

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

Special Notation:

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

*384 West 5200 South
Washington Terrace, Utah 84405*

TUESDAY, MAY 10, 2016
2:00 P.M.

MISSION STATEMENT

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

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

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

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

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

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

ACTION:

- A. **SET HEARING ON PROPOSITION 4 APPROPRIATION LIMIT**
- B. **CONSOLIDATED GENERAL ELECTION**
- C. **APPROVE FY 2014-15 AUDIT**

RECEIVE AND FILE:

D. FINANCIAL REPORTS

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

5. PRESIDENT’S REPORT

6. BOARD REPORTS

7. OPERATIONS MANAGER’S REPORT

8. GENERAL MANAGER’S REPORT

9. FINANCE COMMITTEE REPORT

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

- a. **Discussion** – In February 2016, the District solicited RFPs for audit services. Two firms were responsive. The Finance Committee has reviewed the responses and recommends that GDPUD accept the proposal from Moss, Levy & Hartzheim LLP for audit services for the Fiscal Year 2015-16.
- b. **Possible Board Action** – Staff recommends the Board of Directors follow the recommendation of the Finance Committee to hire the firm of Moss, Levy & Hartzheim LLP to conduct the FY 2015-16 annual audit.

11. ALT TREATMENT UPDATE

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

12. GDPUD WATER RATE STUDY – PLANNING AND MANAGEMENT DISCUSSION

- a. **Discussion** – The most recent Water Rate Study/Cost of Services report was completed in 2011. Staff believes the Report should be updated to reflect current conditions and District services and has identified tasks, roles and responsibilities, and a timeline for completing a new Rate Study/Cost of Services report. A discussion paper outlining those details has been included in the agenda packet. Staff is proposing that an outside organization be contracted to complete this task and that a detailed Request for Proposal (RFP) be developed.
- b. **Possible Board Action** – Staff recommends the Board of Directors 1) review the discussion paper and provide comments, concerns, and suggestions to staff for developing an RFP to solicit proposals for a Water Rate Study/Cost of Services report, and 2) schedule a workshop to approve the scope of the RFP.

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

14. CLOSED SESSION

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

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

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Wendell Wall by telephone at 530-333-4356 or by fax at 530-333-9442. Requests must be made as early as possible and at least one-full business day before the start of the meeting. In accordance with Government Code Section 54954.2(a), this agenda was posted on the District's bulletin board at the Georgetown Divide Public Utility District office, at 6425 Main Street, Georgetown, California, on May 4, 2016.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Planned agenda items for Regular Meetings for the Board of Directors

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

Memo

To: Board of Directors

From: Victoria Knoll, Office Manager

Date: May 3, 2016

Re: **SET PUBLIC HEARING FOR PROPOSITION 4 APPROPRIATION LIMIT
FOR JUNE 14, 2016 AT 2:00 PM**

Board Meeting of May 19, 2016; Agenda Item #4A (Consent Calendar)

BACKGROUND / DISCUSSION

In November 1979, the voters of the State of California approved Proposition 4, commonly known as the (Paul) Gann Initiative. The Proposition limits the amount of tax revenue that can be spent by all entities of government. The District is a local government and, therefore, must comply with the Proposition. The Proposition became effective for the 1980-81 Fiscal Year. Since that time, the District has been setting a public hearing annually to establish its appropriation limit, which is derived from information received from the State Department of Finance during May.

RECOMMENDATION

Staff recommends setting a public hearing for the Proposition 4 Appropriation Limit for June 14, 2016 at the 2:00 PM Regular Board Meeting.

Memo

To: Board of Directors

From: Victoria Knoll, Office Manager

Date: May 3, 2016

Re: **CONSOLIDATED GENERAL ELECTION – RESOLUTION 2016-10**

Board Meeting of May 10, 2016; Agenda Item #4B (Consent Calendar)

BACKGROUND / DISCUSSION

Every two years (even years), the District utilizes the services of the El Dorado County Recorder-Clerk-Registrar of Voters to conduct District elections. In order for the District to utilize the County's services, a resolution must be adopted. A copy of **Resolution 2016-10** is included as **ATTACHMENT 1** to this report.

The County also requires a *Notice of Consolidated Districts Election* (**ATTACHMENT 2**) posted in three or more locations. The District plans to post the *Notice of Consolidated Districts Election* at the District Office and at the post offices in Cool, Garden Valley, Greenwood, Georgetown, and Pilot Hill.

The *Notice of Elective Offices to be Filled and Transmittal of Map and Boundaries* (**ATTACHMENT 3**) is to be executed. The *Notice of Elective Offices to be Filled and Transmittal Map and Boundaries* will designate no annexations and no deletions of parcels since December 2014, candidate statements are paid for by the candidate, and there are no District measures to be voted on.

A copy of the County's instructions and Election Code Sections 10522 and 13307 are included as **ATTACHMENT 4** to this report.

RECOMMENDATION

Staff recommends the Board of Directors 1) adopt **Resolution 2016-10**, 2) approve the execution of the *Notice of Elective Offices to be Filled and Transmittal of Map and Boundaries*, and 3) direct staff to post the *Notice of Consolidated Districts Election* as required by the County of El Dorado.

RESOLUTION NO. 2016-10

Georgetown Divide Public Utility District

Declaring an Election Be Held in its Jurisdiction
Consolidation with Other Districts
Requesting Election Services

WHEREAS, it is the determination of the above-named district that an election be held on November 8, 2016, at which election the issue to be presented to the voters shall be:

NOMINATION OF CANDIDATES

No. of Members

To be Elected

2

Term

Full 4 year terms to expire 12/04/2020

BE IT RESOLVED that the Elections Department of El Dorado County is hereby requested to:

1. Consolidate said election with any other election conducted on the same day.
2. Authorize and direct the Registrar of Voters, at District expense, to provide all necessary services, which shall include, **but not be limited to:**

publications, issue nomination documents, ballots, sample ballots, election officers, polling places and canvass.


3. In the event of a tie vote, the winning candidate shall be decided by lot.

PASSED AND ADOPTED on May 10, 2016 at a regular meeting, by the following vote:

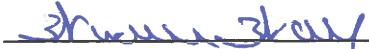
AYES: Hanschild, Hoelscher, Krizl, Uso

NOES:

ABSENT/ABSTAIN: Capraun



Norman A. Krizl, President


ATTEST: 

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

Date: May 10, 2016

CERTIFICATION

I hereby certify that the foregoing is a full, true and correct copy of **Resolution 2016-10** 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 10th day of May 2016.



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

PLEASE POST

Notice of Consolidated Districts Election

(Elections Code Sections 10510,12112)

Georgetown Divide Public Utility District

(Name of District)

Notice hereby is given that a Consolidated Districts Election will be held in this district on Tuesday, November 8, 2016.

The names of the offices for which candidates may be nominated are as follows:

**Two Full Terms to be elected will Expire 12/04/2020
Incumbents: Maria Capraun – Seat 4 and
Norman Krizl – Seat 5**

The qualifications of a nominee and of an elective officer of the district are as follows:

Registered Voter within the District

There are measures to be voted on: Yes No
(Please circle one)

Declaration of candidacy forms for eligible candidates desiring to file for any of the elective offices may be obtained from the Elections Department at 2850 Fairlane Court, Placerville, CA. Forms shall be available commencing on July 18, 2016, before the election, and shall be filed with the Elections Department, in person no later than 5:00 p.m., August 12, 2016, before the election.

PLEASE NOTE: Districts in the Tahoe area call (530) 621-7490 for appointment.

In the event that are no nominees or an insufficient number of nominees for each elective office and a petition for an election is not timely filed, an appointment to such elective office shall be made. (Elections Code Section 10515)

The ¹ Candidates Statement is to be paid for by: Candidate District
(Please circle one)

Date: March 09, 2016

William E. Schultz
Recorder-Clerk-Registrar of Voters

INSTRUCTIONS:

¹ **NOTE:** FPPC Regulations Section 18530, effective October 10, 1990, provides that districts can pay for "production and dissemination of candidates statements" notwithstanding Government Code Section 85300 forbidding use of public funds "for the purpose of seeking elective office."

NOTE: This Notice shall be published once by the Registrar of Voters at least 90 days and not more than 120 days before the general election in a newspaper of general circulation published in the district or, if none, in a newspaper having general circulation in the district published in any affected county in the district. (EC 12112)

Notice of Elective Offices to be Filled and Transmittal of Map and Boundaries

(Residential and Landowner Voting Districts)
(Elections Code Sections 10509,10522,10524)

Georgetown Divide Public Utility District

(Name of District)

To the Registrar of Voters of El Dorado County,

Notice hereby is given that the elective offices of the district to be filled at the Election on November 8, 2016 are as follows:

**Two Full Terms to Expire 12/04/2020
Currently Held By: (Incumbents) Maria Capraun – Seat 4 and
Norman Krizl – Seat 5**

Pursuant to Election Code 10522, the District shall submit a current map in either a digital shape file or hard-copy paper map to the Elections Department **NO LATER THAN FRIDAY, JULY 6, 2016.**

The qualifications of a candidate and of an elective officer of the district are as follows: ¹

Registered Voter within the District

The ² Candidate's Statement is to be paid for by:

Candidate District
(Please circle one)

There are measures to be voted on:

Yes No
(Please circle one)

Dated May 10, 2016

(Seal of the District)

Wendell B. Wall
(District Secretary)

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

INSTRUCTIONS:

- ¹ The qualifications of a candidate for elective office, and of an elective officer, of a district shall be determined by the principal act of that district. (Elections Code Section 10514) Generally, the qualification for a resident voting district is "resident elector within the district or division thereof, if any," and the qualification for a landowner voting district is "resident and freeholder within the district or division thereof, if any."
- ² **NOTE:** FPPC Regulations Section 18530, effective October 10, 1990, ruled that districts can pay for "production and dissemination of candidates statements" notwithstanding Government Code Section 85300 which forbids use of "public money for promoting candidacies."

NOTE: This Notice and Transmittal shall be made at least 125 days before the general district election and shall either be delivered in person or mailed by certified mail in time to reach the Registrar of Voters on the designated date. (Elections Code Sections 10504, 10509, 10522, 10524)

*** Please return this form to the Elections Dept. ***

COUNTY OF EL DORADO

RECORDER CLERK - REGISTRAR OF VOTERS - VETERANS AFFAIRS

William E. Schultz

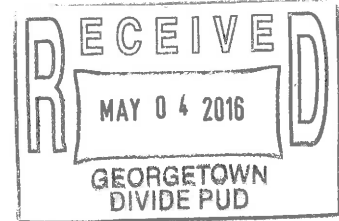


Recorder-Clerk
Commissioner of Civil Marriages
360 Fair Lane
Placerville CA 95667
www.edcgov.us/countyclerk/
Phone: 530.621.5490
Jane Kohlstedt
Assistant Recorder-Clerk

Registrar of Voters
2850 Fairlane Court
PO Box 678001
Placerville CA 95667
www.edcgov.us/elections/
Phone: 530.621.7480 Fax: 530.626.5514
Linda Webster
Assistant Registrar of Voters

Veterans Affairs Office
130 Placerville Drive,
Placerville CA 95667
www.edcgov.us/veterans/
Phone: 530.621.5893
William E. Schultz
Veterans Affairs Interim Dept. Head
Ed Swanson
Veterans Service Officer

TO: Special Districts
FROM: William E. Schultz
Recorder-Clerk-Registrar of Voters
DATE: March 9, 2016
SUBJECT: Consolidated District Election to be held November 8, 2016



Enclosed are the necessary forms for the upcoming GENERAL ELECTION that will be held on Tuesday, November 8, 2016.

Complete the enclosed forms, make copies for your files and return the **originals** to my office **NO LATER THAN WEDNESDAY, JULY 6, 2016.**

Note: The enclosed resolution **must be passed by your Board of Directors** and the **original, signed document** returned to my office along with other completed documents.

Pursuant to Elections Code Sec. 10522 (enclosed), you must submit a current map showing the boundaries of the District and the official boundaries of the divisions of the district, if any. You must provide these maps as either a digital shape file or hard-copy paper map. If you require further information on this request, please contact my office at (530)621-7486.

If appointments to fill vacancies have been made by your Board since the last Consolidated District Election (November, 2014), keep in mind that appointees only hold office until the next Consolidated Districts Election (November 8, 2016). If the term is unexpired, it shall appear on the ballot as such. Therefore, when submitting the **NOTICE OF ELECTIVE OFFICES TO BE FILLED AND TRANSMITTAL OF MAP AND BOUNDARIES**, indicate these offices separately from those regularly appearing for election at this time. (Government Code Sec. 1780, enclosed)

For your convenience, we have enclosed a resolution that may be used by your Board of Directors requesting to consolidate your election with any other election conducted on said date. You may use the enclosed resolution or you may draft your own, either one must be filed with the Elections Department **NO LATER THAN 5:00 P.M. on July 6, 2016.** This will enable the publication of "Notice of Election" to take place in a timely manner.

Please address all inquiries and required documents to:

Elections Department
Attn: Kim Smith
2850 Fairlane Court, Building C
Placerville, CA 95667

Complete the areas on the forms marked with the red (X). If you do not agree with our records, please contact Kim Smith at (530) 621-7490 immediately.

Attachments: Resolution
 Notice of Consolidated Districts Election "Please Post"
 Elections Code Sec. 10522
 Notice of Elective Offices to be filled

Note: You are required to post the "Notice of Consolidated Districts Election" in three or more conspicuous places within the District to inform the resident voters of the impending election and the number of available positions up for election.



State of California

ELECTIONS CODE

Section 10522

10522. At least 125 days prior to the day fixed for the general district election, the secretary of a resident voting district shall deliver to the county elections official of each affected county a map showing the boundaries of the district and the boundaries of the divisions of the district, if any, within that county and a statement indicating in which divisions a director is to be elected and whether any elective officer is to be elected at large at the next general district election.

(Enacted by Stats. 1994, Ch. 920, Sec. 2.)



State of California

ELECTIONS CODE

Section 13307

13307. (a) (1) Each candidate for nonpartisan elective office in any local agency, including any city, county, city and county, or district, may prepare a candidate's statement on an appropriate form provided by the elections official. The statement may include the name, age, and occupation of the candidate and a brief description, of no more than 200 words, of the candidate's education and qualifications expressed by the candidate himself or herself. However, the governing body of the local agency may authorize an increase in the limitations on words for the statement from 200 to 400 words. The statement shall not include the party affiliation of the candidate, nor membership or activity in partisan political organizations.

(2) The statement authorized by this subdivision shall be filed in the office of the elections official when the candidate's nomination papers are returned for filing, if it is for a primary election, or for an election for offices for which there is no primary. The statement shall be filed in the office of the elections official no later than the 88th day before the election, if it is for an election for which nomination papers are not required to be filed. If a runoff election or general election occurs within 88 days of the primary or first election, the statement shall be filed with the elections official by the third day following the governing body's declaration of the results from the primary or first election.

(3) Except as provided in Section 13309, the statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5 p.m. of the next working day after the close of the nomination period.

(b) (1) The elections official shall send to each voter, together with the sample ballot, a voter's pamphlet which contains the written statements of each candidate that is prepared pursuant to this section. The statement of each candidate shall be printed in type of uniform size and darkness, and with uniform spacing.

(2) The elections official shall provide a Spanish translation to those candidates who wish to have one, and shall select a person to provide that translation who is one of the following:

(A) A certified and registered interpreter on the Judicial Council Master List.

(B) An interpreter categorized as "certified" or "professionally qualified" by the Administrative Office of the United States Courts.

(C) From an institution accredited by a regional or national accrediting agency recognized by the United States Secretary of Education.

(D) A current voting member in good standing of the American Translators Association.

(E) A current member in good standing of the American Association of Language Specialists.

(c) The local agency may estimate the total cost of printing, handling, translating, and mailing the candidate's statements filed pursuant to this section, including costs incurred as a result of complying with the federal Voting Rights Act of 1965, as amended. The local agency may require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet. In the event the estimated payment is required, the receipt for the payment shall include a written notice that the estimate is just an approximation of the actual cost that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements. Accordingly, the local agency is not bound by the estimate and may, on a pro rata basis, bill the candidate for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the local agency may require the candidate to pay the balance of the cost incurred. In the event of overpayment, the local agency which, or the elections official who, collected the estimated cost shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.

(d) Nothing in this section shall be deemed to make any statement, or the authors thereof, free or exempt from any civil or criminal action or penalty because of any false, slanderous, or libelous statements offered for printing or contained in the voter's pamphlet.

(e) Before the nominating period opens, the local agency for that election shall determine whether a charge shall be levied against that candidate for the candidate's statement sent to each voter. This decision shall not be revoked or modified after the seventh day prior to the opening of the nominating period. A written statement of the regulations with respect to charges for handling, packaging, and mailing shall be provided to each candidate or his or her representative at the time he or she picks up the nomination papers.

(f) For purposes of this section and Section 13310, the board of supervisors shall be deemed the governing body of judicial elections.

(Amended by Stats. 2015, Ch. 144, Sec. 1. (SB 366) Effective January 1, 2016.)

Memo

To: Board of Directors

From: Victoria Knoll, Office Manager

Date: May 3, 2016

Re: **APPROVAL OF 2014-15 AUDITED FINANCIALS**

Board Meeting of May 10, 2016 Agenda Item #4C (Consent Calendar)

BACKGROUND/DISCUSSION

The 2014-15 Final Draft Financials were presented at the April 12, 2016 Board meeting. There have not been any changes to the document with the exception of one paragraph at the top of page 8. The wording was confusing so it has been amended to best reflect what Table A-4 on that same page shows. The updated Page 8 is included with this report as **ATTACHMENT 1**.

THE FOLLOWING TEXT IS REPEATED FROM THE APRIL 12, 2016 BOARD MEETING:

An audit is a systematic examination of resource utilization concluding in a written report ascertaining whether the financial statements fairly present the District's financial position and results of operations. It is a test of management's internal accounting controls over account balance assertions, details of transactions, and the financial reporting process.

Moss, Levy & Hartzheim provides the independent external audit of the District. This year the audit began in the first week of September, 2015. The 2014-2015 Draft audited financials were reviewed by the Audit Committee on March 15, 2016 with Director Uso, Director Capraun, Donna Bruss, and staff member Victoria Knoll. The Board Members were sent a copy of the Draft Audit on March 2, 2016 for their review and comments. No comments were received. Derek Rampone from Moss, Levy and Hartzheim will be available via phone conference for questions at 3:40 p.m. at the scheduled April 12, 2016 Board Meeting.

INDEPENDENT AUDITOR'S REPORT:

Moss, Levy & Hartzheim LLP issued an unqualified opinion on Georgetown Divide PUD's financial statements for fiscal year 2014-15, with an Emphasis of Matter and Other Matter statement. The audit expresses the opinion that

the financial statements referred to in this report represent fairly, in all material respects, the financial position of the business-type activities, each major fund, and fiduciary fund of the District as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

There was an Emphasis of Matter issued that refers to the change in accounting principles effective July 1, 2014. The District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68. Moss, Levy & Hartzheim LLP's opinion is not modified with respect to this matter.

2014-15 FINANCIAL HIGHLIGHTS:

Operating Revenues were down by 14.6%, which is reflective of the state mandated restrictions placed on water use (p. 6). Non-operating revenues were up 8.6%, bringing total operating revenues down 5.3%. Both operating and non-operating expenses were down 1%. The change in net position in 2014-15 from 2013-14 is -\$191,661, or down by 15.5%.

The biggest adjustment to net position was a prior period adjustment for the PERS liability of -\$3,055,808 (GASB 68). The ending net position on June 30, 2015 is \$16,628,042, down \$3,247,469 (p. 6).

The net increase in cash position on June 30, 2015 from June 30, 2014, is \$825,575, net of proceeds from maturities of investment (\$400,000), \$425,575 (p. 18). Net cash used by operating activities was (\$947,031).

RECOMMENDATION

Staff recommends the Board of Directors 1) accept the Basic Financial Statements for Fiscal Year ending June 30, 2015 and 2) direct staff to publish the Fiscal Year 2014-2015 Financial Statements.

ATTACHMENT 1

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Management's Discussion and Analysis June 30, 2015

Operating Expenses by Department

Total operating expenses decreased \$65,701 or 1.74% to \$3,707,525. The largest expense decrease was in Transmission and Distribution – Treated Water and Water Treatment due to the continued minimum amount of staffing. The decrease to On-site Wastewater Disposal was due to position vacancies. Hydroelectric activities are combined with the administrative activities as they are not material enough to present separately. Source of Supply expenses decreased due to personnel adjustments. Operating expenses are depicted in Table A-4.

**Table A-4
Operating Expenses by Department**

	<u>Fiscal Year</u> 2015	<u>Fiscal Year</u> 2014	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Source of Supply	\$231,538	\$273,696	(\$42,158)	-15.40%
Transmission and Distribution – Raw Water	576,995	533,782	43,213	8.10%
Water Treatment	540,882	543,592	(2,710)	-.49%
Transmission and Distribution – Treated Water	540,249	620,552	(80,303)	-12.94%
Customer Service	260,774	207,892	52,882	25.44%
Administrative and Hydroelectric	721,814	698,983	22,831	3.27%
Depreciation and Amortization	672,901	693,720	(20,819)	-3.00%
On-site Wastewater Disposal Zone	<u>162,372</u>	<u>201,009</u>	<u>(38,637)</u>	-19.22%
Total Operating Expenses	<u>\$3,707,525</u>	<u>\$3,773,226</u>	<u>(\$65,701)</u>	<u>-1.74%</u>

Operating Revenues vs. Operating Expenses

The District's operating loss increased by \$266,385. Table A-5 compares operating revenues to operating expenses and depicts the District's reliance on other revenue for operations.

**Table A-5
Operating Revenues vs Operating Expenses**

	<u>Fiscal Year</u> 2015	<u>Fiscal Year</u> 2014	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
Operating Revenues	\$1,962,452	\$2,294,538	(\$332,085)	-14.47%
Operating Expenses	<u>3,707,525</u>	<u>3,773,226</u>	<u>(65,701)</u>	-1.74%
Operating Loss	<u>(\$1,745,073)</u>	<u>(\$1,478,688)</u>	<u>(\$266,385)</u>	<u>18.01%</u>

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

Memo

To: Board of Directors
From: Sarah Wright, Administrative Aide
Date: May 10, 2016
Re: May Final Pays

Please take note that checks have been printed May 10, 2016 for the following vendors to comply with payment/mailling deadline.

ACWA/JPIA	Jessie Hanschild
ALL Cycle	Harris Industrial Gases
Anderson's Sierra Pipe Co	Holt of CA
ARC	Home Depot
Archer, Gail	Interstate Sales
BJ Pest Controll	MJT Enterprise
CA Rural Water Assn	Mobile Mini
CSI	Pacific Power
CCS Interactive	Premier Access
Creeks, Darrell	Psomas
Corbin Willits Systems	Robinson Enterprise
D&S Supply	Shingle Springs Heating
Divide Auto	Sierra Coffee
El Dorado Disposal	Rebecca Siren
Ferguson	State Water Resource Board
Foothill Associates	United Rentals
GEI Consult	UnitedHealth care
Georgetown Ace Hardware	U S Bank
Divide Supply	Victoria Knoll
George Sanders	Walkers Office Supply
Gold Business Forms	Customer Refund – GUA0012 WHI0048

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

Name Description	Amount	Account	Amount
ACWA - Workers Compensation	\$ 14,812.00	5120	\$ 5,224.59
		5320	\$ 1,351.78
		5420	\$ 3,971.24
		5520	\$ 512.12
		5220	\$ 2,399.85
		5620	\$ 442.78
		6720	\$ 909.64
ADT - Monthly service cost	\$ 178.64	10-1156-014	\$ 178.64
All Cycles--Miscellaneous Supplies	\$ 535.42	5146	\$ 524.72
		5446	\$ 10.70
Anderson's Sierra Pipe	\$ 868.88	5138	\$ 354.75
		5238	\$ 514.13
ARC	\$ 612.45	10-1553-009	\$ 612.45
Archer, Gail - reimbursement	\$ 17.50	5542	\$ 17.50
Customer Refund ARE01 - Irrigation deposit refund	\$ 2,300.00	10-2142	\$ 2,300.00
AT&T- Monthly Serv	\$ 798.76	5344	\$ 113.13
		5544	\$ 119.08
		5644	\$ 312.27
		6744	\$ 119.08
		30-1226	\$ 135.20
BJ Pest Control--Pest Control	\$ 300.00	5676	\$ 300.00
California rural water assn	\$ 1,146.00	5689	\$ 1,146.00
Caltronics-Copier contract-copy charges	\$ 394.43	5640	\$ 394.43
CSI - monthly service charge	\$ 59.00	6744	\$ 59.00
CCSInteractive - Website Development	\$ 69.00	5640	\$ 69.00
Creeks, Darrell - reimbursement	\$ 1,359.39	5642	\$ 1,359.39
Corbin Willits Systems	\$ 553.20	5546	\$ 276.60
		5646	\$ 276.60
D&S	\$ 2,835.62	5438	\$ 2,835.62
De Lage - Copier lease 04/01/-04/30/16	\$ 433.49	5640	\$ 433.49
Divide Auto Parts	\$ 109.56	5238	\$ 4.29
		5438	\$ 4.29
		5446	\$ 100.98
Ecorp	\$ 1,890.08	5128	\$ 1,890.08
El Dorado disposal	\$ 305.40	5646	\$ 101.80
		5346	\$ 203.60
EN2 Resources	\$ 1,922.75	09-1650	\$ 1,922.75
Ferguson	\$ 172.00	5438	\$ 172.00
Ferrellgas	\$ 661.97	5644	\$ 661.97
Foothill Associates	\$ 3,134.45	10-1553-009	\$ 3,134.45
Garden Valley Feed & Hardware	\$ 120.48	5238	\$ 120.48

GEI Consultants	\$ 2,166.64	5180	\$ 2,166.64
Georgetown Gazette	\$ 73.62	5340	\$ 73.62
Georgetown Hardware	\$ 178.83	5238	\$ 132.15
		5438	\$ 46.68
Georgetown Divide Supply	\$ 1,231.23	5238	\$ 752.00
		5438	\$ 332.97
		09-1556	\$ 132.11
		5138	\$ 14.15
George Sanders	\$ 7,092.64	10-1553	\$ 5,680.00
		5680	\$ 1,412.64
Global Machinery	\$ 249.58	5238	\$ 249.58
Gold Business Forms - Door hangers ALT	\$ 371.33	6740	\$ 371.33
Hanschid, Jesse - Reimbursement	\$ 1,295.00	5642 010	\$ 1,295.00
Harris Industrial Gases	\$ 69.85	5438	\$ 69.85
Customer Refund Hay03	\$ 2,300.00	10-2142	\$ 2,300.00
HD Supply	\$ 612.93	5238	\$ 612.93
Holt of CA	\$ 6,447.85	10-1414	\$ 6,447.85
Home Depot	\$ 317.82	5346	\$ 317.82
Interstate Sales	\$ 802.22	5238	\$ 802.22
Legal Shield	\$ 170.05	5190	\$ 17.90
		5290	\$ 35.80
		5390	\$ 8.95
		5490	\$ 8.95
		5590	\$ 17.90
		5690	\$ 35.80
		5690-10	\$ 26.85
		6790	\$ 17.90
MC Nicols Co.	\$ 559.59	5238	\$ 559.59
Medical Eye Service	\$ 281.08	5118	\$ 9.37
		5218	\$ 46.85
		5318	\$ 9.37
		5418	\$ 37.48
		5518	\$ 18.74
		5618	\$ 140.53
		6718	\$ 18.74
MJT Enterprises, Inc.--Temporary Labor	\$ 13,236.50	5211	\$ 6,670.30
		5511	\$ 3,413.00
		5611	\$ 3,153.20
Mobile Mini - Storage Rental	\$ 173.62	5639	\$ 173.62
PG&E--Utilities Electric	\$ 8,558.96	5344	\$ 7,079.86
		5444	\$ 376.13
		5644	\$ 642.47
		6744	\$ 460.50
Premier Access Dental	\$ 2,050.16	5118	\$ 111.56
		5218	\$ 167.34
		5318	\$ 55.78
		5418	\$ 278.90

		5518	\$ 111.56
		5618	\$ 1,213.46
		6718	\$ 111.56
Pro-Line Cleaning Services--Janitorial Services	\$ 250.00	5676	\$ 250.00
Psomas- ALT Upgrade	\$ 3,670.51	10-1553-009	\$ 3,670.51
Robinson Enterprise- Gasoline & Diesel	\$ 3,442.51	5148	\$ 257.82
		5248	\$ 1,295.28
		5348	\$ 584.88
		5448	\$ 1,061.00
		6748	\$ 243.53
Rocklin Saw Works	\$ 427.50	5139	\$ 213.75
		5239	\$ 213.75
Shingle Springs Heating	\$ 435.12	5676	\$ 435.12
Sierra Coffee	\$ 88.00	5640	\$ 88.00
Siren and Associates	\$ 11,794.50	6780	\$ 210.00
		5680	\$ 10,500.00
		5180	\$ 1,084.50
State Water Resource Board	\$ 10,648.80	5384	\$ 10,648.80
United Rentals Northwest - staff training	\$ 400.00	5442	\$ 400.00
USA Bluebook - misc materials	\$ 121.84	5238	\$ 121.84
US Bank - Cal Card	\$ 4,698.10	5640	\$ 259.41
		10-1226	\$ 71.19
		5641	\$ 199.00
		5439	\$ 4,168.50
Verizon Wireless	\$ 376.41	5344	\$ 27.77
		5444	\$ 160.88
		5644	\$ 160.88
		6744	\$ 26.88
Victoria Knoll - reimbursement	\$ 729.16	5642	\$ 729.16
Walker's Office Supply--Office Supplies	\$ 330.02	5640	\$ 330.02
Wall, Wendal - Reimbursement	\$ 357.88	5641	\$ 357.88
Customer Refunds-Overpayment	\$ 175.72	10-2010	\$ 175.72
Customer refund - WQIM01 Irrigation deposit	\$ 2,300.00	10-2142	\$ 2,300.00
Total General Fund	\$ 124,076.04		\$ 124,076.04

RETIREE FUND			
AARP Medicare Rx - May 2016	\$ 62.00	12-1157	\$ 62.00
Anthem Blue Cross	\$ 3,759.90	12-1157	\$ 3,759.90
Blue Shield of CA - J St Dennis 05/01/16-05/31/16	\$ 161.00	12-1157	\$ 161.00
Blue Shield of CA - Eldon and Geri Lue 05/01-07/31	\$ 1,473.00	12-1157	\$ 1,473.00
Unitedhealthcare Ins - Prepay for D Schwagel, May	\$ 142.25	15668	\$ 142.25
Total Various Fund	\$ 5,598.15	Fund #25	

TOTAL ALL FUNDS IN GENERAL ACCOUNT	\$ 129,674.19	\$ 129,674.19
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Approved for Payment:

Treasurer

General Manager

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
Revenue Summary*

For the Months between **07/01/2015-03/31/2016**

REVENUE CATEGORY	Budget 15-16	To Date	Balance	% of Budget		Notes
		07/01/2015-03/31/2016		Earned		
Rev. Dec 2015						
Operating Revenue:						
Residential Sales	\$1,120,000	929,119	190,881	82.96%		A
Commercial Sales	162,750	127,118	35,632	78.11%		A
Irrigation Sales	100,000	48,455	51,545	48.46%		B
Wastewater	352,420	259,105	93,315	73.52%		C
CA Waste Fee						
Zone Charges						
Zone Escrow Fees		24,800				
Septic Design Fees						
Soil Evaluations/Loans						
Penalties	36,060	31,965	4,095	88.64%		D
Other	1,550	1,527	23	98.52%		E
Connection Fees						
Installation Fees		7,556.00				
Material Sales						
Other (primarily photo copies)		1,002				
Water Fund Material/Labor						
Total Operating Revenue	\$1,772,780	1,430,648	375,491	80.70%		
Non-Operating Revenue:						
Property Taxes-General	\$1,349,360	906,862	442,498	67.21%		F
SMUD	\$90,000	108,515				
Restricted Benefit Charge	10,000	0	10,000	0.00%		G
Interest Income	62,500	23,949	38,551	38.32%		H
Water Agency Cost Share	32,500	0	32,500	0.00%		
Leases	47,000	42,774	4,226	91.01%		
Hydro	63,000		63,000	0.00%		
Other (EPA Grant Reimbursement)	1,000	364,678	(363,678)	36467.84%		
Total Nonoperating Revenue	\$1,655,360	1,446,778	\$227,097	87.40%		
Total Revenue Before Transfers In	\$3,428,140	2,877,426	602,587	83.94%		
Transfers In	268,000		268,000	-		
Total Revenue After Transfers In	\$3,696,140	2,877,426	870,587	77.85%		

NOTES:

- A - Revenue accrued through 31-Mar-16
- B - Represents irrigation revenue through 31-Mar-16
- C - Revenue of 31-Mar-16
- D - Penalties for 31-Mar-16
- E - Primarily connection and installation fees
- F - Property Taxes based on County Estimate
- G - Represents ordinance charges
- H - The interest revenue represents interest on checking, savings, money markets, time deposits, LAIF and Kelsey and Pilot Hill Assessment Receivable Contracts

*Subject to revision with actual audit.

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Expense Summary*

For the Months Between: 07/01/2015 - 03/31/2016

Acct#	EXPENSE CATEGORY	Revised Budget 2015-2016	To Date 07/01/2015 - 03/31/2016	Balance	% of Bur Spent
Operating Expenses:					
5010	Labor	1,100,000	779,743	320,257	71%
5019	Overtime	58,500	32,025	26,475	55%
5017	Standby	42,500	27,730	14,770	65%
5011	Temporary Labor	158,800	96,304	62,496	61%
5014	PERS Benefits	115,000	81,253	33,747	71%
5016	Payroll Taxes	95,000	68,749	26,251	72%
5018/5071	Insurance: Health & Life Plans	260,000	220,045	39,955	85%
5020	Insurance: Worker's Comp.	75,000	32,826	42,174	44%
5027	Audit	15,000	14,680	320	98%
5028	Engineering-Studies, including Ecorp.	40,000	15,198	24,802	38%
5034	Insurance: General	55,000	40,740	14,260	74%
5036	Legal--General	80,000	97,055	(17,055)	121%
5038	Materials and Supplies	155,000	143,082	11,918	92%
5039	Rentals/ Outsourced Maintenance	25,000	65,188	(40,188)	261%
5040	Office Supplies	25,000	30,262	(5,262)	121%
5041	Staff Development	6,000	3,260	2,740	54%
5042	Travel--Conference	10,000	3,205	6,795	32%
5044	Utilities	175,000	138,215	36,785	79%
5046	Vehicle & Equipment Maintenance	47,000	31,464	15,536	67%
5048	Vehicle Operations	52,000	27,635	24,365	53%
5060	Bank Fees & Payroll Services	4,000	2,862	1,138	72%
5068	Retiree Health Premiums	120,000	82,980	37,020	69%
5070	Director Stipends	24,000	0	24,000	0%
5076	Building Maintenance	6,000	9,409	(3,409)	157%
5080	Outside Service/Consultants	160,000	95,489	64,511	60%
5084	Govt. Regulation/Lab Fees	110,000	92,026	17,974	84%
5090	Other: Recruitment	6,000	14,800	(8,800)	247%
5090	Other: County Tax Admin. Fees	22,000	17,206	4,794	78%
5089	Other: Memberships	16,500	7,085	9,415	43%
5094	Depreciation			0	
	Contingency	9,000			
	Total Operating Expense	\$3,067,300	2,270,516	796,785	74%

Acct#	EXPENSE CATEGORY	Revised Budget 2015-2016	To Date 7/1/15-03/31/2016	Balance	% of Bur Spent
Non-operating Expenses:					
7010	Interest Expense	\$33,000	8,746	24,254	27%
	Debt Payment	\$110,500	0	110,500	
7090	Other		2,806	(2,806)	
	Capital Improvement				
	Total Non-operating Expenses	\$143,500	11,551	131,949	8%
Total Expenses Before Tranfers		\$3,210,800	2,282,067	928,733	71%
Net Income (Loss)		\$217,800	\$595,359		273%
2014-2015 Cash Transfers in		\$268,000	\$425,575		
PERS PAYMENT		(\$379,000)	(\$283,590)		
CAPITAL EXPENDITURES:		(462,030)	(\$164,375)		
Caby Grant Commitment		(286,965)	(\$6,730)		
		(\$642,195)	\$566,240		
*Subject to revision with actual audit.					
**The Actual Debt service is \$70,793 and					
\$50,000 of that is covered by Assessments					
not shown in Revenue					

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
MARCH 31, 2016 BALANCE SHEET

ASSETS:

Cash Assets:	
Cash El Dorado Savings:	2,196,693.12
Petty Cash & Cash Drawer:	450.00
Cash LAIF:	6,882,667.08
Time Certificate Deposits (Wells Fargo)	200,000.00
SRF Fiscal Agent Accounts:	36,205.73

Total Cash or Cash Equivalents:	9,316,015.93
=====	

Receivables:	
MQ Receivable:	9,150.68
Property Tax Receivable	163,338.00
Accounts Receivable Other:	6,011.42
Current Assessed Districts Receivable:	60,899.61
Special District Accrued Interest Receivable:	9,282.67

Total Current Receivables:	248,682.38

Other Current Assets:	
Water Fund Suspense (Clearing Acct)	69,962.18
Water Fund Inventory	15,413.88
Prepays:	111,684.05

Total Current Assets:	9,761,758.42
=====	

LONG TERM ASSETS:

Deferred Pension Inflow	305,162.03
Long Term Assessed Districts Receivable:	408,454.05

Fixed Assets:	28,950,374.37
Accumulated Depreciation:	(17,409,770.60)

Total Net Fixed Assets	11,540,603.77
=====	

Cell Tower	34,287.08
ALT WTP:	875,515.35
Study - Development	0
Caby Grant - Ditch Repair	6,729.84

Total CIP Account Balance:	916,532.27

Total Long Term Assets:	13,170,752.12
=====	

TOTAL ASSETS: 22,932,510.54
=====

LIABILITIES:

Current Liabilities:	
Accounts Payable	39,232.70
Deferred Revenue	0
Current Bonds and Assessments	23,447.82
Accrued Interest Payable	13,947.59
Customer Deposits	9,200.00
Accrued Vacation	51,505.04
Contracts Payable	6,673.04

Total Current Liabilities:	(772,526.08)
=====	

Long Term Liabilities:	
Long Term Bonds and Assessments Payable	1,000,069.02
Retiree Fund (Long Term)	478,782.85
PERS Side Fund	(31,510.00)
Net Pension Liability	3,762,785.01
Outflow Pension Liability	838,409.01
Stewart Mine, Bayne Rd. Pilot Hill Constr Advs	74,502.55

Total Long Term Liabilities:	6,123,038.44
=====	

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
MARCH 31, 2016 BALANCE SHEET

ASSETS:

TOTAL LIABILITIES: 6,267,044.63
=====

FUND BALANCE:

Smud Fund (08)	107,825.00
Water Fund (10)	9,805,542.82
Retiree Fund (12)	218,465.30
Water Development (17)	397,001.87
SMERFUND (19)	2,186,477.11
Capital Replacement (24)	761,370.17
SRF (29)	(267,072.63)
Hydro Fund (30)	512,081.61
EPA (35)	(24,507.83)
Garden Valley (37)	107,041.64
Cap Facility Charge (39)	1,616,674.71
Zone (40)	809,766.82
CDS (41)	43,976.30
CDR Reserve (42)	180,581.64
Kelsey North (51)	36,443.39
Kelsey South (52)	95,793.60
Pilot Hill North (53)	(7,480.80)
Pilot Hill South (54)	48,061.04
Current Earnings:	37,424.15

TOTAL FUND BALANCE: 16,665,465.91
=====

LIABILITIES AND FUND BALANCE: 22,932,510.54
=====

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**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
STATEMENT OF CASH AND INVESTMENT BALANCES March 31, 2016**

	BEGINNING BALANCE	CASH RECEIPTS	CASH DIS- BURSEMENTS	TRANSFERS IN (OUT)	ENDING BALANCE
8 SMUD Fund	216,340.00				216,340.00
9 CABA Grant	(4,249.84)	2,967.80	(880.00)		(2,162.04)
10 General Fund	1,543,050.14	222,160.34	(392,142.20)		1,373,068.28
12 Retiree	585,957.46	950.74	(5,111.18)		581,797.02
14 Stewart Mine	34,179.57				34,179.57
25 Bayne Road & Other Assessment Districts	76,125.15				76,125.15
17 Water Development	397,623.31				397,623.31
19 Stumpy Meadows Emergency Reserve Fund (SMERF)	2,158,365.24				2,158,365.24
53 Pilot Hill North	(7,480.80)				(7,480.80)
54 Pilot Hill South	46,837.56	77.70			46,915.26
51 Kelsey North	123,381.06	0.00	(16,682.97)		106,698.09
52 Kelsey South	217,846.55	0.00	(17,836.03)		200,010.52
29 State Revolving Fund	39,072.84		(2,296.95)		36,775.89
30 Small Hydro Fund	530,766.46	2,913.87			533,680.33
31 Pipeline Extension Holding Fund to 26	0.00				0.00
35 Environmental Protection Agency	0.00			0.00	0.00
37 Garden Valley Water Improvement District	107,213.29				107,213.29
39 Capital Facility Charges	1,620,138.05				1,620,138.05
24 ALT - WTP Capital Reserve	762,591.05				762,591.05
40 Auburn Lake Trails (ALT) Zone Fund	807,918.74	45,975.28	(4,674.33)		849,219.69
41 ALT Tank Replacement Loans & Repair Activity	44,046.81				44,046.81
42 ALT CDS Reserve Connection Fund	180,871.22				180,871.22
	9,480,593.86	275,045.73	(439,623.66)	0.00	9,316,015.93
Totals by Type of Account:					
		Rate Information:			
El Dorado Savings Bank Checking	8,314.63	0.03%			
El Dorado Savings Bank Savings	2,188,258.33	0.16%			
Wells Fargo State Revolving Fund Debt Accounts	36,775.89			0.00	
Wells Fargo Brokered Time Deposits	200,000.00	2.00%			
Local Agency Investment Fund	6,882,667.08	0.28%			
Grand Total	\$9,316,015.93				

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
STATEMENT OF CASH AND INVESTMENT BALANCES March 31, 2016

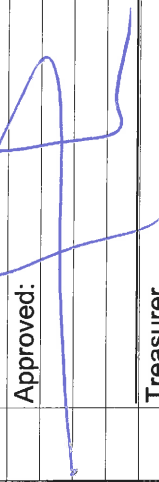
	Estimated 2014-15 Budget	Calculated from 2013-14 Audited	
Accounting Basis Unrestricted, Designated and Restricted Funds Recap:			
Unrestricted Undesignated Funds	\$1,373,068.28		
<i>Designated Funds are in Italics</i>	4,250,611.60		
Restricted Funds are Shaded	3,692,336.05		
	\$9,316,015.93		
District Designated Funds/Reserve Policy Funds Recap:			
Water - Operations	1,373,068	479,500	Two month operations expense
Water - Cash Flow		195,420	10% Water Sales
Water - Capital:			
Stumpy Meadows Emergency Reserve Fund	2,158,365		
Capital Facility Charges	1,620,138		
Replacement Reserve (required by USDA)	762,591		
Other reserves	719,015	7,871,516	50% Accumulated Depreciation
Sub Total - Water	6,633,177	8,546,436	
Debt Service	493,224	480,991	Actual amounts
Retiree Health	581,797	621,235 *	Actual amount
Hydroelectric	533,680	504,191	Actual amount
Wastewater - Operations	849,220	45,978	Two month operations expense
Zone - Capital		5,000	Amount set at \$5,000
Community Disposal System - Capital	224,918	250,000	50% Accumulated Depreciation
Sub Total - Wastewater/Zone	1,074,138	301,189	
	9,316,015.93	10,757,589.00 #	10,211,600.00

Actual total reserves as of June 30, 2015
Actual total reserves as of June 30, 2014
Actual total reserves as of June 30, 2013
Actual total reserves as of June 30, 2012

\$9,162,818
\$8,725,362
\$8,427,421
\$7,595,078

* June 30, 2014 GASB 45 calculation of liability estimates the liability to be \$1,704,000.

Approved:



Treasurer


 General Manager

**GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
Auburn Lake Trails ZONE and CDS Summary***

For the Months Between: 07/01/2015 - 03/31/2016

REVENUE CATEGORY	Budget 13-14	To Date 07/01/2015 - 03/31/2016		% of Budget	
		Balance	Earned		
Operating Revenue:					
Zone Charges	\$ 310,000	259,104.54	\$ 50,895	84%	
Zone Escrow Fees	30,000	20,000	10,000	67%	
Septic Design Fees	1,000		1,000	-	
Soil Evaluations/Loans/Repairs	0		0	-	
Total Operating Revenue	341,000	279,105	61,895	82%	
Non-Operating Revenue:					
Interest Income	1,000	1,229	(229)	-	
Reimbursement of Recording Fees		0	0	-	
Total Nonoperating Revenue	\$1,000	1,229	(\$229)	-	
Total Revenue	342,000	280,333	61,667	82%	
EXPENSE CATEGORY					
Operating Expenses:					
Labor	132,000	36,792	95,208	28%	
Overtime	0		0	-	
Standby	0		0	-	
Temporary Labor	0		0	-	
PERS Benefits	39,000	3,289	35,711	8%	
Deferred Compensation	0		0	-	
Payroll Taxes	11,000	2,989	8,011	27%	
Insurance: Health & Life	34,000	15,250	18,750	45%	
Insurance: Worker's Comp.	4,000	1,555	2,445	39%	
Insurance: Dental/Optical	1,000		1,000	0%	
Audit		1,200	(1,200)	-	
Engineering-Studies	1,000		1,000	0%	
Insurance: General	6,000	2,562	3,438	43%	
Legal--General	4,000	9,193	(5,193)	230%	
Materials and Supplies	4,000	4,260	(260)	106%	
Rentals/ Outsourced Maintenance	2,000	421	1,579	21%	
Office Supplies	3,000	1,303	1,697	43%	
Staff Development	1,000		1,000	0%	
Travel--Conference	1,000		1,000	0%	
Utilities	9,000	8,222	778	91%	
Vehicle & Equipment Maintenance	4,000	2,370	1,630	59%	
Vehicle Operations	6,000	3,502	2,498	58%	
Bank Fees & Payroll Services			0	-	
Retiree Health Premiums			0	-	
Director Remuneration			0	-	
Building Maintenance			0	-	
Outside Service/Consultants	6,000	13,753	(7,753)	229%	
Public Information			0	-	
Govt. Regulation/Lab Fees	43,000	27,352	15,648	64%	
Other	0	161	(161)	-	
Other: Memberships	0		0	-	
Depreciation	34,000	20,901	13,099	61%	
Total Operating Expense	345,000	155,073	189,927	45%	
Net Income (Loss)	(\$3,000)	\$125,260	\$128,260		

*Subject to revision with actual audit.

Memo

To: Board of Directors

From: Darrell Creeks, Operations Manager

Date: May 3, 2016

Re: **OPERATIONS MANAGER'S REPORT**

Board Meeting of May 10, 2016; Agenda Item #7

BACKGROUND/DISCUSSION

Water Treatment (ALT & Walton)

The Auburn Lake Trails Water Treatment Plant produced 16.438 million gallons of potable water for the month of April. This equates to an average of 547,933 gallons per day. This flow is an increase of 4.503 million gallons from the month of March. The Walton Lake Water Treatment Plant produced 16.796 million gallons of potable water for the month of April. This equates to an average of 559,866 gallons per day. This flow is an increase of 1.327 million gallons from the month of March.

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

The District is required to reduce water consumption by 29% compared to 2013.

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

Water Quality

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

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

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

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

Waste Water; Auburn Lake Trails

Average daily flows in the community disposal system were 24,847 gallons per day. This value is below the limit of 71,800 gallons per day as identified in the Waste Discharge Requirements.

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

Stumpy Meadows Reservoir

The latest measurements collected at Stumpy Meadows Reservoir on April 27, 2016, showed a reservoir elevation of 4,262 feet, representing storage of **20,000 acre-feet, or 100% of capacity**. This represents an increase in storage of approximately 0 acre feet over the prior month.

Current releases from Stumpy on this date were 4.0 CFS. Flow into Stumpy on this date was recorded at 22.5 CFS.

Field Work Activities – Distribution and Maintenance

Distribution: Installed two new meters. Read meters and did lock offs/re-reads. Installed new motor and pump on Black Ridge pump station.

Maintenance: Work activities for the month focused on installing new services for new customers. Read meters and ran water from Stumpy to fill all canals for irrigation season.

RECOMMENDATION

Receive and file this report.

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: May 3, 2016

Re: **GENERAL MANAGER'S REPORT**

Board Meeting of May 10, 2016; Agenda Item #8

BACKGROUND / DISCUSSION

State Water Resources Control Board – Workshop

Recently I attended the SWRCB workshop which consisted of the Water Board and approximately 200 people from various water agencies and other entities in attendance. There were two panels: one from Southern California and one from Northern California. The discussions were aimed at requesting that the Waterboard reduce the current regulations and also announce that the emergency drought conditions are over and that the focus should be on addressing the long term solutions on water efficiency. After both panels spoke, members from a variety of water agencies and organizations were allowed to speak for three minutes on topics pertaining to their concerns and issues with the current mandatory restriction and conservation targets. All persons allowed to speak were in favor of reducing the mandatory restrictions of the emergency regulations. The Water Board commended participants on their efforts in communicating their issues and concerns with the current and possible future conditions. The Water Board informed the attendees of the next steps the Water Board will take. Next steps are:

- Review Public Comments
- Release Draft Regulatory Language – Early May
- State Water Board Adoption Hearing – May 18
- New Regulations in Effect – June 1

Drought Funding – CABY Grant

The District is currently under contract with the consulting firm of *EN2* to perform the environmental permitting and design. Staff has conducted a field review of the various work areas with the Consultant. Staff has begun the collection of the field data needed for the design. Staff submitted Third Quarter Report and invoices to NID for processing.

Auburn Lake Trails WTP Loan – State of California

Staff met with Water Board personnel at SWRCB offices on April 8 to discuss the status of the loan. A couple of items were identified that required follow up or clarification. Those items have been or are in the process of being completed, and the application is on track for approval this summer.

El Dorado County Water Agency – Cost Sharing Opportunities

The District submitted two projects for 50% reimbursement through the El Dorado County Water Agency's Cost Sharing program. The two projects are "Sanitary Survey" and "Cost of Service Study." Together, the projects total \$90,000, of which the District will be responsible for \$45,000.

District Newsletter

As mentioned previously, the District is working on its Spring Newsletter which will be issued in May. Some of the topics that will be included are:

- Water Conservation
- ALT Project Update
- General Manager's Message
- Ongoing and Completed Projects

ACWA Spring Conference – Monterey California

Staff and two Board Members will be attending the ACWA Spring Conference and will report back on knowledge gained and how that knowledge will benefit the District.

Second Meter – Revision to Ordinance 07-01

Action by this Board recently approved Ordinance 2016-01, amending Article 5 of Ordinance 07-01. This amendment related to a reduction in the fee for those residences that needed a 1-inch service connection to accommodate the needs of a fire sprinkler system. Staff is currently in the process of preparing a second amendment to Ordinance 07-01 which, if approved, would substantially reduce the fee for a second service connection on one parcel. Staff has compiled data on those parcels with multi-connections, located within the District, which confirm an overall reduction of water usage when compared to single services on individual parcels. It is the intent of staff to have this second amendment to Ordinance 07-01 at the regular meeting in June for Board consideration.

RECOMMENDATION

Receive and file.

Georgetown Divide Public Utility District Finance Committee

“Providing financial research, review, and advisory services for the GDPUD Board of Directors and General Manager in support of sound, prudent and business-like management of the water district”

Meeting Dates:

April 19, April 28, 2016

Location:

GDPUD Board Room

April 19, 2016

Meeting reviewed Proposed Maintenance and Operation Budget 2016-17. Based on year-to-date actual, it appears that 2015-16 will produce more revenue than projected. Staff proposed a budget that reflected this increase. However, the FC felt that some of the increased revenue was based on optimistic Tax Revenue projections and the budget should take a more conservative approach. Overall budget increases are based on a normal Potable Water and Irrigation Revenue. Overall budget increases are conservative. Staff increases reflect staff additions approved by the Board. A special meeting of the FC was scheduled for April 28 to finalize revenue and review proposed Capital Budget.

April 28, 2016

Staff presented reduced revenue projections that still show a reasonable overall increase in projected funds. The FC will do a final review of the Operations and Maintenance Budget at its May 24 meeting so staff can present it for Board approval at its regular June meeting.

Staff presented Capital needs for the 2016-17 fiscal year. It was decided not to call it a Capital Budget because it represents the already approved ALT Water Treatment Plant Project. Also, it will not be ready for the Board approval until August or September.

The FC has requested that staff provide a brief description of each project so that the Board can better understand the need for the expense and various funding methods. For example, staff is projecting Grant Revenues of approximately \$1.3 million for the upcoming year.

The lack of a permanent staff has prevented the District from utilizing this funding source because no one was connecting the availability of these funds to District needs or government requirements. The FC recommends that the District create a part-time position to research and administer these important additions to total revenues.

The FC also suggests that each request include a 1, 2, 3 priority code based on the need or regulatory requirements. Possible description could be: 1- Health and Safety, 2- Infrastructure including Dam, Buildings, Major Equipment, and 3- Major Maintenance and Capital Improvements.

The FC suggests that the District consider adding a project to replace all meters as soon as possible. The majority of these meters are 40 years old. It would clarify District revenues from operations and reduce labor expended to read and provide billing.

Memo

To: Board of Directors

From: Victoria Knoll, Office Manager

Date: May 3, 2016

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

Board Meeting of May 10, 2016; Agenda Item #10

BACKGROUND/DISCUSSION

On February 12, 2016, RFPs were mailed out to Richardson & Company, LLP; Maze & Associates, Accounting Corporation; Boler & Associates; Larry Bain, CPA; Fechter & Company; and Moss, Levy & Hartzheim LLP. At the end of February 2016, GDPUD received responses from Maze & Associates, Fechter & Company, and Moss, Levy & Hartzheim LLP. Two firms, Fechter & Company, and Moss, Levy & Hartzheim LLP, provided written proposals.

Copies of the two proposals were brought to the April 28, 2016 Finance Committee meeting for review. The Finance Committee has reviewed the proposals and recommends that GDPUD hire Moss, Levy & Hartzheim LLP to conduct the Fiscal Year 2015-16 annual audit. The firm of Fechter & Company has responded two years in a row to GDPUD's RFP, and the Finance Committee suggests that the District send a letter thanking them for their response and letting them know that they will be considered for the following year.

RECOMMENDATION

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

Memo

To: Board of Directors

From: George Sanders, Engineering Consultant

Date: May 3, 2016

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

Board Meeting of May 10, 2016; Agenda Item #11

BACKGROUND / DISCUSSION

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

Foothill Associates – This firm remains under contract to assist the District in the preparation of an ENVIRONMENTAL PACKAGE (CONSTRUCTION). The completion of this package is a requirement of the Water Board. Staff is unable to complete this assignment as it requires the specialized services of an Archaeologist. Foothill, under an amendment to the existing contract, has agreed to provide this specialized service without a monetary increase to the existing contract amount. This activity is identified as work in progress.

State Water Board – Environmental Document – This activity is deemed complete with the exception of the recent addition of the ENVIRONMENTAL PACKAGE (CONSTRUCTION).

State Water Board – Funding – District reserves, together with the EPA Grant, remain in place. Noting additional to report.

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

- **Financial** – Identified additional information required on the application, the need to provide an updated tax questionnaire, modifications to the financials to reflect anticipated revenue collected under the Prop 218 Supplemental Charge, together with a copy of the EPA Grant Agreement. Staff has submitted the information requested. It was noted that the District has the ability to request additional funds at this time.
- **Environmental** – Identified the need to complete ENVIRONMENTAL PACKAGE (CONSTRUCTION). Staff has submitted a portion of the required materials consisting of final Initial Study/Mitigated Negative Declaration, Comments and Responses,

Mitigation Monitoring and Reporting Plan/Program, Resolution approving the CEQA Documents, the Notice of Determination, and Department of Fish and Wildlife CEQA Filing Fee Receipt. Staff has provided Foothill with additional materials needed by the Archaeologist for the completion of the package relating to Construction. This remains work in progress with an estimated completion date within the next three weeks.

- Assurance to Fund – Based on information provided by staff within the Water Board, it is a goal (Water Board and District) to obtain an Assurance to execute the Funding Agreement by August of this year. This is a critical step in the process!

The Funding through the Water Board remains work in progress.

Bid Documents – Solicit Bids The project is currently out to bid. Copies of the Contract Documents, including the Plans and Specifications, are available through PlanWell, a service offered by ARC Document Solutions. As of this date, 24 sets of bid documents have been issued, some will be subcontractors to a general contractor. A Pre-Bid meeting was held on April 28 of which 22 representatives of contractors attended. Two addendums have been issued on the project. Under the first addendum, the bid due/opening date has been extended to June 1, 2016.

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

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

WORK PLAN ACTIVITIES Updated 05/03/16	
Item	Planned Completion Date
Project Design	March 2015 (Completed)
Addendum to CEQA Document	November 2015 – April 2016
Bid Project	April 2016 – June 2016
Agency Approvals	April 2016
Award for Construction	Up to 90 days from Bid Opening (July 2016 – September 2016)
Begin Construction	August 2016 – October 2016
Substantial Completion (18-month Construction)	February 2018 – May 2018
Final Completion	April 2018

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

RECOMMENDATION – Possible Board Action.

Memo

To: Board of Directors

From: Wendell Wall, General Manager

Date: May 3, 2016

Re: **GDPUD WATER RATE STUDY – PLANNING AND MANAGEMENT
DISCUSSION**

Board Meeting of May 10, 2016; Agenda Item #12

BACKGROUND / DISCUSSION

The most recent Water Rate Study/Cost of Services report (“Report”) was completed in 2011. Due to concerns that current District rates may not reflect the actual cost of providing the services and that the ad valorem taxes may be better utilized than to subsidize the raw water and treated water delivery systems, and because some in the community question the validity of the current Report, staff believes that the Report should be updated to reflect current conditions and District services.

Staff has determined that it currently has neither the time nor the expertise to develop a Water Rate Study/Cost of Services report which would include the level of detail, scope of work, and technical information to meet the expectations of the Board and the public. Staff, therefore, proposes that an outside organization be contracted to complete this task and that a detailed Request for Proposal (RFP) be developed. Staff has identified tasks, roles and responsibilities, and a proposed timeline for completing a new Rate Study/Cost of Services report. A discussion paper outlining those details is included with this report as **ATTACHMENT A**.

Staff requests that the Board review the attached discussion paper and over the next couple of weeks provide comments, concerns, and suggestions to staff. These will be compiled and a scope developed for presentation to the Board for its approval, preferably at a separate workshop to take place prior to the next regular Board meeting. This will give the Board of Directors as well as the public an opportunity to discuss and clarify the scope of the RFP so that the RFP is written in a way that will facilitate a valid and practical Rate Study/Cost of Services report.

RECOMMENDATION

Staff recommends the Board

- a) review the attached discussion paper and provide comments, concerns, and suggestions to staff for developing an RFP to solicit proposals for a Water Rate Study/Cost of Services report, and
- b) schedule a workshop to approve the scope of the RFP.

ATTACHMENT A

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT WATER RATE STUDY–COST OF SERVICES REPORT INITIAL PLANNING AND MANAGEMENT DISCUSSION

MAY 2016

OBJECTIVE

The Georgetown Divide Public Utility District (“District”) staff has long been hoping to find the time and resources to either renew the existing water rate study – cost of services report (“Report”) in-house or contract with an experienced and qualified external organization to complete the report. As the time to complete this task has slipped from a few months to now many months, the District staff thinks it necessary to start the process at this time regardless of the availability of the staff commitment and resources necessary to develop the Report and have the required discussion with the Board and the public to ensure the final Report meets the expectations of both.

This Initial Planning and Management Discussion is intended to start the process by identifying the tasks, showing the roles and responsibilities, and providing an expected schedule to complete the new Report.

INTRODUCTION

The District provides services to customers in the Georgetown Divide Area for three distinct services or enterprises. These enterprises are:

- Raw Water Delivery Services,
- Treated Water Delivery Services, and
- Wastewater Treatment Services.

Although these three enterprises are in fact separate and apart from each other in many ways, there are close connections and shared infrastructure for the raw water and treated water services. The wastewater treatment services are currently only available to the community of the Auburn Lake Trails subdivision. This discussion only pertains to the raw water and treated water delivery systems.

To ensure all District customers are charged rates consistent with State law, encourage conservation, and are set at a level determined to provide stable and sustainable services now and into the future, the District needs an appropriate and current Report. The most recent completed Report was conducted by District staff and published on September 9, 2011.

Over the past few years, some on the District Board, staff, and a few public members have raised concerns about the current rate structure and have questioned if the current

ATTACHMENT A

rate structure, for the two enterprises, reflect the actual cost of providing the required services. These two enterprises include the raw water delivery and treated water delivery services. The September 2011 Report indicated that the raw water services are subsidized by nearly 77 percent and the treated water delivery services are subsidized by nearly 39 percent. The wastewater treatment services enterprise was identified as paying for the full cost of the services provided.

The subsidies indicated by the September 2011 Report come from the ad valorem taxes now collected from District customers and non-customers that reside in the District service area. These ad valorem taxes have been determined by District and El Dorado County officials as being available to fund District services as the District determines appropriate. Over time, the District has determined that the current subsidies for the raw water and treated water delivery services are appropriate.

In addition, some Board members, District staff, and members of the public have raised concerns that the current rate structures, at least for the raw water and treated water delivery services enterprises, are inadequate to not only deliver the services but also invest in the District through infrastructure maintenance and improvements, keep pace with the added requirements imposed by the State of California, and to best manage the long term water rights issues facing the District.

Because of concerns that the current District rates may not reflect the actual cost of providing the services, that the ad valorem taxes may be better spent than used to subsidize the raw water and treated water delivery systems, and because some in the community question the validity of the current Report, District staff has suggested that the Report be updated to reflect current conditions and District services. Also, because some in the community are concerned that any such Report should not be conducted by District staff, but should rely on an independent consultant, District staff has suggested in the past that any new and updated Report should be conducted by an independent consultant.

STUDY COMPONENTS

The District staff has determined that they simply do not have the staff time or the expertise at this time to develop a Report which includes the level of detail, scope of work, and technical information to meet the expectations of the Board and the public. The District staff recommends that an outside organization be contracted to complete this task. This recommendation requires that a detailed Request for Proposal (RFP) be developed. To ensure the RFP for the Report is written in a way that will solicit the appropriate and necessary information, these Report tasks are listed for the Board and public to review. The Report tasks includes those activities that allow the District to meet State law requirements for rate structure and rate increases and includes those components necessary for the District to plan for current staffing, and risk and task management issues. The tasks expected to support the RFP include:

ATTACHMENT A

General Study Components

1. Identify an appropriate rate structure, including service charges, meter charges, and volumetric costs, for an organization of the size and complexity of the District necessary to meet State law, provide long term fiscal and infrastructural stability, and encourage conservation measures;
2. Provide a range of cost of services for the following potential scenarios:
 - A. Provide the existing services to the existing available customers with the existing infrastructure status,
 - B. Provide the existing services to the existing available customers with minor ongoing infrastructure repairs, maintenance, and improvements,
 - C. Provide the existing services to the existing available customers with major ongoing infrastructure repairs, maintenance, and improvements, and
 - D. Provide the existing services to the existing available customers and strategically planned new customers with major ongoing infrastructure repairs, maintenance, and improvements;
3. Provide an infrastructure schedule and associated costs for each stated scenario;
4. Provide expected staffing level to support each stated scenario;
5. Provide a schedule for implementation of each scenario;
6. Identify State law requirements for all identified rate structures and rate increase action; and
7. Provide a discussion of tier rate structures used to reflect conservation measures and appropriate State law requirements and trends use throughout the industry.

Specific Study Components

1. Evaluate the existing enterprises rate structures for conformance with existing statutory regulations and make recommendations for any changes that are necessary to achieve compliance;
2. Identify the various direct costs included in the District's budget and make recommendations for any changes necessary to ensure those direct operational costs are properly aligned with the appropriate enterprise funds;
3. Evaluate the existing overhead distribution and develop recommendations that will improve equity in the application of overhead among the enterprises;
4. Develop an understanding of the cost of serving and benefits derived by the various enterprises;

ATTACHMENT A

5. Evaluate the District's meter service fee structure and make recommendations to better align fixed operating costs with the fixed revenues inherent in the meter service fee;
6. Evaluate the impact of water conservation on the District's fixed operating costs;
7. Review the District's existing water commodity rate structure within each enterprise and develop recommendations for improvement that will ensure the structure promotes realization of various Statewide initiatives, District goals and best meets the District's operational needs;
8. Evaluate the existing water connection fee and make recommendations for any changes for "buy-in" and new capacity and a new water development fee to offset potable demand for future new service locations;
9. Develop water rates that will easily supply meaningful information to the public, Board, and staff, and that can easily be used by staff in the future to set water rates and connection fees;
10. Evaluate the existing staffing level of the District, the classification of employees, and total labor costs, and evaluate if the existing staffing level is appropriate for its overall enterprises.

ROLES AND RESPONSIBILITIES

To ensure the process and information flow can be best planned and managed, the District staff, the Board, and the public all need to participate in the Report proceedings at appropriate times and with appropriate direction and input. The following includes the roles and responsibility that will allow for initial and continuing support:

The Board

1. The Board needs to provide a clear vision of the future activities that will meet the long term needs of the District,
2. The Board should follow the process and stay informed at all times of the proceedings and provide continuing direction to staff,
3. The Board will need to select the appropriate contractor and approve the funds necessary to complete the project, and
4. The Board will need to approve the implementation tools necessary to carry out the results of the Report.

ATTACHMENT A

The Staff

1. The staff needs to keep the Board and the public informed of the progress, accomplishments, and hurdles associated with the project,
2. The staff will identify potential contractors and the expected cost of the report,
3. The staff will write the RFP,
4. The staff will evaluate the proposals and rate them for Board approval,
5. The staff will present the data, information, and findings of the Report to the Board and the public, and
6. The staff will develop and present to the Board for approval the implementation tools necessary to put in place the Report findings.

SCHEDULE

The following schedule is expected to provide a reasonable timeline for the stated tasks, prepare the RFP, and adopt the final Report:

- May, 2016 – Present the Planning and Management Discussion to the Board
- June, 2016 – Include suggested changes to reflect the Board’s concerns
- June, 2016 – Write the RFP for the Report
- July, 2016 - Board approval of the RFP
- July, 2016 - Send out RFPs to select consultants
- August, 2016 - Receive and review proposals from consultants
- September, 2016 - Staff recommends consultant to the Board
- September, 2016 – Board adoption of contract with selected consultant
- December, 2016 – Draft Report review
- January, 2017 – Consultant make revisions to the report
- February, 2017 – Staff recommends the report to the Board
- March, 2017 – Consultant includes changes recommended by the Board
- March, 2017 – Staff recommends the final report to the Board
- April, 2017 – Begin implementation of the report