicated to meet your needs by providing specialized design, consultant and management services. Please give us a call if you have any questions or require further information.

Sincerely,

Erik Burns, P.E.  
*A T.E.E.M.* Electrical Engineering

**A T.E.E.M. Electrical Engineering**  
**2/8/2017**

Type of Service: Electrical Construction Services  
 Customer Name: Psomas  
 Location: GD PUD  
 Project Name: Auburn Lake Trails Water Treatment Plant Improvements - Revised 2

Project No.: \_\_\_\_\_ Work Order No.: \_\_\_\_\_ Task No.: \_\_\_\_\_

		Field Eng = FE    Office Eng = OE    Technical = TA					
		Hourly Rate:			\$190	\$180	\$110
Task	Description	FE	OE	TA			
<b>Construction Services</b>							
1	Attend project meetings (4)	24	6	4	=	6,080	
2	Review submittals/resubmittals (~30 total)	0	120	60	=	28,200	
3	Answer questions and issue clarifications	0	30	16	=	7,160	
4	Respond to RFIs	0	20	16	=	5,360	
5	Factory test (2 Days)	16	5	5	=	4,490	
6	Field tests (2 Days)	16	5	5	=	4,490	
7	Start-up (2 Days)	16	5	2	=	4,160	
8	Inspection and punch-list (4 Days)	32	4	2	=	7,020	
9	As-built drawings	8	20	28	=	8,200	
		<b>112</b>	<b>215</b>	<b>138</b>		<b>\$75,160</b>	
<b>Total not-to-exceed cost:</b>						<b>\$75,160</b>	

Notes: Budget from one task may be used at our discretion to cover the overage of another task that has exceeded its estimated budget. ATEEM will stop work when our total not-to-exceed cost has been met, regardless of if a task has been completed or started. Any additional time, outside our total not-to-exceed cost, requested of us, will be billed on a Time and Material basis

Signature : Sharon M. Kimizuka, P.E. \_\_\_\_\_ Date \_\_\_\_\_

Approval \_\_\_\_\_ Date \_\_\_\_\_

Signature  
 CHARGE NO.:



**A|nderson  
S|tructural  
G|roup**

**Agreement**

Anderson Structural Group, Inc.  
650 University Avenue, Suite 110  
Sacramento, CA 95825  
(916) 514-9109

Client: PSOMAS  
1075 Creekside Ridge Drive, Suite 200  
Roseville, CA 9595678  
(916) 788-8122

**Date:** December 21, 2016

**ASG Project No.** 12084.05

**Project Name/Location:** Auburn Lake Trails WTP Construction Review - Georgetown Divide PUD

**Project Description:** Structural engineering services for:

Construction review services for structural drawings signed March 2, 2016 and sheets S14 and S15 signed May 27, 2016 for following structures:

- Raw Water Pump Station
- Filter Building
- Sludge Drying Beds

**Scope of Services:**

- Provide construction review and support services including
  - Construction consultation, review metal building submittals, review structural shop drawings, respond to RFI's and up to six site visits.

**Structural Fee:**

Construction Review and Support Services ..... \$14,000

**Limitation of Liability:** \$1,000,000

**Special Conditions:**

- Fee does not include any construction phase revisions to approved drawings.
- Any revisions to approved drawings will be billed at hourly rates.

**Offered by:**

John D. Anderson      12/21/16  
*signature*                                      *date*

John D. Anderson, President      S2910  
*name/title*                                      *CA License*

Anderson Structural Group, Inc.

**Accepted by:**

\_\_\_\_\_  
*signature*                                      *date*

\_\_\_\_\_  
*name/title*

*Client*

**The Terms and Conditions attached and the initials required are a part of this Agreement.  
Fees are based on receiving authorization within 60 days.**

**A|nderson  
S|tructural  
G|roup**

**Terms and Conditions**

Anderson Structural Group, Inc. shall perform the services outlined in this Agreement for the stated fee arrangement.

**Dispute Resolution:**

Any claims or disputes between the Client and Anderson Structural Group, Inc. shall be submitted to non-binding mediation.

**Billings/Payments:**

Invoices will be submitted either upon completion of services or on a monthly basis. If the invoice is not paid within 30 days, Anderson Structural Group, Inc. may terminate the performance of the service.

**Late Payments:**

Invoices unpaid 60 days after the invoice date may be subject to a monthly service charge of 1.5% (or the legal rate) on the unpaid balance. Client agrees to pay all costs of collection, including reasonable attorney's fees.

**Indemnification:**

The Client agrees, to the fullest extent permitted by law, indemnify and hold harmless Anderson Structural Group, Inc., its officers, employees and subconsultants from all damage, liability and cost, including reasonable attorney's fees, arising out of the performance of the services under this Agreement, excepting only those damages, liabilities or costs attributable to the sole negligence or willful misconduct of Anderson Structural Group, Inc.

**Limitation of Liability:**

In recognition of the relative risks, rewards and benefits of the project to both parties, the Client agrees that Anderson Structural Group, Inc. total liability for all injuries, claims, loses, expenses, damages or claim expenses arising out of this Agreement shall not exceed the Limitation of Liability amount indicated in the Agreement. Such causes include, Anderson Structural Group, Inc. negligence, errors, omissions, strict liability, breach of contract or warranty.

**Termination of Services:**

Either party may terminate this Agreement should the other fail to perform its obligations. In the event of termination, the Client agrees to pay Anderson Structural Group, Inc. for all services rendered to the date of termination.

**Field Representatives**

Anderson Structural Group, Inc. field personnel are for the purpose of providing project administration, construction observation and investigation of specific aspects of the project. Observation of the work by Anderson Structural Group, Inc. personnel does not relieve the Client of the responsibility for performing the work in accordance with the plans and specifications. Anderson Structural Group, Inc. responsibilities do not include supervision or direction of the means, methods or actual work of the Client or responsibility for jobsite safety.

**Hourly Rates:**

Principal Engineer	\$170 per hour	Associate Engineer	\$140 per hour
Design Engineer	\$110 per hour	Drafter	\$ 85 per hour

**JDA**

initial

initial

**FIFTH AMENDMENT TO AGREEMENT**  
**BETWEEN**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
**AND PSOMAS**

The agreement for services previously entered into between the parties on October 10, 2010 for the design of the Auburn Lake Trails Treatment Plant Upgrade is hereby amended as follows:

**Period of Performance**

A completion date has not been identified for this component of the work. Work activities are for Engineering Services During Construction and will commence prior to and follow the work activities during construction.

**Compensation and Method of Payment**

Compensation for the additional services listed in that correspondence dated February 9, 2017 from PSOMAS to the District, herein after referred to as Attachment 1, shall be provided in an amount not to exceed \$ 276,226. A summary of the original contract together with amendments 1 through 5 are summarized as follows:

Original Contract Amount	\$ 368,706
Amendment Number 1	\$ 33,895
Amendment Number 2	\$ 103,000
Amendment Number 3	\$ 80,265
Amendment Number 4	\$ 5,236
Amendment Number 5	<u>\$ 276,226</u>
Total Contract Amount	\$ 867,328

Payment for the additional services rendered in accordance with Attachment 1 shall be made on a “time and materials” basis with invoices submitted monthly.

Invoicing must identify the specific task, personnel classification, number of hours and receipts for required outside expenses (if applicable).

**Remainder of Contract Provisions**

Except as specified above, all other provisions as identified in the original agreement, together with the first, second, third and fourth amendment remain in force.


**Board Approval**

The District Board of Directors approved Amendment 5 at a regular meeting held on February 14, 2017;  
Agenda Item Number 21.

**IN WITNESS THEREOF**, this Amendment 5 is executed as of the date(s) shown below.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Date: 2/17/17

By:   
Darrell Creeks, Interim General Manager

PSOMAS

Date: \_\_\_\_\_

By: \_\_\_\_\_

**Georgetown Divide Public Utility District  
 Auburn Lake Trails WTP Project  
 Psomas Fee Estimate - Additional Engineering Services During Construction  
 7-Nov-18**

Task	PM	Project Engineer	Ast Proj Engineer	CE Designer	Admin	Electrical	Structural	Landscaping	Other Costs	Task Total	
											\$230
1											
Project Meetings											
Attend Weekly Meetings as Required											
			86							\$12,900.00	
										Total Meetings	\$12,900.00
2											
Material Submittals and Shop Drawings											
Submittals and Shop Drawing Reviews											
		4	10	16						\$4,580.00	
										Total Submittals	\$4,580.00
3											
O&M Submittals											
		4	3	8						\$2,450.00	
										Total O&M	\$2,450.00
4											
Requests for Information											
Respond to RFI											
		4	10	8						\$3,500.00	
										Total Requests for Information	\$3,500.00
5											
As-Builts											
										\$0.00	
										Total As-builts	\$0.00
6											
Change Order Support											
Initial Review of Change Order Request											
			5							\$750.00	
										Total Change Order Support	\$750.00
6A											
Clearwell Tracer Study											
			60							\$9,000.00	
			30							\$4,500.00	
			30							\$4,500.00	
										Total Clearwell Tracer Study	\$18,000.00
7											
Sub-Consultants											
Electrical Subconsultant (cost plus 10 percent)											
						\$29,194				\$29,194.00	
Structural Subconsultant (cost plus 10 percent)											
										Total Subconsultants	\$29,194.00

Total Hours	12	234	32	0	0					
Rates	\$230	\$150	\$135	\$110	\$90					
Cost	\$2,760	\$35,100	\$4,320	\$0	\$0	\$29,194	\$0	\$0	\$0	\$0
<b>Total Fee Estimate =</b>										<b>\$71,374</b>

**SIXTH AMENDMENT TO AGREEMENT  
BETWEEN  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
AND PSOMAS  
FOR THE AUBURN LAKE TRAILS TREATMENT PLANT PROJECT**

The Agreement for Services previously entered into between the Georgetown Divide Public Utility District and PSOMAS on October 10, 2010, for the design of the Auburn Lake Trails Treatment Plant Upgrade, is hereby amended to provide for assistance with the State Water Resources Control Board, Division of Drinking Water, Clearwell Tracer Study. This Agreement is hereby amended as follows:

**Period of Performance**

The period of performance will begin on the date of execution of this Agreement and will be completed to coincide with the Notice of Completion for the project.

**Additional Services, Compensation and Method of Payment**

The additional services to be provided under Amendment Number Six are described in the proposal, November 7, 2018, from PSOMAS in the form of a spread sheet, hereinafter referred to as **Exhibit 1** of this Amendment. Compensation for these additional services shall be based on the same billing rate reflected in the current Agreement. The cost for this service shall not exceed \$71,374.

A summary of the original contract together with Amendments One through Six are summarized as follows:

Original Contract Amount	\$ 368,706
Amendment Number One	\$ 33,895
Amendment Number Two	\$ 103,000
Amendment Number Three	\$ 80,265
Amendment Number Four	\$ 5,236
Amendment Number Five	\$ 276,226
Amendment Number Six	\$ 71,374
<b>Total Contract Amount</b>	<b>\$ 938,702</b>

Payment for the additional services rendered in accordance with Exhibit 1 shall be made on a "time and materials" basis with invoices submitted monthly.

Invoicing must identify the specific tasks, personnel classification, number of hours, and receipts for required outside expenses (if applicable).

**Remainder of Contract Provisions**

Except as identified above, all other provisions as identified in the original Agreement, together with the first, second, third, fourth and fifth Amendments remain in force.

**IN WITNESS THEREOF**, this Amendment Number Six is executed as of the date(s) shown below:

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

By: \_\_\_\_\_  
Steven Palmer, P.E., General Manager

Date: \_\_\_\_\_

**PSOMAS**

By:  \_\_\_\_\_  
Joseph L. Boyle, P.E.,  
Senior Project Manager/Vice President

Date: 11/7/18

**RESOLUTION NO. 2018-52**  
**OF THE BOARD OF DIRECTORS OF THE**  
**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**

**AUTHORIZING THE SIXTH AMENDMENT TO THE AGREEMENT**  
**BETWEEN THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT**  
**AND PSOMAS FOR THE AUBURN LAKE TRAILS**  
**WATER TREATMENT PLANT PROJECT**

**WHEREAS**, the Agreement for Services was entered into between the Georgetown Divide Public Utility District (“District”) and PSOMAS (“Consultant”) on October 10, 2010, to provide engineering design services for the Auburn Lake Trails Water Treatment Plant project; and

**WHEREAS**, the Board of Directors have authorized Amendments One, Two, Three and Four related to re-design and CEQA Compliance;

**WHEREAS**, Amendment Five to this Contract provided for Engineering Support During Construction;

**WHEREAS**, the State Water Resources Control Board, Division of Drinking Water, has requested that the District perform a Clearwell Tracer Study (“Study”); and

**WHEREAS**, Amendment Six to the original contract relates to Engineering Support during Construction and assistance with the State-required Tracer Study; and

**WHEREAS**, the cost for this additional service will not exceed \$71,374.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT** the General Manager is authorized to execute Amendment Number Six to the Agreement for Services with PSOMAS.

**PASSED AND ADOPTED** by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the 13<sup>th</sup> day of November 2018, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:



---

Londres Uso, President, Board of Directors  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

*Attest:*

---

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

### **CERTIFICATION**

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2018-52 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this 13<sup>th</sup> day of November 2018.

---

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

**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
AGENDA ITEM NO. 7.C.**



**AGENDA SECTION: NEW BUSINESS**

**SUBJECT: FISCAL YEAR 2017-2018 4<sup>th</sup> QUARTER BUDGET REVIEW**

**PREPARED BY:** Kristen West, Finance Consultant

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

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

---

**BACKGROUND**

In order to provide timely information to the Board and the public, the attached report provides a comparison of approved operating budget to actual revenues and expenditures through the Fourth Quarter of Fiscal Year 2017-2018 (Attachment 1). Material differences are explained in the staff report.

**DISCUSSION**

*Revenues*

At the end of the fourth quarter, total water operating revenue and non-operating revenues were \$5,182,234, which is 20% greater than the budgeted amount of \$4,302,258. These revenues amounts include residential water sales, commercial water sales, irrigation water sales, penalties, property taxes, SMUD, interest, lease revenue, and hydroelectric revenue. Residential water sales exceeded the budget by 41%, commercial water sales exceeded the budget by 19%, irrigation water sales exceeded the budget by 80%, and hydroelectric revenue exceeded the budget by 36%. These revenue budget overages are attributable to the recent rate increase effective January 2018. The adopted Fiscal Year 2017-2018 budget did not include the recent rate increase.

Total wastewater operating fund revenues were \$353,767, which is 86% of the budgeted amount of \$411,737. A majority of the 14% deficit is due to a 9% shortfall in Zone Charges in the amount of \$313,315, which were budgeted in the amount of \$344,000.

*Expenditures*

At the end of the fourth quarter, total water operating expenditures were \$3,895,926, which is 94% of the budgeted amount of \$4,153,445. Total wastewater operating fund expenditures were \$307,241, which is 77% of the budgeted amount of \$396,775. The 23% decrease in projected expenses in the wastewater operating fund is mostly due to salaries and benefits savings.

**FISCAL IMPACT**

Overall, operating revenues were greater than budgeted, and expenditures were within expectations.

**CEQA ASSESSMENT**

This action is not a CEQA Project.

Regular Board Meeting of November 13, 2018  
Agenda Item No. 7.C.

---

**RECOMMENDED ACTION**

Staff recommends the Board of Directors of the Georgetown Divide Public Utility District (GDPUD) receive and file this report.

**ATTACHMENTS**

1. 4<sup>th</sup> Quarter FY 2017-18 Budget to Actual report

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:18  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Revenues by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

FUND #: 08

Name: SMUD FUND

Revenue Description	Annual Proforma Budget	Annual Amended Budget	Current Actual	Year-to-Date Actual	Pct(%)	Budget Remaining
4020 Interest	0.00	0.00	646.88	2,173.78	.0	-2,173.78
4025 UNRLZD +/-	0.00	0.00	-255.36	-255.36	.0	255.36
4080 SMUD REVENUE	0.00	109,300.00	0.00	109,315.00	-100.0	-15.00
DEPT Subtotal ----->	0.00	109,300.00	391.52	111,233.42	-101.8	-1,933.42
FUND TOTAL	0.00	109,300.00	391.52	111,233.42	-101.8	-1,933.42

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:22  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Revenues by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

FUND #: 10		Name: Water Fund		Annual	Current	Year-to-Date	Budget
Revenue Description	Annual	Annual	Actual	Actual	Pct(%)	Remaining	
	Proforma Budget	Amended Budget					
3010 Water Sales-Res	0.00	1,319,000.00	429,305.89	1,862,226.52	-141.2	-543,226.52	
3020 Water Sales-Com	0.00	211,860.00	61,921.51	253,058.01	-119.4	-41,198.01	
3030 Water Sales-Cst	0.00	2,140.00	40.00	7,877.81	-368.1	-5,737.81	
3040 Water Sales-Irr	0.00	269,000.00	166,784.72	482,990.01	-179.6	-213,990.01	
3045 SURCHARGE	0.00	0.00	-27.47	93.17	.0	-93.17	
3060 Installation	0.00	0.00	3,383.40	10,854.25	.0	-10,854.25	
3090 Other Operating	0.00	0.00	70.97	96.96	.0	-96.96	
3180 MAT/LABOR CHG	0.00	0.00	130.00	260.00	.0	-260.00	
4020 Interest	0.00	3,594.00	5,152.81	13,098.66	-364.5	-9,504.66	
4025 UNRLZD +/-	0.00	0.00	-1,894.92	-1,894.92	.0	1,894.92	
4030 Penalties	0.00	37,000.00	1,002.92	46,739.40	-126.3	-9,739.40	
4040 Lease/Media One	0.00	70,000.00	4,051.11	72,983.98	-104.3	-2,983.98	
4050 Property Taxes	0.00	1,569,000.00	64,077.87	1,577,792.32	-100.6	-8,792.32	
4060 Sale of Assets	0.00	0.00	0.00	875.00	.0	-875.00	
4090 Other/lease	0.00	0.00	4.50	37.50	.0	-37.50	
4095 MISC INCOME	0.00	0.00	230.00	230.00	.0	-230.00	
4998 unreconciled***	0.00	0.00	3.06	3.06	.0	-3.06	
DEPT Subtotal ----->	0.00	3,481,594.00	734,236.37	4,327,321.73	-124.3	-845,727.73	
3045 5300 SURCHARGE Water Treatmnt	0.00	648,923.00	109,541.12	657,451.84	-101.3	-8,528.84	
3040 5400 Water Sales-Irr T&D Treated Wtr	0.00	0.00	0.00	1,125.00	.0	-1,125.00	
4090 5600 Other/lease	0.00	0.00	0.00	1.50	.0	-1.50	
FUND TOTAL	0.00	4,130,517.00	843,777.49	4,985,900.07	-120.7	-855,383.07	

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:28  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Expenditures by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

FUND #: 10		Name: Water Fund	Annual	Annual	Encumbrance	Current	Year-to-Date	Unencumbered
Expenditure Description		Prof Budget	Amended Budget	Balance	Actual	Actual	Pct (%)	Balance
5010	5100 Super & Labor Srce of Supply	0.00	126801.00	0.00	12064.48	135150.77	106.6	-8349.77
5011	5100 Wages-Part time Srce of Supply	0.00	8500.00	0.00	0.00	6840.00	80.5	1660.00
5013	5100 PERS UAL Srce of Supply	0.00	83930.00	0.00	27940.28	83820.84	99.9	109.16
5014	5100 P.E.R.S. Srce of Supply	0.00	12335.00	0.00	862.60	12688.79	102.9	-353.79
5016	5100 Payroll Taxes Srce of Supply	0.00	12680.00	0.00	1120.04	11247.82	88.7	1432.18
5017	5100 Standby Srce of Supply	0.00	6530.00	0.00	1210.00	6250.00	95.7	280.00
5018	5100 Insurance - H&L Srce of Supply	0.00	41887.00	0.00	4466.95	39194.58	93.6	2692.42
5019	5100 Overtime Srce of Supply	0.00	6759.00	0.00	1209.81	9404.41	139.1	-2645.41
5020	5100 Insurance - W.C Srce of Supply	0.00	4501.00	0.00	960.79	5905.13	131.2	-1404.13
5034	5100 Insurance - Gen Srce of Supply	0.00	7740.00	0.00	-1079.95	6658.13	86.0	1081.87
5038	5100 Mat. & Supp. Srce of Supply	0.00	12700.00	0.00	2496.30	10507.69	82.7	2192.31
5039	5100 Materials - Oth Srce of Supply	0.00	5000.00	0.00	0.00	2050.00	41.0	2950.00
5040	5100 Office Supplies Srce of Supply	0.00	0.00	0.00	566.66	566.66	.0	-566.66
5041	5100 Staff Develop Srce of Supply	0.00	1000.00	0.00	0.00	49.67	5.0	950.33
5044	5100 Utilities Srce of Supply	0.00	9015.00	0.00	107.41	3994.95	44.3	5020.05
5046	5100 Veh. Maint. Srce of Supply	0.00	3000.00	0.00	28.54	3595.48	119.8	-595.48
5048	5100 Vehicle - Oper Srce of Supply	0.00	5000.00	0.00	779.60	6236.05	124.7	-1236.05
5080	5100 Outside Serv Srce of Supply	0.00	85800.00	0.00	3979.98	87406.44	101.9	-1606.44
5084	5100 Government Reg Srce of Supply	0.00	34300.00	0.00	-9481.00	36452.90	106.3	-2152.90
5089	5100 Memberships Srce of Supply	0.00	616.00	0.00	0.00	310.00	50.3	306.00
5090	5100 Other Srce of Supply	0.00	11000.00	0.00	4234.47	17899.62	162.7	-6899.62
DEPT 5100	Subtotal ----->	0.00	479094.00	0.00	51466.96	486229.93	101.5	-7135.93
5010	5200 Super & Labor T&D Raw Water	0.00	270961.00	0.00	34913.71	254422.21	93.9	16538.79
5011	5200 Wages-Part time T&D Raw Water	0.00	18716.00	0.00	1641.60	19334.40	103.3	-618.40
5013	5200 PERS UAL T&D Raw Water	0.00	168160.00	0.00	55970.34	167911.19	99.9	248.81
5014	5200 P.E.R.S. T&D Raw Water	0.00	26360.00	0.00	2312.81	24164.87	91.7	2195.13
5016	5200 Payroll Taxes T&D Raw Water	0.00	27096.00	0.00	3114.93	22201.65	81.9	4894.35
5017	5200 Standby T&D Raw Water	0.00	13060.00	0.00	2420.00	11680.00	89.4	1380.00
5018	5200 Insurance - H&L T&D Raw Water	0.00	89508.00	0.00	15821.72	85145.85	95.1	4362.15
5019	5200 Overtime T&D Raw Water	0.00	14443.00	0.00	3330.12	22228.38	153.9	-7785.38
5020	5200 Insurance - W.C T&D Raw Water	0.00	9619.00	0.00	4243.24	16783.66	174.5	-7164.66
5034	5200 Insurance - Gen T&D Raw Water	0.00	16094.00	0.00	46.03	16139.39	100.3	-45.39
5038	5200 Mat. & Supp. T&D Raw Water	0.00	23700.00	0.00	-209.88	22561.35	95.2	1138.65
5039	5200 Materials - Oth T&D Raw Water	0.00	15000.00	0.00	0.00	3859.34	25.7	11140.66
5040	5200 Office Supplies T&D Raw Water	0.00	645.00	0.00	566.67	722.10	112.0	-77.10
5041	5200 Staff Develop T&D Raw Water	0.00	1000.00	0.00	0.00	49.67	5.0	950.33
5044	5200 Utilities T&D Raw Water	0.00	1400.00	0.00	214.82	1416.58	101.2	-16.58
5046	5200 Veh. Maint. T&D Raw Water	0.00	9000.00	0.00	1261.10	9276.98	103.1	-276.98
5048	5200 Vehicle - Oper T&D Raw Water	0.00	13140.00	0.00	1399.52	15116.74	115.0	-1976.74
5080	5200 Outside Serv T&D Raw Water	0.00	2000.00	0.00	153.33	1158.72	57.9	841.28
5084	5200 Government Reg T&D Raw Water	0.00	0.00	0.00	0.00	118.00	.0	-118.00
5090	5200 Other T&D Raw Water	0.00	400.00	0.00	0.00	240.00	60.0	160.00
DEPT 5200	Subtotal ----->	0.00	720302.00	0.00	127200.06	694531.08	96.4	25770.92
5010	5300 Super & Labor Water Treatmnt	0.00	216417.00	0.00	11630.47	138048.43	63.8	78368.57
5013	5300 PERS UAL Water Treatmnt	0.00	17120.00	0.00	5701.79	17105.34	99.9	14.66
5014	5300 P.E.R.S. Water Treatmnt	0.00	21053.00	0.00	1212.97	14280.02	67.8	6772.98
5016	5300 Payroll Taxes Water Treatmnt	0.00	21642.00	0.00	1640.23	14921.98	68.9	6720.02
5017	5300 Standby Water Treatmnt	0.00	15710.00	0.00	1210.00	15470.00	98.5	240.00
5018	5300 Insurance - H&L Water Treatmnt	0.00	71490.00	0.00	8225.04	54245.35	75.9	17244.65
5019	5300 Overtime Water Treatmnt	0.00	16600.00	0.00	1157.56	16735.10	100.8	-135.10
5020	5300 Insurance - W.C Water Treatmnt	0.00	7683.00	0.00	1414.91	5460.77	71.1	2222.23
5034	5300 Insurance - Gen Water Treatmnt	0.00	9561.00	0.00	-716.25	8844.23	92.5	716.77
5038	5300 Mat. & Supp. Water Treatmnt	0.00	76700.00	0.00	4479.39	62535.63	81.5	14164.37
5039	5300 Materials - Oth Water Treatmnt	0.00	2830.00	0.00	-2829.99	0.00	.0	2830.00
5041	5300 Staff Develop Water Treatmnt	0.00	1000.00	0.00	0.00	250.00	25.0	750.00
5044	5300 Utilities Water Treatmnt	0.00	141650.00	0.00	17098.54	160723.93	113.5	-19073.93
5046	5300 Veh. Maint. Water Treatmnt	0.00	1000.00	0.00	0.00	1244.12	124.4	-244.12
5048	5300 Vehicle - Oper Water Treatmnt	0.00	5500.00	0.00	466.95	5457.07	99.2	42.93
5076	5300 Bldg. Maint. Water Treatmnt	0.00	1000.00	0.00	0.00	0.00	.0	1000.00
5080	5300 Outside Serv Water Treatmnt	0.00	63524.00	0.00	0.00	60576.69	95.4	2947.31
5084	5300 Government Reg Water Treatmnt	0.00	35000.00	0.00	-1704.37	27547.01	78.7	7452.99
5089	5300 Memberships Water Treatmnt	0.00	616.00	0.00	0.00	310.00	50.3	306.00
DEPT 5300	Subtotal ----->	0.00	726096.00	0.00	48987.24	603755.67	83.2	122340.33
5010	5400 Super & Labor T&D Treated Wtr	0.00	372485.00	0.00	34069.63	306325.17	82.2	66159.83
5013	5400 PERS UAL T&D Treated Wtr	0.00	102800.00	0.00	34225.72	102677.11	99.9	122.89
5014	5400 P.E.R.S. T&D Treated Wtr	0.00	36236.00	0.00	2225.74	28131.02	77.6	8104.98
5016	5400 Payroll Taxes T&D Treated Wtr	0.00	37249.00	0.00	2808.02	29945.68	80.4	7303.32
5017	5400 Standby T&D Treated Wtr	0.00	15710.00	0.00	1210.00	16230.00	103.3	-520.00
5018	5400 Insurance - H&L T&D Treated Wt	0.00	123045.00	0.00	15650.30	111562.03	90.7	11482.97
5019	5400 Overtime T&D Treated Wtr	0.00	35000.00	0.00	1050.60	30565.21	87.3	4434.79
5020	5400 Insurance - W.C T&D Treated Wt	0.00	13223.00	0.00	2987.95	12649.59	95.7	573.41
5034	5400 Insurance - Gen T&D Treated Wt	0.00	17159.00	0.00	-662.57	16495.94	96.1	663.06
5038	5400 Mat. & Supp. T&D Treated Wtr	0.00	90000.00	0.00	6822.32	96487.73	107.2	-6487.73
5039	5400 Materials - Oth T&D Treated Wt	0.00	5000.00	0.00	-2353.45	932.18	18.6	4067.82
5040	5400 Office Supplies T&D Treated Wt	0.00	300.00	0.00	566.67	758.34	252.8	-458.34
5041	5400 Staff Develop T&D Treated Wtr	0.00	1000.00	0.00	0.00	348.34	34.8	651.66
5044	5400 Utilities T&D Treated Wtr	0.00	19645.00	0.00	678.58	11846.24	60.3	7798.76
5046	5400 Veh. Maint. T&D Treated Wtr	0.00	9000.00	0.00	298.72	9537.98	106.0	-537.98
5048	5400 Vehicle - Oper T&D Treated Wtr	0.00	19000.00	0.00	2152.67	21859.53	115.1	-2859.53
5080	5400 Outside Serv T&D Treated Wtr	0.00	0.00	0.00	153.34	197.44	.0	-197.44
5084	5400 Government Reg T&D Treated Wtr	0.00	7600.00	0.00	787.70	6295.92	82.8	1304.08
5089	5400 Memberships T&D Treated Wtr	0.00	616.00	0.00	0.00	918.94	149.2	-302.94
DEPT 5400	Subtotal ----->	0.00	905068.00	0.00	102671.94	803764.39	88.8	101303.61

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:28  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Expenditures by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

FUND #: 10		Name: Water Fund		Annual	Encumbrance	Current	Year-to-Date	Pct (%)	Unencumbered
Expenditure Description		Prof Budget	Amended Budget	Budget	Balance	Actual	Actual		Balance
5010	5500 Super & Labor Customer Accts	0.00	110925.00		0.00	12672.19	93538.35	84.3	17386.65
5011	5500 Wages-Part time Customer Accts	0.00	17000.00		0.00	4598.66	29510.61	173.6	-12510.61
5013	5500 PERS UAL Customer Accts	0.00	7590.00		0.00	2529.15	7587.42	100.0	2.58
5014	5500 P.E.R.S. Customer Accts	0.00	10791.00		0.00	429.91	8043.99	74.5	2747.01
5016	5500 Payroll Taxes Customer Accts	0.00	11092.00		0.00	977.10	7498.16	67.6	3593.84
5018	5500 Insurance - H&L Customer Accts	0.00	36642.00		0.00	4711.88	32725.07	89.3	3916.93
5019	5500 Overtime Customer Accts	0.00	5913.00		0.00	0.00	1627.19	27.5	4285.81
5020	5500 Insurance - W.C Customer Accts	0.00	3938.00		0.00	356.38	1350.00	34.3	2588.00
5034	5500 Insurance - Gen Customer Accts	0.00	6108.00		0.00	-399.32	5707.70	93.4	400.30
5040	5500 Office Supplies Customer Accts	0.00	15800.00		0.00	4788.90	23471.79	148.6	-7671.79
5041	5500 Staff Develop Customer Accts	0.00	1731.00		0.00	0.00	0.00	.0	1731.00
5044	5500 Utilities Customer Accts	0.00	5830.00		0.00	379.31	4441.37	76.2	1388.63
5060	5500 Payroll Process Customer Accts	0.00	0.00		0.00	1775.53	1905.53	.0	-1905.53
5080	5500 Outside Serv Customer Accts	0.00	500.00		0.00	69.95	464.90	93.0	35.10
5090	5500 Other Customer Accts	0.00	0.00		0.00	0.00	10.00	.0	-10.00
DEPT 5500	Subtotal ----->	0.00	233860.00		0.00	32889.64	217882.08	93.2	15977.92
5010	5600 Super & Labor	0.00	233010.00		0.00	38995.28	286258.62	122.9	-53248.62
5011	5600 Wages-Part time	0.00	25600.00		0.00	3518.20	25872.00	101.1	-272.00
5013	5600 PERS UAL	0.00	55900.00		0.00	18616.87	55850.58	99.9	49.42
5014	5600 P.E.R.S.	0.00	22668.00		0.00	2268.62	26467.07	116.8	-3799.07
5015	5600 I.C.M.A.	0.00	7790.00		0.00	894.24	7750.08	99.5	39.92
5016	5600 Payroll Taxes	0.00	23301.00		0.00	3144.20	24316.65	104.4	-1015.65
5018	5600 Insurance - H&L	0.00	76972.00		0.00	16882.71	51649.90	67.1	25322.10
5019	5600 Overtime	0.00	12420.00		0.00	0.00	563.18	4.5	11856.82
5020	5600 Insurance - W.C	0.00	8272.00		0.00	324.32	1260.86	15.2	7011.14
5027	5600 Audit	0.00	16773.00		0.00	0.00	16773.00	100.0	0.00
5034	5600 Insurance - Gen	0.00	5993.00		0.00	-814.87	5177.66	86.4	815.34
5036	5600 Legal	0.00	110000.00		0.00	48736.36	200383.51	182.2	-90383.51
5039	5600 Materials - Oth	0.00	2300.00		0.00	197.79	2437.27	106.0	-137.27
5040	5600 Office Supplies	0.00	38150.00		0.00	5586.21	37969.08	99.5	180.92
5041	5600 Staff Develop	0.00	4140.00		0.00	304.70	5725.54	138.3	-1585.54
5042	5600 Travel	0.00	8625.00		0.00	1173.31	3714.71	43.1	4910.29
5044	5600 Utilities	0.00	19835.00		0.00	1966.50	24983.30	126.0	-5148.30
5046	5600 Veh. Maint.	0.00	0.00		0.00	0.00	102.69	.0	-102.69
5048	5600 Vehicle - Oper	0.00	0.00		0.00	0.00	50.41	.0	-50.41
5060	5600 Payroll Process	0.00	5600.00		0.00	0.00	3294.26	58.8	2305.74
5070	5600 Director Remun	0.00	24000.00		0.00	2000.00	22800.00	95.0	1200.00
5076	5600 Bldg. Maint.	0.00	5648.00		0.00	265.00	4599.17	81.4	1048.83
5080	5600 Outside Serv	0.00	162828.00		0.00	51538.00	165198.87	101.5	-2370.87
5084	5600 Government Reg	0.00	3300.00		0.00	3558.68	6721.75	203.7	-3421.75
5089	5600 Memberships	0.00	25000.00		0.00	3835.00	27703.99	110.8	-2703.99
5090	5600 Other	0.00	40000.00		0.00	40.00	2427.41	6.1	37572.59
5095	5600 CAPITAL ACQ	0.00	0.00		0.00	0.00	2332.32	.0	-2332.32
7010	5600 Interest	0.00	1400.00		0.00	88.98	1321.51	94.4	78.49
7011	5600 PRINCIPLE EXP	0.00	13500.00		0.00	-12307.15	0.00	.0	13500.00
DEPT 5600	Subtotal ----->	0.00	953025.00		0.00	190812.95	1013705.39	106.4	-60680.39
FUND TOTAL		0.00	4017445.00		0.00	554028.79	3819868.54	95.1	197576.46

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:28  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Expenditures by FUND - Summary Report  
 For Calendar Period.: 06-18 Fiscal.: 12-18

Expenditure Description	Annual Prof Budget	Annual Amended Budgt	Encumbrance Balance	Current Actual	Year-to-Date Actual	Pct(%)	Unencumbered Balance
10 Water Fund	0.00	4017445.00	0.00	554028.79	3819868.54	95.0	197576.46
Total of all FUNDS	0.00	4017445.00	0.00	554028.79	3819868.54	95.0	197576.46



REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 15:30  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Expenditures by FUND - Summary Report  
 For Calendar Period.: 06-18 Fiscal.: 12-18

Expenditure Description	Annual Prof Budget	Annual Amended Budgt	Encumbrance Balance	Current Actual	Year-to-Date Actual	Pct(%)	Unencumbered Balance
12 RETIREE FUND	0.00	136000.00	0.00	14034.06	76057.63	56.0	59942.37
Total of all FUNDS	0.00	136000.00	0.00	14034.06	76057.63	56.0	59942.37

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:44  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Revenues by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

GDPUD Board Mtg. of 11/13/2018  
 AGENDA ITEM 7.C.  
 Attachment 1  
 Page 7 of 13

FUND #: 30

Name: Hydro Fund

Revenue Description	Annual Proforma Budget	Annual Amended Budget	Current Actual	Year-to-Date Actual	Pct(%)	Budget Remaining
4020 Interest	0.00	2,441.00	2,239.40	7,395.91	-303.0	-4,954.91
4025 UNRLZD +/-	0.00	0.00	-884.01	-884.01	.0	884.01
4090 Other/lease	0.00	60,000.00	18,413.55	78,590.03	-131.0	-18,590.03
DEPT Subtotal ----->	0.00	62,441.00	19,768.94	85,101.93	-136.3	-22,660.93
 FUND TOTAL	 0.00	 62,441.00	 19,768.94	 85,101.93	 -136.3	 -22,660.93

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:44  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Revenues by FUND - Summary Report  
 For Calendar Period.: 06-18 Fiscal.: 12-18

GDPUD Board Mtg. of 11/13/2018  
 AGENDA ITEM 7.C.  
 Attachment 1  
 Page 8 of 13

Revenue Description	Annual Proforma	Annual Budget	Current Actual	Year-to-Date Actual	Pct(%)	Budget Remaining
30 Hydro Fund	0.00	62,441.00	19,768.94	85,101.93	-136.3	-22,660.93
Total of all FUNDS	0.00	62,441.00	19,768.94	85,101.93	-136.3	-22,660.93

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:47  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Revenues by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

FUND #: 40		Name: Zone Fund		Annual	Annual	Current	Year-to-Date	Budget
Revenue	Description	Proforma Budget	Amended Budget	Actual	Actual	Pct(%)	Remaining	
3192	Zone Charges	0.00	344,000.00	0.00	313,314.98	-91.1	30,685.02	
3193	ZONE-ESCROW FEE	0.00	0.00	4,000.00	28,725.00	.0	-28,725.00	
3194	Septic Design	0.00	4,000.00	0.00	2,400.00	-60.0	1,600.00	
4020	Interest	0.00	3,737.00	3,175.53	10,581.02	-283.1	-6,844.02	
4025	UNRLZD +/-	0.00	0.00	-1,253.55	-1,253.55	.0	1,253.55	
4090	Other/lease	0.00	60,000.00	0.00	0.00	.0	60,000.00	
DEPT	Subtotal ----->	0.00	411,737.00	5,921.98	353,767.45	-85.9	57,969.55	
FUND TOTAL		0.00	411,737.00	5,921.98	353,767.45	-85.9	57,969.55	

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:47  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Revenues by FUND - Summary Report  
 For Calendar Period.: 06-18 Fiscal.: 12-18

Revenue Description	Annual Proforma	Annual Budget	Current Actual	Year-to-Date Actual	Pct(%)	Budget Remaining
40 Zone Fund	0.00	411,737.00	5,921.98	353,767.45	-85.9	57,969.55
Total of all FUNDS	0.00	411,737.00	5,921.98	353,767.45	-85.9	57,969.55

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:48  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Expenditures by FUND  
 For Calendar Period.: 06-18 Fiscal.: 12-18

FUND #:		Name: Zone Fund		Annual	Encumbrance	Current	Year-to-Date		Unencumbered
Expenditure Description		Prof Budget	Amended Budgt	Budget	Balance	Actual	Actual	Pct(%)	Balance
5010	6700 Super & Labor Zone	0.00	132572.00	0.00	0.00	11596.63	91197.09	68.8	41374.91
5013	6700 PERS UAL Zone	0.00	14030.00	0.00	0.00	4669.17	14007.48	99.8	22.52
5014	6700 P.E.R.S. Zone	0.00	12897.00	0.00	0.00	509.12	7715.33	59.8	5181.67
5016	6700 Payroll Taxes Zone	0.00	13257.00	0.00	0.00	684.04	6951.06	52.4	6305.94
5018	6700 Insurance - H&L Zone	0.00	43793.00	0.00	0.00	4095.64	27260.86	62.2	16532.14
5019	6700 Overtime Zone	0.00	7066.00	0.00	0.00	0.00	757.41	10.7	6308.59
5020	6700 Insurance - W.C Zone	0.00	4706.00	0.00	0.00	549.54	2533.90	53.8	2172.10
5034	6700 Insurance - Gen Zone	0.00	4200.00	0.00	0.00	-561.40	3633.42	86.5	566.58
5038	6700 Mat. & Supp. Zone	0.00	6800.00	0.00	0.00	507.11	9502.95	139.7	-2702.95
5039	6700 Materials - Oth Zone	0.00	0.00	0.00	0.00	0.00	573.46	.0	-573.46
5040	6700 Office Supplies Zone	0.00	3400.00	0.00	0.00	407.15	1771.50	52.1	1628.50
5041	6700 Staff Develop Zone	0.00	1000.00	0.00	0.00	225.00	225.00	22.5	775.00
5044	6700 Utilities Zone	0.00	11200.00	0.00	0.00	995.41	11494.94	102.6	-294.94
5046	6700 Veh. Maint. Zone	0.00	1000.00	0.00	0.00	0.00	1111.80	111.2	-111.80
5048	6700 Vehicle - Oper Zone	0.00	4000.00	0.00	0.00	429.30	2491.39	62.3	1508.61
5080	6700 Outside Serv Zone	0.00	100688.00	0.00	0.00	542.33	93344.68	92.7	7343.32
5084	6700 Government Reg Zone	0.00	35550.00	0.00	0.00	0.00	32358.71	91.0	3191.29
5089	6700 Memberships Zone	0.00	616.00	0.00	0.00	0.00	310.00	50.3	306.00
DEPT	6700 Subtotal ----->	0.00	396775.00	0.00	0.00	24649.04	307240.98	77.4	89534.02
FUND TOTAL		0.00	396775.00	0.00	0.00	24649.04	307240.98	77.4	89534.02

REPORT.: 11/08/18  
 RUN...: 11/08/18 TIME: 14:48  
 Run By.: Kristen West

Georgetown Divide PUD  
 Budget Report for Expenditures by FUND - Summary Report  
 For Calendar Period.: 06-18 Fiscal.: 12-18

Expenditure Description	Annual Prof Budget	Annual Amended Budgt	Encumbrance Balance	Current Actual	Year-to-Date Actual	Pct(%)	Unencumbered Balance
40 Zone Fund	0.00	396775.00	0.00	24649.04	307240.98	77.0	89534.02
Total of all FUNDS	0.00	396775.00	0.00	24649.04	307240.98	77.0	89534.02

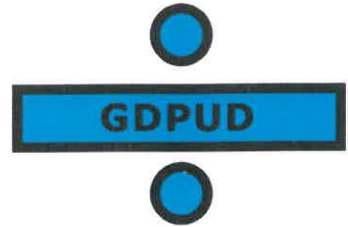
ACCT #: 4020

Name: Interest

Revenue Description	Actual Jun 2018	Budget Jun 2018	Variance	% Var	Actual Jul17-Jun18	Budget Total Year	Variance	% Var
08 SMUD FUND	646.88	0	-647	-999	2,173.78	0	-2,174	-999
10 Water Fund	5,152.81	0	-5,153	-999	13,098.66	3,594	-9,505	-264
12 RETIREE FUND	1,651.29	0	-1,651	-999	5,785.13	2,745	-3,040	-111
14 STEWART MINE FD	139.22	0	-139	-999	236.71	0	-237	-999
17 WATER DEVE.FUND	1,359.51	0	-1,360	-999	4,628.46	1,815	-2,813	-155
19 SMERFUND	3,515.50	0	-3,516	-999	11,998.64	9,980	-2,019	-20
20 ALT Fund	3,839.83	0	-3,840	-999	5,895.56	0	-5,896	-999
24 CAPITAL REPLACE	2,205.26	0	-2,205	-999	7,925.30	3,515	-4,410	-125
25 BAYNE RD BND FD	152.12	0	-152	-999	280.41	0	-280	-999
29 STATE REV FUND	277.14	0	-277	-999	391.75	79	-313	-396
30 Hydro Fund	2,239.40	0	-2,239	-999	7,395.91	2,441	-4,955	-203
37 GARDEN VALLEY	242.03	0	-242	-999	823.98	494	-330	-67
39 CAP FAC CHARGE	5,809.37	0	-5,809	-999	19,698.28	7,203	-12,495	-173
40 Zone Fund	3,175.53	0	-3,176	-999	10,581.02	3,737	-6,844	-183
41 CDS M & O Fund	131.93	0	-132	-999	449.17	203	-246	-121
42 CDS RESRV EXP.	568.64	0	-569	-999	2,180.90	834	-1,347	-161
43 CAPITAL RESERVE	2,224.93	0	-2,225	-999	5,800.08	0	-5,800	-999
51 KELSEY NORTH	410.90	0	-411	-999	1,361.43	10,296	8,935	87
52 KELSEY SOUTH	185.69	0	-186	-999	1,127.56	6,623	5,495	83
54 PILOT HILL SO.	0.00	0	0		0.00	443	443	100
ACCT TOTAL	33,927.98	0	-33,928	-999	101,832.73	54,002	-47,831	-89



**REPORT TO THE BOARD OF DIRECTORS  
BOARD MEETING OF NOVEMBER 13, 2018  
AGENDA ITEM NO. 7.D.**



**AGENDA SECTION: NEW BUSINESS**

**SUBJECT: RESERVE POLICY**

**PREPARED BY:** Kristen West, Finance Consultant 

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

**BACKGROUND**

In 2005 the Board of Directors contracted the services of Fieldman Rolapp to conduct a Reserve Study. The results of the study were considered during the development of the Financial Reserve Policy that was adopted by the Board by Resolution 2005-05 on May 10, 2005. The 2005 Reserve Study provided recommendations for establishing the following Reserve Funds:

<b>RECOMMENDED RESERVES - FIELDMAN ROLAPP RESERVE STUDY</b>	
Basis for Reserve	
Operating Reserve	120 days of expenses
Rate Stabilization Reserve	60 days of expenses to account for spikes in unit costs of providing service
Capital Reserve	% of accumulated depreciation
Emergency Reserve	Funded by Capital Reserve

The Financial Reserve Policy adopted by the Board by Resolution 2005-05 established the following Reserve Funds, for both Water and Wastewater:

<b>ADOPTED RESERVES – RESOLUTION 2005-05</b>	
Water Reserve Funds	
Basis for Reserve	
Operating Reserve (incl. Rate Stabilization)	60 days of expenses, plus either half of annual property tax “grab” by State, or 10% of residential water sales
Capital & Emergency Reserve	50% of accumulated depreciation

<b>ADOPTED RESERVES – RESOLUTION 2005-05</b>	
<b>Waste Water Reserve Funds</b>	
<b>Basis for Reserve</b>	
Operating Reserve (incl. Rate Stabilization)	60 days of expenses
Capital & Emergency Reserve	50% of accumulated depreciation, subdivided by Zone Capital CDS Capital

**DISCUSSION**

Industry standard recommends policies and procedures be analyzed and updated annually. Since the adoption of Resolution 2005-05, over 13 years ago, there have been no recorded revisions to the Reserve Policy. In an effort to ensure current policies and procedures are in line with current standards and reflect the District’s goals, the General Manager instructed the Finance department prioritize the review of the Financial Reserve Policy. Industry standards were considered, including but not limited to the Cash Reserve Policy Guidelines provided by the American Water Works Association (AWWA), the District’s current rate study, and example Reserve Policy designed by California Special District’s Association (CSDA).

AWWA’s Cash Reserve Policy Guidelines is a detailed and thorough publication that provides industry specific guidelines for establishing Reserve Funds, and recommends the following:

<b>RECOMMENDED RESERVES – AWWA CASH RESERVE POLICY GUIDELINES</b>	
<b>Basis for Reserve</b>	
Operating Reserve	2 – 12 months of expenses
Rate Stabilization Reserve	Account for in Operating Reserve, unless exposure to volatility of costs associated with providing service, or otherwise legally mandated
Capital Reserve	Annual amount needed per asset management program; or Annual amount needed based on current value of assets and anticipated service life; or Percentage of accumulated depreciation (typically 50% to 100%); or Percentage of asset value (Typically 1% to 4%)
Emergency Reserve	Include in Capital Reserve

The most recent analysis of reserves was conducted during RCAC’s water rate study dated October 2017 and adopted December 12, 2017. Funding reserves is an important element of the rate structure, as it ensures the District’s ability to provide service at a rate consistent with covering current operating costs while appropriately funding the cost of maintaining its assets into the future. In their study RCAC reported on their analysis of reserves and provided recommendations for establishing Reserve Funds as follows:

<b>RECOMMENDED RESERVES – RCAC RATE STUDY</b>	
Basis for Reserve	
Operating Reserve	45 days of expenses
Rate Stabilization Reserve	Account for in Operating Reserve
Capital Reserve	Annual replacement and rehabilitation needs based on current value of assets and anticipated service life
Emergency Reserve	Replacement cost for critical facilities/equipment

After careful consideration and deliberation with the Finance Committee the enclosed Reserve Policy is proposed. As it is presented the elements of the proposed policy include the following:

<b>DISTRICT'S PROPOSED RESERVE POLICY</b>	
Basis for Reserve	
Operating Reserve	120 days of expenses (4 months, or two billing cycles)
Rate Stabilization Reserve	Account for in Operating Reserve, no exposure to volatility of costs associated with providing service since the District does not participate in the buying and selling of utilities in the open market
Capital Reserve	Annual replacement and rehabilitation needs based on current value of assets and anticipated service life, as supported by rate studies
Emergency Reserve	Included in Capital Reserve

*Operating Reserve*

In the event of unforeseen circumstances such as draught or unfavorable economic conditions revenues may decline. To ensure operating costs are covered during such circumstances, the proposed policy establishes the Operating Reserve at 120 days of expenses; as it equates to 4 months, or 2 billing cycles. The Finance Committee agreed with this approach. Based on the adopted Fiscal Year 2018/2019 budget this number would equate to approximately \$1,400,000.

*Rate Stabilization Reserve*

Since the District does not participate in purchasing utilities in the open market the cost of providing service is not subject to the inherent volatility in the costs of such activities. Therefore, the Operating Reserve is sufficient in accounting for rate stabilization. The Finance Committee agreed with this approach.

*Capital Reserve*

The industry standard for % of accumulated depreciation is subject to applicability to each individual organization. Accounting for 100% of accumulated depreciation is extremely conservative, but unrealistic as the likelihood of needing to replace 100% of the District's assets

at the same time is very slim, and as such would unnecessarily raise rates. Thorough analysis of the present value of the cost of maintaining assets into the future is more realistic, and ultimately cost effective to rate payers. For this reason, the recent water rate study provided by RCAC will serve as the basis for water capital reserves. A waste water rate study is currently underway. The results of that study are to serve as basis for waste water capital reserves. The Finance Committee agreed with this approach. For Fiscal Year 2018/2019, this annual contribution for the water capital reserves is estimated to be \$957,000.

*Emergency Reserve*

Since a majority of the assets are deemed critical and otherwise non-replaceable, Emergency Reserves are recommended to be considered included in the Capital Reserve accounts. The Finance Committee did not reach consensus on this item.

**FISCAL IMPACT**

Adoption of this Reserve Policy does not have a direct fiscal impact. The Reserve Policy establishes goals and guidelines for the District when preparing the annual budget and making financial decisions.

**CEQA ASSESSMENT**

Not a CEQA project

**RECOMMENDED ACTION**

Staff recommends the Board of Directors adopt the attached resolution approving the Reserve Policy for establishing Reserve Funds and basis for determining balances.

**ALTERNATIVES**

Alternative options include providing feedback for additional consideration to the policy.

**ATTACHMENTS**

1. Resolution 2018-53
2. Reserve Policy
3. AWWA Cash Reserve Policy Guidelines
4. CSDA Example Reserve Policy
5. Fieldman Rollapp Reserve Study 2005
6. Resolution 2005-05

**RESOLUTION NO. 2018-53**

**OF THE BOARD OF DIRECTORS OF THE  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
APPROVING AN UPDATED RESERVE POLICY**

**WHEREAS**, the District established a Financial Reserve Policy on May 10, 2005 by Resolution #2005-05; and

**WHEREAS**, the contents of that policy were supported by a reserve study conducted by Fieldman Rolapp; and

**WHEREAS**, the industry standard is to review and revise policies and procedures as deemed appropriate on an annual basis; and

**WHEREAS**, no record of review or revisions to the Financial Reserve Policy are recorded since the adoption of the Financial Reserve Policy in 2005; and

**WHEREAS**, the District considered recommendations from current Reserve Policy industry standards, as well as current analysis of reserve requirements; and

**WHEREAS**, the District discussed a draft reserve policy at the public Finance Committee meeting on October 31, 2018 and considered feedback and public comment.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT** the Reserve Policy attached hereto as Exhibit A is approved.

**PASSED AND ADOPTED** by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the 13<sup>th</sup> day of November 2018, by the following vote:

AYES:

NOES:

ABSENT:

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Londres Uso, President, Board of Directors  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

*Attest:*

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

### **CERTIFICATION**

I hereby certify that the foregoing is a full, true and correct copy of Resolution 2018-53, duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this 13<sup>th</sup> day of November 2018.

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

# GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

## Reserve Policy and Procedures

### ARTICLE I. PURPOSE

The Georgetown Divide Public Utility District (the District) shall maintain reserve funds from existing unrestricted funds as designated by the District's Reserve Policy. This policy establishes the procedure and level of reserve funding to achieve the following specific goals:

- a) Operating Reserve:  
The purpose of the Operating Reserve is to cover operating and administrative costs, as well as the difference in timing between the District's receipts and expenses. As such, the Operating Reserve accommodates rate stabilization in order to guard against water rate fluctuations.
- b) Capital Replacement Reserve:  
The purpose of the Capital Replacement Reserve is to meet future capital expenditure and surplus property needs.
- c) Emergency Reserve:  
The purpose of the Emergency Reserve is to cover the costs of potential replacement costs related to catastrophes, net of any insurance proceeds received.
- d) Other reserves as legally mandated.

The District shall account for reserves as required by Governmental Accounting Standards Board Statement No. 54, which distinguishes reserves as among these classes: non-spendable, restricted, committed, assigned and unassigned. The reserves stated by this policy, unless otherwise required by law, contract, or District policy shall be deemed "assigned" reserves.

### ARTICLE II. POLICY

Use of District Reserves is limited to available "Unrestricted" Funds (not obligated by law, contract or agreement), including donations, interest earned, fees for service or other non-grant earnings. All special use funds will be designated by formal action of the Board of Directors.

- a) Operating Reserve:  
Operating Reserve will accumulate from unrestricted funds in an amount equal to 120 days of operating expenses.
- b) Capital Replacement Reserve:  
Capital Replacement Reserve will accumulate from existing unrestricted funds in an amount determined by analysis of the annual amount needed for replacement and rehabilitation based on current value of assets and anticipated service life as described by the American Water Works Association, or as described in a Board adopted rate study.
- c) Emergency Reserve:  
Emergency Reserve will accumulate from unrestricted funds in an amount equal to replacement cost, less any amounts anticipated to receive from insurance, the Federal Emergency Management Agency (FEMA) and the State Office of Emergency Services (OES), less the Capital Replacement Reserve. The likelihood of a loss generating a net cost to the district which exceeds the Capital Replacement Reserve would be remote. The Emergency Reserve would be considered to be funded by the Capital Replacement Reserve.

- d) Other reserves as legally mandated:  
Other reserves may be required as legally mandated by certain activities and contractual agreements. These reserves will accumulate from unrestricted funds in an amount as set forth in the applicable agreements.

### **ARTICLE III. USING RESERVE FUNDS**

Reserve Balances are designated by the Board of Directors from unrestricted funds. Designation by the Board is authoritative and any departure from the designation is a violation of this policy. As such, any changes or recommendations for changes must be presented to, and approved by, the Board of Directors. Therefore, the use of funds are to be used for their intended use, defined as follows:

- a) Operating Reserve:  
Operating Reserve funds will be used exclusively to ensure the ability to cover immediate operating cash flows.
- b) Capital Replacement Reserve:  
Capital Replacement Reserve funds shall be limited to costs related to improve capital assets, increase their useful life, or add to the value of these assets.
- c) Emergency Reserve:  
Emergency Reserve funds are to be used to cover the cost of capital replacement, net of any insurance proceeds or reimbursements from State, Federal or other grant agencies.
- d) Excess Revenue:  
In the event excess revenue exists at the end of the fiscal year, these funds may be used to meet reserve balance thresholds, and the Board of Directors has the authority to designate funds to reserve funds as deemed necessary.

### **ARTICLE IV. MONITORING RESERVE LEVELS**

The General Manager, in collaboration with District Finance personnel, shall establish an internal accounting mechanism set forth by an administrative policy in order to track and report on reserve activity, including the source and use of funds transferred in an out of reserve funds. Also included in the administrative policy shall be additional procedures to follow when reserve balance thresholds are met. In addition, the General Manager and finance personnel shall perform a reserve status analysis annually, to be provided to the Board of Directors' during annual deliberation for approval of budget and reserve funds.

Additional information may be provided to the Board of Directors upon the occurrence of the following events:

- a) When a major change in conditions threatens the reserve levels established by this policy or calls into question the effectiveness of this policy;
- b) Upon General Manager and/or Board request.





American Water Works  
Association

*Dedicated to the World's Most Important Resource®*

## REPORT

GDPUD Board Mtg. of 11/13/2018  
AGENDA ITEM 7.D.  
Attachment 3  
Page 1 of 24



# Cash Reserve Policy Guidelines

AWWA RATES & CHARGES COMMITTEE WHITEPAPER

# Cash Reserve Policy Guidelines

## INTRODUCTION

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Public and investor-owned water-resources related utilities (including water, wastewater, stormwater, and reclaimed water systems) must meet the operational, maintenance, and capital needs of a complex system while being financially independent, relying largely on revenue from service charges. Providing utility service requires the investment in, maintenance of, and operation of expensive, complex, and regulated infrastructure. Utility systems have no margin for failure; they are expected to provide uninterrupted service 24 hours a day, 7 days a week. Furthermore, many of the assets of a utility are located in hard to reach places (belowground) and are intermingled with other assets (within easements that include other infrastructure).

Aging infrastructure is one of the most critical issues facing the water-resources industry. With aging infrastructure of any kind comes increased probability of unplanned failure. Not only are emergency repairs unexpected, but given the nature of an unexpected event, repair costs can be higher than normal maintenance. In addition to the challenge of aging infrastructure, utility revenue is often dependent on weather conditions and thus can be volatile. During periods of high rain fall, water usage and corresponding revenue can decline as irrigation use decreases. In contrast, during drought periods, utilities are often faced with mandatory water restrictions that can have the same negative impact on water use and revenue. As such, cash reserve balances are a critical component to a utility's financial resiliency and sustainability.

Reserve balances for utility systems are funds set aside for a specific cash flow requirement, financial need, project, task, or legal covenant. Certain types of reserves, such as debt-related reserves, are often considered restricted reserves as they are required by a legal covenant and/or are restricted for a specific purpose. Unrestricted reserves, such as working capital or operating reserves, are generally maintained at levels established by formal or informal policies of the utility system and can be either designated for specific purposes (such as funds earmarked for system renewal and replacement) or available for a variety of purposes. Formal reserve policies are those that are adopted and regularly confirmed by governing boards. Informal reserve policies are not formally adopted but are used by utility management as planning targets. All types of reserves can play a significant role in addressing current and future challenges facing utility systems, such as demand volatility, water supply costs, large capital requirements, and potential liabilities from system failures associated with aged infrastructure.

The level of reserves maintained by a utility is an important component of short and long-term financial management, and is a key consideration in the rate-setting process. Therefore, many utilities and rating agencies place a significant emphasis on having sufficient reserves available for potentially adverse

conditions and future needs. However, while many utilities view higher levels of reserves as prudent and conservative planning that result in many benefits, some utilities philosophically view reserves as tying up current customer dollars that could be used for expenditures or other benefits.

Regardless of the philosophical perspective on reserves, all utilities should establish formal or informal financial policies relative to reserves. Such policies should articulate how these balances are established, their use, and how the adequacy of each respective reserve fund balance is determined. Once reserve targets are established, they should be reviewed annually during the budgeting process to monitor current levels and evaluate conformance with formal or informal policies. Decisions can then be made to maintain, increase, or spend down reserve balances, as appropriate, with an understanding of the impact of such decisions to the upcoming budget period and long-term financial plan of the utility. Moreover, a utility should review the philosophy or approach used to establish its reserve policies every three to five years. This time frame is appropriate given that customer demands, operating cost profiles, debt levels, and capital infrastructure activity can vary during this time, which would affect the appropriate level of reserve balances. This type of review allows for the philosophy of establishing reserve targets to be modified to better reflect existing conditions and current issues.

As one might expect, the types and levels of reserves maintained by utility systems vary significantly. Some systems will establish separate accounts and policies for each identified type of reserve, while others will aggregate all their reserves into a single account and policy. Moreover, reserve levels and policies vary substantially because of unique considerations, such as legal covenants, location and size of the utility, age and type of infrastructure, customer profiles, etc.

This whitepaper does not provide specific “one size fits all” reserve recommendations, but instead identifies and provides guidance on the key considerations for utilities to assist in the development of appropriate reserve policies for their unique systems. The types and levels of reserves contemplated in this whitepaper are specifically intended to meet the needs of the utility system and are not intended for nonutility purposes. While there may be situations where the temporary use of a utility’s reserves by another component of government or affiliated company may be appropriate (such as a short-term loan), the reserves of a utility should not be considered available to other component units of government or affiliated companies.

The remainder of this whitepaper identifies various types of reserves, including policy guidelines and examples, and is intended to assist water-resources related utilities in establishing appropriate formal or informal reserve policies based on the unique considerations and circumstances of each respective system.

## OPERATING RESERVES

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Maintaining adequate operating reserves enhance a system’s ability to manage potential risks, provides the ability to manage fluctuations in revenue, and the ability to meet working capital needs. Operating reserves are also important when facing fiscal emergencies that can result from emergency repairs, droughts, natural disasters, and unforeseen economic influences.

Along with infrastructure and revenue challenges facing utilities, systems that use revenue-backed debt (a primary financing source for publicly owned water systems) must maintain pledged bond covenants. These covenants often include a minimum operating reserve. Given these challenges and requirements, maintaining adequate operating reserves is a critical component of sustainable financial management.

The most common metric used when evaluating operating reserve levels is a specified number of days or months of operating expenses (although there are sometimes other metrics that are used, such as a specific dollar value). When considering operating reserves as a number of days or months of operating expenses, it is important to consider the specific expenses to be included. Any one-time, periodic, or abnormal operating expense (such as those associated with certain permits, studies, and/or unusual operational and maintenance activities), which could result in “spiking” reserve levels, should be excluded. Utilities that purchase water for resale may exclude the cost of purchased water, as this risk can be mitigated using volumetric rates that specifically capture this cost. In this case, fluctuations in water use and corresponding revenue are offset by opposite fluctuations in the cost of purchased water.

The following list explains several considerations for setting appropriate levels of operating reserves. It is important to note that some of the considerations listed in this whitepaper may not be applicable to the setting of an operating reserve if utilities have developed other reserves for any of these specific considerations (as addressed in other sections of this whitepaper):

- Bond requirements – bond covenants may define required minimum operating reserve levels in addition to restricted debt service reserves.
- Insurance reserve requirements – reserves held because of insurance requirements may reduce the level of operating reserves needed during emergencies.
- Credit rating objectives – unrestricted reserves (largely comprised of operating reserves) are a key consideration in establishing a utility’s bond rating. Each of the major rating agencies has unrestricted reserve criteria<sup>1</sup> that are used in their respective credit rating evaluations.
- Rate structure – the proportion of revenue generated in fixed versus variable rate components, the use of conservation rates (higher rates for higher levels of usage), and pass through rates (rates that recover the cost of purchased water) will all impact the potential volatility of utility system revenue.
- Usage variability – changes in usage resulting from weather, conservation, economic factors, or larger customers vary by system and will impact the amount of operating reserves that should be maintained.
- Availability of other reserves – some systems maintain multiple reserves which could be used to mitigate fiscal challenges. For example, if a utility has a separate capital, debt service, and/or rate stabilization reserve, certain expenses and considerations should be excluded from the sizing of an operating reserve.

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<sup>1</sup> Each of the major rating agencies evaluate reserves along with several other criteria as part of the credit-rating review process for utility systems, and routinely publish their most current criteria used as part of their respective credit-rating evaluation process. The rating agencies’ criteria for evaluating reserve levels typically refer to unrestricted reserves, which would include operating, rate stabilization, capital, and other discretionary reserves. This section of the document focuses specifically on the operating reserve portion of a utility’s unrestricted reserves.

- Nonutility resources – resources outside the utility that are available in emergency conditions (such as the temporary use of general fund cash for public systems or use of cash of affiliated entities for investor-owned utilities) could impact the level of reserves.
- Use of contingencies – if utilities maintain budget contingencies, either in the form of line-item contingencies or conservative budgets above expected spending requirements, it may impact the level of operating reserve needed.
- Seasonality of cash flow – if systems experience a high degree of seasonality in cash flow during the year, additional operating reserves may be appropriate to sustain the utility during low cash flow periods during the year.

Other industry groups have published specific recommendations for minimum utility operating reserve levels, including those identified in the following table:

Organization	Recommended Reserve Level	Publication
Water Environment Federation (WEF)	One to Three Months of Operating Costs <sup>1</sup>	Financing and Charges for Wastewater Systems; Manual of Practice No. 27
International City/County Management Association (ICMA)	1-2 Months of Expenses <sup>2</sup>	Capital Budgeting and Finance: A Guide for Local Governments
Government Finance Officers Association (GFOA)	No less than 45 days of expenses <sup>3</sup>	Determining the Appropriate Levels of Working Capital in Enterprise Funds
<p>1 – Depending on the instability or unpredictability of revenues and expenses.            2 – Depending on the utility’s size, the challenges it faces, and the availability of special reserves for rate stabilization or emergency purposes.            3 - The recommendation is to use annual operating expenses, which include depreciation expenses. If, however, annual depreciation expenses are significantly more or less than the anticipated capital outlays of the next period to be paid from working capital, consideration should be given to adjusting the benchmark. An appropriate adjusted benchmark may be annual operating expenses, annual depreciation expense + capital outlays of the next period paid from working capital.</p>		

Each of these sources indicate that higher levels of reserves may be needed in certain circumstances, and that several of the key considerations presented in this whitepaper should be considered in establishing each utility system’s respective operating reserve level.

Included in this whitepaper are several case studies that identify a range of operating reserve policies and targets. Based on these case studies and AWWA’s report *Benchmarking Performance Indicators for Water and Wastewater: 2016 Edition*, the range of operating reserves for utilities is generally within the range of 2 to 12 months of operating expenses. One of the principal causes of differences observed in operating reserves between utilities is whether a utility has a single reserve policy that is intended to account for liquidity, revenue volatility, rate stabilization, debt, capital, etc. as opposed to having multiple reserve policies for separate and specific purposes.

## CAPITAL RESERVES

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Utilities are capital intensive enterprises that must provide a critical service to their communities on an uninterrupted basis. With good record keeping, regular inspections, and long-term planning, utilities can develop reasonable estimates of the amounts and timing of future capital costs to replace and rehabilitate their infrastructure systems. However, capital expenditures generally are not incurred in even annual amounts. The impact of large capital expenses on annual budgets and user charges can be mitigated by debt financing; however, there are many advantages to cash funding a portion of capital expenditures. Cash funding is typically a combination of generating annual revenues over the amount needed to cover annual operating expenses (and debt service on prior years' debt issuances, if applicable), and cash balances or capital reserves accumulated in prior years. Cash funding eliminates interest costs and the need for bond coverage on new capital projects and may be necessary for some utilities with limited or no access to debt financing. However, it requires careful planning to avoid fluctuations in user charges.

Even with the most diligent capital planning efforts, utilities must be prepared for unplanned or accelerated capital projects. The fact that much of a utility system's infrastructure is underground and difficult to inspect complicates the task of determining when it needs to be rehabilitated or replaced. Material failures, specific local conditions, or catastrophic events may cause infrastructure to wear out or fail sooner than expected.

Capital reserves may be established to serve one or more of several general purposes: to provide funds for unplanned or accelerated infrastructure replacements; to smooth out the budgetary and rate impacts of fluctuating capital expenses and asset management considerations under a cash funding program; to provide funds for replacement of equipment with a short service life; to provide a source of funds for emergency capital expenses as a result of catastrophic events; or to set aside revenues from fees or assessments specifically designated for system expansion or replacement. Each of these types of reserves, as well as considerations for establishing the amount of annual contributions or reserve fund balances are described in this whitepaper.

Regardless of the type of capital reserves, the size of the utility is an important factor in determining the recommended amount of capital reserves. For a small utility, the cost of a capital project could exceed its annual operating budget. Therefore, the total dollar amount available to a utility must be assessed in addition to relative measures of unrestricted reserves, such as days or months of operating expenses on hand or percentage of annual revenues. A smaller utility may need a larger capital reserve fund relative to its annual operating budget or capital replacement program to have sufficient funds for unplanned or emergency capital replacements.

### **Rehabilitation and Replacement Reserves**

Rehabilitation and replacement reserves serve to fund unplanned or accelerated infrastructure rehabilitation or replacement needs when assets wear out before their expected useful life ends or when a utility desires to accrue for its future rehabilitation and replacement needs. These reserves may also be used as a source of funds for cash funding for the utility's Capital Improvement Program (CIP), or to set aside funds for intermediate to long-term future replacement of major assets not included in the CIP.

There are several potential methods of estimating an appropriate amount of rehabilitation and replacement reserves to maintain. Each method requires planning for future asset rehabilitation and replacement over a given period, forecasting the annual amount needed for rehabilitation and replacement over the life of the utility's assets, as well as estimating the amount that will be needed each year over a specific planning horizon. The annual amount needed for rehabilitation and replacement over the long-term can be estimated based on an asset management plan, the value of assets from the fixed asset register that will reach the end of their useful lives over the planning period, or the utility's annual depreciation expenses<sup>2</sup>. The following table shows an example calculating the annual amount needed for replacement and rehabilitation over the life of the utility's assets based on current value of assets and anticipated service life. This method is simpler than preparing a complete asset management plan but may more closely represent the true replacement and renewal costs than using depreciation expense.

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<sup>2</sup> The use of depreciation may understate the true renewal and replacement cost needs, unless it is adjusted to current and/or future cost values. Conversely, the use of depreciation may overstate the renewal and replacement need if accelerated depreciation methods are being employed.

**Example Calculation of Rehabilitation and Replacement Needs (in \$1,000)**

Line No.	Asset Category	Original Cost	Current Cost*	Service Life (years)	Annual R&R (rounded)**
<b>Source of Supply Plant</b>					
1	Wells and Springs	710	2,560	30	90
2	Supply Mains	1,340	3,760	60	60
<b>Pumping Plant</b>					
3	Structures and Improvements	1,430	6,490	30	220
4	Pumping and Power Production Equipment	2,080	3,050	25	120
<b>Water Treatment Plant</b>					
5	Structures and Improvements	550	2,100	30	70
6	Sand or Other Media Filtration Equipment	250	260	30	10
<b>Transmission and Distribution Plant</b>					
7	Distribution Reservoirs and Standpipes	950	1,770	50	40
8	Transmission and Distribution Mains	12,070	40,940	80	510
9	Services	6,990	12,290	30	410
10	Meters	2,850	5,400	20	270
11	Hydrants	1,990	3,530	45	80
<b>General Plant ***</b>					
12	Computer Equipment	50	30	4	10
13	Transportation Equipment	590	710	10	70
14	Tools, Shop and Garage Equipment	240	300	20	20
15	Power Operated Equipment	470	710	15	50
16	Communication Equipment	120	170	10	20
17	SCADA Equipment	1,470	450	10	50
18	<b>Total</b>	<b>\$34,150</b>	<b>\$84,520</b>		<b>\$2,100</b>

\* Current cost may be calculated based on multiplying an inflation factor to the original cost, based on the year of installation for each asset, or by engineering estimates of the current replacement cost.

\*\* Annual rehabilitation and replacement amount is equal to the current cost divided by service life.

\*\*\* Any of these assets included in separate equipment replacement reserves should be excluded from the rehabilitation and replacement reserves.

In determining the level of reserves for future system rehabilitation and replacement, many factors should be considered, including but not limited to:

- Inter-generational equity issues if certain assets were originally funded with debt that is currently being repaid, it may not be appropriate for current ratepayers to also make contributions to reserves for the future replacement of those same assets.
- If a utility is planning to cash fund a certain amount of its renewal and replacement needs from annual revenues, this amount of capital funding need not be considered as part of setting the rehabilitation and replacement reserve.



- If there are any anticipated rehabilitation or replacement project requirements not yet scheduled in the CIP or there is a gap between identified annual requirements and cash funding provided by current revenues, the utility may wish to consider these amounts in setting its rehabilitation and replacement reserve levels and subsequent annual contributions.

Over the long-run, setting rates to recover the average rehabilitation and replacement amount should be sufficient. However, during shorter time periods this average amount may generate more or less than is needed to cover current infrastructure rehabilitation and replacement needs. During times when annual revenues are more than needed to fund the current year's capital expenditures, funds can be set aside in a rehabilitation and replacement reserve to build up funds that can be used for larger and/or unexpected projects in future years.

The following table shows an example of a five-year capital improvement funding program that uses a rehabilitation and replacement reserve to mitigate the rate impacts of uneven annual capital expenditures as well as build a fund for unplanned accelerated replacement needs. In this example, the utility begins with a zero balance in its reserve fund. Therefore, the targeted annual contribution as shown in line 7 includes: 1) an amount equal to the gap between the long-term rehabilitation and replacement costs and the five-year CIP; and 2) an amount needed to build a reserve fund balance over the five-year period that is equal to annual rehabilitation and replacement costs.

**Example Use of Rehabilitation and Replacement Reserves (in \$1,000)**

Line No.	Projected Year					Average	
	1	2	3	4	5		
<b>Calculation of Reserve Contribution</b>							
1	Capital Improvement Program	\$1,800	\$2,000	\$3,800	\$2,500	\$3,000	\$2,620
2	Annual R&R	2,100	2,100	2,100	2,100	2,100	2,100
3	Net Difference	300	100	(1,700)	(400)	(900)	(520)
4	Cumulative Shortfall	\$300	\$400	(\$1,300)	(\$1,700)	(\$2,600)	
5	Average annual shortfall between annual R&R and CIP						520
6	Annual contribution to build reserve balance equal to annual R&R (2,100 ÷ 5)						420
7	Total annual reserve contribution						\$940
<b>Rehabilitation and Replacement Reserves</b>							
8	Beginning of Year Balance	\$0	\$1,240	\$2,280	\$1,520	\$2,060	\$1,420
9	Annual R&R	2,100	2,100	2,100	2,100	2,100	2,100
10	Additional Reserve Contributio	940	940	940	940	940	940
11	Capital Improvements	(1,800)	(2,000)	(3,800)	(2,500)	(3,000)	(2,620)
12	End of Year Balance	\$1,240	\$2,280	\$1,520	\$2,060	\$2,100	\$1,840

Reserves may be set based on maintaining a minimum target balance, contributing a minimum amount per year, or saving a targeted amount over a period of time to fund a certain project or group of improvements. Depending on the goals of the utility, the following approaches can be considered:

- If the goal is to have funds in reserve to cover unplanned rehabilitation and replacement because of assets that wear out before the expected useful life, the utility may consider establishing a targeted minimum balance. This amount could be established based on a percentage of total asset value, one year's depreciation expense, or the average annual rehabilitation and replacement budget.
- If the goal is to smooth out annual fluctuations in cash funding, the target fund balance or annual contribution can be determined based on the cumulative difference between the long-term average annual amount needed and the actual forecasted cash funded capital expenses for the given planning period.
- If the goal is to save funds to cash fund major improvements or asset management requirements in the future, an annual contribution can be determined based on the amount to be cash funded, the number of years until construction, and the ability of the utility to save funds or raise rates to generate additional revenues.

Some bond covenants stipulate minimum annual contributions to a renewal and replacement fund and/or fund balance requirements. Often the minimum annual contributions are expressed as a percentage of annual revenues (commonly 5%), and the minimum fund balance requirement is often a defined dollar amount as determined by a consulting engineer. In many cases, utilities will contribute and maintain more than these minimum amounts to address their actual needs.

### **Equipment Replacement Reserves**

An equipment replacement fund may be established to fund the periodic replacement of assets with relatively short useful lives. Assets defined as equipment include vehicles, pumps, computer equipment, office equipment, mechanical equipment, laboratory equipment, and other similar equipment with an expected life typically in the range of as few as three to as many as twenty years.

There are two general methods of determining equipment replacement funds – annual deposits based on depreciation of existing equipment and maintenance of a minimum balance based on a percentage of the value of equipment.

Annual deposits are determined based on an itemized schedule of equipment, listing the type of equipment, the original cost, the expected service life, and the annual deposit to the equipment replacement fund. The total annual deposit is the sum of the annual deposits for each asset. When an asset on the equipment replacement fund list is replaced, the amount is drawn from the fund, and the schedule of annual deposits is adjusted accordingly to reflect the value and service life of the new asset(s).

A minimum balance in the equipment reserve fund is often determined based on a percentage of the value of equipment assets. The more equipment maintained by a utility, the lower the recommended percentage of value of the equipment assets that are maintained in reserve. In determining the recommended percentage, the utility should consider the value of the costliest piece of equipment on the replacement schedule as it represents the maximum cost to replace an unplanned equipment item.

## **Emergency Capital Reserves**

Emergency capital reserves are used to fund replacement of critical assets damaged by catastrophic events such as a natural disaster. In determining the amount of emergency capital reserves that may be necessary, the following factors should be considered:

- Risk factors – The types of natural disasters, extreme weather conditions, or other force majeure events that the system may be at risk for and the extent of the damage that could result.
- Critical facilities – Identification of the specific facilities (including condition and replacement costs) that are critical to the operation of the system and may be vulnerable to identified threats.
- Availability of other funds – The ability to quickly access other funds in the event of an emergency, such as a line of credit, transfer from the municipal general fund, or funds from related agencies for investor-owned utilities (as may be appropriate).

## **Special Purpose Capital Reserves**

Many utilities impose special assessments, system development charges (impact fees), or other capital charges to fund system expansion or replacement of specific facilities. These assessments or charges usually have specific purposes defined by state statutes and local ordinances/resolutions. In many cases, a segregated account must be established for the revenues from such fees. Even if not legally required, the utility should establish a segregated account to ensure that these types of funds are held and used for the intended purpose and are not intermingled with other utility funds. Important considerations for establishing, maintaining, and using such special purpose reserves include the following:

- Intended purpose of the assessments or charges – Specific projects or types of projects the funds may be used for, as set forth in the ordinance, resolution, or state statute under which the assessments or charges are imposed and any supporting documentation, such as reports or studies. Depending on the type of charge and the implementing documents, such assessments and fees may be limited to paying for a specific project, specific types of facilities, or may be used for any capital projects undertaken by the utility. That being said, any special purpose capital reserves should not be considered as part of reserve funds dedicated as emergency capital reserves, rehabilitation and replacement reserves, equipment reserves, etc.
- State or local regulations – State or local regulations should be reviewed carefully to determine the type of fund accounting required, whether interest earned on the funds must be retained in the fund, time limits on expenditures, and any other limitations or requirements.
- Timing of expenditures – The timing of revenues from special assessments, capital charges, and system development charges may not coincide with the capital expenses for which the fees were imposed. The documents establishing the fees should be reviewed as well as the use of such funds to determine whether funds should be used to reimburse other utility funds for past projects, applied to current debt service, or held in reserve for future projects.

## DEBT SERVICE RESERVES

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Debt service reserves are reserves used to pay debt service if revenues are insufficient to satisfy annual debt service requirements. Most often, a debt service reserve fund (DSRF) is established as a legal covenant of a debt issuance and is used in whole or in part to pay debt service in the event of a revenue shortfall. If funds from the DSRF are used, the utility is usually required to replenish the DSRF from the first available revenues, or in periodic repayments over a specified period. A DSRF is most common for revenue bond issues, but may be required or voluntarily established by the utility for other types of subordinate indebtedness. Some utilities may set up a discretionary DSRF, even if not legally required, that is outside of their operating reserve policy to have a dedicated funding source available in the event of unplanned emergencies to ensure their ability to make timely debt payments.

The DSRF may be entirely funded with bond proceeds at the time of bond issuance; may be funded over time through the accumulation of revenues; may be funded with a surety or other type of guaranty policy; or may be funded only upon the occurrence of a special event (e.g., upon failure to comply with a covenant in the bond contract).<sup>3</sup> Utilities may sometimes use a surety bond<sup>4</sup>, bond insurance, or a letter of credit to satisfy the DSRF requirement in lieu of cash. Credit rating agencies may view conditionally funded DSRFs negatively. For example, Moody's generally considers cash to be superior to surety, although using a surety is unlikely to materially affect the rating if the surety provider is rated investment grade.<sup>5</sup> S&P in its current rating criteria states that it would not recognize the utility having a DSRF at all if it is only conditionally funded. In such cases, the conditions requiring the use of the debt service reserve are likely to come at a time when the utility is least able to afford additional demand on its cash flow. S&P currently would recognize a DSRF if satisfied with an unconditional surety policy or similar arrangement with another financial counterparty. However, if S&P believes that the insurer providing the surety policy would be unable to provide funding for the DSRF in a stress scenario, and the insurer could not easily be replaced on a timely basis, S&P currently would not recognize the utility has having a DSRF, which may ultimately result in the utility having to satisfy the DSRF requirement.<sup>6</sup>

The amount to be maintained in a DSRF is typically specified in the bond indenture or contract. Such indentures are legal contracts between the utility and the trustee that specify the responsibilities of the issuer and the lender. A typical DSRF requirement may be specified as a fixed percentage of the outstanding par value of the bonds, or as a percentage of the average or maximum annual debt service on the bonds. In recent years, historically low interest earnings rates have resulted in more utilities issuing debt with smaller or no debt service reserves. However, credit rating agencies may react negatively to a utility that does not have a DSRF in an amount equal to at least half of the average annual debt service requirements.<sup>7</sup> Although some rating agencies may state in their ratings criteria that a large cash balance can partially compensate for a lack of a debt service reserve, the combination of narrow liquidity and no

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<sup>3</sup> Municipal Securities Rulemaking Board. Accessed on 11/23/2016 at <http://www.msrb.org/Glossary/Definition/FLOW-OF-FUNDS.aspx>.

<sup>4</sup> A surety bond is a third-party instrument that provides security against a default in payment.

<sup>5</sup> Ratings Methodology: US Municipal Utility Revenue Debt, Moody's Investors Service, December 15, 2014.

<sup>6</sup> Standard & Poor's ratings Service. U.S. Public Finance Waterworks, Sanitary Sewer, And Drainage Utility Systems: Rating Methodology and Assumptions, January 19, 2016.

<sup>7</sup> Ibid.

DSRF exposes bondholders to greater risk of interrupted debt service payments, and therefore is more likely to be reflected in the ratings. For example, S&P notes that utilities that maintain at least reasonably sufficient levels of total available reserves are not likely to be penalized if they choose not to establish a DSRF. However, it would generally be viewed as a credit weakness if there is no DSRF and the utility already has low or poor liquidity levels.<sup>8</sup>

The size and investment of the DSRF is generally subject to federal arbitrage regulations.<sup>9</sup> According to these regulations, a reserve fund may be invested without yield restrictions up to the lesser of (a) 10% of the principal amount of the bonds, (b) the maximum annual debt service on the bonds, and (c) 125% of the average debt service on the bonds. The existence of these restrictions is why a bond contract often specifies these amounts as a reserve fund requirement. The bond contract or indenture typically contains provisions describing how the DSRF monies can be invested. These provisions are designed to allow the utility to earn a reasonable interest rate but also avoid extreme volatility in the market value of the DSRF. Reserve fund investments may be limited to eligible investments that permit withdrawals without penalty or have maturities that do not exceed a specified term. Many issuer investment policies will require that investment maturities associated with the DSRF not exceed five years, while others may permit investments with longer maturities or some combination of maturities such as five, ten, or twenty years. Investment requirements typically do not allow the investment maturity to exceed the final maturity date of the bond issue itself.<sup>10</sup> For most utilities with good credit ratings and strong revenue resources, the DSRF will never be accessed. This allows the issuer the opportunity to invest in higher yielding securities of longer duration with a rate of return that may be equal to or above the borrowing costs of the bonds. Generally, any excess DSRF investment earnings are transferred to the bond sinking fund or debt service fund to make scheduled principal and interest payments on the outstanding bonds. Such provisions are typically set forth in the bond indenture.

## RATE STABILIZATION RESERVES

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Rate stabilization reserves are cash reserves that can mitigate the impacts of occasional revenue shortfalls. Revenue shortfalls can occur because of several factors, including weather factors (unusually wet weather, mandatory drought restrictions), poor regional economic conditions, increased water conservation, or other unforeseen circumstances. Rate stabilization reserves can help smooth out revenue variability resulting from these factors and help ensure adequate fiscal resources during such times that could otherwise require large rate spikes.

Some utilities are required by their bond indentures to maintain a rate stabilization reserve. When specifically included in a utility's bond indenture, rate stabilization reserves can be used to help meet debt service coverage requirements during times of revenue shortfalls. Some bond indentures allow the utility to transfer money to a rate stabilization fund when revenues are higher than otherwise needed to satisfy debt service coverage requirements. In this case, the revenues transferred to the rate stabilization fund would not be counted as net revenues for calculating debt service coverage in the year they are generated.

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<sup>8</sup> Ibid.

<sup>9</sup> 26 CFR1.103a (1986).

<sup>10</sup> Debt Issuance Manual, League of Oregon Cities, September 2007. Accessed on November 24, 2016 at [http://www.orcities.org/Portals/17/Premium/Debt\\_Issuance\\_Manual\\_2011.pdf](http://www.orcities.org/Portals/17/Premium/Debt_Issuance_Manual_2011.pdf).

Instead, in years when revenue shortfalls occur, the money can be transferred out of the rate stabilization fund and used to help meet debt service coverage requirements as needed.

Rating agencies have a mixed view of the use of rate stabilization funds used exclusively to meet minimum debt covenants. Some rating agencies view planned, but infrequent use of rate stabilization funds as credit neutral, indicating that the planned use of rate stabilization funds or equivalent designated reserves from time to time could mitigate declines in financial performance. However, others view the use of rate stabilization funds in lieu of other measures, such as rate adjustments to address imbalances among revenues, expenses, and debt service, as potential evidence of credit weakness. This is especially true when actual financial performance indicates insufficient pledged revenues without the use of cash.<sup>11</sup>

Some utilities maintain rate stabilization funds without having them included as part of their bond indentures. In this case, the rate stabilization reserves, once they are established, simply help utilities meet their cash flow needs when net revenues fluctuate from year to year, as the rate stabilization funds are used to meet a portion of the utility's revenue requirements. As such, they help to mitigate rate adjustments and smooth out rate increases over time by providing a resource during unexpected low revenue periods.

The decision as to whether a utility should maintain a rate stabilization reserve may depend on the exposure to significant revenue and expenditure volatility. Utilities located in some areas of the country where drought restrictions are common and where variable weather impacting water sales is pronounced may decide to maintain significant rate stabilization reserves. Where these conditions are less prevalent, maintaining no rate stabilization reserve or a lesser amount than other areas where these factors are more prevalent may be appropriate. Similarly, smaller utilities may be more susceptible to revenue or expense volatility relative to the size of the overall budget as compared to larger utilities. The decision to maintain a rate stabilization reserve may also depend on whether other established reserves (such as other operating or capital reserves) have adequately addressed the utility's exposure to revenue volatility.

There are several common practices used by utilities to establish the appropriate level of this type of reserve. Some utilities will simply identify a percentage of annual operation and maintenance expense, revenues, or debt service as a rate stabilization reserve target. Other utilities will calculate the amount of the rate stabilization reserve by examining historical annual revenue or expense volatility and keep a reserve equivalent to this historical variability (an example of this approach is provided below). Another approach is to identify a historical year with the lowest water usage and set the reserve equal to the difference in revenue that would result from using the lowest water usage year versus the most recent year or a typical year based on current rates.

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<sup>11</sup> Standard & Poor's ratings Service. U.S. Public Finance Waterworks, Sanitary Sewer, And Drainage Utility Systems: Rating Methodology and Assumptions, January 19, 2016.

*Example Calculation of Rate Stabilization Reserve Target Amount*

Description	Year 1	Year 2	Year 3	Year 4	Year 5
Historical Revenues (in \$ thousands)	\$45,500	\$47,793	\$46,688	\$52,732	\$55,390
Revenues from Growth (Cumulative)		455	915	1,379	1,847
Revenues from Rate Increases		<u>1,820</u>	<u>3,713</u>	<u>5,681</u>	<u>7,729</u>
Adjusted Historical Revenues*	\$45,500	\$45,518	\$42,060	\$45,672	\$45,814
Revenue Variability	= \$45,814 - \$42,060 = \$3,754				
Rate Stabilization Reserve**	\$3,754				

\*In this example, historical revenues are adjusted to normalize for the effects of rate increases and customer growth.

\*\* Depending on duration of exposure to abnormal weather conditions, a utility may consider sizing such a reserve for multiple years of revenue variability

Rate stabilization reserves are typically funded or replenished in years when revenues are higher than expected or in years when events, such as mandatory drought restrictions or unusually wet summer months, do not occur. Rate stabilization reserves may be funded or replenished in a single year or over multiple years depending on the utility’s annual cash flows and any minimum requirements that may exist in its bond covenants and/or stated financial policies and timeframes to achieve them, as applicable.

## PUTTING IT ALL TOGETHER

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Cash reserves are essential to ensure a utility’s long-term financial sustainability and resiliency. Each utility system has its own unique circumstances and considerations that should be factored into the selection of the types of reserves and corresponding policies that best meet its requirements and objectives. For some utilities, a single reserve and associated policy may make the most sense because of the nature of their system, lack of revenue volatility issues, and administrative preferences. In that case, an analysis and then aggregation of the impacts of the appropriate key considerations identified herein should be performed to support a singular reserve policy. Regardless of whether a utility has a single reserve or multiple reserves, it should consider how its total reserve levels compare against the published criteria of the rating agencies to understand the potential impacts of its policies to its credit rating. Moreover, a utility should also consider having formal adopted reserve policies that will guide and govern the actions of decision makers into the future and be well received by the investment community, versus the benefits of having informal policies that provide more flexibility from year to year.

It is also important to understand that reserves are intertwined with rate structure decisions as well as certain key financial performance indicators, such as debt service coverage ratios (the ratio of net income to annual debt service expenses). Utilities with high levels of reserves may be able to have lower debt service coverage ratios and achieve similar ratings evaluations. Utilities that have conservation rate structures and/or low levels of fixed service charges may need higher levels of reserves because of the higher degree of reliance on volume-based charges and the attendant risks.

For many utilities, there may be a substantial gap between current reserve levels and desired amounts. In those instances, careful consideration should be given to multi-year plans to gradually increase or establish reserves at desired levels without causing undesired levels of rate adjustments. Moreover, utilities will need to continue to monitor the performance of their multi-year reserve plans and be prepared to adjust the timeframe to establish reserves or other parameters of their financial plans (such as rate adjustments or capital spending) if future events do not occur as projected.

Reserves for utility systems should be protected, used carefully, and monitored closely. Formal reserve policies that are adopted and regularly confirmed by governing boards can serve as mechanisms to not only protect reserves, but also specify the conditions under which they can and should be used. The use of informal policies that are not formally adopted, but rather just serve as a management and planning targets, provide great flexibility; however, they do not provide as much protection and are not externally viewed as strongly as formal reserve policies. Regardless of the structure of a utility's reserve policies, routine monitoring of reserves is essential to ensuring adequate resources to the utility and avoiding excess accumulation of current ratepayer funds.

## CASE STUDIES

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The following presents examples of various reserve policies of utilities throughout the country that are intended to present a range of establishing reserves for different purposes. For each utility system, the case studies present some descriptive characteristics of the utility based on public information available as of the date this document was prepared, as well as key factors that were considered in establishing their identified reserve policies. As can be seen, there is no single standard reserve policy that is right for all utilities, and each utility should consider its own unique risks and objectives in establishing reserve policies that are appropriate for its circumstances.

It is important to note that some utilities may have set their respective reserve policies with the intention of improving their bond rating. However, as evidenced by the case studies included in this whitepaper, there are no guarantees that higher reserve levels by themselves will translate into a better credit rating, because reserves are just one of many important factors considered by ratings agencies as part of their credit review and rating process.



<b>Orange Water and Sewer Authority</b>		Reserve Type	Key Considerations	Policy
Location:	North Carolina	<b>Operating</b>	To provide cash flow for daily financial needs in addition to adequate reserves to counter revenue instability and unanticipated expenses	The greater of 4 months of operating budget <i>or</i> 20% of the succeeding 3 years capital budget
Governance:	Independent special purpose authority			
Services:	Water, Sewer & Reuse	<b>Renewal &amp; Replacement</b>	Referred to as a Capital Improvements Reserve that is intended to: ensure more sustainable funding for asset and equipment rehabilitation and replacement; cover major unplanned capital costs; and provide funding flexibility to accommodate for capital cost carry-over adjustments/over-runs	Minimum balance target of 2% of annual depreciated capital costs
Number of Water Customers:	20,700 accounts			
Water Sold (ADF in MGD):	6.0	<b>Equipment Replacement</b>	Accounted for in single capital reserve fund (see renewal and replacement above)	N/A
Source of Supply:	Surface water via authority-owned treatment facilities			
Original Cost of Assets:	\$425,000,000	<b>Emergency Capital</b>	Accounted for in single capital reserve fund (see renewal and replacement above)	N/A
Net Asset Value:	\$305,000,000			
Operating Budget:	\$30,000,000	<b>Special Purpose Capital</b>	Accounted for in single capital reserve fund (see renewal and replacement above)	N/A
5-Year Capital Plan:	\$87,000,000			
% of Rev. in Fixed Charges:	25%	<b>Debt Service</b>	As a result of high credit rating, is not required to have separate debt service reserves for its outstanding revenue bond debt	N/A
Residential Rate Structure:	Inclining Block			
Credit Rating:	AA+ (Fitch), Aa2 (Moody's), AA+ (S&P)	<b>Rate Stabilization</b>	The purpose of this reserve fund is to provide sufficient funding for the cost of maintaining, repairing, and operating the system during extended periods when expenditures are higher and/or revenues are lower than budgeted while offsetting the need for rate increases and spending changes during the fiscal year	Minimum balance target of 5% of projected water and sewer revenue
Frequency of Policy Review:	Review of all formal reserve policies annually as part of budget process			

<b>City of Denton</b>		Reserve Type	Key Considerations	Policy
Location:	Texas	<b>Operating</b>	Has separate Working Capital and Operating Reserves. <i>Working Capital Reserve</i> provides liquidity for management of payables and payable cycles. <i>Operating Reserve</i> provide revenue stability against demand volatility, funding in emergencies such as equipment or infrastructure failure and services to improve resiliency	Working capital: approximately 30 days or 8% of budgeted operating expenses, <u>and</u> Operating Revenues: approximately 90 to 150 days or 25-42% of budgeted operating expenses Total Reserve: 33-50% or 120-180 days of annual budgeted operating expenses
Governance:	Enterprise fund of the City			
Services:	Water	<b>Renewal &amp; Replacement</b>	Accounted for in operating reserve policy. Utility has comprehensive capital planning process that identifies renewal and replacement needs.	N/A
Number of Water Customers:	34,200 Customers			
Water Sold (ADF in MGD):	17.4	<b>Equipment Replacement</b>	Also accounted for in operating reserve policy. Utility makes annual contributions to fund most vehicle and equipment costs	N/A
Source of Supply:	Surface water from Lake Lewis and Lake Ray Roberts			
Original Cost of Assets:	\$347,000,000	<b>Emergency Capital</b>	See operating reserve above.	N/A
Net Asset Value:	\$249,000,000			
Operating Budget:	\$52,000,000	<b>Special Purpose Capital</b>	Significant growth opportunities and desire by City Council to be able to extend services to large/key economic development projects when they occur	Minimum of \$1 million fund balance in water impact fees
5-Year Capital Plan:	\$123,000,000			
% of Rev. in Fixed Charges:	22%	<b>Debt Service</b>	Due to high credit rating and level of reserves, the does not have separate debt service reserves for its outstanding revenue bond debt	N/A
Residential Rate Structure:	Inclining block in summer months only (May thru October) and flat volumetric fee per in all other months			
Credit Rating:	Aa2 (Moody's) and AA+ (S&P's)	<b>Rate Stabilization</b>	High level of seasonality, aggressive residential conservation rate structure, and moderate exposure to extreme weather conditions (i.e. periods of abnormal rainfall and temperatures). Exposure captured as part of operating reserve policy.	N/A
Frequency of Policy Review:	Review of all formal policies annually as part of budget process			

City of Deltona		Reserve Type	Key Considerations	Policy
Location:	Florida	<b>Operating</b>	Effectively serves as the comprehensive reserve of the utility for working capital, unplanned operating or capital expenses (including equipment), and to mitigate revenue volatility	7 months of annual operating budget
Governance:	Combined enterprise fund of the city			
Services:	Water, Sewer & Reuse	<b>Renewal &amp; Replacement</b>	Minimum requirement per bond covenants	5% of prior year operating revenues
Number of Water Customers:	33,000 accounts			
Water Sold (ADF in MGD):	10.0	<b>Equipment Replacement</b>	Utility makes annual expenditures for equipment and machinery as part of the operating budget and relies on operating reserve for unplanned expenditure requirements	N/A
Source of Supply:	Groundwater via City-owned treatment facilities			
Original Cost of Assets:	\$162,000,000	<b>Emergency Capital</b>	Accounted for in operating reserve fund	N/A
Net Asset Value:	\$126,000,000			
Operating Budget:	\$20,000,000	<b>Special Purpose Capital</b>	System growth and expansion are predominantly paid from assessment fees/impact fees and developer contributions	N/A
5-Year Capital Plan:	\$89,000,000			
% of Rev. in Fixed Charges:	35%	<b>Debt Service</b>	Elected not to have debt service reserves for its outstanding revenue bond debt	N/A
Residential Rate Structure:	Inclining Block			
Credit Rating:	A+ (Fitch)	<b>Rate Stabilization</b>	Accounted for within single operating reserve policy	N/A
Frequency of Policy Review:	Annual review of informal operating reserve policy as part of budget process			

City of Tempe		Reserve Type	Key Considerations	Policy
Location:	Arizona	<b>Operating</b>	Uses a single reserve to account for all working capital, unplanned expenditure, and revenue volatility issues. Uses monthly billing and has access to external funds of the city in the event of an emergency/natural disaster	3 months of annual operating budget <i>and</i> 2% gross asset value
Governance:	Combined enterprise fund of the city			
Services:	Water & Sewer	<b>Renewal &amp; Replacement</b>	Reserves for renewal and replacement needs are included as part of operating reserve policy (see above)	N/A
Number of Water Customers:	43,000 accounts			
Water Sold (ADF in MGD):	16.0	<b>Equipment Replacement</b>	Not separately accounted for, but is effectively reflected within operating reserve policy. Utility makes annual contributions to separate fleet fund for equipment replacement	N/A
Source of Supply:	Groundwater via city-owned treatment facilities and Central Arizona Project (CAP) deliveries			
Original Cost of Assets:	\$600,000,000	<b>Emergency Capital</b>	Utility has access to financing in lieu of reserves for this purpose.	N/A
Net Asset Value:	\$340,000,000			
Operating Budget:	\$54,000,000	<b>Special Purpose Capital</b>	System growth and expansion are predominantly paid from assessment fees/impact fees and developer contributions	N/A
5-Year Capital Plan:	\$260,000,000			
% of Rev. in Fixed Charges:	23%	<b>Debt Service</b>	City utilizes General Obligation and Excise Tax supported debt with transfers from the utility for the annual repayment requirements to take advantage of credit strength of the city as a whole. As such, there are no debt service reserves.	N/A
Residential Rate Structure:	Inclining block			
Credit Rating:	AA (Moody's)	<b>Rate Stabilization</b>	Moderate exposure to extreme weather conditions (i.e. periods of abnormal rainfall and temperatures) that could be mitigated (if prolonged) for other funds of the city or available credit lines	N/A
Frequency of Policy Review:	Periodic review of formal operating reserve policy			

<b>Virginia Beach</b>		<b>Reserve Type</b>	<b>Key Considerations</b>	<b>Policy</b>
Location:	Virginia	<b>Operating</b>	Reserve covers working capital needs, unplanned operating, capital, and equipment expenditure needs, as well as exposure to revenue volatility	Reserve target is to maintain reserves of between 80-100% of annual operating expenses
Governance:	Combined water and sewer enterprise fund of the city			
Services:	Water & Sewer	<b>Renewal &amp; Replacement</b>	Capital funding policy is to cash fund at least 25% of annual capital needs on a rolling average basis. Since rates are set to support significant cash funding of the capital R&R needs, the amount of reserves set aside for R&R is lower than it otherwise would need to be	Trust indenture requires a \$2 million minimum balance
Number of Water Customers:	133,000 accounts			
Water Sold (ADF in MGD):	31.8	<b>Equipment Replacement</b>	Not separately accounted for, but is effectively reflected within operating reserve policy.	N/A
Source of Supply:	Lake Gaston - Surface Water Reservoir, water conveyed to City of Norfolk for Treatment, then back to VA Beach			
Original Cost of Assets:	\$1,100,000,000	<b>Emergency Capital</b>	Included in renewal and replacement reserve above	N/A
Net Asset Value:	\$645,000,000			
Operating Budget:	\$89,000,000	<b>Special Purpose Capital</b>	System growth and expansion are predominantly paid from assessment fees/impact fees and developer contributions	N/A
5-Year Capital Plan:	\$175,000,000			
% of Rev. in Fixed Charges:	60%	<b>Debt Service</b>	Required per the trust indenture (i.e. bond covenants)	Maximum annual debt service on all outstanding parity bonds
Residential Rate Structure:	Fixed monthly charge with a uniform volumetric rate			
Credit Rating:	AAA	<b>Rate Stabilization</b>	Accounted for within operating reserve policy above	N/A
Frequency of Policy Review:	Approved bi-annually as part of budget process, which includes specific reserve policies that are highlighted to elected officials and rating agencies			

<b>Capital Region Water</b>		<b>Reserve Type</b>	<b>Key Considerations</b>	<b>Policy</b>
Location:	Pennsylvania	<b>Operating</b>	Trust indenture specifies 60-day minimum reserve requirement. Management policy to maintain 200 days to cover working capital needs, unplanned operating, capital, and equipment expenditure needs, as well as exposure to revenue volatility.	Reserve policy is to maintain a total of 200 days of operating expenses as cash.
Governance:	Separate water and wastewater funds			
Services:	Water and sewer	<b>Renewal &amp; Replacement</b>	Trust indenture requires a minimum level of reserves be kept on hand. As such, the utility utilizes the operating reserve fund to account for unplanned renewal and replacement needs over and above the minimum trust indenture requirement	Trust indenture requires an amount equal to the greater of \$500,000 or an amount set forth by the consulting engineer
Number of Water Customers:	20,700 accounts			
Water Sold (ADF in MGD):	5.4	<b>Equipment Replacement</b>	Not separately accounted for, but is effectively reflected within operating reserve policy.	N/A
Source of Supply:	Surface Water – Susquehanna River			
Original Cost of Assets:	N/A	<b>Emergency Capital</b>	Not separately accounted for, but is effectively reflected within operating reserve policy.	N/A
Net Asset Value:	\$140,000,000			
Operating Budget:	\$9,900,000	<b>Special Purpose Capital</b>	N/A	N/A
5-Year Capital Plan:	\$33,400,000			
% of Rev. in Fixed Charges:	20%	<b>Debt Service</b>	Required per the trust indenture (i.e. bond covenants)	maximum annual debt service on all outstanding parity bonds
Residential Rate Structure:	Fixed charge varies by meter size, uniform volumetric rate			
Credit Rating:	A+ (S&P)	<b>Rate Stabilization</b>	Current reserve level in the rate stabilization fund is 0. Trust indenture allows for the funding of a rate stabilization fund that can be used to help satisfy debt service coverage in the year that the funds are used.	N/A
Frequency of Policy Review:	Annually			

City of Brentwood		Reserve Type	Key Considerations	Policy
Location:	Tennessee	<b>Operating</b>	Operating reserve is the only utility reserve fund and is intended to achieve the objectives of other listed reserves Purchased water costs are billed as a direct pass through rate to customers.	180 days of annual operating expenditure budget, including debt service and purchased water costs
Governance:	Combined water and sewer enterprise fund of the city			
Services:	Water and Sewer	<b>Renewal &amp; Replacement</b>	Effectively included and captured within operating reserve policy (see above)	N/A
Number of Water Customers:	9,300 accounts	<b>Equipment Replacement</b>	Also accounted for in operating reserve policy. Utility makes annual contributions to fund most vehicle and equipment costs	N/A
Water Sold (ADF in MGD):	4.0			
Source of Supply:	Purchased water – multiple providers	<b>Emergency Capital</b>	Effectively included and captured within operating reserve policy (see above)	N/A
Original Cost of Assets:	\$108,000,000			
Net Asset Value:	\$70,000,000	<b>Special Purpose Capital</b>	Effectively included and captured within operating reserve policy (see above)	N/A
Operating Budget:	\$13,700,000			
5-Year Capital Plan:	\$26,000,000	<b>Debt Service</b>	None – utility issues general obligation bonds	N/A
% of Rev. in Fixed Charges:	19%			
Residential Rate Structure:	Inclining Block	<b>Rate Stabilization</b>	Effectively included and captured within operating reserve policy (see above)	N/A
Credit Rating:	Of the City; Aaa (Moody's) AAA (S&P)			
Frequency of Policy Review:	Official policy adopted as ordinance in 2016.			

<b>Cucamonga Valley Water District</b>		<b>Reserve Type</b>	<b>Key Considerations</b>	<b>Policy</b>
Location:	California	<b>Operating</b>	<p>Intended to cover temporary cash flow deficiencies caused by timing differences between revenues and expenses, revenue decreases or unexpected increases in expenses.</p> <p>Also has a Water Banking reserve that is used for the purchase of available water supplies. Can be used with Board authorization to purchase excess supplies of water.</p>	<p>Operating: Maintained at a minimum amount equal to 20% of budgeted operating expenses with a maximum not to exceed 50% of operating expenses</p> <p>Water Banking: Maintained at a minimum of \$2.5 million, and the maximum shall not exceed the cost of purchasing 5,000 acre feet of MWD Tier II imported water.</p>
Governance:	Independent Special District			
Services:	Water, Sewer & Recycled	<b>Renewal &amp; Replacement</b>	<p>Referred to as a Capital Project Reserve: used for funding new capital assets or the replacement of capital assets when reaching the end of their useful lives.</p>	<p>Maintained at a minimum target level of \$13 million (\$4 million for the water system). The maximum balance shall be determined by the master plan and long-range financial plan</p>
Number of Water Customers:	50,200 accounts			
Water Sold (ADF in MGD):	16.1	<b>Equipment Replacement</b>	<p>Referred to as Administrative Capital Improvement Fund: used to fund certain general, administrative, and overhead items. Intended for office equipment, fixtures, furnishings, vehicles, and other equipment on a pay-as-you-go basis.</p>	<p>Seeks to maintain a minimum balance of \$1.5 million (\$75,000 for the water and sewer funds, respectively). The maximum targeted balance is equal to the minimum balance adjusted for inflation.</p>
Source of Supply:	Groundwater & Surface Water			
Original Cost of Assets:	\$492,000,000	<b>Emergency Capital</b>	<p>Used in the event of economic events that negatively impact either revenues, or expenses, or causes a material decline in other reserve accounts; to purchase equipment and infrastructure at any time or to begin repairs after a catastrophic event. Funds may be used for capital or operating purposes.</p>	<p>Seeks to maintain a minimum balance of 1% of water and sewer capital assets with a maximum level of 2%.</p>
Net Asset Value:	\$310,000,000			
Operating Budget:	\$59,500,000	<b>Special Purpose Capital</b>	<p>Referred to as Local Water Resource Development Fund: used for the development, improvement, or acquisition of local water resource projects to reduce the reliance on costly imported water.</p>	<p>Minimum target level of \$2 million (approximate cost of a new groundwater well) and a maximum target of \$5 million</p>
5-Year Capital Plan:	\$64,800,000			
% of Rev. in Fixed Charges:	22%	<b>Debt Service</b>	<p>Elected not to have debt service reserves for its outstanding revenue bond debt.</p>	<p>N/A</p>
Residential Rate Structure:	Inclining Block			
Credit Rating:	AA+ – Cert. of Participation AA - Revenue Bonds (S&P)	<b>Rate Stabilization</b>	<p>Must be maintained as long as payments are due on outstanding debt under the Master Installment Purchase Agreement</p>	<p>Maintained at a minimum level equal to \$2.2 million and a maximum of 25% of Water Fund operating income determined from the last audited fiscal year.</p>
Frequency of Policy Review:	Annually as part of budget process			





**POLICY TITLE: Reserve Policy**  
**POLICY NUMBER: 2150**

2150.1 Purpose: The [name of District] (the District) shall maintain reserve funds from existing unrestricted funds as designated by the District's Reserve Policy. This policy establishes the procedure and level of reserve funding to achieve the following specific goals:

- a) Fund replacement and major repairs for the District's physical assets.
- b) Fund regular replacement of computer hardware and software.
- c) Fund designated conservation projects/programs or other special uses not otherwise funded by grants or requiring additional monetary support;
- d) Fund capital improvements; and
- e) Maintain minimal operational sustainability in periods of economic uncertainty.

The District shall account for reserves as required by Governmental Accounting Standards Board Statement No. 54, which distinguishes reserves as among these classes: non-spendable, restricted, committed, assigned and unassigned. The reserves stated by this policy, unless otherwise required by law, contract, or District policy shall be deemed "assigned" reserves.

2150.2 Policy: Use of District Reserves is limited to available "Unrestricted" Funds (not obligated by law, contract or agreement), including donations, interest earned, fees for service or other non-grant earnings. All special use funds will be designated by formal action of the Board of Directors. [The following reserves reflect common purposes of many Districts for cash reserves; the listed purposes and reserve amounts should be tailored to the needs of your District.]

- a) Vehicle Fleet Reserve:  
Vehicle Fleet Reserves will accumulate from existing unrestricted funds, at a rate of [\$10,000] annually. The maximum amount of Vehicle Fleet Reserves will be [\$50,000]. When the annual accumulation would increase the Reserve beyond [\$50,000], only the amount required to reach the maximum will be reserved.
- b) Technology Reserve:  
Technology Reserves will accumulate from existing unrestricted funds at a rate of [\$4,000] annually. The maximum amount of Technology Reserves will be [\$20,000]. When the annual accumulation would increase the Reserve beyond [\$20,000], only the amount required to reach the maximum will be reserved.
- c) Designated Project/Special Use Reserve:  
Designated Project/Special Use Reserves will accumulate from existing unrestricted funds at a rate of [\$10,000 annually]. The maximum amount of Designated Project/Special Use Reserve will be [\$50,000]. When the annual accumulation would increase the Reserve beyond [\$50,000], only the amount required to reach the maximum will be reserved.



- d) **Capital Improvement Reserve:** Capital Improvements Reserve will accumulate from existing unrestricted funds at a rate of [\$25,000] annually. Designated Capital Improvement Funds may be used to cover major facility improvements (construction, installation of new doors or windows, replacing doors and windows, roof replacement, HVAC replacement, alarm system installation, parking lot and outside lighting improvements, etc.). The maximum amount of Capital Improvement Reserves will be [\$100,000]. When the annual accumulation would increase the Reserve beyond [\$100,000], only the amount required to reach the maximum will be reserved.
- e) **Repair/Operations & Administrative Operations Reserve:** Facility & Administrative Operations Reserves will accumulate from existing unrestricted funds at a rate of [\$260,000] annually. The maximum amount of Facility & Administrative Operations Reserves will be [\$780,000]. When the annual accumulation would increase the Reserve beyond [\$780,000] (equivalent of three years of Operations Reserves), only the amount required to reach the maximum will be reserved.
- f) **Total All Reserve Funds:**  
The total amount of Reserves designated annually from all funds shall be [\$309,000] with a cumulative accrual cap of [\$1,000,000].

#### 2150.3 Using Reserve Funds:

- a) **Vehicle Fleet Reserve:**  
Vehicle Fleet Reserves will be used exclusively for the purchase of new vehicles to support District operations, or to make major repairs to existing vehicles.
- b) **Technology Reserve:**  
Technology Reserves will be used to purchase hardware and software in support of District operations, with the intent of maintaining a modern technology for employees.
- c) **Designated Project/Special Use Reserve:**  
Projects, programs or special uses will be identified by the General Manager and/or the Board of Directors and approved by the Board. Uses must further the mission of the District and will be evaluated for designation according to value to the District and the people it serves.
- d) **Capital Improvements Reserve:**  
Capital Improvements Reserves shall be limited to costs related to making changes to improve capital assets, increase their useful life, or add to the value of these assets.  
**Operations/Repair & Administrative Operations Reserve:**
- e) **Operational Reserves** shall be accrued to ensure three years of minimal facility and administrative functions, at a rate of \$260,000. Reserve funds shall be utilized to support:
  - 1) Administrative operational functions, including minimal staffing levels and administrative/office expenses;
  - 2) facility operations;
  - 3) facility repairs (distinguished from Capital Improvements and may include painting, caulking of seams, roof repairs, HVAC repairs, patching of walls, etc.).



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2150.4 Monitoring Reserve Levels: The General Manager, in collaboration with the [position title], shall perform a reserve status analysis annually, to be provided to the Board of Directors' annual deliberation/approval of Budget and Reserve Funds.

Additional information may be provided to the Board of Directors upon the occurrence of the following events:

- a) When a major change in conditions threatens the reserve levels established by this policy or calls into question the effectiveness of this policy;
- b) Upon General Manager and/or Board request.

**DRAFT**

**MEMORANDUM**

To: Georgetown Divide Public Utility District

From: Fieldman Rolapp & Associates

Date: January 11, 2005

Re: Reserve Balance Analysis

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**INTRODUCTION**

The Georgetown Divide Public Utility District (the “District”) has engaged Fieldman Rolapp & Associates to review and advise on the levels of reserve funding of the District. This report contains a summary of:

- the primary facts and circumstances affecting the levels of reserve for the District,
- the issues involved in the accumulation and maintenance of reserve levels,
- the District’s current reserve policy and amounts, and
- current reserve fund recommendations.

To prepare this analysis, we have reviewed the financial statements of the District from the 2000-01 Fiscal Year through the 2003-04 Fiscal Year, the budgets of the District for Fiscal Years from 2001-02 through 2004-05 and the Combined Statement of Revenues, Expenses and Changes in Retained Earnings for Fiscal Years 1994 through 2003. We have also reviewed reserve fund policies provided by the Government Finance Officers Association for cities and special districts and reserve policies for other water districts in California. Finally, we conducted discussions with District officials and the Finance Department of the District to discuss risk tolerance and potential effects of adverse economic conditions and other disasters.

**CONCLUSIONS**

The District’s current operating environment and financial state allow for reasonably required reserves to be funded in a moderately conservative fashion.

**Levels of Reserves**

We recommend the following changes to your reserves:

Reserve or Fund Type	Amount	Notes
Operating and Cash Flow	\$ 989,000	Cash Flow: 5% of budgeted expenses Operating: 120 days of expenses
Rate Stabilization	479,570	60 days of expenses
Capital Facilities	10,435,718	Total amount of accumulated depreciation and amortization of District's assets
Capital Expenditure	-	Combine to create Capital Facilities
Capital Replacement	-	Combine to create Capital Facilities
Surplus Property	-	Combine to create Capital Facilities
Catastrophic	-	Eliminate; Accounted for in Capital Facilities
Zone	81,900	45% of average annual expenses
Zone Capital Expenditure	-	Combine with Zone
CDS	81,900	45% of average annual expenses
CDS Capital Expenditure	-	Combine with CDS
CDS Reserve Connection	-	Combine with CDS

Operating and cash flow reserve. The operating and cash flow reserve would be set in two parts. The cash flow reserve would be equal to 5% of budgeted expenditures and the operating reserve would be equal to 120 days of expenses (less depreciation and amortization). The total would be **\$989,000**.

Rate stabilization reserve. The District would fund a rate stabilization reserve to the amount of 60 days of expenses (less depreciation and amortization). The total would be **\$479,570**.

Capital facilities reserve. The District would fund the capital facilities reserve up to the total amount of accumulated depreciation and amortization with regard to the District's assets. The total would be **\$10,435,718**, based on the District's financial statements for June 30, 2004.

Catastrophic reserve. The District reserves for the possibility of catastrophic loss to its assets based on a replacement cost, less amounts which could be anticipated to be received from insurance, the Federal Emergency Management Agency ("FEMA") and the State Office of Emergency Services ("OES"), less the capital replacement reserve. The likelihood of a loss generating a net cost to the District which exceeds the capital facilities reserve would be remote. The catastrophic reserve would be considered to be funded by the capital facilities reserve.

**Commingling of Reserves**

The operating and cash flow reserves and the rate stabilization reserve provide security to the District for similar types of risks and issues, therefore, it is reasonable that the District would provide that funds from those reserves may be used for the purpose of the other reserve. This allows for additional security for cash flow purposes and provides the District greater ability to stabilize rates. Similarly, the capital facilities reserve and the catastrophic reserves are to be combined to allow funds reserved to replace assets at the end of their useful lives to be applied to meet emergency needs upon earlier failure or destruction of assets.

Notably, the Zone-related and CDS-named funds are being utilized for similar purposes. Combining all Zone and CDS funds to create a general Zone fund and a general CDS fund lessens provides for greater ease and simplicity with management of these assets. Since CDS and Zone expenses are connected, each fund should share equally in the expenses. The Zone and CDS reserves should each contain 45% of the average annual expenses, a total of **\$81,900** each. Full replacement of these facilities should be calculated for funding purposes. Replacement costs would be paid out of the Zone and CDS funds.

### **Future Calculation and Maintenance of Reserves**

Each of the amounts listed is the result of a calculation of reserve based on the District's financial and operating performance. It is recommended that the District adopt a formal reserve policy. In this policy, it should specify the formula for calculation and provide that the calculation of reserve amounts should be made on an annual basis as part of the District's budget adoption.

## **FACTS AND CIRCUMSTANCES OF THE DISTRICT**

### **Income and Expenses**

The District obtains all of its water from the Stumpy Meadows Reservoir, located on Pilot Creek. The capacity of the reservoir is 20,000 acre-feet. The District owns water rights to the following sources which supply the reservoir: Pilot Creek, Mutton Canyon, Bacon Canyon, Deep Canyon, Otter Creek, Onion Creek and six unnamed tributaries to Pilot Creek. Raw water from the reservoir is conveyed via Pilot Creek to Lake Walton Water Treatment Plant. This plant supplies raw and treated water to the eastern portion of the District: the communities of Georgetown, Greenwood, Garden Valley, and Kelsey. Raw water from the reservoir is also conveyed via pipeline to the Auburn Hills Water Treatment Plant. This plant serves the communities of Cool and Pilot Hill, in the western region of the District. The District supplies water for residential, commercial and agricultural uses.

On an overall basis, the District has an Annual Budget (for FY 2004-05) (the "Budget") which provides for revenues of approximately \$3,015,000 which it obtains from eleven sources:

<u>Source</u>	<u>Revenue</u>	<u>% of Total (1)</u>
Residential Water Sales	\$1,167,000	38.7%
Commercial Water Sales	200,000	6.6%
Irrigation Water Sales	158,000	5.2%
Tax Levied to Oversee Auburn Lake Trails On-Site Wastewater Disposal Zone	\$170,000	5.6%
California Waste Discharge Fee	\$150,000	5.0%
Water Installation and Connection Fees	\$20,000	0.7%
Tax Revenues (District's portion of the general levy on property)	\$600,000	19.9%
Tax Levied for Outstanding Debt Service	\$300,000	10.0%
Benefit Charges – Restricted	\$60,000	2.0%
Interest Income	\$155,000	5.1%

(1) Does not total 100%. Other sources provide minor revenues.

The budgeted revenues compare with \$3,394,000 of budgeted expenses for net revenue shortfall of \$379,000.

It is expected that the District will no longer receive an exemption from contributing to the Educational Revenue Augmentation Fund (ERAF) beginning FY 2004-2005. The impact will be a loss of approximately \$400,000 in property tax revenues. The District has budgeted for a loss of 38% or \$372,000 from FY 2003-2004. Reserve funds have been allocated to cover the revenue shortfall.

### **Timing of Revenues and Expenses**

The largest sources of revenue for the District are water sales to residential customers and general property tax revenues, 38.7% and 19.9% of total revenues, respectively. The District collects the revenues from residential water sales on a bimonthly basis. The revenues from general property tax payments are derived through a County Teeter Plan method of property tax distribution. Through this method, the District receives 100% of its apportionment each fiscal year based on County assessment not actual collected payments. The District receives lump sum payments from the County in the amounts of 50% in December and 50% in April. In the event that property taxes are delinquent, the County receives all fees related to penalties and interest.

The District is obligated to pay labor expenses to its employees on a monthly basis, throughout the year. Labor costs comprise approximately 32.3% of the District's annual expenses. Effectively, monthly labor costs can be offset by revenues from residential water sales. The District's second largest expense is the projected estimates for depreciation and amortization of capital. For FY 2004-2005, the estimated cost is nearly 17% of the annual expenses. However, the amount and timing are subject to change relative to the need of each department. The District historically has not experienced any cash flow difficulties relating to the imbalance between receipts and expenditures.

## **Assets**

The District has four major classes of capital assets:

- Land and land rights,
- Source of supply,
- General plant, water treatment plant and septic facilities, and
- Infrastructure for water conveyance

As of the unaudited financial statement for June 30, 2004, the net value of the District's capital assets was \$13,506,513. Total accumulated depreciation and amortization on the capital assets was \$10,435,718. The depreciated and amortized value (net) of the District's total assets was \$20,501,466. The financial statements do not include figures of the replacement cost of the District's capital assets.

The Statement of Net Assets of the District as of June 30, 2004 indicated a general ledger balance of cash and investments (less restricted assets) of \$4,425,063. In addition, the District has restricted assets of \$4,835,158.

## **ISSUES INVOLVED IN THE ACCUMULATION AND MAINTENANCE OF RESERVES**

### **The Nature of a Reserve**

Public entities accumulate and maintain reserves to ensure both financial stability and the continuation of the ability to provide services. Financial stability and the increase in credit quality that result from stability allow the public entity to weather times of uncertainty and the impacts of negative events, both major and minor. Funded reserves allow for the continued maintenance of property and payment of expenses beyond the magnitude of the funds available in a single fiscal period. In the final analysis, the type and level of reserves are driven by the type and magnitude of uncertainty faced by the District.

A "reserve" has a number of meanings:

- Working capital required to insure timely payment of obligations
- A buffer against volatility in revenues



- Liquidity required to obtain other goods and services (e.g., bank services)
- Designated funds to protect creditors
- Funds set aside to replace assets at the end of their useful lives
- Funds set aside to repair or replace assets damaged or destroyed at unanticipated times

It is important to note that reserve and fund balance are not the same. Fund balance is an accounting term and may not always be in the form of cash or liquid investments. Fund balances may not always be reserves unless a designation of all or a portion of fund balance is made.

There are a number of potential events which the District should consider in the development of reserves:

1. Economic Uncertainty—performance of the regional economy and the impact of that performance on demand for water
2. Weather—the amount of rainfall and the impact of weather on the availability and the cost of water
3. Government Mandates—the impact of federal and state regulation, particularly environmental regulation
4. Tax Changes—Limitations on the District’s taxing and spending powers through the passage of a voter referendum, the impound of District property taxes or the removal of the District’s power to levy property taxes, further increases to ERAF contributions or changes in calculation methodology
5. Operating Costs—Increases in operating and maintenance costs because of inflation, labor agreement or other modification
6. Force Majeure—Unanticipated expenditures resulting from natural disasters or intentional acts
7. Emergency Maintenance—Unanticipated expenditures resulting from unexpected failure of assets (e.g. rupture in the primary transmission system)
8. Unexpected Variation in Cash Flow—the incidence of additional costs or decreased revenues that requires short term borrowing in the absence of sufficient funds

### **Reasons for the District to Have Reserves**

The District has a number of reasons to create reserves. First, the District needs to have cash to meet its everyday demands (operating fund reserve or working capital). This need is accentuated by the fact that this year the District finds itself operating under new conditions. Specifically, the District receives a significant amount of its revenues through tax collections, generally twice per year, while considerable expenditures occur throughout the year. While some of this need is offset by the monthly influx of revenue generated from water rates, historically, the tax revenue (general property and debt service) has outweighed the revenues collected through water sales. Due to the elimination of the District’s exemption from an ERAF contribution for fiscal years 2004-

2005 and 2005-2006, the Budget estimates operating revenues to exceed non-operating revenues (by nearly 40%) for the first time in ten years. To cover this shortfall, the District plans to deplete its cash flow reserves. The District is also increasing water rates (5% for residential and commercial, 8% for irrigation) over the next five years. However, the purpose of the rate increase is to cover the District's rising costs, not to replenish the reserves.

Second, the District needs to have funds available to replace its capital facilities as they age and become obsolete. The District does not itemize depreciation of fixed assets in a replacement value report. Instead, it reports depreciation and amortization of its fixed assets as an estimated lump sum expenditure. The amount is equivalent to roughly 17% of the District's operating expenses. This estimated value for depreciation and amortization functions similar to a reserve fund in that the monies allocated are used to replace older equipment. Should the replacement costs exceed the allocated expense, the District will need to pull from its reserves to cover the deficit.

Third, the District's need for funds to "cushion" the impact on adverse economic and financial circumstances on its ratepayers is greater given the current climate of fiscal uncertainty at the State level.

Fourth, the District needs to reserve against the cost incurred if major assets, such as the District's pipeline system from Stumpy Meadows Reservoir, unexpectedly are damaged or destroyed. The District's amortization and depreciation expenditure also covers this possibility. However, as above, the District should also have a reserve in the event that the cost of repairs or replacement outweighs the monies allocated for depreciation and amortization.

### **Potential Sizing of Reserves**

Cash Flow Reserves. Amounts reserved for cash flow and operations can be based on a number of assumptions and conventions. Cash flow reserves serve two different functions. First, there is a reserve, a portion of the general fund balance, that is available to provide general liquidity. The purpose is to simply provide funds to bridge "gaps" between revenues and expenses on a short term basis. Second, the operating reserve portion serves to allow for the continued payment of operating expenses in an environment in which operating expenses have risen with no short term adjustment in revenues or anticipated decrease in cost levels.

Often the sizing of such reserves is based on a proportion of annual expenditures or annual revenues; these proportions are often expressed as a number of days or months of revenues or expenditures. Other sizing conventions included the designation of a fixed dollar amount, a per capita amount or the designation of unexpended operating cash flow from prior years.

When cash flow reserves are sized on the basis of expenditures or revenues, the proportion often ranges between one to six months. This range accounts for the timing of

cash flow, which in the District's case has changed to a greater reliance on revenues generated from rate payers. Typically, an uneven revenue stream would tend to indicate the propriety of a larger reserve. In this case, the District's revenue stream is becoming more stabilized, yet the District's loss in general property tax revenues, the sensitivity of the District's net revenues to outside forces, such as weather, operating cost increases, the tolerance of the District for risk and the inability to raise sufficient reserves through future rate increases (given the newly-recent adoption of 5-year rate increases), have greater bearing on the size of the District's cash flow reserve. In the District's case, each of these factors would tend to argue for a moderate-sized reserve.

Capital Facilities Reserves. Capital facilities or replacement reserves generally are shorthand for funded depreciation. That is, the retention of funds representing the proportion of the assets used during their anticipated useful life. The use of this measurement alone results in a funded depreciation account sufficient to accumulate the original cost of the facilities by the time the facilities are depleted through use (and accounted by depreciation or amortization).

The shortcoming of this method is that three factors can tend to modify (generally increase) the replacement cost of assets as compared with their original cost. First, inflation tends to increase the costs of facilities over time. Second, improvements in design and more complex systems used to maintain and control capital equipment and facilities tend to increase replacement costs. Third, additional regulation, particularly environmental regulations by the federal and State governments, tend to add to the replacement costs of facilities.

In terms of capital replacement, the retention of accumulated depreciation, while appearing to be a minimum requirement, often is beyond the financial capability of public utilities. For the District, this reserve is drastically underfunded. The recommended amount should be considered a practical maximum level.

Rate Stabilization Reserves. Rate stabilization funds or reserves are used to provide a cushion for the impact of unforeseen and unexpectedly large increases in rates incurred by providers. This often focuses on the costs of raw materials, such as water, paid by a wholesale provider of the commodity, as in the District's case. By retaining a reserve, an unexpected and short term "spike" in costs can be incurred without a rate impact to the ratepayers by the use of reserves to cover the increased cost until the spike has passed. In the event that the cost increase is not short lived, the reserve allows the District the time to determine the manner and impact of the increase on the ratepayers.

There is no uniform rule on sizing of rate stabilization reserves. Often the amount is based on an estimated "high end" by which the underlying cost, in the District's case, the cost of storage, transmission and distribution of water, would increase. Moreover, the reserve may be sized on a proportion of the total revenues or expenditures. The amount is subject to discretion. At the conservative end, an amount equal to the total cost of water for a year can be used. In the District's case, the rate stabilization fund was absorbed into the general fund.

Catastrophic Reserves. The capital facilities reserve accumulates funds for the expected need to replace facilities or provide for facilities performing the same function at the end of the useful life. However, there are any number of potential catastrophic events that may require replacement of all or a part of the facilities prior to their estimated useful lives. Among them are natural disaster, catastrophic failure of equipment, intentional acts, and revolutionary improvements to methods and equipment used to fulfill certain functions. The exposure against which the District would reserve is equal to the amount by which the replacement cost exceeds either insurance or other government aid proceeds (such as FEMA and OES grants). FEMA aid is triggered by a declaration by the President of a major disaster or emergency, while OES supplements that aid when the Governor also declares a state of emergency and the OES director concurs with the existence of a local emergency<sup>1</sup>.

Various issues affect the reasonable level of catastrophic reserves. For instance, if the facilities are spread over a wide geographic area, the possibility of total destruction of all facilities is remote. In that event, reserves can be reduced. In addition, if the facilities are older and nearer the middle or end of their lifecycle, the amount of funded depreciation may be significant and may mitigate the need for additional reserves. To the extent funds are available from insurance, FEMA or OES, the catastrophic risk to the District is reduced. If the facilities are critical to the continuation of services or government, a greater level of reserve is justified to provide for the possibility of a swifter response to catastrophe.

Ultimately, catastrophic reserves deal with contingencies and probability. The District would reserve against a possibility that an event causing significant damage would occur and the further set of probabilities as to the magnitude and breadth of damage and the cost to repair or reconstruct. It is unreasonable to anticipate that the amount of reserves would be sufficient to replace all facilities or equipment. The District's reserve should be sized to repair or reconstruct facilities from damage or destruction in amount and magnitude that may be reasonably foreseen by the District.

## **THE DISTRICT'S CURRENT POSITION**

The District has no written policy on reserves. The informal guidelines related to the reserves sponsoring the District's general activities are listed below (debt service reserve funds are excluded).

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<sup>1</sup> Under the Robert J. Stafford Disaster Relief Act of 1974 (federal) local governments, including special districts, may receive grants: (a) to repair or reconstruct facilities; (b) of overtime and supplies used for response to a disaster or emergency; and (c) to administer and request grants from FEMA and OES. State law provides OES grants under the Natural Disaster Assistance Act (state). Total reimbursement of 90% of loss is customary.

**Cash Flow Reserve:** A portion of the General/Water Fund which is used to pay water-related and administrative costs, as well as to cover the difference in timing between the District’s receipts and the District’ expenses.

**Capital Facilities Reserve:** The purpose of this reserve is to meet future construction needs. The District has two funds which fill this role: the Capital Expenditure Fund and the Surplus Property Fund.

**Rate Stabilization Fund:** The primary function of this fund is to guard against water rate fluctuations. This fund has been incorporated into the Cash Flow Reserve.

**Catastrophic Reserve:** This reserve is intended to pay costs of repair in excess of insurance or FEMA due to natural disaster. The District’s Capital Replacement Fund currently meets this need.

The current total reserve set aside for these purposes is at \$3,604,189.

In addition to supplying water for residential, commercial and irrigation purposes, the District is responsible for operation, design and inspection of facilities in the On-Site Wastewater Disposal Zone (the “Zone”) and the Community Disposal System (the “CDS”). Both of these facilities are funded by fees from the residents in the Auburn Lake Trails subdivision. Accordingly, these funds are not commingled with any of the District’s unrestricted funds. Purposes and uses of funds related to the Zone and CDS are listed below.

**Zone Fund:** Used for operations and maintenance of Zone facilities.

**Zone Capital Expenditure Fund:** Used for capital acquisitions and improvements to Zone facilities.

**CDS Fund:** Designated for maintenance and operations of CDS but used as a CDS catastrophic reserve.

**CDS Capital Expenditure Fund:** Used for capital acquisitions and improvements to CDS facilities.

**CDS Reserve Connection Fund:** Designated for expansion of the CDS.

Remaining Funds and Reserves:

Retiree Fund

Special Purpose and/or Restricted Funds: Water Development, Pipeline Fund, Treatment Plant Fund and Storage Fund.

Debt Service Reserves

Small Hydroelectric Fund

## **OTHER DISTRICT RESERVE POLICIES**

Other water districts and other municipal governments maintain and revise reserve policies. Eastern Municipal Water District and Rancho California Water District have both recently adopted such policies. While their circumstances are different, certain policy analogies may be made between those districts and the District.

### **Eastern Municipal Water District (EMWD) Policy**

The EMWD policy provides for a number of reserve funds. Chief among them are:

General Fund. EMWD maintains an amount in its general fund, unallocated to any other purpose equal to 5% of operating and non-operating revenues.

Water Rate Stabilization Reserve. The rate stabilization fund is created to mitigate against any “extraordinary rate increases from the Metropolitan Water District.” The rate stabilization fund of 32% of the cost of water is based on an estimate that rates from MWD are likely to increase by 16% per year for 2 years.

Replacement and System Betterment Construction Reserve. This fund serves the purpose of accumulating funds to meet EMWD’s capital improvement program and other unplanned projects. This reserve is funded with a specific charge to customers on a \$/acre-foot basis.

EMWD, with a significantly larger and more regular set of both revenues and expenses, has found that a general fund cushion of 5% protects against the potential of cash flow deficiencies. EMWD has Metropolitan Water District as its primary, but not sole provider of water. The rate stabilization reserve allows for the absorption of increases without requiring instantaneous changes to rates charged to EMWD customers.

### **Rancho California Water District (RCWD) Policy**

RCWD’s reserve policy recognizes four areas of reserve: operating reserves; debt reserves; capital facility reserves and replacement reserves. Operating reserves are intended to provide security for both drought related costs and for a working capital reserve. Drought reserves are driven by the potential impact of weather and economic changes on RCWD’s cost of water. A working capital reserve is intended to be maintained at a level between four (4) months and six (6) months of the operating budget. In addition, RCWD maintains reserves to cover self-insurance amounts. The total amount of general fund operating reserves is estimated to exceed \$20 million.

RCWD also maintains a rate stabilization reserve (under the category of operating reserve) that it maintains to mitigate the impact of changes in energy costs and increases

in imported water costs. The reserve is set at three (3) months of budgeted operating costs. Based on the 2001-02 budget, that amount would exceed \$7.6 million.

Replacement and capital facility reserves are considered “non-discretionary” and are based on long term financial forecasts. Capital facility reserves are funded by developers and are primarily directed to the construction of new facilities. Replacement reserves are distinguished from capital facility reserves in their focus on their connection to already existing facilities. Under the policy of RCWD, replacement reserves are funded by amounts allocated for depreciation and amortization. To the extent that funds beyond the reserve will be required to replace facilities, those funds will come from the proceeds of long term borrowing. The amount of replacement reserves is governed by the anticipated shortfall in the event of natural disaster. In RCWD’s case, the policy estimates that FEMA funds will be available to cover a significant portion of the overall loss, and estimates a reserve equal to one half of an estimated shortfall of 2% of the total utility plant asset value. RCWD has an asset value of \$496 million, resulting in a reserve of more than \$4.96 million. It should also be noted, however, that the assets that could be replaced are spread over a large geographic area and that RCWD believes the need for a complete replacement to be extremely remote.

## **RECOMMENDED RESERVES AND LEVELS**

The District’s reserves can be classified into four basic categories: cash flow, capital facilities, rate stabilization and catastrophic. All Zone and CDS funds primary serve the needs outlined under the capital facilities and catastrophic reserves. The determination of the functions of reserves is sound and in accord with general governmental practice. The District’s general reserves are grouped amounts with delineation for Zone and CDS funds. In the District’s case, since all areas of reserves are tied to actual proportions of either revenue, expense, accumulated depreciation or replacement cost, the total amount of the reserve is highly flexible to meet changes in the District’s underlying circumstances.

This report proposes reserves for four purposes with specific methodologies for determination of the size of the general reserves and two purposes for Zone and CDS reserves.

### **Operations and cash flow reserve**

The District should maintain a portion of its general fund for purely cash flow purposes. The District has steady (quarterly and semi-annual) revenues and the majority of its expenses are expected. However, the District has recently had to adjust to an environment of increased reliance on its quarterly revenues due to a decrease in semi-annual revenues. This factor tends to indicate the propriety of a moderate level of reserves for cash flow purposes. A moderately conservative amount of 5% of the District’s total operating expenses should allow for continued liquidity under anticipated financial circumstances. **Based on the Budget, this would be \$169,700.**

The District also has a significant budget of operating costs, which is subject to fluctuation caused by a variety of factors. While the cash flow reserve exists to provide for mismatched revenues and expenses, the operating reserve allows the District to incur significant operating cost increases without significant negative effects on its cash flow or its credit standing. The range of operating reserves would tend to be from one to six months of operating expenses. With the District's generally conservative outlook and the uncertainty surrounding the total impact of the State's budget crisis, a higher reserve level is indicated. The actual operating reserve can be conservatively set at 120 days of operating and maintenance expenses. This is generally equal to total operating expenses less depreciation and amortization. **The operating reserve would be \$819,300.**

**The total operations and cash flow reserve would be \$989,000, contained within the general fund.**

### **Rate Stabilization Fund**

Rate stabilization reserves allow the District to absorb unanticipated changes in general property tax revenues and other operating costs and allow for time to determine, if rate changes are necessary, timing and size. The District could conservatively set its rate stabilization fund to be equal to 2 months of the total expenses less depreciation and amortization. **The rate stabilization reserve would be \$479,570.** At this time, the District's rate stabilization fund has a zero balance due to its merge into the general fund. We recommend separate allocation and accounting.

### **Capital Facilities Reserve**

The District has a total amount of accumulated depreciation and amortization with regard to existing assets of \$10,435,718 (as of its latest audited financial statement of June 30, 2004). A complete funding of depreciation to date for existing assets would allow the District a significant reserve against eventual replacement of infrastructure. Moreover, as discussed below, the level of capital replacement reserve would be sufficient to provide a reserve available to the District in the event of catastrophic loss. **The capital facilities reserve would be funded to \$10,435,718.**

The District currently has three funds that serve this purpose. We recommend combining the capital expenditure fund, capital replacement fund and surplus property fund to fill this need.

### **Catastrophic Reserve**

The catastrophic reserve is intended to provide funds to replace facilities subject to damage or destruction prior to the end of their useful lives. With the District's water system being primarily linear in nature, localized damage is more likely and would have a substantial impact. Damage to the systems of pipes and ditches that convey the water down the slope could cause water disruptions that last for days. In this type of scenario, the District would receive little to no outside funding support. Widespread damage to the



reservoir and/or entire system is more likely to be supported with FEMA and OES funds. Scenarios in which damage is widespread would tend to be those caused by natural disaster which would trigger support by FEMA and OES. More limited damage, such as that from a structural failure or an intentional act, would have a considerable effect but a more limited cost.

The amount reserved for capital replacement would be available for catastrophic loss as well. With the relatively limited possibility of a truly significant loss which is not covered by FEMA and OES support, the District can rely on its capital replacement reserve in the event of catastrophic loss.

The District's capital replacement fund would have filled this need. However, as stated above, we recommend using it to fund the capital facilities reserve.

### **Zone and CDS Funds**

The District currently maintains two separate Zone funds for the purpose of maintenance, operations, acquisitions and replacement of facilities in the Zone. We recommend combining the Zone capital expenditure fund into the Zone fund.

Three distinct CDS funds currently exist: the CDS fund, the CDS capital expenditure fund, and the CDS reserve connection fund. The CDS fund and CDS capital expenditure fund are used for maintenance, operations, repairs, acquisitions and improvements. The CDS reserve connection fund was created to fund expansion of the CDS facilities. The probability of expansion, however, is highly unlikely. We recommend combining the CDS capital expenditure fund and CDS reserve connection fund into the CDS fund.

Zone and CDS expenses are not discrete. However, the average annual expenses from 1994 through 2003 total \$181, 999. **The CDS and Zone reserves should each contain 45% of the average annual expenses, or \$81,900.** Full replacement should be calculated and funded by the CDS and Zone Funds.

2005-05

**RESOLUTION OF THE  
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT  
ESTABLISHING A FINANCIAL RESERVE POLICY**

**WHEREAS**, the District engaged the firm of Fieldman Rolapp and Associates to review and advise the District as to the appropriate level of reserve funding for the District; and

**WHEREAS**, Fieldman Rolapp prepared a report and presented their recommendations to the Board of Directors at a public meeting of the District; and

**WHEREAS**, the District discussed a draft reserve policy for the District prepared by the business/finance manager at the public meeting on April 12, 2005 and considered public comments thereon; and

**WHEREAS**, it is in the best interests of the District to establish a policy on maintaining adequate financial reserves to maintain the financial integrity of the District.

**NOW THEREFORE, BY IT HEREBY RESOLVED** as follows:

1. The Board hereby adopts the financial reserve policy attached hereto as Exhibit A.
2. The dollar amounts to be held in reserve for the District shall fluctuate according to the calculations set forth in the attached policy. The Board acknowledges that the estimated reserve amount set forth in the attached reserve policy are based upon calculations that will change as the District grows and regulations change. Accordingly, the actual amounts to be held in reserve shall vary according to the revised calculations.
3. The financial reserve policy and the actual amounts to be held in reserve shall be reviewed on an annual basis in conjunction with the adoption of the District budget.
4. The amounts set forth in the financial reserve policy shall be considered as goals of the District and do not establish minimum or maximum amounts that can be held in reserve. The actual amounts to be held in reserve may be revised by the District by Board action as is necessary to meet the financial needs of the District.

**PASSED AND ADOPTED** this 10<sup>th</sup> day of May 2005.

**AYES:** Bob Diekon, Norman Krizl, Doug Pickell, JoAnn Shepherd  
and Hy Vitcov

**NOES:** None

ABSENT: None



Bob Diekon  
President, Board of Directors  
Georgetown Divide Public Utility District


Attest:



HENRY N. WHITE, Clerk and ex officio  
Secretary, Board of Directors  
Georgetown Divide Public Utility District

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2005-05 duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on the tenth day of May, 2005.



Henry N. White, Clerk and ex officio  
Secretary, Board of Directors  
Georgetown Divide Public Utility District

fiscal year 2005 and another \$350,000 for fiscal year 2006. After the tax grab is over, it is recommended that the targeted rate stabilization reserve be set to 10% of the budgeted residential, commercial and irrigation water sales. At this time, the total would be **\$585,000**. It is recommended that this target be viewed as a minimum.

Water Capital. A maximum level for the water capital reserve could be equivalent to the total amount of accumulated depreciation as brought forward for consideration by the Consultant and the Independent Auditors. Oftentimes, it is unrealistic for districts to fund the capital facilities reserve at this maximum level. In many cases, districts choose to fund the reserve at a level relative to a stated percentage of the total amount of accumulated depreciation of the District's assets. Two additional factors to consider when setting the target for this reserve are:

- Providing a mechanism to fund capital investments from existing resources is often less costly than financing the capital investments. For example, in most cases, if the District pays \$100,000 for asset A from internal resources, it costs less than if the District borrows to pay for asset A as the District has to pay the \$100,000 plus the interest cost.
- Several of the funds recommended to be included in the water capital reserve calculation are restricted ordinance charges paid in an effort to provide for expansion of the water system. Utilizing accumulated depreciation as a basis to set the reserve target may not correlate to the reserves required for system expansion.

Discussions to date have stated that reserves could be simplified by incorporating emergency/catastrophic reserves with the capital reserves since capital reserves would be the most likely to be impacted in an emergency or catastrophe.

Discussions have also revolved around a myriad of means to calculate a reasonable water capital reserve. The following are some of the calculation methods considered:

1. Scheduling every asset owned by the District and determining a replacement value and timeframe to develop an in depth schedule of the amounts needed annually over the future to replace each asset.

Scheduling every water asset owned by the District and determining a replacement value and timeframe was discussed. This is theoretically the ideal way to determine the replacement requirements of water assets and is considered to be too administratively burdensome and costly to yield a valid result when the unknowns of regulation and acts of God can change the calculations in an instant. Other entities have

found a more macro approach to calculating this reserve to be more efficient.

2. Using the Summary of First Priority Water System Reliability Study Projects & Other Key Improvements (Capital Improvement Plan) to determine how much funding will realistically be needed over the next five years.

The last Capital Improvement Plan encompassed a wide range of activities, some of which relate to maintenance and are operating activities rather than investments in capital. The plan forecasted the need to spend between \$2 and \$3 million for each of the next few years. Once again some of these outlays can be reduced for the portion that is actually operating cost for maintenance as well as savings incurred by District staff actually undertaking the capital investment activities.

3. Consideration of the insured value of District property in determining the replacement value and impacts of a catastrophe.

The District's insured property values approximate \$4,870,000 and excludes much of the source of supply, transmission & distribution system, wastewater assets and land and land rights. This is probably not the best value to base the reserve on since it excludes major portions of the District's water assets.

4. Consideration of the ability of the District to actually carry out capital investment each year.

In theory, the District should invest at least the annual water depreciation amount in capital each year to endeavor to keep District assets up to date. Depreciation has approximated \$500,000 for each of the last five years compared to the average capital investment of \$260,000 for each of the last five years. This means that the District is spending about half of the annual depreciation amount for capital improvements. Some of the improvements are not considered necessary due to the quality of maintenance conducted by the District staff and other improvements are being deferred for a major improvement to hopefully be funded, at least partially, by a grant or loan. Consequently, if the annual accumulated depreciation balance is a maximum target for this reserve, then 50% of the annual accumulated depreciation is an administratively efficient and justifiable target for this reserve as it compares to the average actual capital investment made each year.

5. Consideration of a per customer amount to establish the reserve.

Once the reserve target is determined, it can be converted to a per customer amount, if desired.

This means that the recommended reserve is **\$5,300,000**.

Debt Service. The debt service reserves are legally required based on the debt instruments signed at the time the debt was issued. For all of the District's debt except the General Obligation Refunding Bond (GORB) for Stumpy Meadows and the Otter Creek loan, two years of debt service payments are required to be maintained within a certain amount of time after the issuance of the debt. All of the debt administered by the District has achieved this requirement except for the Stewart Mine debt which is still in the process of increasing the debt service reserve to the two years of debt payments amount. Some of the debt has excess balances which will be used to retire the debt as payoff time draws closer. In other words, the excess balances must be used to retire the debt. Any small residuals at the time of payoff can be requested by the District for General Fund purposes. The only other debt that requires further explanation is the Stumpy Meadows related debt. Currently all the debt payments are being funded by assessments and taxes collected by the County on behalf of the District. When the GORB is retired in 2008, three pieces of debt will need to be provided for as the County will no longer be collecting taxes to retire the debt:

- Sand Trap Department of Water Resources Contract due 10/1/13 with an interest rate of 3.88% and estimated balance at 6/30/08 less two years of debt service payments of \$116,000.
- Buffalo Hill Pipeline Department of Water Resources Contract due 4/1/13 with a rate of 3.0286% and estimated balance at 6/30/08 less two years of debt service payments of \$93,000.
- Otter Creek Department of the Interior interest free loan due 1/1/18 and estimated balance at 6/30/08 of \$45,000.

To minimize the impact on water rates for the retirement of these three loans, it is recommended that approximately \$254,000 be retained as a debt service requirement to retire the debt as of 6/30/08. This recommendation assumes that interest rates will not have a negative impact on the retirement of the debt at 6/30/08.

In addition, the GORB is only technically required to have an emergency reserve of \$85,000 as determined in the 1960s. The District has increased the emergency reserve amount over the last several years in an effort to achieve a balance of \$1,000,000. If the District formalizes a reserve policy with an adequate water capital reserve, including emergency reserves, then the separate \$1,000,000 balance will no longer be required.

At this time, the total debt service reserve, including a provision of \$254,000 for the GORB related loan payoffs would be **\$607,000**. This balance is somewhat higher than usual as the assessments to make the April 1, 2005 loan payments have been deposited in the reserves.

Retiree Health. This fund currently receives an annual transfer from the water operating fund as budgeted and an annual transfer of savings from the employee dental and optical allotments. During the year the qualifying retirees' health premiums are paid from the fund. The objective of this reserve is to provide for the qualified retiree health premiums in the future. The General Manager has developed an analysis of the fund requirements over the next 30 years. Based on certain assumptions this analysis shows the fund to be adequately funded at the current level of **\$359,000**.

NOTE: Governmental Account Standards Board (GASB) No. 45 Post Retirement Benefits may provide an additional means to calculate the necessary reserve once the District implements the new GASB. The required calculation for small employers uses a simplified actuarial approach.

Wastewater Operating. The wastewater operating reserve is to provide a cash flow cushion for the ZONE and CDS operations. The reserve target would be equal to two months of budgeted wastewater expenditures, excluding depreciation and amortization. For fiscal year 2005, this represents an amount approximating \$46,000; which coincidentally approximates the largest month of wastewater disbursements this year during the month of August approximating \$45,000.

At this time, the reserve would be **\$46,000**. It is recommended that this target be viewed as a minimum.

ZONE Capital. This reserve is used for capital acquisitions and improvements to ZONE facilities and equipment. Historically, the annual transfer of \$5,000 has not been adequate to fund the actual ZONE capital expenditures. The reserve is currently at a \$31,000 deficit. The deficit was created by the need to install the monitoring wells. Now that the wells are installed correcting the deficit and providing \$5,000 each year should be adequate for ZONE facilities and equipment in the future.

At this time the reserve needs to be **\$5,000** instead of a deficit.

CDS Capital. This reserve is used for acquisitions and improvements to CDS facilities and equipment as well as CDS costs not expected in the budget. The reserve is currently \$84,000. The bulk of the wastewater assets are related to the CDS. Using the accumulated depreciation method to determine the amount of the capital reserve the balance would be \$295,000. The projected need over the next



five years approximates \$20,000 per year. Based on this information, if the targeted reserve is set at 50% of accumulated depreciation, the reserve needs to increase to approximately **\$148,000** and be increased by about **\$10,000** per year.

Small Hydroelectric. This reserve is a discretionary fund used to fund hydroelectric activities. The balance of **\$221,000** is from previous hydroelectric activities and has been used for the recent activities related to starting up hydroelectric plants again. It is anticipated that this fund will account for future hydroelectric income and expenses.

**EXAMPLE CALCULATIONS**

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT						
STATEMENT OF CASH AND INVESTMENT BALANCES -- February 28, 2005						
Recap for Reserve Analysis Discussion						
FUNDS:	BEGINNING BALANCE	CASH RECEIPTS	CASH DISBURSEMENTS	ENDING BALANCE		
General Fund	\$2,617,976.55	888.42	(113,287.97)	2,505,577.00	Water Operating ≈ \$585,000	
Retiree	364,848.20	1,226.58	(6,734.34)	359,340.44	Retiree Health ≈ \$359,000	
Stewart Mine	15,287.05	17.26		15,304.31	Debt Service	
Bayne Road	18,315.86	38.00		18,353.86	Debt Service	
Georgetown-Buckeye Water Improvement District	4,939.55			4,939.55	Water Capital	
Water Development	277,712.74	4,000.00		281,712.74	Water Capital	
Bond & Interest for Debt Service	93,497.74	117.45	(61,110.88)	32,504.31	Debt Service	
Buffalo Pipeline	25,902.52			25,902.52	Debt Service	
Sand Trap Siphon	29,897.00			29,897.00	Debt Service	
Stumpy Meadows Emergency Reserve Fund (SMERF)	1,006,256.97			1,006,256.97	Debt Service ≈ \$254,000 remainder Water Capital	
Pilot Hill North	29,001.47			29,001.47	Debt Service	
Pilot Hill South	55,255.84			55,255.84	Debt Service	
Kelsey North	60,069.83			60,069.83	Debt Service	
Kelsey South	87,000.77	4.16		87,004.93	Debt Service	
Capital Replacement Fund	417,163.63		(434.25)	416,729.38	Water Capital	
Pipeline Fund	301,588.03	4,548.15		306,136.18	Water Capital	
DWR Feasibility Study	(5,569.71)			(5,569.71)	Water Operating	
Small Hydro Fund	221,121.84		(48.02)	221,073.82	Small Hydroelectric	
Treatment Plant Fund	852,354.15		(15,744.49)	836,609.66	Water Capital	
Capital Expenditure Fund	268,156.51			268,156.51	Water Capital	
Storage Fund	631,880.41	1,900.00		633,780.41	Water Capital	
Garden Valley	93,463.60			93,463.60	Water Capital	
Surplus Property	71,817.77			71,817.77	Water Capital	
Zone Fund	91,987.32	2,469.30	(10,028.22)	84,428.40	Wastewater Operating	
Community Disposal System (CDS) Fund	16,830.43		(255.58)	16,574.85	CDS Capital	
Zone Capital Expenditure Fund	(31,262.57)			(31,262.57)	Zone Capital	
CDS Capital Expenditure Fund	3,105.41			3,105.41	CDS Capital	
CDS Reserve Connection Fund	62,392.81	1,500.00		63,892.81	CDS Capital	
	\$7,680,991.72	16,709.32	(207,643.75)	7,490,057.29		