

## MEMORANDUM

**To:** Board of Directors, Sierra Lakes County Water District  
**From:** Bill Quesnel PE, General Manager  
**Subject:** May 2019 Operations and Maintenance Report  
**Date:** May 31, 2019

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### **DSPUD Wastewater Treatment Plant**

The plant's discharge exceeded the allowable limit for aluminum in May; Donner is not sure of the cause. Whether or not the exceedance results in a fine is up to the Central Valley Regional Water Quality Control Board and DSPUD expects to receive correspondence from that agency in two or three months.

### **Lake and Land Management:**

A follow-up letter was sent to Kevin Taber, the Placer County Road Maintenance Division Manager, concerning the April, 2020 expiration of the 40-year lease that allows the County to use a portion of the District building. I have not received a reply but will contact Mr. Taber in mid-June.

I completed the paperwork required for a CalFire Conservation Crew to perform defensible space work on District owned property in fiscal year 2019-2020. I have not identified the sites yet, but expect the majority of the work to involve removal of trees damaged by the heavy snow fall and/or during snow removal (blower) operations.

### **Regulatory Issues:**

The lake level as of June 1<sup>st</sup> was approximately nine-inches above the spillway crest and rising as compared to less than two-inches on the same date in 2018.

The results for Perchlorate and Nitrate (as Nitrogen) sampling of the treated lake water were non-detect. The second quarter Disinfection By-Product samples were taken the third week of May and the results should be back by the second week of June.

Printing of the 2018 *Consumer Confidence Report* (CCR), Stop & Drain Handout/How-To Card and Utility Billing is complete and all will be mailed the week of June 17<sup>th</sup>. The *Consumer Confidence Report Certification Form* documenting how the CCR was distributed (direct mail to customers, posting on the District's website and posting on the Administration Building bulletin board) will be submitted once the envelopes are in-the-mail.

The annual report detailing the operation (emergency and maintenance hours) of the District's four stationary emergency generators in 2018 was submitted to the Placer County Air Quality Management District.

The Placer County AQMD requested the District allow the installation of a small sensor at a District facility with Wi-Fi access. The "PurpleAir" sensor is located on the upper level deck of the Administration Building; the public can log on to the following website <https://www.purpleair.com/map?517386|517388#14.55/39.30689/-120.38342> to get a real-time

PM2.5 reading and the Air Quality Index (AQI) in Serene Lakes. By clicking on the sensor, the detailed AQI and its trend for past days is displayed.



Air quality monitoring sensor

You may recall the local area utility providers and Placer County Building Department have been in discussion for the better part of a year concerning the Districts' ability to regulate and inspect the materials and installation of sewer and water laterals on private property as a condition of connecting to the individual District's systems. A related challenge has been the County's lack of notification of the issuance of remodel/addition building permits that may affect sewer and water infrastructure. A process mandating that an owner, or his/her Contractor, notify the affected utility any time a Building Permit is issued has been developed and submitted to the County for consideration.

#### **Operations Issues:**

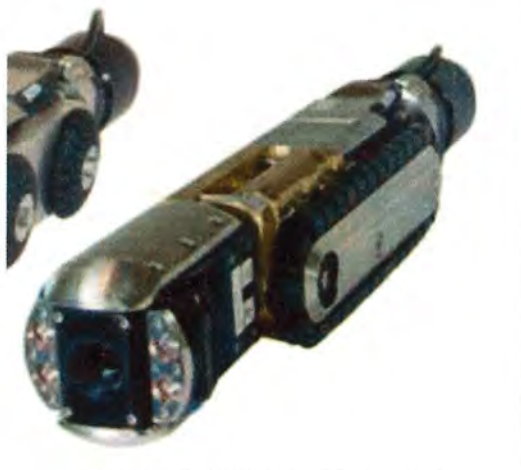
Average daily water and sewer flows (gallons/day) in May 2019 were 66,385 and 109,177 respectively as compared to 72,242 and 109,987 in April, 2019 and 41,219 and 61,763 in May, 2018. Water use was 432 gallons/day more than the five-year (2014-2018) average and sewer flow was 27,934 gallons/day more than the five-year average. The District's share of the flow through the wastewater plant in May was not available when this report was prepared; the percentage in May, 2018 was 40.1% of the total.

Staff spent a significant amount of time looking for sources of Inflow&Infiltration into the sanitary sewer system. Their diligence paid off:

- The joints at two laterals were leaking at estimated rates of three or four gallons/minute (4,500-6,000 gallons/day) each. The pipes were excavated and the Operators found the clamps used to seal a rubber boot that joins two pipes of a different diameter were not as tight as required and at one of the locations the pipe had also been partially cut, but not repaired;
- A toilet was running in a vacation home due to a stuck flapper valve. The water supply to the toilet was turned off and the property manager notified;
- Two manholes were inundated because the adjacent driveway culvert was clogged and the water was backed up over the driveway. Sandbags were installed around the manhole lids to reroute the water and the gap between the manhole lid and frame was sealed; and
- Three manholes had base/barrel leaks of varying rates, none as significant as the laterals or toilet.



About 2,500 feet of mainline was inspected with a camera mounted on a motorized transporter operated by Mountain Pipeline; only minor leakage was found in two sections of the system due to hairline cracks. It's likely we'll have the company up for one more day of inspection of the southeast portion of the system (Hemlock, Donner, Sierra, Dulzura, etc.) as those areas historically (anecdotally) have the highest groundwater levels.



motorized sewer inspection camera



leak at lateral joint on Kidd Court

leak at lateral joint on Cascade Road



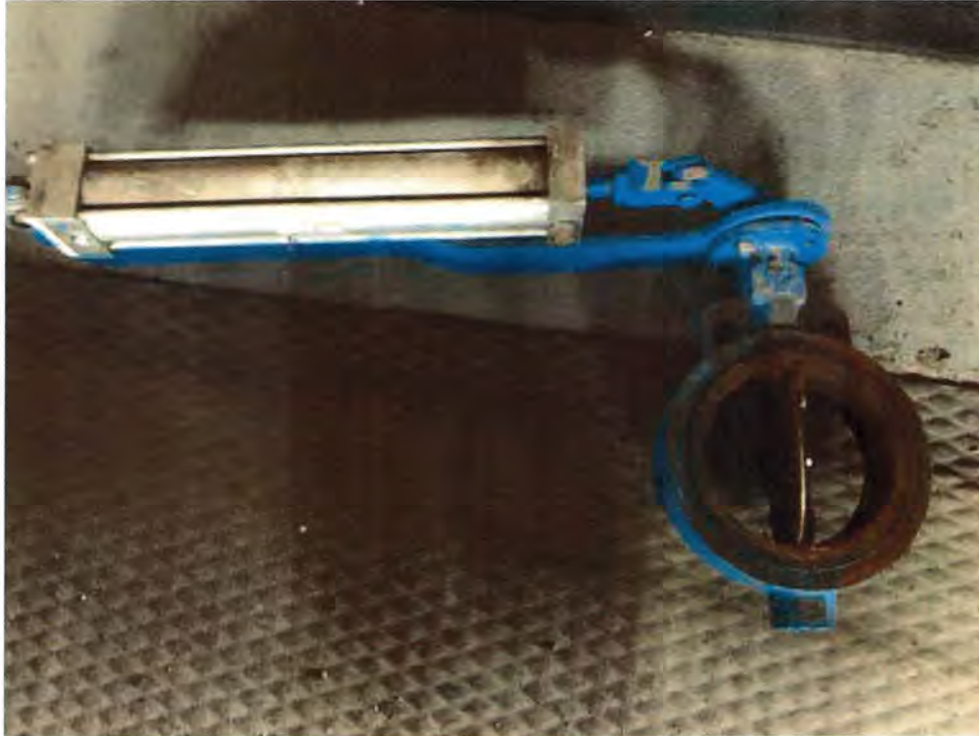
Excavating to repair leaking lateral joint on Kidd Court

The number of no-read meters has decreased to 17 and 25 reported a cold temperature alarm due to high ground water on the first of June. The Northstar Community Services District Operator that oversees that agency's AMR system in Northstar and the Martis Valley subdivisions (Lahontan, Martis Camp and Schaffer's Mill) reported a definite increase in communication failures this winter as the snow depth and density increased, especially in areas with marginal cellular signal strength. He also mentioned an increase in the number of failed endpoints and poorer performance in areas of high groundwater. He said their no-read period lasts less than two-months and while that doesn't usually equate to a lot of water use, the NCSD is working toward more consistent meter reading for leak detection. The agency will be installing the updated Badger "M" endpoints and trying alternate methods of installing the endpoints to maximize signal strength.

The lake raw water temperature increased to 1.5°C early in the month and then decreased, and has remained at, 1.0°C with the temporary return of winter. Deep water sampling through the 3/8-inch tubes at 50-feet and 100-feet beyond the intake is still occurring on a bi-weekly basis and the results are consistent with respect to the water being 3°-4° C. warmer at a greater depth. Due to unsafe ice conditions, the Operators have not sampled from the surface since April 30<sup>th</sup>. Once the lake is ice free, the Operators intend to resume sampling at one foot depth intervals from the boat using GPS coordinates to establish the locations where the probe was lowered through the ice. For the Board's consideration as a separate agenda item is a proposal from Woodward & Curran to prepare a conceptual level design letter/report for an extension of the intake pipe and intake structure.



During the spring to summer transition, the Operators' outside time has been spent looking for Inflow & Infiltration and cleaning sewer mainlines and wetwells. They've replaced the 35+ year old pneumatic actuators on Filters 1 and 2, continue to input map data into Lucity, will replace the fluorescent lights in their office and the filter plant with LED fixtures, are equipping the trucks for summer construction season, thoroughly cleaning and organizing the interiors of the pump stations and repairing winter building damage.



removed water filter pneumatic actuator

The portion of Donner Drive where the water pipeline failed last December has started to settle/sink as the ground has thawed and the amount and level of groundwater has increased. Within the next two weeks staff plans to remove the failed pavement and underlying material and replace it with compacted recycled aggregate base to provide a suitable driving surface. The pavement will be permanently patched sometime in the late summer or early fall.

All of the Operators, along with Donner Staff participated in an all-day First Aid/CPR refresher taught by a Truckee Fire Protection District Paramedic and an all-day safety oriented training class that included the following topics: asbestos handling, silica protection, confined space entry/rescue, traffic control and trench safety/shoring.

Brian Lundgren has re-joined the District for his second season as a Utility System Operator trainee. Brian is working three days/week initially and will increase to 40 hours/week on July 1<sup>st</sup>.

Attachments: May 2019 Daily Water/Sewer Flows  
2014-2019 Sewer/Water Flows Comparison through May 2019

# SIERRA LAKES COUNTY WATER DISTRICT SEWER & TREATED WATER TOTALS

Month: May Year: 2019

DATE	DAY	SEWER TOTALS		TREATED WATER TOTALS				REMARKS
		SEWER FLOW	FLOW METER	GALLONS WATER PUMPED	GALLONS WATER USED	BACKWASH GALLONS	*COMBINED TANK TOTAL GALS.	
1	W	95,688	14003134	94,989	60,318	3,789	581,097	
2	T	98,476		77,203	60,226	3,409	615,768	
3	F	97,600		61,668	64,547	3,722	632,745	
4	S	101,284		0	62,128	0	629,866	
5	S	104,524		54,966	64,534	3,478	567,738	
6	M	113,168		88,787	64,552	8,324	558,171	
7	T	123,172		69,648	69,804	13,622	582,405	Backwash ABC
8	W	118,764		102,760	65,926	7,752	582,249	
9	T	117,251		77,708	63,154	5,616	619,083	
10	F	111,025		70,334	64,666	7,440	633,637	
11	S	108,256		0	63,102	0	639,305	
12	S	112,099		0	60,449	0	576,203	
13	M	117,103		66,211	62,311	8,164	515,754	
14	T	112,226		79,734	60,634	8,161	519,654	
15	W	138,684		87,990	70,518	17,755	538,754	Backwash ABC
16	T	126,232		101,088	59,794	6,840	556,226	
17	F	102,636		91,477	67,126	6,435	597,520	
18	S	86,988		0	61,859	0	621,871	
19	S	83,836		58,587	61,372	3,056	560,012	
20	M	73,224		25,387	62,587	3,785	557,228	
21	T	99,884		0	71,634	13,022	520,028	Backwash ABC
22	W	70,568		102,934	71,227	0	448,394	
23	T	78,803		90,201	63,512	3,779	480,102	
24	F	92,216		90,420	68,860	3,605	506,791	
25	S	100,954		77,888	78,778	3,616	528,351	
26	S	98,101		72,781	80,865	3,499	527,461	
27	M	77,866		75,037	75,578	3,614	519,377	
28	T	93,700		48,252	76,262	10,326	518,836	Backwash ABC
29	W	93,140		89,755	64,246	3,485	490,826	
30	T	98,780		83,007	74,437	7,469	516,335	
31	F	102,780		91,895	62,942	7,200	524,905	
Total		3,149,028	3,384,490	2,030,707	2,057,948	170,963		
Average		101,582	109,177	65,507	66,385	5,515	556,990	
Max		138,684		102,934	80,865	17,755	639,305	

\* Max. combined capacity of both tanks is 744,380 gals.

1st of the

Month Data

14341583



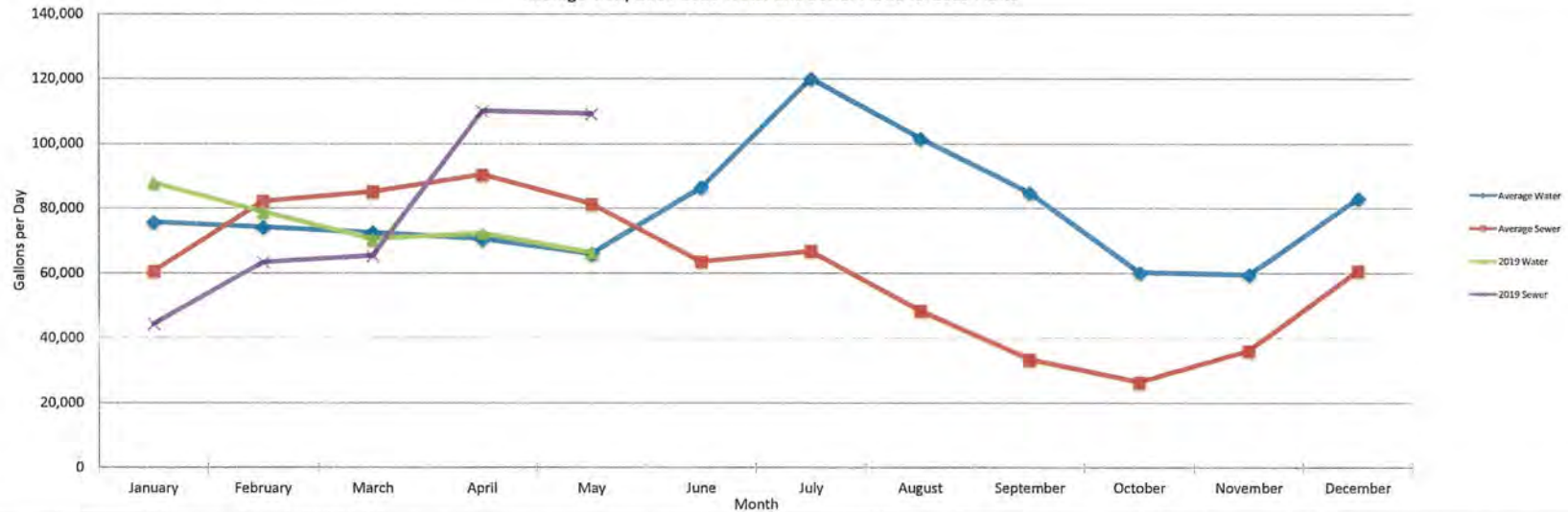
# Sierra Lakes County Water District

## Daily Average Water and Sewer Flows

Month	2014		2015		2016		2017		2018		2019	
	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer
January	69,606	34,410	95,897	66,382	72,428	67,169	82,724	78,915	57,934	56,074	87,880	44,329
February	73,191	82,460	80,774	85,824	69,691	86,523	84,728	102,596	62,633	53,318	78,934	63,383
March	78,570	89,570	73,647	62,222	64,613	100,429	80,671	89,737	64,510	83,232	70,562	65,446
April	78,717	92,660	61,764	79,719	52,789	97,536	104,155	95,125	54,942	86,645	72,242	109,987
May	103,240	86,350	52,297	70,946	50,414	83,506	82,594	103,648	41,219	61,763	66,385	109,177
June	135,958	67,105	68,224	56,587	74,707	62,327	85,112	81,067	67,307	50,652		
July	141,906	79,832	96,315	61,393	116,675	64,330	127,908	72,376	116,880	55,680		
August	126,807	65,753	92,046	48,765	98,230	36,878	90,608	48,019	100,235	42,146		
September	87,863	33,080	79,588	38,769	89,459	30,429	69,713	33,765	96,910	30,430		
October	74,301	31,039	55,541	25,955	59,326	30,750	44,687	20,983	66,956	22,980		
November	78,490	33,816	53,636	25,628	63,787	47,484	43,994	44,725	57,518	28,357		
December	88,052	78,230	79,820	49,035	106,789	85,423	57,662	46,212	82,744	44,796		

2014-2018			2019	2019	2019
Average Water	Average Sewer	Average Difference			
75,718	60,590	15,128	87,880	44,329	43,551
74,203	82,144	-7,941	78,934	63,383	15,551
72,402	85,038	-12,636	70,562	65,446	5,116
70,473	90,337	-19,864	72,242	109,987	-37,745
65,953	81,243	-15,290	66,385	109,177	-42,792
86,262	63,548	22,714			0
119,937	66,722	53,215			0
101,585	48,312	53,273			0
84,707	33,295	51,412			0
60,162	26,341	33,821			0
59,485	36,002	23,483			0
83,013	60,739	22,274			0

Average Daily 2014-2018 Water and Sewer Flows vs. 2019 Flows



**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
SIERRA LAKES COUNTY WATER DISTRICT**

**Date:** Friday May 10, 2019 / **Time:** 6:00 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

**I. Open Meeting:**

Roll Call: Directors in attendance at the Sierra Lakes Boardroom were:

Director Michael Lindquist  
Director Dan Stockton  
Director Richard Simpson  
Director Bob McCormick

The meeting was teleconferenced pursuant to Government Code Section 54953 to allow attendance by Director Karen Heald from 1520 E Covell Blvd 5B #262, Davis, CA.

Staff members present: Bill Quesnel, General Manager  
Anna Nickerson, Financial Consultant

Staff present by phone: Jeffrey Mitchell District Counsel

Guests present: Yvonne Stockton and Bob Montano

Minute Recorder: Anna Nickerson, Financial Consultant

**II. Public Forum:** An opportunity for members of the public to address the Board on items that were not on the agenda. Mrs. Stockton, a resident of Serene Lakes told the Board they were doing a good job.

**III. Approve Agenda:** The agenda was presented to the Board for approval.

**A motion was made by Director Simpson and seconded by Director Stockton to approve the agenda.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson, McCormick and Heald. Noes: none. Abstentions: none. Absent: none.

**IV. Public Comments:** An opportunity for the Board to consider comments received from the public after the agenda was posted, regarding items on the agenda. There were no comments received after the agenda was posted.

**V. Operations:** Mr. Quesnel's operations report was presented to the Board for consideration and possible action. Mr. Quesnel said the instructional stopndrain valve handout that would be sent with the annual water/sewer service fees invoice, was just about ready. He anticipated that the information would be printed on a half sheet of cardstock and homeowners would be able to post



the card near their stopndrain valve. The intent was to provide visitors and renters with clear instructions for operating the valve and to reduce significant leaks due to the failure of fully opening or fully closing the valve.

Mr. Quesnel reported that Sierra Lakes County Water District (SLCWD) was not the only District having trouble with automatic meter readings (AMRs). He said both Tahoe City PUD and South Truckee PUD were having trouble and that Tahoe City PUD reported a 25% failure rate due to dense snow. He said regardless of Badger's best efforts with new technology and hardware, a drive by system might be necessary for areas that experience large amounts of snow. Mr. Quesnel said consolidating snow seemed to be an issue. As the snow began melting and becoming denser, the number of meter alarms and non-reading meters had increased. He also said the budget, which would be discussed later in the meeting, included a drive-by interrogator system. He said the system would allow for better use of the meters that have been providing a great deal of help with finding leaks.

Director Simpson commented on the manganese that was flowing through the Donner Summit PUD (DSPUD) treatment plant. He said it almost sounded like mine tailings. He also said he had no idea why manganese would be popping up in spring water flow. Mr. Quesnel said both SLCWD and Donner Summit PUD were experiencing high levels of I&I and that both he and Tom Skjelstad, General Manager of DSPUD, thought the manganese could be coming in with the ground water. Director Stockton said manganese was very common in the ground water table.

Director McCormick asked about his stopndrain valve. He said he had a leaking stopndrain valve and a plumber replaced it with a valve that doesn't need to be turned. Director Stockton said what Director McCormick was describing was a check valve not a stopndrain valve. Mr. Quesnel said check valves would prevent water from back flowing into the system and contaminating the water. Mr. Quesnel said he would have someone take a look at the valve the next time Director McCormick was up.

Director Simpson asked about the Woodard & Curran proposal. Mr. Quesnel said after at least three conversations with Woodard & Curran and thinking about everything that would be involved with extending the intake pipe, like the cost of having two intake structures and two sets of valves, he concluded that the project needed to be more clearly defined. He said the proposal was for more than what he wanted to spend so he was going to talk with Woodard & Curran and see if there was a way to reduce the cost by reducing the number of visits to the District or utilizing the utility operators, for example. His goal was to bring the cost down to the mid \$20,000 range before bringing the proposal back to the Board. Director Lindquist said he would like to see a breakdown of the task and hourly rate on their next proposal.

## **VI. Consent Items Calendar:**

The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the April 12, 2019 Regular Meetings; the April 2019 Check Register; Disbursements for Board Approval; and financial reports for the month ending April 30, 2019. Director Lindquist asked if anyone wanted to pull anything off the consent calendar. No items were pulled.

**A motion was made by Director Stockton and seconded by Director McCormick to approve the Consent Items Calendar.** The motion passed by a roll call vote. Ayes: Directors

Lindquist, Stockton, Simpson and McCormick. Noes: none. Abstentions: Director Heald. Absent: none.

## **VII. New Business:**

A. Mrs. Nickerson's memorandum dated May 3, 2019, titled "Placing Annual Assessments and Unpaid Water/Sewer Service Fees on Placer County's 2019-2020 tax roll" was presented to the Board for consideration and possible action. The two resolutions were as follows:

1. Resolution 2019-851: A Resolution of the Board of Directors of Sierra Lakes County Water District authorizing the placing of Special Assessments for Sierra Lakes County Water District Assessment District No. 2011-1 on the 2019-2020 Placer County Tax Roll

**A motion was made by Director Simpson and seconded by Director McCormick to approve Resolution 2019-851 for placing Assessments on the Placer County tax roll.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson, McCormick and Heald. Noes: none. Abstentions: none. Absent: none.

2. Resolution 2019-852: A Resolution of the Board of Directors of Sierra Lakes County Water District authorizing the placing of unpaid service fees for Sierra Lakes County Water District on the 2019-2020 Placer County Tax Roll

**A motion was made by Director Simpson and seconded by Director Stockton to approve Resolution 2019-852 for placing unpaid water/sewer service fees on the Placer County tax roll.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson, McCormick and Heald. Noes: none. Abstentions: none. Absent: none.

B. Mr. Quesnel's memorandum dated May 2, 2019, titled "Draft 2019-2020 Budget" was presented to the Board for consideration and possible action. Mr. Quesnel said the 2019/2020 Budget packet included the following items:

- Operating budget spreadsheet
- Budget item detail for operating the water/sewer system
- Project Summary
- Project detail
- Cash Flow forecast
- Salary Grid

Mr. Quesnel said the salary grid reflected a slight increase in salaries based on his recent informal review of the salaries of neighboring agencies. He also said a few years back, the Board had set a goal for keeping the District's midpoint salary range at 60% of the midpoint range of the other agencies. He said although the grid needed to be revised, no employees were affected because all employees were within the proposed range.

Mr. Quesnel said the draft Budget had been revised based on the review of the Budget Committee, consisting of Director Stockton, Director Simpson, Mrs. Nickerson and Mr. Quesnel. After the Board's review, any necessary changes would be made and the budget would be brought back to the Board for approval at the June meeting.



Director Lindquist asked if there were any public comments prior to the Board's review of the budget. Mr. Montano said he couldn't tell from the minutes what the project details were for last year. He also said he couldn't tell if the current cash forecast changed dramatically from last month. He noted a 25% increase in operating expenses along with an increase in capital investments. He asked if the significant increases were normal for the budget process. Mr. Quesnel said most of what he thought Mr. Montano was seeing were increases in the forecasted project costs. For example, based on events over the last year that included failed pipes, a \$1,000,000 project for pipe replacements was added to the current budget, that wasn't in last year's forecast. Mr. Montano said Mr. Quesnel's explanation made sense and then asked about the increase in operating expenses. Mr. Quesnel said part of preparing the Operating Expense budget included looking at cost trends over the last three to four years. He also said one big change to the operating budget was the number of hours allocated for the General Managers; previously only 1,000 hours were budgeted. Other increased expenses included overtime and travel due to weather, plowing, water treatment etc. and having an employee living in Truckee that required on-call mileage reimbursements. Until recently, all the utility operators lived in the District so travel reimbursements were not an issue. Also included was the cost of electrical training. The District no longer has an employee with electrical and mechanical skills due to the retirement of an employee. Finally, Mr. Quesnel said there was also an increase in the amount of operating projects for the coming year.

Director Lindquist asked about unfunded liability (UL) obligations for retiree benefits. Mrs. Nickerson said that even though the UL for medical benefits decreased in the latest actuarial report, the Board previously approved a plan to set aside \$54,000 a year for the next several years. As for the pension UL, Mrs. Nickerson said she hadn't received any information from CalPERS yet. However, she believed that because the District had made a large payment towards the UL a couple years ago and because CalPERS has been saying their earnings over the last year were better than expected, the District was in a good position.

Director Simpson said he was comfortable with the proposed budget after talking with Mr. Quesnel, Mrs. Nickerson and Director Stockton at the budget meeting. He also said that even though a negative cash flow was projected four to five years in the future, it was his feeling that the projection was pessimistic but something the Board should keep in mind. Mr. Quesnel agreed. Director Simpson noted that the negative cash flow was projected to happen about the same time that the District would be transitioning to consumption based rates. Director Lindquist said the Board might want to consider not having two big changes, fees based on consumption vs. flat rate and a rate increase, at the same time.

Mr. Quesnel said, by 2022, half of the homes in the District could be on meters and providing usage data. Director Lindquist clarified that, for the sake of transparency, the District would be collecting data but no information associated with an address or owner would be published. Mr. Quesnel said that more information for determining trends would be better for setting rates. He also said rates based on consumption would probably include both a flat rate portion and a variable rate portion. Director McCormick clarified that the District would have to back into the rate in order to cover costs. Mr. Quesnel said there would be a basic fixed cost — the cost associated with running the District whether or not any water was processed. He also said the incremental costs, like chemicals, additional electricity etc., to process a gallon of water, would be minimal compared to the fixed costs. Regardless if someone was using water every day of the year or on the occasional weekend, there was a minimum cost to open the District to be ready to provide

water on demand. Director McCormick asked, if he didn't use water for a whole year it wouldn't mean he won't have to pay anything, he would still have to pay a base rate. Director Lindquist said it would be a community decision as to how to transition from a flat rate to a volumetric rate but that everyone would end up with a partially fixed rate. He also said the change to volumetric rates would result in some people having a higher bill, some having a lower bill with the average user's bill staying about the same.

Mr. Quesnel said Truckee Donner PUD's (TDPUD) engineer told him that they were having the same issue with stopndrain valves as the District and that because TDPUD was considered an urban water provider with more than 3,000 customers, they have to bill monthly. Some TDPUD customers have received \$500 bills because they don't close their stopndrain valves all the way. Because of the difficulty of tracking 3,000 meters, TDPUD is in the process of establishing a leak threshold and adding automatic text messaging to notify customers of potential leaks. Because most of the District's leaks have been the improper operation of stopndrain valves, Mr. Quesnel felt installing meters earlier might be good to provide more customer education as to the importance of properly opening and closing their stopndrain valves. Director McCormick asked if the Board would have the ability to provide a "mulligan" if someone wasn't operating their stopndrain valve properly. Mr. Quesnel said, although the Board had the ability to grant a waiver, the Board has taken a very aggressive stance in the past. However, if all the houses were metered by 2020/2022, the District would have a couple years to educate homeowners.

Mr. Quesnel said he didn't anticipate any significant changes to the proposed 2019-20 budget before June and asked that any questions be directed to Mrs. Nickerson or himself. Otherwise the budget would be presented at the June meeting for adoption. Director Lindquist asked that a copy of the budget spreadsheet be emailed to him.

#### **VIII. Old Business:**

Mr. Quesnel's memorandum dated May 3, 2019, titled "General Manager Recruitment/Agreement", was presented to the Board. Mr. Quesnel said Directors Lindquist and Stockton had been negotiating with Mr. Schultz and a copy of the final draft agreement was provided to the Board for consideration and possible action. At the meeting, Director Simpson's comments regarding the draft agreement were provided to the Directors. Director Simpson said most of his comments were editorial but that there were some ambiguities that should be cleared up.

Director Lindquist asked for public comments. There were none.

Director Simpson said he looked through the contract for a reference to CalPERS but didn't see anything. He said it was his understanding that Mr. Schultz was receiving CalPERS benefits and wanted to know the effects. Mr. Mitchell, District Counsel, said CalPERS did not pertain since Mr. Schultz would not be an employee. Mr. Mitchell also said he was very comfortable that the contract kept Mr. Schultz at an "arm's length" and therefore not subject to a limit on hours/salary.

Director Heald asked if the language at the bottom of the first page that read "the District would have no right of control over the manner in which the work is to be done but only as to its outcome..." was structured to try to support the legal requirements of an independent contractor. Mr. Mitchell said that was correct. She then said the language seemed problematic because it sounded like the Board would have no control over the process. She wanted to know what Directors Lindquist and Stockton thought, as people who were experts on how utility districts



worked. Director Lindquist said it wasn't that the Board would have no control, it would have a different type control with an independent contractor as opposed to an employee. The Board would still set goals, budgets and policies. But, if someone acted outside of the District's value system, there would be ways to correct the situation. He said the Board would not have less control it would have different control. Director Heald said she understood where the language came from but she had concerns. Mr. Mitchell said what the District had was the power to terminate the contact with a 30 day notice. He said even when evaluating an employee you don't necessarily tell them how to do a particular thing, you tell them what you want the outcome to be. She said she disagreed somewhat in that at board meetings the Board has given Mr. Quesnel very specific process oriented instructions. She felt the language would preclude the Board from continuing in that manner. Mr. Mitchell said there were certain process issues that were within the scope of the Board, for example public interface. The Board may have a lot of input on interaction with staff, what the website looks like, how the bills were to be handled. But the Board would not have input on how to undertake testing of water or how to evaluate employees. Director McCormick said to some degree, the Board was stuck with the language if the Board wanted Mr. Schultz to be an independent contractor and that the ambiguity was in the usage of the word "work". He also said if the Board wanted to have control over how the General Manager operated than the General Manager would become an employee. Director McCormick suggested softening the language to read "specific manner". Director Stockton said the Board had a lot to say about the outcome and if the outcome wasn't satisfactory the Board had remedies. He also said he liked the language the way it was written. Mr. Mitchell said the language was used quite often and that if the Board had to look to the contract in order to correct the actions of the General Manager, then there was a much larger issue.

The Board then discussed specific items in the contract:

1. Inconsistencies noted by Director Simpson would be resolved:
  - "District" vs "the District"
  - "Consultant" vs "the Consultant"
  - "agreement" vs "contract"
2. Ambiguous use of pronouns would be removed (example: consultant's employees vs its employees)
3. Reimbursement of covered commuting – Director Lindquist said he would speak to Mr. Schultz and let him know that commuting to and from the District would not be covered under the contract. Director Lindquist said, the standard of the industry was that a consultant's travel to and from the work place was not a reimbursable cost. However, travel to a meeting or conference at another location would be reimbursable.
4. Mr. Mitchell noted that there was a problem with the math. The contract reflected a \$250,000 limit but the approved hours at the approved rate would exceed that amount. The Board, with the exception of Director Simpson who was ok with \$250,000, agreed to increase the contract limit to \$265,000.
5. Director Simpson noted that Section 4.3.1.2 contained a very long sentence that could be split into two sentences. Mr. Mitchell said he could probably split it into two sentences. Director McCormick asked that a sentence be changed from "as respect to the District" to "with respect to the District". Mr. Mitchell would look at changing the sentence.

6. The Board was concerned that the language regarding insurance undercut the coverage stated. Mr. Mitchell said he would like to add language about worker's compensation. He also said his preference would be to take out the language in Section 4.5.2 that started with "limited" and ended with "are" and change the section to read "District agrees that Consultant's liability and indemnification to the District, its officers, officials, agents, employees, contractors, subcontractors, successors and assigns shall be subject to the following limits..." and with specific limits in Sections 4.5.2.1, 4.5.2.2 and 4.5.2.3. Director McCormick was concerned that the language would only cover to \$1,000,000 not what the policy actually covered. Mr. Mitchell was concerned that there could be items not covered by the required insurance or that there could be certain types of claims that do not have the dollar limit requested. Director McCormick said he thought Mr. Schultz was questioning whether the insurance would actually come through and only wanted to be liable to the extent of insurance coverage; so if a claim was not covered, he did not want to have any liability. Director Heald suggested that Mr. Mitchell work out the language with Mr. Schultz to protect the District and satisfy Mr. Schultz's needs.
7. In Section 4.8.2 the word "or" would be changed to "nor".

**The Board scheduled a Special Meeting for Saturday, May 25, 2019, at 10:00 am. At the meeting, the Board will discuss and possibly approve the revised "Professional Service Agreement" for the tentative General Manager, Paul Schultz.**

**IX. CLOSED SESSION:**

**A motion was made by Director Simpson and seconded by Director Stockton to move the meeting into closed session.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson, McCormick and Heald. Noes: none. Abstentions: none. Absent: none.

**A motion was made by Director Simpson and seconded by Director McCormick to move the meeting into open session.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson, McCormick and Heald. Noes: none. Abstentions: none. Absent: none.

Director Simpson said there were no reportable action from the closed session.

**X. Administration:**

A. A list of Follow-up Items from the April 2019 Board meeting was presented to the Board for consideration and possible action. Mr. Quesnel reported that he had made contact with Placer County and both parties agreed that the needs of the County had changed with regard to facilities at Serene Lakes. He felt the result will be that the District and the County will come to an understanding on a short term extension of the current lease between the District and the County while the County evaluates its options.

B. The Status of Action Items remaining as of the May 2019 Board meeting was presented to the Board for consideration and possible action. Mr. Quesnel reported:



- Mrs. Nickerson was close to finishing the Office Procedure Manual and would send it to Director Simpson for review.
- Stopndrain card was ready to be printed and sent out with the billing.
- Mr. Quesnel said he anticipated that as Mr. Schultz takes over, he will have more time to finish the little projects.
- Mr. Quesnel said he hoped to have an understanding by the summer of what the AMR data and trends mean.
- Mr. Quesnel was still working on the Policies and Procedures and hoped to meet with the subcommittee in June.
- Mr. Mitchell said he had not finished the insurance review

**X. Adjournment**

**A motion was made by Director Stockton and seconded by Director McCormick to adjourn the meeting.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson and McCormick. Noes: none. Abstentions: none. Absent: Director Heald.

The minutes were approved at the Regular Meeting held on June 14, 2019, as part of the Consent Items Calendar. A motion was made by Director \_\_\_\_\_ and seconded by Director \_\_\_\_\_ to approve the Consent Items Calendar. The motion passed by a \_\_\_\_\_ vote:

# **MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF SIERRA LAKES COUNTY WATER DISTRICT**

**Date:** Saturday May 25, 2019 / **Time:** 10:00 a.m. / **Place:** 7305 Short Road, Serene Lakes, CA

## **I. Open Meeting:**

Roll Call: Directors in attendance at the Sierra Lakes Boardroom were:

Director Michael Lindquist  
Director Dan Stockton  
Director Bob McCormick  
Director Richard Simpson

The meeting was teleconferenced pursuant to Government Code Section 54953 to allow attendance by Director Karen Heald from 1520 E Covell Blvd 5B #262, Davis, CA.

Staff members present: Bill Quesnel, General Manager  
Staff present by phone: Jeffrey Mitchell District Counsel  
Guests present: Paul Schultz  
Minute Recorder: Bill Quesnel, General Manager (GM)

**Public Forum:** An opportunity for members of the public to address the Board on items that were not on the agenda. There was no one in the audience; no comments.

## **II. Approve Agenda:** The agenda was presented to the Board for approval.

A motion was made by Director Stockton and seconded by Director Simpson to approve the agenda. The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, McCormick, Simpson and Heald. Noes: none. Abstentions: none. Absent: none.

## **III. Public Comments:** An opportunity for the Board to consider comments received from the public after the agenda was posted, regarding items on the agenda. There were no comments received after the agenda was posted.

## **IV. Old Business**

A memorandum titled "General Manager Recruitment/ Agreement", dated May 23, 2019, was presented to the Board by Mr. Quesnel, GM. Also presented was a Final Draft General Manager (GM) Contract with Paul Schultz, dated 5/22/19, and a Redline of May 10<sup>th</sup> Contract with Paul Schultz, dated May 14, 2019.



Mr. Quesnel said his memorandum was based on information received from Mr. Mitchell, District Counsel. He said there was also a May 24, 2019, version of the proposed GM Contract/Agreement sent to the Board the afternoon of May 24, 2019.

Director Simpson started the discussion with the \$265,000 limit that was placed on the GM's compensation. He said his calculation of 30 hours/week, 52 weeks/year at \$162.50 plus 10% exceeded the \$265,000 limit. Director Lindquist said he recollected the discussion was that there was a reasonable estimate of what the reimbursable expenses would be. Mr. Quesnel said his recollection was that the math was around \$250,000 and that there was discussion about how much additional, out of pocket, expenses the GM might incur. He also said the 10% would not be added to the hourly rate; the 10% would only be added to reimbursable, out of pocket, expenses such as printing of plans, documents or possibly a lunch. Mr. Mitchell noted the contract had a "not to exceed" (NTE) 1,560 hours/year. Director Simpson said he was agreeable to this interpretation. Director Lindquist summarized that the total compensation was based on:

Total Hours (1,560 x \$162.50)	\$253,500
Reimbursable Expenses NTE	<u>11,500</u>
Total Compensation Limit:	\$265,000

Director Heald asked if the Board was going to go through the entire contract or if the discussion was going to be primarily about insurance and indemnification. Director Lindquist said, given that the Board was being asked to approve a contract, he would not want to stifle any questions regarding the document. Director Heald said she had two questions relating to the document that did not relate to indemnity but that she also had some issues regarding the indemnity.

Director Heald's first comment was in regard to Section 1.0 Basic Services. She said under "Oversight" there was a reference to "Supervision of three full-time and one seasonal Utility System Operators". She said in the past, based on the number and size of projects, the District had tried to hire additional seasonal help and thought the statement was limiting. The consensus was to remove the number of employees and say "Supervision of full-time and seasonal Utility System Operators".

Director Heald's second comment was in regard to the "Coordination with Financial Consultant who performs administrative office functions". She said currently, Bill Quesnel actually supervises Anna Nickerson. This was reflected in the fact that Bill evaluates Anna and that he oversees her work on a day to day basis. She said the contract reflected a change to the current situation but that she was fine with it because Anna was very self-motivated and autonomous. She said she wanted to make sure that that was what the Board intended and that it would also change who would do Anna's evaluation. Director Lindquist said he didn't think the verbiage precluded the Board from requesting that the GM perform the evaluation. Director Simpson said supervision boils down to evaluation and it was said that the GM would supervise. Mr. Mitchell proposed changing the contract to read "Coordination with and evaluation of the Financial Consultant..." Director Simpson said he would rather see "supervision of". Mr. Quesnel said he chose "coordination" because he was not comfortable with "supervising". He said he wasn't confident supervising Anna's direct work due to his lack a financial background; he left that up to the auditors. He said seeing what she does day to day and having her help with specific tasks was what he was trying to describe by using the word "coordination". He also said "supervision" really wasn't the word that described the relationship between the GM and the Financial Consultant. Director Heald suggested that the Board leave "coordination" but remove the supervision from the

GM placing the supervision/evaluation with the Board President. Director Lindquist summarized that the Board would leave "coordination" with the understanding that the Board could request the GM to do certain things and that who performs the Financial Consultant's evaluation would be decided at a later date.

Director Heald's third comment was in regard to Section 4.2 Ownership of Documents. She said in the last part of the paragraph where it said "Reuse of any work products of Consultant by District for other than the specific project covered in this Agreement without the written permission of Consultant shall be at District's risk; ...". Her question was, if the GM performed something for the District that created a work product, which was the outcome of that project, and the District had an ability to use the product in another facet of District operations, would the District be precluded from using the product? Mr. Mitchell said, although it was pretty standard language, the Board should keep in mind that it would all be covered under the specific project of the agreement and that in this particular case, the specific project was GM. Therefore, the District would be able to use the product in other facets of District operations.

The Board then discussed Sections 4.5.1 and 4.5.2. Director Heald started by saying, Section 4.5.1 stated that the GM would indemnify for liability arising out of negligence including negligence failure and willful misconduct. However, the indemnity was limited by Section 4.5.2.1, that limited coverage to the limit of the liability insurance, and by Section 4.5.2.2, to no limit for claims arising from willful misconduct. She said one would think that negligence would be covered by liability insurance but that sometimes negligence and willful misconduct met in a gray area. Her example was, the insurance company denies a claim and cites willful misconduct and then Mr. Schultz claims that there was no willful misconduct, in which the District might agree, but the exception to the limitation of indemnity in 4.5.2 would not apply, so who would cover the claim? Director McCormick said the claim would have to be litigated. Director Heald said the District would be left at the mercy of Mr. Schultz's insurance, notwithstanding the indemnity language in Section 4.5.1. Her conclusion was that the language had the same holding coverage that Mr. Mitchell identified at the previous meeting.

Mr. Mitchell said, describing the four policies, commercial general liability, auto, professional liability and worker's compensation, was an attempt to capture all the scenarios the District would likely encounter. However, if a claim was denied because it didn't fall under one of those policies, the answer could be litigation with the insurance company. He agreed that it was not a desirable outcome but that the only other way he knew to prevent the need for litigation would be to impose the liability onto Mr. Schultz personally, if the Board felt it was fair to place liability onto an individual. He also said, it would be unlikely that Mr. Schultz would have the assets to support a \$5,000,000 claim. Director Heald said she didn't know what she was really looking for other than she didn't want the District to be responsible to have to pursue coverage from Mr. Schultz's insurance company. She said she was fine with limiting the liability to the limits of the insurance policy but had a concern about what she perceived as a hole in coverage; the District would either not get indemnified or would only get indemnified if the District went after the insurance company.

Mr. Mitchell said he had not been able to speak to JPIA, the District's insurance company. He said he wanted to talk to them about the District existing policy and if there was a way to ensure that the District's insurance would kick in as a backup in the event that a claim was denied by Mr. Schultz's insurance. There would be a review of JPIA's interpretation of Independent Contractor coverage "gap" and what the difference would be if Mr. Schultz was an employee. He said even with employees there could be claims that would not be covered by insurance. Mr. Mitchell said



the optimal test was “do we have all the insurance coverage which is reasonable to obtain.” And, in those cases where there was no insurance coverage, how much liability would the Board expect Mr. Schultz to be personally liable for.

Mr. Mitchell said, in a situation where the Board felt a claim was improperly denied, the Board could either tender the claim to JPIA, and hope for a different outcome, or litigate against Mr. Schultz’s insurance company.

Director McCormick said he didn’t want the Board to enter into contracts that were considered so unusual that the Board would be questioned about the reasonableness for protecting the agency. Mr. Mitchell said he had worked with other agencies that entered into contracts with independent contractors and that if it were a large contractor he would not recommend the limitation on liability. However, given the situation, he was ok with the contract as written.

Director Lindquist said there was a potential where something could occur that would not be covered by insurance and that the only remedy would be to go back to unlimited liability for everything. He said, if that was what that the Board decided, that would be fine. However, they would have to recruit a new candidate. He agreed that by limiting the liability, the Board was taking a risk. There was no way to tighten it up to no risk without going to unlimited liability. The question was whether or not the Board would be willing to take the risk for the District.

Director McCormick wanted to confirm that the \$250,000 only applied to Mr. Schultz’s liability if the policy lapsed, it didn’t limit his responsibility to indemnify to \$250,000. Director Heald said Mr. Schultz wanted no liability unless the claim was denied because the premium wasn’t paid.

Mr. Mitchell summarized what he understood the Board’s intent to be:

1. There was a general consensus on the Board’s part that if a claim was covered by insurance, it would be ok to limit the liability to the amount of coverage.
2. If it was a claim covered by Worker’s Compensation, the liability would not be limited.
3. If the claim arose from willful misconduct, no limits would be placed on liability.

Mr. Mitchell said all that was left was a narrow universe of claims not covered by insurance. He said that also included claims that the District felt should be covered and were willing to pursue. He said those claims would fall into the following categories:

1. Claims not covered due to policy lapse
2. Claims that could not be articulated today but would not be covered
3. Claims that the insurance company deemed willful misconduct but which both Mr. Schultz and the District disagreed.

Mr. Mitchell asked:

1. Was the Board comfortable with accepting a \$250,000 limit on liability should a claim be denied due to the lapse in coverage –
2. Was the Board comfortable with Mr. Schultz having a \$250,000 limit on liability for claims not covered by insurance (Mr. Schultz wanted no liability for claims not covered by insurance) –

Director Heald said her concern was the Board's duty to its constituents to negotiate a contract that would protect the District in a scenario where that, even the attorney had admitted, included an unusual limitation on liability to the company or person. Her other concern was that if the Board didn't agree with the terms that they would have to look for another GM. Director McCormick agreed with her concerns. He said he saw it as a balancing act — was the scope of the required insurance coverage Mr. Schultz was to carry along with the District's scope of insurance coverage enough to protect the District? Finally, did the \$250,000 limit on Mr. Shultz's exposure make sense and was it justifiable in a case of willful misconduct. He said it would make him feel better if the Board didn't limit liability for gross negligence, willful misconduct and violations of law.

Mr. Mitchell proposed that he discuss the matter with JPIA and check with Mr. Schultz about adding gross negligence to the section regarding willful misconduct and that the limitation would not apply to either if they were not covered by insurance.

The Board invited Paul Schultz into the boardroom to discuss his position regarding the insurance requirements. Mr. Schultz had recused himself to Mr. Quesnel's office so had not been privy to the discussions to this point. Director Lindquist said the Board wanted to hear from Mr. Schultz what his goals were in regard to limits of liability and indemnification to determine if the two positions aligned. Mr. Schultz said his goal was to be able to make himself whole in the remote case of a catastrophic event. He said he either wanted to be covered by insurance or have a limitation in situations not covered by insurance. Mr. Schultz also said he would accept an unlimited liability due to a lapse of insurance because he had no intention of letting his insurance lapse. He added that it was his practice to pay his premiums a year in advance. However, if the Board would be more comfortable with making the insurance payments and being reimbursed, he was fine with that too.

Director Lindquist said the other gap the Board discussed was the limit for something not covered by insurance. He said for items covered by insurance, the liability would be limited to the amount of the insurance coverage; the issue was items not covered by insurance. When asked, Mr. Mitchell said he couldn't think of a situation that would not be covered by insurance making the gap in coverage very narrow. Mr. Mitchell also suggested that a discussion with the District's insurance company might provide the Board with a higher level of comfort. He said he would request that JPIA review the District's insurance requirements to determine if the levels were adequate or if they would recommend something different.

Director McCormick said there were generally things not covered by insurance, such as willful misconduct and possibly gross negligence. He said in the case of a public agency, the Board needed to be careful not to look like they would excuse certain types of behavior. Mr. Schultz said it was his experience that willful misconduct was really hard to prove and that the contract shouldn't be customized to him; it needed to be translatable to any GM. He also said gross negligence could be added to the willful misconduct section of the contract.

Mr. Mitchell said the remaining issue was having a discussion with JPIA concerning the specific insurance the Board was requiring Mr. Schultz to carry and to determine that the language included in the contract provided the highest level of comfort. Director Heald said claims not covered by insurance, in which no example could be provided, was only one piece of the puzzle. The other piece was whether or not JPIA could provide an endorsement for those claims that Mr. Shultz's insurance refused to cover, even though the Board felt they should be covered. She said it



was important to protect the Board's decision making and fiduciary duties. Mr. Mitchell's two discussions with JPIA would be:

1. To have them review the Board's required policies, wording, and endorsements and determine if anything needed to be added and
2. How the District's policy addressed consultants, specifically a consultant retained to be GM, and if there was a gap in insurance coverage or an exclusion. Was that something that could be addressed with a change in the current policy

The Board anticipated that they would vote on the contract at the June meeting after Mr. Mitchell's discussion with JPIA.

**V. Adjournment**

**A motion was made by Director Stockton and seconded by Director Simpson to adjourn the meeting.** The motion passed by a roll call vote. Ayes: Directors Lindquist, Stockton, Simpson, McCormick and Director Heald. Noes: none. Abstentions: none. Absent: none.

The minutes were approved at the Regular Meeting held on June 14, 2019, as part of the Consent Items Calendar. A motion was made by Director \_\_\_\_\_ and seconded by Director \_\_\_\_\_ to approve the Consent Items Calendar. The motion passed by a \_\_\_\_\_ vote:

**1002 - DEMAND Account**

**RECONCILIATION:**

5/1/2019	Beginning Cash Balance	51,668.55
	Deposits	288,879.41
	Assessments received	149,565.90
	Deposit - Interest	3.63
	Funds Transferred To/From OPEB Investment Account	100,000.00
	Assessments received - Transferred to Assessment District 2011-01	(149,565.90)
	<b><u>DEMAND ACCOUNT DISBURSEMENTS:</u></b>	<b><u>(130,875.99)</u></b>
5/31/2019	Ending Cash Balance	<b><u>309,675.60</u></b>

**1031 - GASB 45-OPEB Account**

**RECONCILIATION:**

5/1/2019	Beginning Cash Balance	163.13
	Deposit - Interest	-
	Funds Transferred To/From Investment Account	-
5/31/2019	Ending Cash Balance	<b><u>163.13</u></b>

**Placer County Treasurer's Fund**

**RECONCILIATION:**

5/1/2019	Beginning Cash Balance	2,529,267.92
	Deposit - Interest (Dec 2018, Jan 2019 & Feb 2019)	4,415.26
	Funds Transferred To/From Investment Account	5/8/19 Transfer for Cash Flow purposes (100,000.00)
5/31/2019	Ending Cash Balance	<b><u>2,433,683.18</u></b>

**Local Area Investment Fund (LAIF)**

**RECONCILIATION:**

5/1/2019	Beginning Cash Balance	672,072.88
	Deposit - Interest	
	Funds Transferred To/From Investment Account - Annual OPEB Funding	
5/31/2019	Ending Cash Balance	<b><u>672,072.88</u></b>

**Assessment District 2011-01**

**RECONCILIATION:**

5/1/2019	Beginning Cash Balance	375,531.55
	Assessments Received	157,626.51
	Deposit - Interest	8.85
	Disbursements - USDA Assessment Loan Payment	(8,077.61)
5/31/2019	Ending Cash Balance	<b><u>525,089.30</u></b>



Sierra Lakes County Water District

Check Registers

May 2019

Type	Date	Num	Name	Memo	Amount
<b>1002 - US Bank - Demand</b>					
Check	05/24/2019	052319	Sierra Lakes County Water District	Transfer to Assessment District Assess Pymts	(149,565.90)
Bill Pmt -Check	05/10/2019	6773	Donner Summit Public Utility District	May 2019 Wastewater Treatment Fees	(38,600.00)
Bill Pmt -Check	05/10/2019	21523	Acumen Engineering Company	Apr 2019 Professional Fees	(11,600.00)
Bill Pmt -Check	05/07/2019	MED052019	Public Employees' Retirement System (Med)	Medical - 1347	(7,951.45)
Liability Check	05/02/2019		QuickBooks Payroll Service	Created by Payroll Service on 05/01/2019	(7,908.62)
Liability Check	05/17/2019		QuickBooks Payroll Service	Created by Payroll Service on 05/16/2019	(7,675.98)
Bill Pmt -Check	05/29/2019	051519	Anna M. Nickerson	Professional Fees 5/1/19 to 5/15/19	(4,920.00)
Bill Pmt -Check	05/10/2019	21528	Pacific Gas & Electric	Electricity	(4,234.87)
Bill Pmt -Check	05/09/2019	050719	Anna M. Nickerson	Professional Fees 4/16/19 to 4/30/19	(4,200.00)
Liability Check	05/31/2019	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # -703531070	(4,032.00)
Bill Pmt -Check	05/10/2019	21525	Dept. of Water Resources	1324-0 Ice Lakes Dam 2019 Fees	(3,828.00)
Liability Check	05/01/2019	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # -1356933070	(3,721.26)
Liability Check	05/16/2019	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # -1868639970	(3,513.42)
Bill Pmt -Check	05/10/2019	21526	Kronick Moskovitz Tiedemann & Girard	Apr 2019 Legal Fees	(3,495.50)
Bill Pmt -Check	05/10/2019	6780	U.S. Bank (CC)	Washer/Dryer, Office, Computer, Gas (\$190.96)	(3,181.29)
Liability Check	05/07/2019	RET042019	Public Employees' Retirement System (Ret)	Retirement - 1347	(2,794.98)
Liability Check	05/14/2019		QuickBooks Payroll Service	Created by Payroll Service on 05/10/2019	(2,130.29)
Bill Pmt -Check	05/24/2019	6792	TIP, Inc.	Envelopes, Billing Sheets, Stopndrain info	(1,778.38)
Liability Check	05/28/2019		QuickBooks Payroll Service	Created by Payroll Service on 05/24/2019	(1,463.00)
Bill Pmt -Check	05/24/2019	6791	Thatcher Company, Inc.	Filter Plant Chemicals	(1,122.48)
Liability Check	05/31/2019	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # -703546070	(948.84)
Liability Check	05/01/2019	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # -1356958070	(910.30)
Bill Pmt -Check	05/24/2019	6785	Grainger	Fluorescent Bulbs & Needle Valves	(884.54)
Bill Pmt -Check	05/24/2019	6787	NTU Technologies, Inc.	Filter Plant Chemicals	(880.99)
Liability Check	05/16/2019	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # -1868651970	(849.66)
Bill Pmt -Check	05/10/2019	6777	T&T Valve and Instrument, Inc.	3 Butterfly Valves & 4 Stem Adaptors	(728.17)
Bill Pmt -Check	05/10/2019	6775	New Leaders	Annual email users fees	(720.00)
Bill Pmt -Check	05/24/2019	6788	Pacific Gas & Electric	Electricity	(693.85)
Bill Pmt -Check	05/24/2019	6790	Suburban Propane	Propane	(691.59)
Bill Pmt -Check	05/10/2019	6781	USA Blue Book	pH electrode, Gloves, safety glasses, batteries	(622.19)
Bill Pmt -Check	05/24/2019	6783	AT&T	Telephone	(611.17)
General Journal	05/31/2019	053119-JK		J Krebill P/R Ded - Water/Sewer Fees	(394.50)
Bill Pmt -Check	05/10/2019	6770	Aramark	Employee Uniforms	(375.00)
Check	05/02/2019		BluePay	Merchant Fees	(337.02)
Liability Check	05/10/2019	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # -2072753970	(336.40)
Bill Pmt -Check	05/10/2019	6778	Tahoe Truckee Sierra Disposal Co., Inc.	Garbage	(286.29)
Bill Pmt -Check	05/10/2019	21529	Placer County Human Resources	May 2019 Dental/Vision Premium	(282.80)
Bill Pmt -Check	05/24/2019	6784	Autoglass Express	Truck Windshield	(254.95)
Liability Check	05/24/2019	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # -1763944970	(253.78)

Sierra Lakes County Water District

Check Registers

May 2019

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	05/10/2019	6772	Cal Fire	Fire Safe Lot Clearing	(226.94)
Bill Pmt -Check	05/10/2019	6776	Summit Home Care	Office Cleaning	(200.00)
Bill Pmt -Check	05/10/2019	6774	Eco-Rental Solutions	Bales Intake Project	(180.81)
Bill Pmt -Check	05/10/2019	21531	Truckee Fire Community Fund	CPR Training	(170.00)
Bill Pmt -Check	05/10/2019	21524	Cranmer Engineering, Inc.	Filter Plant Testing	(147.00)
Bill Pmt -Check	05/10/2019	6779	The Office Boss	Office and Fax/Copier Supplies & Shipping	(129.08)
Bill Pmt -Check	05/10/2019	6771	Badger Meter	May 2019 Cellular Fee - Meter Test Program	(104.13)
Bill Pmt -Check	05/10/2019	6782	Verizon Wireless	Cell Phone & On-Call iPad	(83.48)
Liability Check	05/10/2019	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # -2072754970	(79.00)
Liability Check	05/24/2019	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # -1763954970	(73.60)
Bill Pmt -Check	05/10/2019	21530	Quesnel, Bill (expense)	Lunch for Training	(65.91)
Bill Pmt -Check	05/24/2019	6789	Sierra Mountain Pipe & Supply	Strawwattle	(54.13)
Check	05/08/2019		QuickBooks Payroll Service	Created by Direct Deposit Service on 05/07/2019	(1.75)
Check	05/28/2019		QuickBooks Payroll Service	Created by Direct Deposit Service on 05/24/2019	(1.75)
Check	05/08/2019	050819	BluePay	Merchant Fees	(1.40)
Paycheck	05/03/2019	DD548	Jeffery D. Krebill	Direct Deposit: Pay Period Ending 4/30/19	-
Paycheck	05/03/2019	DD549	Matthew M Marriner	Direct Deposit: Pay Period Ending 4/30/19	-
Paycheck	05/03/2019	DD550	Patrick J Baird	Direct Deposit: Pay Period Ending 4/30/19	-
Paycheck	05/15/2019	DD551	Dan L Stockton {Salary}	Direct Deposit: 5/10/19 Board Meeting	-
Paycheck	05/15/2019	DD552	Karen Heald {Salary}	Direct Deposit: 5/10/19 Board Meeting	-
Paycheck	05/15/2019	DD553	Michael E Lindquist {Salary}	Direct Deposit: 5/10/19 Board Meeting	-
Paycheck	05/15/2019	DD555	Robert M McCormick {Salary}	Direct Deposit: 5/10/19 Board Meeting	-
Paycheck	05/15/2019	DD554	Richard A Simpson {Salary}	Direct Deposit: 5/10/19 Board Meeting	-
Paycheck	05/20/2019	DD556	Brian Lundgren	Direct Deposit: Pay Period Ending 5/15/19	-
Paycheck	05/20/2019	DD557	Jeffery D. Krebill	Direct Deposit: Pay Period Ending 5/15/19	-
Paycheck	05/20/2019	DD558	Matthew M Marriner	Direct Deposit: Pay Period Ending 5/15/19	-
Paycheck	05/20/2019	DD559	Patrick J Baird	Direct Deposit: Pay Period Ending 5/15/19	-
Paycheck	05/29/2019	DD560	Dan L Stockton {Salary}	Direct Deposit: 5/25/19 Special Meeting	-
Paycheck	05/29/2019	DD562	Michael E Lindquist {Salary}	Direct Deposit: 5/25/19 Special Meeting	-
Paycheck	05/29/2019	DD561	Karen Heald {Salary}	Direct Deposit: 5/25/19 Special Meeting	-
Paycheck	05/29/2019	DD563	Richard A Simpson {Salary}	Direct Deposit: 5/25/19 Special Meeting	-
Paycheck	05/29/2019	DD564	Robert M McCormick {Salary}	Direct Deposit: 5/25/19 Special Meeting	-
Total 1002 - US Bank - Demand					(280,298.44)
<b>TOTAL</b>					<b>(280,298.44)</b>

Sierra Lakes County Water District  
**Payroll Summary**  
May 2019

	Dan L Stockton {Salary}	Karen Heald {Salary}	Michael E Lindquist {Sa...	Richard A Simpson {Sal...	Robert M McCormick {...	TOTAL
<b>Employee Wages, Taxes and Adj...</b>						
Gross Pay						
Salary Director	900.00	360.00	900.00	540.00	360.00	3,060.00
<b>Total Gross Pay</b>	<b>900.00</b>	<b>360.00</b>	<b>900.00</b>	<b>540.00</b>	<b>360.00</b>	<b>3,060.00</b>
Adjusted Gross Pay	900.00	360.00	900.00	540.00	360.00	3,060.00
<b>Taxes Withheld</b>						
Federal Withholding	-72.00	0.00	0.00	-50.00	0.00	-122.00
Medicare (Employee)	-13.05	-5.22	-13.05	-7.83	-5.22	-44.37
Social Security (Employee)	-55.80	-22.32	-55.80	-33.48	-22.32	-189.72
State Withholding	-72.00	0.00	0.00	-50.00	0.00	-122.00
SDI (Employee)	-9.00	-3.60	-9.00	-5.40	-3.60	-30.60
Medicare Employee Addl Tax	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Taxes Withheld</b>	<b>-221.85</b>	<b>-31.14</b>	<b>-77.85</b>	<b>-146.71</b>	<b>-31.14</b>	<b>-508.69</b>
<b>Additions to Net Pay</b>						
Director Mileage Reimburse...	522.00	0.00	243.60	0.00	252.88	1,018.48
<b>Total Additions to Net Pay</b>	<b>522.00</b>	<b>0.00</b>	<b>243.60</b>	<b>0.00</b>	<b>252.88</b>	<b>1,018.48</b>
<b>Net Pay</b>	<b>1,200.15</b>	<b>328.86</b>	<b>1,065.75</b>	<b>393.29</b>	<b>581.74</b>	<b>3,569.79</b>
<b>Employer Taxes and Contributions</b>						
Medicare (District)	13.05	5.22	13.05	7.83	5.22	44.37
Social Security (District)	55.80	22.32	55.80	33.48	22.32	189.72
SUI (District)	44.10	17.64	44.10	26.46	17.64	149.94
ETT (District)	0.90	0.36	0.90	0.54	0.36	3.06
<b>Total Employer Taxes and Contr...</b>	<b>113.85</b>	<b>45.54</b>	<b>113.85</b>	<b>68.31</b>	<b>45.54</b>	<b>387.09</b>



Sierra Lakes Cou Water District  
Operating Budget-to-Actual  
Fiscal Year July 1, 2018 to June 30, 2019

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Month End 5/31/19	Budget	Favorable / (Unfavorable)	% of Budget	YEAR TO DATE	Budget	Favorable / (Unfavorable)	% of Budget	FY 18-19 Budget	% of Budget
<b><u>Water Sewer Revenues</u></b>										
8000-01 - Annual Water Fees	71,079	71,079	-	100%	780,495	781,869	(1,374)	100%	852,948	92%
8000-02 - Annual Sewer Fees	98,585	98,585	(0)	100%	1,082,524	985,847	96,677	110%	1,183,016	92%
8030 - Property Taxes	176,929	140,000	36,929	126%	436,808	390,000	46,808	112%	390,000	112%
8050 - Customer Late Fees	-	-	-	0%	7,293	7,500	(207)	97%	10,000	73%
8005 - Primary Facilities Fees - Sewer	-	7,800	(7,800)	0%	780	23,400	(22,620)	3%	23,400	3%
8006 - Primary Facilities Fees - Water	-	1,825	(1,825)	0%	183	5,475	(5,293)	3%	5,475	3%
8052 - GAPVAX Services	-	-	-	0%	-	-	-	0%	-	0%
8020 - Other Income	5,097	-	5,097	100%	52,476	-	52,476	100%	-	-100%
Total Revenues Received:	351,689	319,289	32,401	110%	2,360,558	2,194,091	166,467	108%	2,464,839	96%
<b><u>Controllable Expenses:</u></b>										
<b><u>Salaries:</u></b>										
9001 - Director Salaries	3,060	1,800	(1,260)	170%	12,600	19,800	7,200	64%	21,600	58%
9002 - Office Salaries	-	-	-	0%	-	-	-	0%	-	0%
9002-01 Office Hourly Regular	-	-	-	0%	-	-	-	0%	-	0%
9003 - Maintenance Salaries	-	-	-	0%	-	-	-	0%	-	0%
9003-01 - Maint Hourly Regular	22,238	21,944	(294)	101%	235,544	235,444	(100)	100%	257,387	92%
9003-02 - Maint Overtime	774	536	(238)	144%	12,598	5,899	(6,699)	214%	6,435	196%
9003-03 - Maint Standby	2,220	2,167	(53)	102%	24,040	23,833	(207)	101%	26,000	92%
9003-00 - Maint Salaries - Other	(353)	-	353	100%	(881)	-	881	100%	1,500	-59%
9003-04 - Labor Allocated to Projects	-	-	-	0%	-	-	-	-	-	-
Total 9000 - Salaries	27,939	26,446	(1,492)	106%	283,901	284,976	1,075	100%	312,922	91%
<b><u>Payroll Expense</u></b>										
9005 - Payroll Expense - SS & Medicare	2,164	1,857	(307)	117%	21,786	20,429	(1,357)	107%	22,286	98%
9007 - Payroll Expense- SUI & ETT	211	329	118	64%	2,561	3,621	1,060	71%	3,950	65%
9008 - Payroll Expense - Retirement	1,504	3,827	2,323	39%	15,125	42,094	26,969	36%	45,921	33%
9009 - Payroll Expense - Medical & D/V	9,055	12,250	3,195	74%	92,249	134,750	42,501	68%	147,000	63%
9010 - Payroll Expense - Workers' Comp	-	-	-	0%	4,700	10,425	5,725	45%	13,900	34%
Total 9004 - Payroll Expense	12,934	18,263	5,329	71%	136,421	211,319	74,898	65%	233,057	59%
<b><u>Indirect &amp; G&amp;A</u></b>										
9012 - Legal Expense:	3,496	3,000	(496)	-	29,125	33,000	3,875	88%	36,000	81%
9013 - Audit Expense	-	-	-	0%	13,050	12,250	(800)	107%	12,250	107%
9014 - Fees & Penalties	90	125	35	72%	647	1,375	728	47%	1,500	43%
9016 - Directors' Expense	1,018	833	(185)	122%	5,169	9,167	3,998	56%	10,000	52%
9017 - Professional Fees - Operations	9,933	12,083	2,151	82%	124,662	132,917	8,254	94%	145,000	86%
9018 - Professional Fees - Office	9,520	10,400	880	92%	94,520	114,400	19,880	83%	124,800	76%
9019 - Staff Travel/Training	2,127	167	(1,960)	1,276%	10,137	1,833	(8,303)	553%	2,000	507%
9022 - Election Expense	-	-	-	0%	100	2,500	2,400	4%	2,500	0%
9023 - Insurance Expense	-	-	-	0%	11,452	17,000	5,548	67%	20,000	57%
9024 - Membership Expense	-	-	-	0%	9,741	9,450	(291)	103%	12,000	81%
9026 - Outside Services	200	240	40	83%	2,873	2,640	(233)	109%	2,880	100%
9028 - Telephone Expense	695	625	(70)	111%	6,495	6,875	380	94%	7,500	87%
9029 - Garbage/Hazmat Expense	286	375	89	76%	3,761	4,125	364	91%	4,500	84%

Sierra Lakes Cou Vatter District  
Operating Budget-to-Actual  
Fiscal Year July 1, 2018 to June 30, 2019

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Month End 5/31/19	Budget	Favorable / (Unfavorable)	% of Budget	YEAR TO DATE	Budget	Favorable / (Unfavorable)	% of Budget	FY 18-19 Budget	% of Budget
9030 • Uniform Expense	451	169	(282)	267%	1,271	1,856	585	68%	2,025	63%
9034 • Propane Expense	692	800	108	86%	10,990	9,900	(1,090)	111%	10,700	103%
9036 • SCADA System Expense	1,368	290	(1,078)	472%	6,491	3,205	(3,286)	203%	3,500	185%
9037 • M&O Asset Mgmt Sys (Lucity)	-	375	375	0%	3,750	4,125	375	91%	4,500	83%
9040 • Office Expense	1,270	250	(1,020)	508%	3,111	2,750	(361)	113%	3,000	104%
9041 • Postage Expense	8	225	217	4%	659	2,475	1,816	27%	2,700	24%
9042 • Postage Meter Expense	277	325	48	85%	1,138	1,300	162	88%	1,300	88%
9043 • Copier & Fax Expense	-	79	79	0%	515	871	356	59%	950	54%
9044 • Computer Equipment & Service		-	(1,245)	0%		7,000	(19,522)	379%	7,000	0%
9044-01 • General Expense	773			100%	3,175					
9044-02 • Website Design	134				6,377					
9044-03 • Merchant Fees	338				16,970					
Total 9011 • Indirect & G&A	32,674	30,361	(2,313)	108%	366,180	381,013	14,833	96%	416,605	88%
<b><u>MAINTENANCE &amp; OPERATIONS</u></b>										
<b><u>Water Treatment &amp; Filter Plant</u></b>										
9101 • Filter Plant Operations & Maint	337	375	38	90%	6,907	4,125	(2,782)	167%	4,500	153%
9102 • Filter Plant-Chems, Lab & Equip	2,213	1,250	(963)	177%	18,212	13,750	(4,462)	132%	15,000	121%
9103 • Filter -Water Pumping Plant M&O	-	83	83	0%	430	917	486	47%	1,000	43%
9104 • Well Pump Station Expense	-	-	-	0%	220	-	(220)	100%	-	-100%
Total 9100 • Water Treatment & Filter Plant	2,551	1,708	(842)	149%	25,769	18,792	(6,977)	137%	20,500	126%
<b><u>Water Distribution</u></b>										
9201 • Water Dist - General Maint	183	500	317	37%	8,154	5,500	(2,654)	148%	6,000	136%
9202 • Water Dist - Pipes & Fittings	-	208	208	0%	1,190	2,292	1,102	52%	2,500	48%
9203 • Water Dist - Hydrant Maint	-	63	63	0%	28	688	659	4%	750	4%
9204 • Fees - Water	3,828	1,042	(2,786)	367%	12,688	11,458	(1,230)	111%	12,500	102%
9205 • Water Dist - Electricity	3,016	2,667	(350)	113%	30,641	29,333	(1,307)	104%	32,000	96%
9600 • Water Dist - Meters/Parts	-	83	83	0%	442	917	475	48%	1,000	44%
9601 • Water Conservation	555	208	(346)	266%	1,430	2,292	862	62%	2,500	57%
Total 9200 • Water Distribution	7,582	4,771	(2,812)	159%	54,572	52,479	(2,093)	104%	57,250	95%
<b><u>Wastewater Collection System</u></b>										
9301 • Wastewater - General Maint	129	708	579	18%	7,821	7,792	(29)	100%	8,000	98%
9302 • Wastewater - Pipes/Fittings	-	83	83	0%	823	917	94	90%	1,000	82%
9303 • Wastewater- Enzymes/Lab Testing	-	417	417	0%	2,304	4,583	2,280	50%	5,000	46%
9304 • Wastewater - Manholes	-	-	-	0%	-	500	500	0%	500	0%
9305 • Fees - Sewer	-	583	583	0%	6,221	6,417	196	97%	7,000	89%
9306 • Wastewater - Electricity	1,912	1,292	(621)	148%	14,174	14,208	34	100%	15,500	91%
9700-01 • Wastewater Export Service Refund	-	-	-	0%	(68,123)	-	68,123	100%	-	0%
9700 • Wastewater- Export Service Exp	38,600	38,600	-	100%	424,600	424,600	-	100%	463,200	92%
Total 9300 • Wastewater Collection System	40,641	41,683	1,042	98%	387,819	459,017	71,197	84%	500,200	78%
<b><u>Vehicle Expense</u></b>										
9501 • Gasoline/Diesel	287	708	422	40%	7,327	7,792	465	94%	8,500	86%
9502 • Pickups	255	167	(88)	153%	1,189	1,833	644	65%	2,000	59%

Sierra Lakes Cov Water District  
Operating Budget-to-Actual  
Fiscal Year July 1, 2018 to June 30, 2019

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Month End 5/31/19	Budget	Favorable / (Unfavorable)	% of Budget	YEAR TO DATE	Budget	Favorable / (Unfavorable)	% of Budget	FY 18-19 Budget	% of Budget
9503 • Gapvac	-	292	292	0%	3,132	3,208	77	98%	3,500	89%
9504 • Backhoe	105	167	61	63%	1,061	1,833	772	58%	2,000	53%
9505 • Vehicle Maint Supplies	-	83	83	0%	687	917	229	75%	1,000	69%
Total 9500 • Vehicle Expense	647	1,417	770	46%	13,396	15,583	2,188	86%	17,000	79%
<b>Project Expenses</b>										
9812 • Spot Repairs of Sewer Mainline & Laterals	-	-	-	0%	52,002	44,500	(7,502)	117%	44,500	117%
9813 • Repair of Sewer Manholes at Various Locations	-	-	-	0%	36,910	41,500	4,590	89%	41,500	89%
9815 • Misc Sewer Pump Station Upgrades	-	-	-	0%	14,281	13,500	(781)	106%	13,500	106%
9818 • Misc Water System Improvements	100	-	(100)	100%	47,402	33,400	(14,002)	142%	33,400	142%
9819 • Adj Water Valve Boxes to Street Grade	253	-	(253)	100%	712	3,000	2,288	24%	3,000	24%
9820 • Misc Upgrades Water Pump Stations	1,125	-	(1,125)	0%	14,119	21,400	7,281	66%	21,400	66%
9821 • Automatic Meter Read System	104	248	144	42%	1,072	2,727	1,655	39%	2,975	36%
9822 • Misc Jobs - Safety Tools Bldgs	3,197	-	(3,197)	100%	32,323	33,600	1,277	96%	33,600	96%
9824 • Lake Management	-	208	208	0%	538	2,292	1,753	23%	2,500	22%
9825 • HOTFaP	-	-	-	0%	5,338	30,000	24,663	18%	30,000	18%
9915 • Misc. Projects	-	-	-	0%	227	-	(227)	100%	-	
Total 9800 • Project Expenses	4,779	456	(4,323)	1,048%	204,923	225,919	20,995	91%	226,375	91%
<b>Total Controllable Expenses</b>	<b>129,748</b>	<b>125,106</b>	<b>(4,642)</b>	<b>104%</b>	<b>1,472,982</b>	<b>1,649,098</b>	<b>176,115</b>	<b>89%</b>	<b>1,783,909</b>	<b>83%</b>
<b>Non-Controllable Expenses:</b>										
<b>9900 • Debt - Interest</b>										
9904 • Interest on SRF Loan	-	-	-	0%	6,260	6,261	1	100%	12,075	52%
9906 • USDA Revenue Bonds	-	-	-	0%	129,132	130,000	868	99%	130,000	99%
9908 • Int on Assessment-7207 Palisade	-	-	-	0%	247	765	518	32%	765	0%
Total 9900 • Debt - Interest	-	-	-	0%	135,639	137,026	1,387	99%	142,840	95%
<b>9920 • Depreciation</b>										
9921 • Depreciation - Water	10,018	10,390	373	96%	110,194	114,294	4,099	96%	124,684	88%
9922 • Depreciation - Sewer	8,035	8,583	548	94%	88,124	94,416	6,292	93%	102,999	86%
Total 9920 • Depreciation	18,052	18,974	921	95%	198,318	208,709	10,391	95%	227,683	87%
<b>9950 • SLCWD Share - DSPUD Capital Costs</b>					38,753	-	(38,753)	0%		
<b>Total Non-Controllable Expenses</b>	<b>18,052</b>	<b>18,974</b>	<b>921</b>	<b>95%</b>	<b>38,753</b>	<b>-</b>	<b>(38,753)</b>	<b>0%</b>	<b>370,523</b>	<b>10%</b>
<b>TOTAL DISTRICT EXPENSES:</b>	<b>147,801</b>	<b>144,080</b>	<b>(3,721)</b>	<b>103%</b>	<b>1,845,693</b>	<b>1,994,833</b>	<b>149,140</b>	<b>93%</b>	<b>2,154,432</b>	<b>86%</b>
<b>EARNED REVENUE LESS EXPENSES</b>	<b>203,889</b>	<b>175,209</b>	<b>28,680</b>		<b>514,865</b>	<b>199,258</b>	<b>315,607</b>		<b>310,407</b>	



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SIERRA LAKES COUNTY WATER DISTRICT  
CAPITAL PROJECTS SUMMARY  
FISCAL YEAR JULY 1, 2018 TO JUNE 30, 2019

	For Period 7/1/2018 to 6/30/2019				
	PROPOSED BUDGET	Previously Incurred Costs	Costs Incurred Current Month	Total Costs to Date	VARIANCE Favorable (Unfavorable)
<b>CAPITAL PROJECTS IN PROGRESS:</b>					
Miscellaneous Sewer Pump Station Upgrades	\$ 16,500	\$ 17,106		\$ 17,106	\$ (606)
Miscellaneous Water Pump Station/Storage Improvements	75,000	65,884		\$ 65,884	9,116
DSPUD Water Plant	50,000	38,753	-	\$ 38,753	11,247
Total Capital Projects	\$ 141,500	\$ 121,743.00	\$ -	\$ 121,743	\$ 19,757

Sierra Lakes County Water District  
Cash Flow Projection  
in \$000's

**Beginning Operating Cash Balance:**

ACTUAL May-19	Forecast May-19	Forecast Jun-19	Forecast Jul-19	Forecast Aug-19	Forecast Sep-19	Forecast Oct-19	Forecast Nov-19	Forecast Dec-19	Forecast Jan-20	Forecast Feb-20	Forecast Mar-20	Forecast Apr-20
52	52	310	279	439	594	439	312	287	212	297	282	62

**Cash Provided/(Used) by Operations:**

**Revenues:**

Sewer & Water Service Fees  
Misc Other Income  
Placer County Taxes

112	100	89	500	400	150	50	125	100	50	150	175	20
177	8	-	-	-	-	13	15	15	-	-	-	-
	91	-		20					200			
	-	-	-	-	-	-	-	-	-	-	-	-
(131)	(115)	(120)	(165)	(165)	(165)	(165)	(165)	(165)	(165)	(165)	(165)	(165)
	-	-	(150)	(100)	(75)							
158	84	(31)	185	155	(90)	(102)	(25)	(50)	85	(15)	10	(145)

**Expenses:**

Operating Expenses  
Sierra Plant - Capital Projects

**Net Cash Provided/(Used) by Operations:**

**Cash Provided/(Used) for Financing Activities**

CA Bank & Trust - Qrtly Transfers  
USDA \$5.2 million Revenue Bond  
DSPUD Excess Capacity Refund (\$655,000)  
**Total Cash Provided/(Used) by Financing Activities:**

		(25)			(25)		(25)			(25)		
				(65)						(205)		
-	-	-	(25)	-	(65)	(25)	-	(25)	-	-	(230)	-

**Cash Provided/(Used) by Investment Activities**

Lump Sum Prepayment: Pensions  
GASB 45 - OPEB Annual Funding  
Transfer/from PCTIP for Cash Flow  
**Total Cash Provided/(Used) by Investment Activities:**

100												
100		-	-	-	-	-	-	-	-	-	-	-

**Ending OPERATING ACCOUNT Cash Balance:**

310	136	279	439	594	439	312	287	212	297	282	62	(83)
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	----	------

SIERRA LAKES COUNTY WATER DISTRICT FIVE YEAR CASH FLOW PROJECTION  
2017/2018 - 2021/2022  
in \$000's

**Beginning OPERATING Cash Balance:**

**Cash Provided/(Used) by Operations:**

**Revenues:**

Water/Sewer Service Fees

Placer County Tax

Primary Facilities Fees

Misc Other Income

**Expenses:**

Operating Expenses

Sierra Plant - Capital Projects

**Net Cash Provided/(Used) by Operations:**

**Cash Provided/(Used) for Financing Activities**

CA Bank & Trust Loan Principal & Interest

USDA Revenue Bond Loan

Refunded WWTP Costs

**Total Cash Provided/(Used) by Financing Activities:**

**Cash Provided/(Used) by Investment Activities**

Total Cash Provided/(Used) by Investment Activities:

Moved to Placer Co. Treasurer's Fund

Annual GASB 45 Funding - OPEB - Moved to LAIF

**Total Cash Provided/(Used) by Investment Activities:**

**Ending OPERATING Cash Balance:**

ACTUAL 2017/2018	FORECAST 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022
2,299	2,271	279	100	150
2,112	2,064	2,046	2,046	2,046
406	436	390	390	390
	25	29	29	29
10	-	10	10	10
(1,460)	(1,538)	(2,035)	(1,804)	(1,920)
(260)	(228)	(512)	(1,514)	(285)
808	759	(72)	(843)	270
-	-	-	-	-
(100)	(100)	(100)	(100)	(25)
(269)	(270)	(270)	(270)	(270)
75	73	67	67	67
(294)	(297)	(303)	(303)	(228)
(488)	(2,400)	250	1,250	-
(54)	(54)	(54)	(54)	(54)
(542)	(2,454)	196	1,196	(54)
2,271	279	100	150	138



amn  
6/14/2019  
9:48 AM

SIERRA LAKES COUNTY WATER DISTRICT  
LIST OF DISBURSEMENTS REQUIRING BOARD APPROVAL  
JUNE 2019

Vendor	Inv # / Inv Date		Invoice Amount
<u>Acumen Engineering</u>	Invoice #	152	9,932.50
	Date	6/1/2019	
	For: <u>May 2019 Professional Fees</u>		
<u>Anna Nickerson</u>	Inv#	51519	4,920.00
	Date	5/15/2019	
	For: <u>Professional Fees 5/1 to 5/15/19</u>		
	Inv#	53119	4,600.00
	Date	5/31/2019	
	For: <u>Professional Fees 5/16 to 5/31/19</u>		
<b>TOTAL ANNA NICKERSON</b>			<b>9,520.00</b>
<u>Kronick Moskovitz Tiedemann &amp; Girard</u>	Inv#	294595	3,844.05
	Date	6/11/2019	
	For: <u>May 2019 Legal Fees</u>		
<b>TOTAL Kronick Moskovitz Tiedemann &amp; Girard</b>			<b>3,844.05</b>
<b>TOTAL INVOICES FOR APPROVAL</b>			<b>23,296.55</b>

32 revised

# ACUMEN ENGINEERING

C O M P A N Y

PO Box 3497  
Truckee, California 96160

## Invoice

DATE	INVOICE #
6/1/2019	152

BILL TO
Sierra Lakes County Water District PO Box 1039 Soda Springs, CA 95728

TERMS	DUE DATE	PROJECT
Net 30	7/1/2019	

DESCRIPTION	QTY	RATE	AMOUNT
Principal Engineer in May 2019 per attached detail	68.5	145.00	9,932.50
<p>ACCOUNT NO 9017 + 9932.50</p> <p>CHECK NO.</p> <p>CK DATE</p> <p>APPROVED</p>			
Total			\$9,932.50

**Sierra Lakes County Water District  
Acumen Engineering Monthly Invoice Detail  
May 2019**

<b>Date</b>	<b>Engineering Task Description</b>	<b>Hours</b>
5/1/2019	Drive to District; meet with Tom Skjelstad re: WWTP operation; meet with Operators re: I&I inspection, generator operations and groundwater sampling; Operations and Budget Board Memos; filter valve/actuator replacement. O&M hours: 4.5	4.5
5/2/2019	Finish Draft Budget; Board Memos re: Operations and Budget; water/sewer flows; review proposal for Lake Intake Extension study. O&M hours: 6.5	6.5
5/3/2019	Board Memos including draft General Manager Agreement and documentation; update emergency generator run-time sheets and submittal to Placer County AQMD. O&M hours: 7.0	7.0
5/7/2019	Drive to District; meet with Operators re: projects, I&I and TV inspection, Lucity data input; Ordinance information to Jeff Mitchell; AMR meter data collection; employee review. O&M hours: 6.5	6.5
5/8/2019	Drive to District; First Aid and CPR class; update work/project schedules; contact other agencies re: AMR meter performance with snow; employee review. O&M hours: 4.5	4.5
5/9/2019	Drive to District; AMR meter data review; update project list; employee review and cover memo; final draft GM Agreement distribution prior to Board Meeting. O&M hours: 3.5	3.5
5/10/2019	Review Director comments re: draft GM Agreement and telephone Jeff Mitchell re: same; residential inspection; regular May Board Meeting. O&M hours: 5.0	5.0
5/13/2019	Telephone Contractor re: Donner Drive leak; correspondence with property owner re: vegetation management on District property; stop&drain handout revisions before sending to printer. O&M hours: 1.5	1.5
5/14/2019	Drive to District; meet with Contractor on Donner Drive; meet with Contractor re: dewatering on District property; review Placer County Building Department documentation; seasonal job offer to Brian Lundgren; contact Electrical Engineer re: testing of SPS-2 and -3 voltages; contact leak detection company re: one-day survey; project schedule update. O&M hours: 3.5	3.5



**Sierra Lakes County Water District  
Acumen Engineering Monthly Invoice Detail  
May 2019**

<b>Date</b>	<b>Engineering Task Description</b>	<b>Hours</b>
5/15/2019	Coordinate with Mountain Pipeline for I&I TV inspection; telephone Engineering firm re: Lake Intake Extension study scope and fee. O&M hours: 1.5	1.5
5/20/2019	Drive to District; meet with Operators re: projects and I&I; information from SPS-1 MCC for electrical engineer; review invoices and time cards with Anna; Placer County Building Department documentation; telephone fire sprinkler contractor re: District requirements. O&M hours: 3.0	3.0
5/21/2019	Contact property owner re: backflow testing; drive to District; Staff meeting; update draft 2019-2020 budget; treatment plant and office lighting; telephone Jeff Mitchell re: employee compensation. O&M hours: 4.5	4.5
5/22/2019	Drive to District; training class (asbestos, silica, trenching, confined space, traffic control) with DSPUD; telephone Director Stockton re: General Manager agreement and insurance requirements; review draft GM Agreement and distribute to Board for special meeting. O&M hours: 4.0	4.0
5/24/2019	Drive to District; meet with Operators re: line cleaning and SPS-2 access; update project schedules; distribute revised GM Agreement. O&M hours: 3.5	3.5
5/25/2019	Drive to District; Special Board Meeting. O&M hours: 2.0	2.0
5/28/2019	Nitrate and Perchlorate sampling results to DDW. O&M hours: 0.5	0.5
5/30/2019	Drive to District; I&I camera inspection; invoices and time cards with Anna. O&M hours: 3.5	3.5
5/31/2019	Drive to District; staff meeting; update project budget and project list; work schedule and projects; telephone contractor re: I&I leak repairs; June meeting agenda with Jeff Mitchell re: GM Agreement. O&M hours: 3.5	3.5
<b>Total O&amp;M: 68.5 hours</b>		<b>68.5</b>

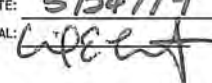
**ANNA NICKERSON**  
**FINANCIAL CONSULTANT**

16615 Glenshire Dr  
 Truckee, CA 96161  
 530-330-2724

[anickerson@sonic.net](mailto:anickerson@sonic.net)

**INVOICE**

INVOICE NO: 051519  
 DATE: May 15, 2019

ACCOUNT NO: 9018 \$ 4,920.00  
 CHECK NO: 651519  
 CHECK DATE: 5/24/19  
 APPROVAL: 

TO Sierra Lakes County Water District  
 P.O. Box 1039  
 Soda Springs, CA 95728  
 530-426-7800

Billing Rate: \$80.00

DATE	DESCRIPTION	HOURS	UNIT PRICE	TOTAL	Admin	Escrow & Public Requests	FS / Recs / PR / HR / Tax / Budget / Audit	Assmnt District	M&O Support	A/R - Banking	A/P	Mail / email	IT / Website	Board Agenda / Mtg Min / Packets	Total
5/1/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Updated M&O databases.	3.5	\$80.00	\$ 280.00					0.5	2	0.5	0.5			3.5
5/2/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Worked on month end reports, opened a new escrow and website updates.	7.0	\$80.00	\$ 560.00		0.5	4			0.5	0.5	0.5	1		7
5/3/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Month end reports and board packets	7.5	\$80.00	\$ 600.00			4			0.5	0.5	0.5		2	7.5
5/6/2019	Off	0.0	\$80.00	\$ -											0
5/7/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	4.5	\$80.00	\$ 360.00						2	1.5	0.5		0.5	4.5
5/8/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Processed Assessment payoff.	3.5	\$80.00	\$ 280.00				1	0.5	1	0.5	0.5			3.5
5/9/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	3.5	\$80.00	\$ 280.00			2			0.5	0.5	0.5			3.5
5/10/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Processed payroll, filed, updated escrows, prepared for board meeting and website Updates	10.0	\$80.00	\$ 800.00	0.5	0.5	2.5			0.5	0.5	0.5	2.5	2.5	10
5/10/2019	Board meeting	4.5	\$80.00	\$ 360.00						0.5	0.5	0.5		3	4.5
5/13/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Processed paperwork from board meeting, website updates and started minutes	7.0	\$80.00	\$ 560.00	1					0.5	1	0.5	1	3	7
5/14/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Reconciled bank accounts and worked on minutes.	7.0	\$80.00	\$ 560.00			1			1.5	1	0.5		3	7
5/15/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Worked on minutes	3.5	\$80.00	\$ 280.00						1	1	0.5		1	3.5
	<b>TOTALS</b>	<b>61.5</b>		<b>\$ 4,920.00</b>	<b>1.5</b>	<b>1.0</b>	<b>13.5</b>	<b>1.0</b>	<b>1.0</b>	<b>10.5</b>	<b>8.0</b>	<b>5.5</b>	<b>4.5</b>	<b>15.0</b>	<b>61.5</b>
					2%	2%	22%	2%	2%	17%	13%	9%	7%	24%	

**ANNA NICKERSON**  
**FINANCIAL CONSULTANT**

16615 Glenshire Dr  
Truckee, CA 96161  
530-330-2724

[anickerson@sonic.net](mailto:anickerson@sonic.net)

**INVOICE**

INVOICE NO: 053119  
DATE: May 31, 2019

ACCOUNT NO: 9018 \$ 4,600.00

CHECK NO: \_\_\_\_\_

CHECK DATE: \_\_\_\_\_

APPROVAL: \_\_\_\_\_

TO  
Sierra Lakes County Water District  
P.O. Box 1039  
Soda Springs, CA 95728  
530-426-7800

Billing Rate: \$80.00

DATE	DESCRIPTION	HOURS	UNIT PRICE	TOTAL	Admin	Escrow & Public Requests	FS / Recs / PR / HR / Tax / Budget / Audit	Assmnt District	M&O Support	A/R - Banking	A/P	Mail / email	IT / Website	Board Agenda / Mtg Min / Packets	Total
5/16/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Processed payroll and updated M&O databases & reports.	3.5	\$80.00	\$ 280.00			1.5		0.5	0.5	0.5	0.5			3.5
5/17/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Filed, updated the website and finished the minutes.	6.0	\$80.00	\$ 480.00	0.5	0.5				0.5	0.5	0.5	1.5	2	6
5/20/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Updated escrows, updated AMR accounts, worked on manual and filed.	7.0	\$80.00	\$ 560.00	0.5	0.5	3		1.5	0.5	0.5	0.5			7
5/21/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Worked on updating AMR accounts, worked on manual and labor reconciliation/accrual.	6.5	\$80.00	\$ 520.00			3.5		1.5	0.5	0.5	0.5			6.5
5/22/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Worked on Office Procedures manual	3.5	\$80.00	\$ 280.00				2		0.5	0.5	0.5			3.5
5/23/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Recorded assessments	3.5	\$80.00	\$ 280.00				2		0.5	0.5	0.5			3.5
5/24/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Recorded assessments, processed check run & setup for special meeting. Finished recording Assessments received.	6.5	\$80.00	\$ 520.00				4		0.5	1	0.5		0.5	6.5
5/27/2019	Holiday	0.0	\$80.00	\$ -											0
5/28/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	7.5	\$80.00	\$ 600.00				6		0.5	0.5	0.5			7.5
5/29/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Started minutes.	3.5	\$80.00	\$ 280.00						0.5	0.5	0.5		2	3.5
5/30/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	3.5	\$80.00	\$ 280.00			2			0.5	0.5	0.5			3.5
5/31/2019	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Payroll, EDU reconciliation and started annual billing.	6.5	\$80.00	\$ 520.00			5			0.5	0.5	0.5			6.5
		57.5	TOTALS	\$ 4,600.00	1.0	1.0	15.0	14.0	3.5	5.5	6.0	5.5	1.5	4.5	57.5
					2%	2%	26%	24%	6%	10%	10%	10%	3%	8%	

27





400 Capitol Mall, 27th Floor  
Sacramento, CA 95814  
T| 916.321.4500  
F| 916.321.4555

PRIVILEGED AND CONFIDENTIAL  
ATTORNEY-CLIENT COMMUNICATION

Sierra Lakes County Water District  
P.O. Box 1039  
Soda Springs, CA 95728

June 11, 2019  
Invoice 294595

General

Reference # 4210-001

For Professional Services Through 5/25/2019

Previous Balance		3,495.50
Payments		-3,495.50
Balance Forward		0.00
Current Fees	3,815.25	
Current Disbursements	28.80	
Total Current Charges		3,844.05
Total Due		\$3,844.05

\*\*\* DUE UPON RECEIPT \*\*\*

\*\* PLEASE USE INVOICE NUMBER ABOVE WHEN REMITTING PAYMENT \*\*

Aged Accounts Receivable					
	0-30	31-60	61-90	91+	Total Due
Totals	3,844.05	0.00	0.00	0.00	3,844.05

05-14-19AUG:05 RCVD

ACCOUNT NO 9012 \$3,844.05  
CHECK NO.  
CK DATE  
APPROVED

**Kronick Moskowitz Tiedemann & Girard**

Sierra Lakes County Water District  
Reference # 4210-001 - JAM

June 11, 2019  
Invoice 294595  
Page 2

**General**

Current Fees 3,815.25  
Current Disbursements 28.80

**Total Current Charges 3,844.05**

**Total Due \$3,844.05**

For Professional Services Through 5/25/2019

**Fees**

Date	Attorney / Description	Rate	Hours	Amount
04/30/2019	Mitchell, Jeffrey A Email to and from Michael Lindquist and Bill Quesnel re: limits for liability under GM contract with Paul Schultz; revising contract.	225.00	0.60	135.00
05/03/2019	Mitchell, Jeffrey A Revise liability and indemnification provisions of draft GM contract with Paul Shultz, email to and from Michael Lindquist and Bill Quesnel; review staff report.	225.00	1.00	225.00
05/06/2019	Mitchell, Jeffrey A Review proposed revisions to Paul Schultz GM contract, email to Michael Lindquist.	225.00	1.00	225.00
05/07/2019	Mitchell, Jeffrey A Review Board agenda packet; email to Bill Quesnel re: operations report item on hydrofoil surfboard; reviewing District code regarding limitations on boat operations.	225.00	0.90	202.50
05/08/2019	Mitchell, Jeffrey A Email and call with Dan Stockton re GM contract.	225.00	0.40	90.00
05/09/2019	Mitchell, Jeffrey A Follow-up on GM contract revisions.	225.00	0.40	90.00
05/10/2019	Mitchell, Jeffrey A Attend Board meeting (Billed at Half Rate).	112.50 ✓	2.50	281.25
05/10/2019	Mitchell, Jeffrey A Call fm Bill Quesnel re: GM contract; reviewing Director Simpson comments to contract.	225.00	1.10	247.50
05/14/2019	Mitchell, Jeffrey A Prepare for and telephone call to Paul Schultz re: contract for general manager services; making final revisions to agreement; email to and from Paul Schultz, Michael Lindquist.	225.00	1.00	225.00
05/20/2019	Mitchell, Jeffrey A Email to/fm Bill Quesnel, Board committee, Paul Schultz re:	225.00	0.30	67.50



**Kronick Moskowitz Tiedemann & Girard**

Sierra Lakes County Water District

June 11, 2019

Reference # 4210-001 - JAM

Invoice 294595

Page 3

General

Date	Attorney / Description	Rate	Hours	Amount
	final edits to GM contract.			
05/21/2019	Mitchell, Jeffrey A	225.00	0.50	112.50
	Call to Bill Quesnel re: agenda items on Board agenda.			
05/22/2019	Mitchell, Jeffrey A	225.00	1.20	270.00
	Email to/fm Dan Stockton re: insurance and indemnity language in GM contract; calls to/fm Dan Stockton, Paul Schultz; preparing final revisions and red lined agreement, email to staff, Board committee, Paul Schultz.			
05/23/2019	Mitchell, Jeffrey A	225.00	1.30	292.50
	Review ACWA JPIA coverage related to claims coverage for District consultants; call from Director McCormick re: contract revisions.			
05/23/2019	Booher, Andreas L	215.00	0.60	129.00
	Review JPIA insurance policies for coverage of conduct by independent contractors.			
05/24/2019	Mitchell, Jeffrey A	225.00	1.70	382.50
	Draft possible revision to liability limitation language in General Manager contract; email and calls to and from Paul Schultz, Dan Stockton, Michael Lindquist; email to Board and research re: ACWA-JPIA coverage.			
05/24/2019	Booher, Andreas L	215.00	1.50	322.50
	Review JPIA policies for coverage of independent contractors; attempt to call JPIA representative several times.			
05/25/2019	Mitchell, Jeffrey A	225.00	2.30	517.50
	Prepare for and participate in special meeting to discuss GM contract and related follow-up.			
Total Fees For Professional Services			18.30	\$3,815.25

**Reimbursable Costs**

Date	Description	Units	Amount
	Photocopy/Printing Charges	82	12.30
	Lexis Computer Research		16.50
Total Costs			\$28.80

**Total Current Charges This Invoice 4210-001** **\$3,844.05**



## **Memorandum**

**To:** Board of Directors, Sierra Lakes County Water District  
**From:** Bill Quesnel PE, General Manager  
**Subject:** Consulting Engineering Services Agreement  
*Lake Intake Extension Conceptual Design*  
**Date:** June 6, 2019

---

### **Background**

The District's Capital Project Budget has included funding for the extension of the lake intake pipe since 2017 due to the challenges of treating very cold ( $< 1.0^{\circ}\text{C}$ ) water when the thickness of the ice is greater than the depth of the existing intake screen. The results of sampling this last winter indicates the water quality about 75-feet beyond, and five-feet deeper than, the current location is favorable with respect to temperature (between three and four degrees warmer) and no adverse chemical or physical properties of the water were encountered. Staff believes the next step is to develop an understanding of:

- how the extension would be configured (one or two intake structures);
- how the extension would be constructed;
- the environmental (CEQA and NEPA) review and permitting process;
- the amount of time required to construct the project; and
- the magnitude of the cost of construction.

### **Consulting Engineering Services**

Based on a recommendation, I contacted the Walnut Creek Office of Woodard&Curran, a nationwide Civil Engineering firm to discuss how the company could assist the District in answering those questions and help establish a path forward for extending the intake.

I have had multiple conversations with representatives of Woodard&Curran and together we've developed the attached Scope of Work. The proposed fee is significant but the magnitude and complexity of the project warrant this pre-design effort, in my opinion. The 2019 Budget includes \$50,000 for initial engineering study and what I expect will be additional studies to comply with environmental permitting and mitigation requirements.

### **Recommendation**

Staff respectfully recommends the Board of Directors:

- authorize the Board President to sign a Professional Services Contract with Woodard&Curran in the amount of \$30,900 for the conceptual level design of the lake intake extension as described in their proposal dated May 31, 2019.

Attachment: Woodard&Curran Proposal dated May 31, 2019



Via Electronic Mail

May 31, 2019

Mr. Bill Quesnel  
General Manager  
Sierra Lakes County Water District  
7305 Short Road  
PO Box 1039  
Soda Springs, CA 95728

Re: Proposed Agreement for Engineering Services  
Serene Lakes Intake Improvements and Conceptual Design

Dear Mr. Quesnel:

This proposed Engineering Services Agreement between Woodard & Curran and the Sierra Lakes County Water District (SLCWD; District) shall be completed in accordance with the Scope of Work, Compensation, Schedule, and Standard Terms and Conditions as described herein.

We understand that the District wishes to evaluate options to rehabilitate and/or replace the existing Serene Lakes intake pipe to alleviate water quality issues in the raw water supply. The primary deliverable for this project will be a Conceptual Level Design Memorandum presenting the findings and recommendations associated with our investigations, as well as budgetary level cost information on the various feasible alternatives.

#### SCOPE OF WORK

Woodard & Curran will provide the following services under this Agreement with the SLCWD related to the evaluation and conceptual level design of upgrades to the Serene Lakes intake pipe and pumping station structure.

#### Phase 1 – Project Management and Coordination

The project management phase will include the following tasks:

- A. **General project management.** Woodard & Curran will monitor the project status, scope, and budget and work to ensure that deliverables are met and satisfy client expectations.
- B. **Kick-off meeting.** Woodard & Curran will conduct an on-site kickoff meeting with District staff to learn about their concerns, operation protocols, challenges and previously considered improvements. The project scope, approach, and schedule will also be discussed as part of the kickoff meeting.
- C. **Progress Meetings.** In addition to frequent contact via email and telephone, Woodard & Curran will participate in periodic progress meetings to discuss progress to date, findings, outstanding issues, and next steps. These meetings will be held via teleconference, and will be limited to two meetings.
- D. **Conceptual Level Design Workshop.** Woodard & Curran will hold an in-person workshop with District staff to discuss the results of our preliminary evaluations and the draft Conceptual



Level Design Memorandum. Comments from the District during this workshop will be incorporated into the final memorandum.

## **Phase 2 - Background Data and Information Review**

Woodard & Curran will review the information provided by the District to develop an understanding of the intake pipe, structure and operations. A list of data and information to be provided by the District to aid Woodard & Curran in preparing the Conceptual Level Design Memorandum includes but is not limited to:

- Plant record drawings
- Intake structure record drawings
- Lake bathymetry, contours, and general limnetic information related to Serene Lakes
- Operation and maintenance records
- District standard design requirements
- Lake water quality data at various locations based on SLCWD sampling

Note that during preliminary discussions regarding this Agreement, the district forwarded some select information to Woodard & Curran, including a small number of plant record drawings, lake bathymetric contours, and rough intake pump station and pipe drawings.

## **Phase 3 – Alternatives Assessment and Opinions of Probable Costs**

Woodard & Curran will complete an alternatives assessment to determine the feasibility, constructability, ease of maintenance, reliability and cost of various rehabilitation options as well as each alternative's effectiveness at addressing raw water quality concerns. The alternatives assessment will quantitatively score the below alternatives and identify the best alternative the District should pursue. Alternatives to be evaluated may include the following:

- Extend the existing intake pipe, plug the existing intake pipe perforations, add an engineered intake screen
- Plug or remove the existing intake pipe perforations, install tee/wye at the terminus of the existing intake, extend two intake pipes and screens from the tee with associated valving
- Continue operating the existing intake pipe, construct a new, second intake pipe from the existing pump station into deeper portions of the lake, provide isolation valves or gates on the existing intake pipe and new intake pipe at the pump station

Woodard & Curran will provide a qualitative ranking of the costs (i.e. "most expensive, least expensive, etc.") associated to implement each alternative. Note that this ranking will be done qualitatively and will be based on engineering judgement and past experience from similar projects.

Additionally, Woodard & Curran will develop a conceptual level opinion of probable construction cost (Class 5 AACE estimate) for the best scoring alternative.

Woodard & Curran will prepare a Conceptual Level Design Memorandum that summarizes our methodology, the work performed, and the findings and recommendations identified during the analysis discussed herein. The Design Memorandum will, at a minimum, include the following discussions/report sections:

- Problem understanding
- Project location and site constraints





- Alternatives assessment methodology, results, and discussion
- General constructability considerations for each alternative
- Opinions of probable cost for the best scoring alternative
- Next steps for design, bidding, and construction
- Conceptual level project schedule for design, permitting, bidding, and construction including a discussion on how the seasonal changes may impact schedule
- Discussion on the permits and environmental documentation needed to complete the project
- Discussion on the recommended permitting strategy and its impact on overall timeline and project

Woodard & Curran will submit a DRAFT Conceptual Level Design Memorandum to the District for review prior to the Design Workshop. We anticipate receiving comments from the District on the Draft memo. Woodard & Curran will begin work on the Final memorandum after the workshop and receiving comments from the District.

#### **Phase 4 – Water Quality**

The tasks in this phase of work include:

- A. Water Quality Analysis.** Woodard & Curran will review provided water quality data and provide discussion and analysis as to how the water quality may impact the plant performance or intake alternatives.

#### **ASSUMPTIONS**

1. It is assumed that two Woodard & Curran personnel will make a 9-hour visit (including travel time) to SLCWD for the kickoff meeting, and that the Principal-In-Charge will teleconference into the kick-off meeting.
2. It is assumed that two that two Woodard & Curran personnel will make a 9-hour visit (including travel time) to SLCWD for the conceptual design workshop, and that the Principal-In-Charge will teleconference into the kick-off meeting.
3. It is assumed that Woodard & Curran will not present (in person or via teleconference) the results of this work to the SLCWD Board.
4. It is assumed that that two hours of pre-meeting preparation and post-meeting summarizing at the Project Engineer level will be required for the kick-off and workshop meetings.
5. It is assumed that as many as two one-hour progress project-meetings may be needed via teleconference. It is assumed that one half of an hour of pre-meeting preparation and post-meeting summarizing at the Project Engineer level may be required.
6. Woodard & Curran will be able to view inside the existing intake structure pump station during the kickoff meeting. Woodard & Curran will not enter the intake structure or any areas requiring Confined Space Entry.
7. Sketches provided as part of the Conceptual Level Design Memorandum will not be of sufficient detail to construct the work and will not be signed and stamped by a Professional Engineer.
8. Data and information requested by Woodard & Curran will be compiled and provided by the District in electronic format (pdf or source files, e.g. AutoCAD). If record drawing or other engineered drawings are not available, hand and general sketches will be provided as necessary. The District will provide all requested information available on the facilities at, or prior to, the kickoff meeting.



9. The budget for this Agreement is based on evaluation of the three alternatives presented above.
10. Unless specified by SLCWD, the opinions of probable cost and alternatives assessment will assume a general location and depth for the termination of intake pipe(s).
11. Woodard & Curran will not perform water quality sampling. We may recommend additional water quality analysis be performed by the District prior to finalizing recommendations.
12. Woodard & Curran will not perform a site survey.
13. The services of a limnology specialist or consulting firm will not be retained and no computational fluid dynamic modeling (CFD) will be performed.
14. No limnology or limnetic analyses will be performed.

### COMPENSATION

The Scope of Work will be completed for a lump sum fee of \$30,090, to be broken down as follows:

Phase 1	\$13,540
Phase 2	\$1,650
Phase 3	\$12,200
Phase 4	\$2,700
<b>Total</b>	<b>\$30,090</b>

Invoices will be submitted monthly.

### SCHEDULE

The Scope of Work specified herein will begin immediately upon written authorization to proceed. The Engineer will complete the work described herein within three months of Notice to Proceed.



## TERMS AND CONDITIONS

Woodard & Curran's Standard Terms & Conditions, attached, are made part of this Agreement.

Please examine this Agreement and indicate your approval and acceptance to proceed by signing in the space provided in the Terms and Conditions. Please return one copy of the signed agreement to me via email at [rlittle@woodardcurran.com](mailto:rlittle@woodardcurran.com).

Sincerely,

WOODARD & CURRAN

Robert S. Little, PE  
Vice President / Practice Leader

cc: Ryker Brown, PE; Woodard & Curran

Attachments:

1. Fee Estimate
2. Capsule Resumes





## Fee Estimate

### Sierra Lakes County Water District Serene Lakes Intake Improvements and Conceptual Design

5/31/2019

Tasks	Labor							Total Hours	Total Labor Costs (1)	ODCs (3)	Total Fee
	Principal in Charge / Sr. Technical Advisor	Quality Control Lead	Project Manager	Project Engineer	Permitting Lead	Drafter	Admin.				
	Rob Little	Mike Matson	Ryker Brown	Project Engineer	Robin Cort	CAD	Admin				
	\$275	\$320	\$251	\$187	\$310	\$160	\$110				
Phase 1: Project Management and Coordination											
1.1 Project Management			6	3			3	12	\$2,397		\$2,397
1.2 Kick-off meeting	2		9	11				22	\$4,866	\$175	\$5,041
1.3 Project Meetings			2	3				5	\$1,063		\$1,063
1.4 Conceptual Design Workshop	2		9	11				22	\$4,866	\$175	\$5,041
Subtotal Phase 1:	4	0	26	28	0	0	3	61	\$13,192	\$350	\$13,542
Phase 2: Background Data and Information Review											
2.1 Background Data and Information Review	1		1	6				8	\$1,648		\$1,648
Subtotal Phase 2:	1	0	1	6	0	0	0	8	\$1,648	\$0	\$1,648
Phase 3: Alternatives Assessment and Opinions of Probable Costs											
3.1 Alternatives Assessment	1		2	4				7	\$1,525		\$1,525
3.2 Conceptual Design Report	4	2	6	32	3	2	2	51	\$10,700		\$10,700
Subtotal Phase 3:	5	2	8	36	3	2	2	58	\$12,225	\$0	\$12,225
Task 4: Water Quality											
4.1 Water Quality Analysis	6	1		4				11	\$2,718		\$2,718
Subtotal Phase 4:	6	1	0	4	0	0	0	11	\$2,718	\$0	\$2,718
TOTAL	16	3	35	74	3	2	5	138	\$29,783	\$350	\$30,133

1. The individual hourly rates include salary, overhead and profit.
2. Subconsultants will be billed at actual cost plus 10%.
3. Other direct costs (ODCs) such as production, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 10%.
4. W&C reserves the right to adjust its hourly rate structure and ODC markup at the beginning of the calendar year for all ongoing contracts.

## CAPSULE RESUMES

### **Rob Little**

**Education:** Bachelors, Civil/Environmental Engineering, University of Vermont

**Registrations:** Registered Professional Engineer - MA, MO, NH, NV, RI; NCEES License - Various

Rob has over 25 years of experience with the evaluation, planning, design, and construction of water works facilities. He has worked on a wide variety of projects ranging from hydraulic modeling, distribution system analysis, and infrastructure planning to treatment facility, pumping station, storage tank, and pipeline design. He spent 10 years as the Water Service Line Manager and currently leads Woodard & Curran's Water Practice. Rob has served as Principal-in-Charge and Technical Advisor for numerous projects in the past 10 years and will serve in the same capacity on this project.

### **Ryker Brown, PE**

**Education:** Bachelors, Structural Engineering, University of California, San Diego

**Registrations:** Professional Engineer - CA, 85299; Professional Engineer - TX, 107176; Pipeline Assessment and Certification Program, NASSCO; Traffic Control Design Specialist, American Traffic Safety Services Association

Ryker is an experienced civil engineer and project manager with 15 years of engineering consulting expertise. His experience includes design, including trenchless installation; open trench; pump station design; lift station abandonment process; stormwater and wastewater pipelines; water distribution systems; flood control; and other general civil design. Ryker's skills include preparing plans, specifications, design engineering reports, and bid documents and determining regulatory compliance and condition assessment for water and wastewater system infrastructure.

### **Robin Cort, PhD**

**Education:** Doctorate, Ecology, Stony Brook University; Bachelors, Biology, Stetson University

Robin has 35 years of experience as an environmental scientist and ecologist with expertise in compliance with NEPA and CEQA regulations. Robin is experienced with CEQA and NEPA preparation, permitting, and implementation and monitoring of mitigation programs. She is familiar with requirements of the USACE, USFWS, CDFW, and RWQCB permitting processes and understands the CEQA and NEPA requirements of these permitting agencies.

### **Mike Matson, PE**

**Education:** Bachelors, Civil Engineering, University of California-Berkeley

**Registration:** Professional Engineer - CA, 42546

Mike has 34 years of experience and specializes in planning, design and construction of water infrastructure projects. He has participated in the design of approximately nearly 200 miles of up to 96-inch diameter water and recycled water pipelines, and multiple pump stations with capacities up to 250 cfs. Mike has overseen design of intake and turn-out/turn-in facilities, and has been involved in six reservoirs of up to 10 MG.

**Nathan Hanson**

**Education:** Masters, Civil and Environmental Engineering, California Polytechnic State University, San Luis Obispo;  
Bachelors, Civil Engineering, California Polytechnic State University-San Luis Obispo

Nathan's water-related project experience includes infrastructure design, advanced water purification facility site layouts and preliminary design, InfoMaster sewer condition modeling, stormwater control measure design, and cost estimating. He has been involved multiple InfoMaster condition assessment modeling projects for the City of Sacramento, Union Sanitary District, and Stanford University. He has provided multiple planning level cost estimates for the City of Palo Alto and the Santa Clara County Water District and was involved in an infrastructure design project for the City of Sacramento. He has helped create AWWP's site layouts and has done planning level design for the Santa Clara County Water District, City of Oceanside, and City of Carpinteria.



## MEMORANDUM

**To:** Board of Directors, Sierra Lakes County Water District  
**From:** Bill Quesnel PE, General Manager  
**Subject:** Adoption of 2019-2020 Budget  
**Date:** June 4, 2019

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Attached is the final draft of the 2019-2020 Budget. The document was developed by staff using estimated actual amounts (pro-rated through May 31, 2019), the actual amounts from previous years for day-to-day type expenses and infrastructure maintenance and construction projects identified by the Operators. Staff previously met with the Budget Sub-Committee (Directors Simpson and Stockton) and presented the initial draft to the Board at their May 10, 2019 meeting. There have been a few changes since the May meeting:

### Operating Expenses:

- The budget for Account 9017 (Professional Fees-Operations) was increased to the maximum amount allowed by the proposed Professional Services Agreement for the General Manager plus an allowance of 200 hours of my time during the transition;
- The budget for Account 9018 (Professional Fees-Office) was increased to account for a cost-of-living adjustment for the Financial Consultant as the hourly rate was last changed in August 2016; and
- The amount budgeted for credit card payment fees (Account 9044-03) has been increased based on the most recent estimated cost for the current fiscal year. Twenty-six percent of the District's customers pay their utility bill by credit card; 27% of the fees collected are paid by credit card.

### Projects:

- Replacement of the sanitary sewer forcemain and waterline that cross under the lake outlet culverts has been moved from 2019 to 2020 due to the timing of the General Manager transition. Only relatively minor seasonal construction projects are now proposed in 2019;
- The addition of annual TV inspection of the 12-miles of the sanitary sewer collection system (approximately two-miles/year); the mainlines were last completely reviewed in 2007-2010;
- The addition of a leak detection survey of the entire water distribution system every other year to help identify system vs. customer losses as more meters are installed;
- The amount of money budgeted to understand the scope and cost of the extension of the lake intake has increased due to the anticipated need for environmental studies related to permitting;
- Installation of a fall-protection system on the office tank access ladder has been added;
- The Bales Intake station emergency generator is still on the list for FY2019-2020 but the Operators and I are now recommending the generator be diesel powered due to the site limitations on the installation and logistics of filling the propane tank during the winter;
- An attachment for the backhoe and compaction equipment have been added to the list of Tools/Operations Equipment; and
- The amount of pavement patching has been increased for repairs to portions of Donner Drive and Lower Lake Drive that were damaged during the December 2018 pipeline failures.

Anna prepared the cash-flow forecast for the period 2018/19 through 2026/27 based on the following assumptions:

- no increase in utility service charges;
- operational expenses increase three percent per year;
- the project list is implemented as proposed (cost and schedule); and
- use of the \$2.5 million invested with the Placer County Treasurer fund.

As you can see, the model projects a negative cash flow beginning in 2022/23 if all of the assumptions (cost and timing) are correct for the next four-years.

#### Recommendations

Staff respectfully recommends the following actions:

- The Board of Directors adopt the proposed Fiscal Year 2019 Budget and supporting documentation as proposed or with modifications;
- The Board of Directors approve a cost-of-living increase for the Financial Consultant as shown in Account 9018; and
- The Board of Directors adopt the proposed Utility System Operator Salary Grid;

Attachments:      Draft 2019-20 Operating Budget (June 5, 2019)  
                         Draft 2019-20 Operations and Maintenance Budget (June 5, 2019)  
                         Draft Summary of 2019-2026 Projects (June 5, 2019)  
                         Draft Detail of 2019-20 Projects (June 5, 2019)  
                         Draft 2019-2026 Cash Flow Projection (June 5, 2019)  
                         Draft 2019 Operator Salary Grid (June 5, 2019)

Sierra Lakes Co Water District  
2019/2020 DRAFT OPERATIONS BUDGET  
As of June 5, 2019

	7/1/17 to 6/30/18 Audited Actuals	ACTUALS 7/1/18 to 5/31/19	2018/2019 Budget	2018/2019 Estimated YE Actual Costs	2019/2020 Proposed Budget	NOTES
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
8000 · Water/Sewer Service						
8000-01 · Annual Water Fees	850,793.21	851,449.09	852,948.00	851,449.09	857,124.00	821 Billable Connections
8000-02 · Annual Sewer Fees	1,180,030.96	1,180,935.52	1,183,016.00	1,180,935.52	1,188,808.00	821 Billable Connections
<b>Total 8000 · Water/Sewer Service</b>	<b>2,030,824.17</b>	<b>2,032,384.61</b>	<b>2,035,964.00</b>	<b>2,032,384.61</b>	<b>2,045,932.00</b>	
8050 · Customer Late Fees	10,353.70	7,292.53	10,000.00	9,723.00	10,000.00	No increase proposed
8061 · Other Income						
8005 · Prim Fac Fees - Sewer	46,800.00	780.00	23,400.00	2,340.00	23,400.00	3 Sewer connection permits
8006 · Prim Fac Fees - Water	10,950.00	182.50	5,475.00	547.50	5,475.00	3 Water connection permits
8030 · Placer County Tax	414,240.47	436,808.16	390,000.00	436,808.16	390,000.00	Based on 2017/2018 Estimated Actuals
8052 · GAPVAC Services	1,008.73	-	-	-	-	
8062 · Discounts	-	-	-	-	-	
8061 · Other Income - Other	5,645.55	4.12	-	10.00	-	
<b>Total 8061 · Other Income</b>	<b>478,644.75</b>	<b>437,774.78</b>	<b>418,875.00</b>	<b>439,705.66</b>	<b>418,875.00</b>	
<b>Total Income</b>	<b>2,519,822.62</b>	<b>2,477,451.92</b>	<b>2,464,839.00</b>	<b>2,481,813.27</b>	<b>2,474,807.00</b>	
<b>Gross Profit</b>	<b>2,519,822.62</b>	<b>2,477,451.92</b>	<b>2,464,839.00</b>	<b>2,481,813.27</b>	<b>2,474,807.00</b>	
<b>Expense</b>						
9000 · Salaries						
9001 · Director Salaries	10,980.00	12,600.00	21,600.00	13,745.00	21,600.00	Based on 2 mtgs per month per Director at \$180/mtg.
9003 · Maintenance Salaries						
9003-01 · Hourly Regular (Maint)	250,253.30	235,543.94	257,387.00	257,387.00	275,502.00	Per Bill Q.
9003-02 · Overtime (Maintenance)	7,251.68	12,598.16	6,435.00	13,743.00	11,020.00	Per Bill Q.
9003-03 · Standby (Maintenance)	23,475.00	24,040.00	26,000.00	26,000.00	26,360.00	\$500/week for 52 weeks + \$100 Holidays
9003-04 · Labor Allocated to Projects	(160.60)	(881.26)	-	(881.26)	-	
9003 · Maint Sal - Other Employee Relations	2,601.90	-	1,500.00	-	1,500.00	Per Bill Q.
<b>Total 9003 · Maintenance Salaries</b>	<b>283,421.28</b>	<b>271,300.84</b>	<b>291,322.00</b>	<b>296,248.74</b>	<b>314,382.00</b>	
<b>Total 9000 · Salaries</b>	<b>294,401.28</b>	<b>283,900.84</b>	<b>312,922.00</b>	<b>309,993.74</b>	<b>335,982.00</b>	
9004 · Payroll Expense						
9005 · Payroll Expense - SS & Medicare	22,435.11	21,785.82	22,286.00	20,742.00	24,050.00	Calculated Based on Budgeted Wages
9007 · Payroll Expense - SUI & ETT	2,424.32	2,561.09	3,950.00	3,950.00	3,950.00	Calculated Based on Budgeted Wages
9008 · Payroll Expense - Retirement	71,984.79	15,125.38	45,921.00	16,500.00	17,325.00	Estimated Actual + 5% (Includes AUL Payment)
9009 · Payroll Expense - Medical & D/V	101,538.73	92,249.26	147,000.00	100,636.00	147,000.00	No increase proposed
9009.01 · OPED Expense	(37,096.37)	-	-	-	-	Based on accrual prescribed by OPEB report
9010 · Payroll Expense - Workers' Comp	10,781.22	4,699.67	13,900.00	6,266.00	13,900.00	No increase proposed
<b>Total 9004 · Payroll Expense</b>	<b>172,067.80</b>	<b>136,421.22</b>	<b>233,057.00</b>	<b>148,094.00</b>	<b>206,225.00</b>	
9011 · Indirect & G&A						
9012 · Legal Expense	18,563.48	29,125.00	36,000.00	31,773.00	36,000.00	No increase proposed
9013 · Audit Expense	12,000.00	13,050.00	12,250.00	13,050.00	13,050.00	Per Auditor Proposal
9014 · Fees & Penalties	672.09	647.34	1,500.00	706.00	1,500.00	Direct Deposit, Recording & Bank Service Fees
9016 · Directors' Expense	4,153.62	5,168.85	10,000.00	5,639.00	10,000.00	No increase proposed
9017 · Professional Fees - Operations	138,215.92	124,662.44	145,000.00	135,995.00	294,000.00	Per Bill Q.
9018 · Professional Fees - Office	113,920.00	94,520.00	124,800.00	103,113.00	137,280.00	Based on 30 hrs/wk (1,560 hrs.)
9019 · Staff Travel/Training	223.35	10,136.54	2,000.00	11,058.00	7,400.00	Per Bill Q.
9022 · Election Expense	-	100.00	2,500.00	100.00	-	No Election
9023 · Insurance Expense	11,349.55	11,452.00	20,000.00	12,493.00	20,000.00	No increase proposed
9024 · Membership Expense	9,018.60	9,741.00	12,000.00	10,741.00	12,000.00	No increase proposed
9026 · Outside Services	2,720.00	2,872.50	2,880.00	3,134.00	3,286.00	Estimated Actual + 5%



Sierra Lakes Co Water District  
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9028 - Telephone Expense	7,091.73	6,494.74	7,500.00	7,085.00	7,500.00	No increase proposed
9029 - Garbage/Hazmat Expense	3,423.92	3,761.44	4,500.00	4,103.00	4,500.00	No increase proposed
9030 - Uniform Expense	793.95	1,271.47	2,025.00	2,025.00	2,025.00	Per Bill Q.
9034 - Propane Expense	11,409.47	10,989.96	10,700.00	10,989.96	10,700.00	No increase proposed
9036 - SCADA System Expense	1,319.61	6,491.48	3,500.00	6,491.00	4,500.00	Per Bill Q.
9037 - Lucity Asset Management System	-	3,750.00	4,500.00	3,750.00	4,500.00	Per Bill Q.
9040 - Office Expense	3,099.63	3,111.17	3,000.00	3,200.00	3,000.00	No increase proposed
9041 - Postage Expense	1,619.96	659.14	2,700.00	1,700.00	2,000.00	15% increase over Estimated Actual
9042 - Postage Meter Expense	1,106.36	1,138.36	1,300.00	1,138.00	1,300.00	No increase proposed
9043 - Copier & Fax Expense	921.14	514.64	950.00	561.00	950.00	No increase proposed
9044 - Computer Equipment, Service & Website						
9044-01 General Expenses	2,082.09	3,174.95		3,464.00	3,500.00	DSL, IT, Supplies, P/R Service & Website fees
9044-02 Website Design	-	6,376.97	7,000.00	7,000.00	8,000.00	Website Update & Maintenance
9044-03 Merchant Fees	-	16,970.48		18,470.00	20,000.00	Credit Card Payment Fees
Total 9011 - Indirect & G&A	343,704.47	366,180.47	416,605.00	397,778.96	606,991.00	
9100 - Water Treatment & Filter Plant						
9101 - Filter Plant Operations & Maint	3,355.18	6,906.74	4,500.00	7,535.00	7,000.00	Per Bill Q.
9102 - Filter Plant-Chems, Lab & Equip	12,128.56	18,096.89	15,000.00	19,742.00	15,000.00	Per Bill Q.
9103 - Filter -Water Pumping Plant M&O	482.35	430.31	-	469.00	1,000.00	Per Bill Q.
9104 - Filter -Well Pump Station Exp	-	220.02	1,000.00	240.00	1,000.00	Per Bill Q.
Total 9100 - Water Treatment & Filter Plant	15,966.09	25,653.96	20,500.00	27,986.00	24,000.00	
9200 - Water Distribution						
9201 - Water Dist - General Maint	7,146.89	8,153.89	6,000.00	8,895.00	7,500.00	Per Bill Q.
9202 - Water Dist - Pipes & Fittings	2,456.43	1,189.64	2,500.00	1,298.00	2,000.00	Per Bill Q.
9203 - Water Dist - Hydrant Maint	924.85	28.12	750.00	31.00	500.00	Per Bill Q.
9204 - Fees - Water	11,726.55	12,688.15	12,500.00	13,842.00	13,125.00	Per Bill Q.
9205 - Water Dist - Electricity	30,221.40	30,640.76	32,000.00	33,426.00	33,600.00	Per Bill Q.
9600 - Water Dist - Meters/Parts	979.13	442.05	1,000.00	482.00	1,000.00	Per Bill Q.
9601 - Water Conservation	2,125.00	1,429.78	2,500.00	1,560.00	2,000.00	Per Bill Q.
Total 9200 - Water Distribution	55,580.25	54,572.39	57,250.00	59,534.00	59,725.00	
9300 - Wastewater Collection System						
9301 - Wastewater - General Maint	9,447.64	7,820.89	8,000.00	8,532.00	9,000.00	Per Bill Q.
9302 - Wastewater - Pipes/Fittings	1,851.65	822.83	1,000.00	898.00	1,500.00	Per Bill Q.
9303 - Wastewater- Enzymes/Lab Testing	4,497.97	2,303.52	5,000.00	2,513.00	5,000.00	Per Bill Q.
9304 - Wastewater - Manholes	-	-	500.00	-	500.00	Per Bill Q.
9305 - Fees - Sewer	5,778.94	6,220.69	7,000.00	6,786.00	7,350.00	Per Bill Q.
9306 - Wastewater - Electricity	15,498.13	14,174.34	15,500.00	15,463.00	16,275.00	Per Bill Q.
9700 - Wastewater- Export Service Exp						
9700-01 - Wastewater Export Srvc Adjustment	(30,238.49)	(68,122.95)	-	(68,122.95)	-	
9700 - Wastewater- Export Service Exp - Other	454,122.00	424,600.00	463,200.00	463,200.00	386,520.00	Pet DSPUD's DRAFT Budget
Total 9700 - Wastewater- Export Service Exp	423,883.51	356,477.05	463,200.00	395,077.05	386,520.00	
Total 9300 - Wastewater Collection System	460,957.84	387,819.32	500,200.00	429,269.05	426,145.00	
9500 - Vehicle Expense						
9501 - Gasoline/Diesel	7,365.64	7,326.73	8,500.00	7,993.00	8,500.00	Per Bill Q.
9502 - Pickups	294.18	1,189.17	2,000.00	1,297.00	2,500.00	Per Bill Q.
9503 - Gapvac	4,282.06	3,131.55	3,500.00	3,416.00	3,500.00	Per Bill Q.
9504 - Backhoe	3,333.69	1,060.99	2,000.00	1,157.00	4,000.00	Per Bill Q.
9505 - Vehicle Maint Supplies	216.32	687.40	1,000.00	750.00	1,000.00	Per Bill Q.
Total 9500 - Vehicle Expense	15,491.89	13,395.84	17,000.00	14,613.00	19,500.00	
9800 - Project Expenses						

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Sierra Lakes Co Water District  
2019/2020 DRAFT OPERATIONS BUDGET  
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9812 · Spot Repairs of Sewer Mainline	35,801.68	52,001.60	44,500.00	52,001.60	56,000.00	Per Bill Q.
9813 · Repair Sewer Manholes	30,288.79	36,909.99	41,500.00	36,909.99	32,250.00	Per Bill Q.
9814 · Adjust Sewer Manholes to Grade	-	-	-	-	-	Per Bill Q.
9815 · Misc Sewer Pump Station Upgrade	6,020.37	14,281.04	13,500.00	14,281.04	46,500.00	Per Bill Q.
9817 · TV Inspection of Gravity Sewer System	-	-	-	-	-	Per Bill Q.
9818 · Misc Water System Improvements	16,736.03	47,402.44	33,400.00	47,402.44	37,500.00	Per Bill Q.
9819 · Adj Water Valve Boxes to Grade	554.76	711.75	3,000.00	776.00	3,000.00	Per Bill Q.
9820 · Misc Upgrades Water Pump Station	12,105.06	14,118.60	21,400.00	15,402.00	42,500.00	Per Bill Q.
9821 · Automatic Meter Reading System	489.50	1,072.21	2,975.00	1,170.00	2,243.00	Per Bill Q.
9822 · Misc Jobs - Safety, Tools, Bldg	11,260.51	32,323.16	33,600.00	35,262.00	106,000.00	Per Bill Q.
9824 · Lake & Land Management	267.53	538.22	2,500.00	587.00	2,500.00	Per Bill Q.
9825 · HOTFaP	16,119.74	5,337.50	30,000.00	5,823.00	10,000.00	Per Bill Q.
9915 · Misc Projects (includes Website Development)	18,774.53	226.94	-	226.94	-	Per Bill Q.
<b>Total 9800 · Project Expenses</b>	<b>148,418.50</b>	<b>204,923.45</b>	<b>226,375.00</b>	<b>209,842.01</b>	<b>338,493.00</b>	
<b>Total Expense</b>	<b>1,506,588.12</b>	<b>1,472,867.49</b>	<b>1,783,909.00</b>	<b>1,597,110.76</b>	<b>2,017,061.00</b>	
<b>Net Ordinary Income</b>	<b>1,013,234.50</b>	<b>1,004,584.43</b>	<b>680,930.00</b>	<b>884,702.51</b>	<b>457,746.00</b>	
<b>Other Income/Expense</b>						
<b>Other Income</b>						
8020 · Interest Revenues						
8021 · Interest Revenue - Other	2,173.70	52,179.92	-	56,924.00	-	
8029 · CA Bank & Trust - Interest Reve	247.25	291.57	-	318.00	-	
<b>Total 8020 · Interest Revenues</b>	<b>2,420.95</b>	<b>52,471.49</b>	<b>-</b>	<b>57,242.00</b>	<b>-</b>	
<b>Total Other Income</b>	<b>2,420.95</b>	<b>52,471.49</b>	<b>-</b>	<b>57,242.00</b>	<b>-</b>	
<b>Other Expense</b>						
9900 · Debt - Interest						
9904 · Interest on SRF Loan	13,837.83	6,260.47	12,075.00	12,075.00	10,266.83	Per loan amortization schedules
9906 · Interest on USDA Revenue Bond	131,049.23	129,131.74	130,000.00	130,000.00	127,000.00	Per loan amortization schedules
9908 · Int on Assessment - 7207 Palisade	765.00	247.00	765.00	247.00	247.00	
<b>Total 9900 · Debt - Interest</b>	<b>145,652.06</b>	<b>135,639.21</b>	<b>142,840.00</b>	<b>142,322.00</b>	<b>137,513.83</b>	
9920 · Depreciation						
9921 · Depreciation - Water	122,235.85	110,194.24	124,684.00	120,212.00	128,425.00	Per Depreciation Schedule
9922 · Depreciation - Sewer	106,503.15	88,123.90	102,999.00	96,135.00	106,089.00	Per Depreciation Schedule
<b>Total 9920 · Depreciation</b>	<b>228,739.00</b>	<b>198,318.14</b>	<b>227,683.00</b>	<b>216,347.00</b>	<b>234,514.00</b>	
9950 · SLCWD's Share DSPUD Capital Costs	-	38,753.19	-	38,753.19	18,000.00	
<b>Total Other Expense</b>	<b>374,391.06</b>	<b>372,710.54</b>	<b>370,523.00</b>	<b>397,422.19</b>	<b>390,027.83</b>	
<b>Net Other Income</b>	<b>(371,970.11)</b>	<b>(320,239.05)</b>	<b>(370,523.00)</b>	<b>(340,180.19)</b>	<b>(390,027.83)</b>	
<b>Net Income</b>	<b>641,264.39</b>	<b>684,345.38</b>	<b>310,407.00</b>	<b>544,522.32</b>	<b>67,718.17</b>	

Sierra Lakes County Water District  
Draft 2019-20 Operations and Maintenance Budget

Account	Expenses	2019-2020 Assumptions	Actual 2014/2015	Actual 2015/2016	Actual 2016/2017	Actual 2017/2018	YTD 2018/2019 (through 05/31/19)	Estimated Actual 2018/2019 (through May)	Approved Budget 2018/2019	Proposed Budget 2019/2020	Percent Change from 2018 Budget
9003	Maintenance Salaries		210,533	230,079	266,714	280,980	272,162	296,926	289,822	314,382	8.47%
9003-01	Hourly Regular	3 full-time operators, one seasonal operator @ 850 hours for projects	184,541	203,404	232,991	250,253	235,544	256,957	257,387	275,502	7.04%
9003-02	Overtime (regular and standby)	4% of hourly wages (previously 2.5%)	3,050	3,669	10,263	7,252	12,598	13,743	6,435	11,020	71.25%
9003-03	Standby	\$500/week (\$100/weekend day and Holiday and \$80/week day)	22,942	23,006	23,460	23,475	24,040	26,225	26,000	26,360	1.38%
	Employee Relations								1,500	1,500	
9017	Professional Services	GM to 75% time plus 200 hour transition @ \$145/hour	99,143	109,635	133,680	138,216	124,662	135,995	145,000	294,000	102.76%
9019	Staff Travel/Training	On and Off-site training (\$5,000) plus on-call mileage (\$200/month)	1,304	580	2,003	223	10,137	11,059	3,500	7,400	111.43%
9030	Uniforms	\$375/employee and \$150 for seasonal + \$750 for outerwear and cleaning	1,271	511	1,558	794	1,271	1,387	2,025	2,025	0.00%
9036	SCADA System	\$1,500 annual software fee and Integrator assistance with equipment (2 trips/year)	1,338	3,176	5,588	1,320	6,491	7,081	3,500	4,500	28.57%
9037	Lucity Asset Management System	\$3,750 annual software maintenance and support fee					3,750	4,091	4,500	4,500	0.00%
9100	Water Treatment Costs & Filtration Plant										
9101	Filter Plant Operations and Maint	Increased cost due to cold water treatment	6,053	4,790	8,321	3,355	6,907	7,535	4,500	7,000	55.56%
9102	Filter Plant- Chems, Lab and Equip	5% increase in chemical costs	16,999	13,434	16,002	12,129	18,097	19,742	15,000	15,500	3.33%
9103	Treatment Pumping Plant Op and Maint.				269	482	430	469	1,000	1,000	0.00%
9104	Well Pumping Station						220	240	1,000	1,000	
9200	Water Transmission & Distribution										
9201	Water Distribution--General Maint		6,582	4,109	9,693	7,147	8,154	8,895	6,000	7,500	25.00%
9202	Water Distribution--Pipes and Fittings		2,949	795	1,184	2,456	1,190	1,298	2,500	2,000	-20.00%
9203	Water Distribution--Hydrant Maint				530	925	28	31	750	500	-33.33%
9204	Fees- Water	5% increases from Placer County , DDW and Dam Safety	10,302	9,850	11,254	11,727	12,688	13,841	12,500	13,125	5.00%
9205	Water Distribution--Electricity	5% PGE increase	28,512	29,315	37,271	30,221	30,641	33,427	32,000	33,600	5.00%
9600	Water Meters		2,320			979	442	482	1,000	1,000	0.00%
9601	Water Conservation		3,158	3,521	906	2,125	1,430	1,560	2,500	2,000	-20.00%
9300	Wastewater Maintenance and Operation										
9301	Wastewater--General Maint		5,526	3,659	8,453	9,448	7,821	8,532	8,000	9,000	12.50%
9302	Wastewater--Pipes/Fittings	inventory replenishment	74	155	2,850	1,852	823	898	1,000	1,500	50.00%
9303	Wastewater--FOG Control		4,984	4,475	4,879	4,498	2,304	2,513	5,000	5,000	0.00%
9304	Wastewater--Manholes		0	0	0	0	0	0	500	500	0.00%
9305	Fees- Sewer	5% increase Placer County Environmental Health and Air Quality Mgmt Dist.	5,528	4,847	6,130	5,779	6,221	6,786	7,000	7,350	5.00%
9306	Wastewater--Electricity	5% PGE increase	13,136	16,953	18,382	15,498	14,174	15,463	15,500	16,275	5.00%
9500	Vehicle Expense										
9501	Gasoline/Diesel		9,834	8,188	7,873	7,366	7,327	7,993	8,500	8,500	0.00%
9502	Pickups	F350 Tires	2,929	5,968	2,069	294	1,189	1,297	2,000	2,500	25.00%
9503	GapVax		549	7,211	3,942	4,282	3,132	3,416	3,500	3,500	0.00%
9504	Backhoe	Replace exhaust, hydraulic hoses/hardlines and install thumb	2,079	1,223	204	3,334	1,061	1,157	2,000	4,000	100.00%
9505	Vehicle Maint Supplies		629	417	783	216	687	750	1,000	1,000	0.00%
	Operating Expense Sub-Total							0	582,597	770,157	32.19%

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**Sierra Lakes County Water District  
Draft Summary of Infrastructure Projects**

Proj Num	Project Title	FY 2019-2020		FY 2020-2021		FY2021 Projects	FY 2022 Projects	FY 2023 Projects	FY 2024 Projects	FY 2025 Projects	FY2026 Projects
		Operating	Capital	Operating	Capital						
9812	Spot Repairs of Sewer Mainline and Laterals	\$57,400	\$0	\$61,400	\$122,500	\$61,400	\$61,400	\$61,400	\$61,400	\$60,000	\$60,000
9813	Repair/Replace Sewer Manholes at Various Locations	\$32,250		\$8,250		\$37,500	\$7,500	\$37,500	\$7,500	\$37,500	\$7,500
9815	Miscellaneous Sewer Pump Station Upgrades	\$46,500	\$7,500	\$0	\$100,000						
9818	Miscellaneous Water Distribution System Improvements	\$37,500	\$24,000	\$0	\$630,000	\$6,000	\$648,000	\$367,666	\$361,666	\$367,666	
9819	Adjust Water Valve Boxes to Street Grade	\$3,000		\$3,000		\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
9820	Miscellaneous Water Pump Station/Storage Improvements	\$42,500	\$310,000	\$1,000	\$300,000	\$21,900	\$37,800	\$800	\$168,100	\$150,000	
9821	Automatic Meter Read System	\$2,243	\$52,500	\$3,311	\$256,250	\$296,250	\$100,000	\$85,000			
9822	Purchase Tools/Equipment and Building Improvements	\$106,000	\$98,940	\$0	\$45,000				\$60,000	\$100,000	
XXXX	DSPUD Wastewater Plant		\$18,000		\$60,000						
TOTAL		\$327,393	\$511,940	\$76,961	\$1,513,750	\$426,050	\$857,700	\$555,366	\$661,666	\$718,166	\$70,500



**Sierra Lakes County Water District  
Draft FY 2019-2020 and 2020-2021 Project List**

**Sanitary Sewer System**

**Spot Repairs of Sewer Mainline and Laterals – Project 9812**

Item of Work	Unit	Quantity	Unit Price	FY 2019-2020		FY 2020-2021		2021-2026
				Operating	Capital	Operating	Capital	
Sanitary sewer lateral repairs	each	3	\$7,500	\$22,500		\$25,000		\$25,000 yearly
Sanitary sewer mainline repairs	each	3	\$9,500	\$28,500		\$30,000		\$30,000 yearly
Lower Lake Drive gravity sewer replacement	lineal feet	150	\$150				\$22,500	
Replace SPS-3 forcemain	lineal feet	250	\$400				\$100,000	
TV Inspection of Mainline	days	4	\$1,000	\$6,400		\$6,400		\$6,400 yearly through 2024
<b>Project Total</b>				<b>\$57,400</b>	<b>\$0</b>	<b>\$61,400</b>	<b>\$122,500</b>	

Justification: Lateral and mainline repairs to be identified by camera inspection during I&I season each year. Replacement of portion of SPS-3 forcemain (pump station to Soda Springs Road) due to poor pipe condition, alignment and installation methodology (directional boring or open cut under lake outlet culverts) to be determined. Lower Lake Drive gravity sewer in poor condition based on TV inspection and will be replaced in conjunction with failing AC watermain. All work to be done by contractor(s) due to depth of pipe and District staffing and equipment limitations. Yearly TV inspection of portion of mainlines to resume in FY 2019/2020 to locate sources of I&I and verify pipe condition.

**Repair/Replace Sewer Manholes at Various Locations – Project 9813**

Item of Work	Unit	Quantity	Unit Price	FY 2019-2020		FY 2020-2021		2021-2026
				Operating	Capital	Operating	Capital	
Installation of Chimney Seals (locations to be determined)	each	15	\$450	\$6,750		\$6,750		\$5,000 yearly
Cementitious Coating of manhole channels, bases and barrels	vertical foot	40	\$600	\$24,000				
Adjust manholes to grade (locations to be determined)	each	3	\$500	\$1,500		\$1,500		\$2,500 yearly
<b>Project Total</b>				<b>\$32,250</b>	<b>\$0</b>	<b>\$8,250</b>	<b>\$0</b>	

Justification: Installation of chimney seals to control I&I at frame/cone interface at street level. Degradation of manhole concrete due to sewer offgassing, work will apply cementitious coating to surfaces. Replace manholes that have reached end of useful life and are source of Inflow and Infiltration, assumes three every other year. Adjust manholes to grade as part of annual program. Chimney seals and grade adjustment done by Sierra Staff, coating and reconstruction done by contractors.

**Miscellaneous Sewer Pump Station Upgrades – Project 9815**

Item of Work	Unit	Quantity	Unit Price	FY 2019-2020		FY 2020-2021		2021-2026
				Operating	Capital	Operating	Capital	
Replace Level Sensor and Mount at Export Flume	each	1	\$7,500		\$7,500			
Install backup float control system at SPS-4	each	1	\$10,000	\$10,000				
Install replacement pumps, rail system and wetwell at SPS-4	lump sum	1	\$100,000				\$100,000	
Cementitious Coating of walls & floors at SPS-2 and ceiling & walls at SPS-3	vertical foot	40	\$750	\$30,000				
Repair wetwell wall at SPS-2	each	1	\$6,500		\$6,500			
<b>Project Total</b>				<b>\$46,500</b>	<b>\$7,500</b>	<b>\$0</b>	<b>\$100,000</b>	

Justification: Ultrasonic transducer at export flume is no longer serviced by vendor and mount is unstable due to corrosion and temperature changes which affects depth reading and calculation of flow quantity sent to DSPUD. Backup float system at SPS-4 will supplement bubbler level control system, all other stations have backup system except SPS-4. SPS-4 pumps and piping has reached end of service life (installed in 1970's) and are permanently mounted in wetwell, removal for maintenance or repair requires confined space entry and unbolting of mounting and pipe connections. Installation of new pumps, rail system and wetwell will allow Operators to lift pumps in/out with truck mounted crane. Application of coating to walls and floor of SPS-2 wetwell and ceiling and walls of SPS-3 to restore integrity of concrete due to disintegration caused by sewer off-gassing. Wetwell wall at SPS-2 has area of failure (boil) which will require excavation on exterior and installation of concrete patch. All work with exception of level sensor replacement at export flume to be done by contractor(s) due to magnitude of project and/or requirement for specialty equipment.



**Sierra Lakes County Water District  
Draft FY 2019-2020 and 2020-2021 Project List  
Domestic Water System**

Water Distribution System Improvements – Project 9818					FY 2019-2020	FY 2020-2021	2021-2026
Item of Work	Unit	Quantity	Unit Price	Operating	Capital	Operating	Capital
AC Pipe corrosion study follow-up	each	1	\$20,000		\$20,000		
System-wide leak detection	each	1		\$6,000			\$6,000 every other year
Replace Hill Tank distribution gate valve	each	1	\$4,000	\$4,000			
Mainline replacement in areas of high groundwater	lineal feet	2000	\$250			\$500,000	\$500,000 placeholder in 2022
Mainline replacement near SPS-3 creek crossing	lineal feet	250	\$400			\$100,000	
Install distribution gate valves at various intersections	each	8	\$5,000				\$40,000 in 2022
Replacement of lower Lake Drive mainline	each	150	\$200	\$7,500		\$30,000	
Replace fire hydrants at Hillside/Baxter and Bales/Hemlock	each	2	\$12,000		\$24,000		
Replace remaining Dresser Fire Hydrants	each	9	\$12,000				\$108,000 in 2022
Replace service saddles in Serene Subdivisions	each	310	\$3,500				\$1,085,000 split between 2023/2024/2025
<b>Project Total</b>				<b>\$37,500</b>	<b>\$24,000</b>	<b>\$630,000</b>	

Justification: Condition of AC pipe studied in 2007 and found weakening of exterior of pipe due to corrosive ground water. Analysis of 2018 failure of AC pipe at Donner Drive and Lake Drive also showed loss of cement binder due groundwater corrosion. 2019 Study will include sampling of groundwater at various locations to determine corrosivity and then analysis of pipe in areas of aggressive groundwater to compare current pipe wall condition with previous study, cost estimate includes laboratory and field work (removal of pipe sections and pavement patching). System wide leak detection of distribution system in Fall of 2019 and every other year going forward, last survey was in spring of 2017. Repair of damaged pavement on Donner Drive and Lower Lake Drive due to December 2018 pipeline failures. Budget assumes mainline replacement will be required in some areas due to pipe condition. Replacement of portion of mainline near SPS-3 due to poor pipe condition, alignment and installation methodology (directional boring or open cut) to be determined and project done in conjunction with forcemain replacement. Gate valve on Hill Tank distribution line on Pahatsi is difficult to operate for complete shut-off, top of valve will be removed to determine if repair is possible otherwise valve will be replaced. Dresser brand fire hydrants are original 1960's and '70's installation and repair parts are no longer available, hydrants at Hillside/Baxter and Bales/Hemlock are very difficult to operate. There are a number of intersections where the configuration of the distribution valving is not sufficient to isolate small sections of system during repairs, project will add valves to industry standard of three per intersection prior to replacement of failing service saddles. Replacement of existing mainline on lower Lake Drive due to previous failures, work in 2019 to eliminate portion under creek and improve ability to isolate the pipe in the event of another failure prior to replacement in 2020. Service saddles in Serene Subdivisions have reached the end of their useful life and require replacement due to corrosion and failure of straps.

Adjust Water Valve Boxes to Street Grade--Project 9819					FY 2019-2020	FY 2020-2021	2021-2026
Item of Work	Unit	Quantity	Unit Price	Operating	Capital	Operating	Capital
Adjust water valve boxes to grade	each	10	\$300	\$3,000		\$3,000	\$3,000 yearly
<b>Project Total</b>				<b>\$3,000</b>		<b>\$3,000</b>	

Justification: Project will continue program to adjust water valve boxes to within 3/8-inch of surrounding asphalt grade to reduce damage to valve boxes from wheel impact loads. Estimate assumes 10 done each year. Project to be completed by Sierra Staff with exception of paving by outside contractor.

Miscellaneous Water Pump Station/Storage Improvements -- Project 9820					FY 2019-2020	FY 2020-2021	2021-2026
Item of Work	Unit	Quantity	Unit Price	Operating	Capital	Operating	Capital
Recoat interior of Office Tank (original construction in 2001)	square feet	9700	\$15				\$145,00 in 2024
Recoat exterior of Office Tank (original construction in 2001)	square feet	7700	\$3				\$23,100 in 2024
Hill and Office Tank Inspections (5 year intervals, last inspected in 2016)	each	1	\$10,000				\$10,000 in 2021
Replace Bales Emergency Generator and install double-walled piping	each	1	\$50,000		\$50,000		
Install cathodic protection in Plant Filter #3, Clarifier and Office Tank	lump sum	1	\$6,500	\$6,500			
Cementitious Coating of treatment plant bilge	square feet	1200	\$15	\$18,000			
Replace Treatment Plant Filters #1 and #2	each	2	\$75,000		\$150,000		
Install Office Tank Fall Protection System	each	1	\$15,000	\$15,000			
Insert pH probe upstream of static mixer	each	1	\$10,000		\$10,000		
Replace Hach 1720E Turbidimeters	each	6	\$3,000				\$18,000 in 2022
Replace Chemical Feed Pumps	each	6	\$1,000	\$3,000		\$1,000	\$1000 in 2021 and 2022
Replace Variable Frequency Drives at Bales	each	2	\$10,000		\$20,000		
Extend Lake Intake and new structure	lineal feet	100	\$3,000		\$50,000		\$300,000
Arsenic Treatment System at Well	lump sum	1	\$150,000				\$150,000 in 2025
Install Emergency Power to Well	each	1	\$30,000		\$30,000		
<b>Project Total</b>				<b>\$42,500</b>	<b>\$310,000</b>	<b>\$1,000</b>	<b>\$300,000</b>

Justification: Welded steel water storage tanks require recoating at 25-30 year intervals. State requires inspection of water storage tanks at maximum of five-year intervals. Emergency generator at Bales is 55+ years old, replacement would be powered by diesel rather than originally proposed propane due to installation and access issues with propane tank. Existing fuel tank is double-walled and supply piping will be replaced with double-walled piping along with sealing all existing floor drains to contain any spilled fuel. Filters #1 and #2 have interior piping and seam corrosion due to age (35+ years old) and have reached the end of their useful life. Based on discussions with supplier and contractors, rehabilitation of the existing filters is not practical due to limited access (16" x12" hatch) and need to recertify the pressure vessel after the work is complete. Filters to be ordered in July 2019 due to long lead time for installation in fall of 2019. Filter media in Filter #3 and clarifier will be replaced at same time so all three filters and clarifier operate at optimum efficiency. Office Tank access ladder does not have fall protection device to ensure Operator safety during tank inspection. Installation of cathodic protection on the Clarifier and Filter #3 (installed in 2002) and Office Tank (erected in 2001) will help extend life of pressure vessel/interior piping and interior coating. Installation of pH probe at static mixer with connection to SCADA system will provide real time data and assist in cold water treatment process. Coating of treatment plant bilge will extend life of concrete structure (80' x 4' diameter). Support for turbidimeters will end in 2022 according to manufacturer. Diaphragm style chemical feed pumps are 10 years old with an expected life of 10-15 years and will be replaced with peristaltic style pumps (total of 5 in use) and spare. Variable frequency drives that operate intake pumps are no longer serviced by manufacturer and have reached end of useful life (cooling fan in one unit no longer operational). Extension of the lake intake by +/- 100' to reduce water temperature fluctuations is being studied with initial study in 2019 and construction in 2020 or 2021 depending upon environmental review process. Backup well source does not have emergency power connection, installation of manual transfer switch and reverse receptacle on dedicated pole at dead-end of Tamarack would provide redundancy in event of mechanical problem at Bales or contamination of lake water. Well water arsenic level above allowable limit so considered backup source limited to 15 days/year, installation of arsenic removal system would allow continuous use in event lake source is unavailable due to contamination or mechanical/power malfunction, however well capacity (~80,000 gallons/day) does not meet average day demand during high occupancy periods.

**Sierra Lakes County Water District  
Draft FY 2019-2020 and 2020-2021 Project List  
Domestic Water System**

**Automatic Meter Read System – Project 9821**

Item of Work	Unit	Quantity	Unit Price	FY 2019-2020		FY 2020-2021		2021-2026
				Operating	Capital	Operating	Capital	
Install meters and endpoints	each	750	\$450		\$45,000		\$45,000	\$85,000 each in 2021, 2022 and 2023
Purchase drive-by meter reading system	each	1	\$7,500		\$7,500			
Reset Property Corners	each	50	\$450				\$11,250	\$11,250 in 2021
Purchase and Implement Billing Software	each	1	\$15,000					\$15,000 in 2022
Monthly Data Fee	each	210	\$0.89	\$2,242.80		\$3,310.80		increased starting in 2019
Install meter pits at homes w/o meters	each	100	\$4,000				\$200,000	\$200,000 in 2021
<b>Project Total</b>				<b>\$2,243</b>	<b>\$52,500</b>	<b>\$3,311</b>	<b>\$256,250</b>	

Justification: District will likely use both "drive-by" and cellular interrogation to read meters due to poor cellular coverage. Budget assumes installation of 100 meters each in 2019 and 2020 and remaining 550 in 2021, 2022 and 2023 and purchase of replacement of steel pit/lid boxes with composite material. Installation of meters to determine usage and consumption patterns by 2023 will provide information for development of consumption based rate system in advance of January 1, 2025 State Mandate. Installation of 50 pits/boxes per year at homes that do not have meter equipment due to date of original construction (prior to 1992). Reset of front property corners required at some locations after installation of meter pits.

**Tools / Equipment and Other****Purchase Tools/Operations Equipment and Building Improvements – Project 9822**

Item of Work	Unit	Quantity	Unit Price	FY 2019-2020		FY 2020-2021		2021-2026
				Operating	Capital	Operating	Capital	Capital
Purchase Emergency By-Pass Equipment (pump, hose and fittings)	feet	500	\$10	\$5,000				
Purchase hand tools and equipment for each vehicle	lump sum	1	\$2,000	\$2,000				
Purchase "thumb" attachment for backhoe	each	1	\$5,000	\$5,000				
Purchase "plate" compactor	each	1	\$2,500	\$2,500				
Purchase replacement air monitoring equipment for confined space entry	each	2	\$750	\$1,500				
Replace 2007 backhoe	each	1	\$100,000					\$100,000 in 2025
Paint/Stain exterior of Administration Building	lump sum	1	\$10,000	\$10,000				
Recarpet Administration Building	square yards	220	\$75		\$16,500			
Replace 2003 Chevrolet Pickup	each	1	\$45,000				\$45,000	
Replace 2010 F350 Service Truck	each	1						\$60,000 in 2024
Purchase summer maintenance vehicle	each	1	\$7,500	\$7,500				
Replace roofs at Sewer Pump Stations and Well Building	square feet	2980	\$28		\$83,440			
Pavement Patching and Crackfilling for Placer County Permits	square foot	5000	\$10	\$50,000				
Purchase Replacement SCADA computer	each	1	\$15,000	\$15,000				
Purchase Replacement Office and SCADA Computers	each	3	\$2,500	\$7,500				
<b>Project Total</b>				<b>\$106,000</b>	<b>\$99,940</b>	<b>\$0</b>	<b>\$45,000</b>	

Justification: By-Pass equipment will allow routing of sewage to next downstream manhole when necessary due to pump station or pipeline failures. Backhoe is 2007 model and is assumed to require replacement when it is 18-20 years old. Exterior of Administration Building last painted/stained in 2012 and should be done at 5-6 year intervals. Carpet in Administration Building has reached end of useful life. The 2003 Chevrolet pickup has >90,000 miles and is only used in District due to reliability concerns. The District does not have enough vehicles during the summer to allow each Operator and the summer laborer to work independently. The F350 service truck is assumed to require replacement when it is 15 years old. The sewer pump station roofs were installed in the 1980's and have reached the end of their useful life. Pavement repair in areas of pipeline repairs that were temporarily patched due to weather. Replacement of District computers (two upstairs and two downstairs) due to age and compatibility with various software programs budget includes tech support for transfer of files and software. SCADA computer upgrade includes new hardware, software upgrades and improvements to user interface.

**DSPUD Wastewater Plant – Capital Project XXXXX**

Item of Work	Unit	Quantity	Unit Price	FY 2019-2020		FY 2020-2021		2021-2026
				Operating	Capital	Operating	Capital	
Repair Dewatering Equipment in Solids Handling Storage Tank	lump sum	30%	\$60,000		\$18,000			
Recoating of Reactor Basin #1	lump sum	40%	\$150,000				\$60,000	
<b>Project Total</b>				<b>\$0</b>	<b>\$18,000</b>	<b>\$0</b>	<b>\$60,000</b>	

Justification: During WWTP expansion, Inspectors found that coating on interior walls of reactor basins had reached the end of its useful life. There was insufficient time during the project for General Contractor's painting subcontractor to recoat the basins and bring the plant back on line in the fall of 2015. First basin and exteriors completed in 2016 second basin will be done in 2020. During the winter of 2018-2019 decanting system in solids handling tank failed, cost and scope of repair unknown. District's share of cost based on flow percentage.

SIERRA LAKES COUNTY WATER DISTRICT FIVE YEAR CASH FLOW PROJECTION  
2018/2019 to 3/2027  
in \$000's

**Beginning OPERATING Cash Balance:**

**Cash Provided/(Used) by Operations:**

**Revenues:**

Water/Sewer Service Fees

Placer County Tax

Primary Facilities Fees

Misc Other Income

**Expenses:**

Operating Expenses (Less Depreciation)

Operating Projects

**Net Cash Provided/(Used) by Operations:**

**CAPITAL PROJECTS:**

**Cash Net of Capital Projects:**

**Cash Provided/(Used) for Financing Activities**

CA Bank & Trust Loan Principal & Interest

USDA Revenue Bond Loan

Refunded WWTP Costs

**Total Cash Provided/(Used) by Financing Activities:**

**Cash Provided(Used) by Investment Activities**

Total Cash Provided(Used) by Investment Activities:

Moved to Placer Co. Treasurer's Fund

Annual GASB 45 Funding - OPEB - Moved to LAIF

**Total Cash Provided(Used) by Investment Activities:**

**Ending OPERATING Cash Balance:**

FORECAST 2018/2019	Forecast 2019/2020	Forecast 2020/2021	Forecast 2021/2022	Forecast 2022/2023	Forecast 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027
2,271	279	100	150	138	148	106	(124)	(694)
2,064	2,046	2,046	2,046	2,046	2,046	2,046	2,046	2,046
436	390	390	390	390	390	390	390	390
25	29	29	29	29	29	29	29	29
	10	10	10	10	10	10	10	10
(1,333)	(1,679)	(1,729)	(1,780)	(1,835)	(1,889)	(1,946)	(2,004)	(2,064)
(205)	(356)	(75)	(140)	(108)	(107)	(70)	(106)	(7)
987	440	671	555	532	479	459	365	404
(228)	(512)	(1,514)	(285)	(748)	(447)	(590)	(612)	-
759	(72)	(843)	270	(216)	32	(131)	(247)	404
(100)	(100)	(100)	(25)	-	-	-	-	-
(270)	(270)	(270)	(270)	(270)	(270)	(270)	(270)	(270)
73	67	67	67					
(297)	(303)	(303)	(228)	(270)	(270)	(270)	(270)	(270)
(2,400)	250	1,250	-	550	250	225		
(54)	(54)	(54)	(54)	(54)	(54)	(54)	(53)	
(2,454)	196	1,196	(54)	496	196	171	(53)	-
279	100	150	138	148	106	(124)	(694)	(560)

Placer County Treasury Fund  
2019-20

2,525,057.24  
(250,000.00)

2020-21

2,275,057.24  
(1,250,000.00)

2022-23

1,025,057.24  
(550,000.00)

2023-24

475,057.24  
(250,000.00)

2024-25

225,057.24  
(225,000.00)

57.24

**Sierra Lakes County Water District  
2019-2020 Utility System Operator Salary Grid**

<b>Grade</b>		<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Parity Increase 60th percentile</b>
<b>Utility System Operator-in-Training</b>	2018-2019 monthly range	\$4,061	\$4,293	\$4,524	\$4,754	\$4,990	
	2018-2019 hourly rate	\$23.43	\$24.77	\$26.10	\$27.43	\$28.79	
	2019-2020 monthly range	<b>\$4,305</b>	<b>\$4,551</b>	<b>\$4,795</b>	<b>\$5,039</b>	<b>\$5,289</b>	<b>6.0%</b>
	2019-2020 hourly rate	<b>\$24.83</b>	<b>\$26.25</b>	<b>\$27.67</b>	<b>\$29.07</b>	<b>\$30.52</b>	
<b>Utility System Operator I</b>	2018-2019 monthly range	\$5,155	\$5,375	\$5,594	\$5,813	\$6,032	
	2018-2019 hourly rate	\$29.74	\$31.01	\$32.27	\$33.54	\$34.80	
	2019-2020 monthly range	<b>\$5,361</b>	<b>\$5,590</b>	<b>\$5,818</b>	<b>\$6,046</b>	<b>\$6,273</b>	<b>4.0%</b>
	2019-2020 hourly rate	<b>\$30.93</b>	<b>\$32.25</b>	<b>\$33.56</b>	<b>\$34.88</b>	<b>\$36.19</b>	
<b>Utility System Operator II</b>	2018-2019 monthly range	\$5,648	\$5,969	\$6,291	\$6,613	\$6,934	
	2018-2019 hourly rate	\$32.58	\$34.44	\$36.29	\$38.15	\$40.00	
	2019-2020 monthly range	<b>\$5,987</b>	<b>\$6,327</b>	<b>\$6,668</b>	<b>\$7,010</b>	<b>\$7,350</b>	<b>6.0%</b>
	2019-2020 hourly rate	<b>\$34.54</b>	<b>\$36.50</b>	<b>\$38.47</b>	<b>\$40.44</b>	<b>\$42.40</b>	
<b>Utility System Operator III</b>	2018-2019 monthly range	\$6,503	\$6,874	\$7,243	\$7,613	\$7,983	
	2018-2019 hourly rate	\$37.52	\$39.66	\$41.79	\$43.92	\$46.06	
	2019-2020 monthly range	<b>\$6,763</b>	<b>\$7,149</b>	<b>\$7,533</b>	<b>\$7,918</b>	<b>\$8,302</b>	<b>4.0%</b>
	2019-2020 hourly rate	<b>\$39.02</b>	<b>\$41.24</b>	<b>\$43.46</b>	<b>\$45.68</b>	<b>\$47.90</b>	

**Additional Pay for Certification**

SWRCB Division of Drinking Water Treatment Operator	2.5% one time increase for certification outside grade not to exceed one level beyond required by Job Description
SWRCB Division of Drinking Water Distribution Operator	2.0% one time increase for certification outside grade not to exceed one level beyond required by Job Description
California Water Environment Association Collection Maintenance	1.5% one time increase for certification outside grade not to exceed one level beyond required by Job Description
California Commercial Drivers License	1.5% one time increase for Class A or B license
CWEA Elec or Mech Tech (or equivalent) Certification	1.5% one time increase each certification



**PROFESSIONAL SERVICES AGREEMENT**  
**Between**  
**SIERRA LAKES COUNTY WATER DISTRICT**  
**and**  
**PAUL A. SCHULTZ, P.E.**

This Agreement is made as of \_\_\_\_\_, 2019, between **Sierra Lakes County Water District**, hereinafter referred to as "District," and **Paul A. Schultz, P.E.**, hereinafter referred to as "Consultant."

**1.0 BASIC SERVICES**

Consultant enters into this Agreement as an independent contractor, for the purpose of providing professional services to District as District's General Manager and Agent to perform the following tasks and additional services as may be requested by District:

- Oversight of the operation of the potable water treatment/distribution and sanitary sewer collection systems:
  - Process review, troubleshooting, modifications and improvements; and
  - Supervision of three full-time and one seasonal Utility System Operators including all personal related duties such as scheduling and work assignments, training and certifications, safety programs and performance reviews.
- Regulatory permitting:
  - Interface with State Department of Water Resources Control Board (SWRCB) Division of Drinking Water re: compliance with regulatory requirements, preparation and submittal of documentation and monthly/quarterly/annual reporting;
  - Interface with State Department of Water Resources re: water rights permitting including diversion compliance and annual reporting; and
  - Interface with Placer County re: operations in County right-of-way and compliance with Environmental Health Department regulations.
- Review, permitting and inspection of residential (new and remodel) construction projects for compliance with District Ordinances;
- Preparation of annual operating and capital project budgets;
- Review and approval of invoices and tracking of monthly operational and capital project expenses;
- Coordination with Financial Consultant who performs administrative office functions;
- Function as Project Manager for all District construction projects including managing consultants providing design, construction administration and inspection services in accordance with District, County and State requirements;
- Preparation of written monthly reports to Board of Directors and attendance at regular monthly and special Meetings;
- Administration of District Ordinances re: use of District property and watershed protection; and
- Other duties as assigned by the Board of Directors.

District shall have no right of control over the manner in which the work is to be done but only as to its outcome and shall not be charged with the responsibility of preventing risk to Consultant or Consultant's employees, agents, contractors or subcontractors.

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## **2.0 PERIODS OF SERVICE**

- 2.1 General.** The provisions of Section 2.0 and the various rates of compensation for Consultant's services provided for elsewhere in this Agreement have been agreed to in anticipation of Consultant's orderly and continuous provision of services as described in Section 1.0. Consultant's obligation to render services hereunder will be reviewed annually by District. District and Consultant agree that Consultant's time commitment shall average 30 hours/week overall with an average of 24 hours/week on-site and not exceed 1,560 hours per year unless specifically directed by the Board of Directors.

## **3.0 PAYMENT TO CONSULTANT**

### **3.1 Methods of Payment for Services and Expenses of Consultant**

#### **3.1.1 Compensation Terms Defined**

**3.1.1.1** "Time and Materials" shall mean an hourly rate(s) paid to Consultant as total compensation for each hour(s) of Consultant work(s) under this Agreement, plus Reimbursable Expenses.

**3.1.1.2** "Reimbursable Expenses" shall mean the actual expenses incurred directly or indirectly in connection with completing assigned tasks, including, but not limited to approved Subconsultant or Subcontractor costs, transportation (excluding routine travel to and from District office) and subsistence incidental thereto.

- 3.1.2 Basis and Amount of Compensation for Basic Services.** Compensation shall be on a Time and Materials basis. Consultant's billing rate to be \$162.50/hour. Reimbursable Expenses will include a ten percent (10%) markup over Consultant's cost. Maximum amount of compensation per year is \$265,000 without prior approval of the Board of Directors.

#### **3.2 Intervals of Payments**

Payments to Consultant for services rendered and reimbursable expenses incurred shall be made once every month by District. Consultant's invoices will be submitted once every month and will be based upon total services completed at the time of billing. District shall make payments in response to Consultant's invoices within 45 days after receipt of Consultant's invoice.

#### **3.3 Other Provisions Concerning Payments**

- 3.3.1** If any items in any invoices submitted by Consultant are disputed by District for any reason, including the lack of supporting documentation, District may temporarily delete the disputed item and pay the remaining amount of the invoice. District shall promptly notify Consultant of the dispute and request clarification and/or remedial action. After any dispute has been settled, Consultant shall include the agreed-upon item on a subsequent regularly scheduled invoice or on a special invoice.

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#### **4.0 GENERAL CONSIDERATIONS**

##### **4.1 Termination**

**4.1.1** This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day cure period after written notice (delivery by certified mail, return receipt requested) of intent to terminate.

**4.1.2** District may terminate this Agreement for its convenience by providing 30 days written notice (delivered by certified mail, return receipt requested) to Consultant.

Consultant may terminate this Agreement for its convenience by providing 60 days written notice (delivered by certified mail, return receipt requested) to District.

**4.1.3** Upon any termination, Consultant shall (1) promptly discontinue all Services affected (unless a termination notice from District directs otherwise); and (2) deliver or otherwise make available to District all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Consultant in performing this Agreement, whether such materials are completed or in process. All payments due Consultant at termination shall be made by District.

##### **4.2 Ownership of Documents**

The original documents, studies or reports prepared under this Agreement, for which District pays compensation to Consultant, except working notes and internal documents, shall become and remain the property of District, and upon payment of said compensation shall be surrendered to District upon the completion of the Work under this Agreement or on the completion of specific phases of the Work, if requested by District. Consultant may retain copies of said Work in Consultant's files, but such Work shall not be released to any other party or reused by Consultant without the express written consent of District. Reuse of any work products of Consultant by District for other than the specific project covered in this Agreement without the written permission of Consultant shall be at District's risk; provided that Consultant shall not be liable for any claims or damages arising out of such unauthorized reuse by District or by other's actions through District.

##### **4.3 Insurance**

Consultant shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Agreement, the policies of insurance specified in this Section. Such insurance shall be placed with insurers with a current A.M. Best's rating of no less than A VII (an NR rating is acceptable for Worker's Compensation insurance written with the State Compensation Insurance Fund of California). Consultant shall furnish District with certificates of insurance and copies of endorsements providing evidence of coverage for all policies required by the Agreement.

**4.3.1 Commercial General Liability Insurance.** The insurance shall be provided on form CG0001, or its equivalent, and shall include coverage for claims for bodily injury or



property damage arising out of premises/operations, products/completed operations, contractual liability, and subconsultant's work and personal and advertising injury resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by the insured. The amount of insurance coverage shall not be less than \$1,000,000.00 per occurrence and \$2,000,000 general and products/completed operations aggregates.

The commercial general liability insurance shall also include the following:

4.3.1.1 Endorsement ~~equivalent to CG 2010 1185~~ at least as broad as ISO CG 10 10 01 naming District, its officers, officials, employees, agents, and volunteers as additional insureds. The endorsement shall contain no special limitations on the scope of protection afforded to District, its officers, officials, employees or volunteers.

4.3.1.2 Endorsement at least as broad as ISO CG 20 01 04 13 stating that insurance provided to District shall be primary with respect to the District, its officers, officials, and employees, and that any insurance or self-insurance maintained by District, its officers, officials, employees or volunteers shall be in excess of Consultant's insurance and shall not contribute with it, to the payment or satisfaction of any defense expenses, loss, or judgment.

4.3.1.3 Provision or endorsement stating that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

**4.3.2 Worker's Compensation.** Insurance to protect Consultant, its contractors and subcontractors from all claims under Worker's Compensation and Employer's Liability Acts, including Longshoremen's and Harbor Worker's Act ("Acts"), if applicable. Such coverage shall be maintained, in type and amount, in strict compliance with all applicable state and Federal statutes and regulations. Consultant shall execute a certificate in compliance with Labor Code Section 1861. Consultant shall provide a Waiver of Subrogation endorsement in favor of District, its officers, officials, employees, agents and volunteers for losses arising from work performed by Consultant.

**4.3.3 Commercial Automobile Insurance.**

4.3.3.1 The insurance shall include, but shall not be limited to, coverage for claims for bodily injury or property damage for owned, non-owned, and hired automobiles resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by the insured. The amount of insurance coverage shall not be less than \$1,000,000.00 per accident.

4.3.3.2 The commercial automobile insurance shall include the same endorsements required for the commercial general liability policy.

**4.3.4 Professional Liability Insurance.** Consultant and its contractors and subcontractors shall secure and maintain in full force, during the term of this Agreement and for five years thereafter, professional liability insurance policies appropriate to the respective professions and the work to be performed as specified in this Agreement. The limits of such professional liability insurance coverage shall not be less than \$1,000,000 per claim and \$2,000,000 policy aggregate.



#### 4.3.5 Additional Requirements.

4.3.5.1 In addition to any other remedy District may have, if Consultant fails to maintain the insurance coverage as required in this Section, District may obtain such insurance coverage as is not being maintained, in form and amount substantially the same as is required herein, and District may deduct the cost of such insurance from any amounts due or which may become due Consultant under this Agreement.

4.3.5.2 No policy required by this Agreement shall be suspended, cancelled, terminated by either party, or reduced in coverage or in limits unless Consultant has provided thirty (30) days prior written notice by certified mail, return receipt requested, to District.

4.3.5.3 Any deductibles or self-insured retentions in excess of \$10,000 must be declared to, and approved by, District.

4.3.5.4 The requirement as to types, limits, and District's approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Agreement.

4.3.5.5 If the policy at issue is a claims made policy:

4.3.5.5.1 The Retroactive Date must be shown and must be before the date of this Agreement;

4.3.5.5.2 Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after termination of this Agreement.

4.3.5.5.3 If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the effective date of this Agreement, Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after termination of this Agreement.

4.3.5.6 If Consultant maintains broader coverage and/or higher limits than the minimums shown above, District requires and shall be entitled to the broader coverage and/or higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to District.

#### 4.4 Professional Liability of Consultant

Consultant shall be responsible for performing the work under this Agreement in a manner which is consistent with the generally-accepted standards of Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. Consultant makes no warranty, either express or implied, as to its findings, recommendations or professional advice except that the service was performed pursuant to generally accepted standards of practice in effect at the time of performance.

#### 4.5 Indemnification; Liability Limits

#### 4.5.1 Indemnification.

Subject to the limitations set forth in Paragraph 4.5.2 herein, to the extent permitted by law Consultant shall indemnify, defend, and hold harmless District, its officers, officials, agents, and employees against all claims, damages, demands, liability, costs, losses and expenses, including court costs and reasonable attorneys' fees ("Claims"), arising from Consultant's negligent acts or negligent failure to act, errors, omissions or willful misconduct incident to the performance of this Agreement, except to the extent such loss or damage was caused by the negligence or willful misconduct of District. The provisions of this paragraph shall survive termination or suspension of this Agreement.

#### 4.5.2 Limitations on Liability and Indemnification. District agrees that Consultant's liability and indemnification to District, its officers, officials, agents, employees, contractors, subcontractors, successors and assigns shall be subject to the following limitations:

4.5.2.1 For claims that are actually covered by Consultant's insurance, liability shall be limited to the policy limits set forth in Section 4.3, irrespective of actual damages.

4.5.2.2 For claims that are not actually covered by Consultant's insurance ~~because~~ the policy at issue has lapsed, liability shall be limited to \$250,000.

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4.5.2.3 Notwithstanding Sections 4.5.2.1 and 4.5.2.2, liability shall not be limited for:

4.5.2.3.1 Claims covered by Consultant's Workers' Compensation Insurance; and

4.5.2.3.2 Claims arising from Consultant's willful misconduct.

#### 4.6 Conflict of Interest

Consultant shall make all disclosures required by the Political Reform Act (Government Code Sections 87000 *et seq.*) and District's conflict of interest code in accordance with the category designated by District.

#### 4.7 Controlling Law and Venue

This Agreement is to be governed by and construed in accordance with the Laws of the State of California. Venue for all matters shall be Placer County or the Eastern District of California.

#### 4.8 Successors and Assigns

4.8.1 The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by Paragraph 4.8.2, their assigns, to the terms, conditions, and covenants of this Agreement.

4.8.2 Neither Consultant nor District shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the prior written consent of the other, which consent may be withheld for any reason, except to the extent that any assignment,

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subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.

Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

- 4.8.3** Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than District and Consultant, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of District and Consultant and not for the benefit of any other party.

**4.9 Dispute Resolution**

In the event of a dispute arising out of or relating to the Agreement or services rendered, District and Consultant agree to resolve such disputes in the following order of precedence: first through direct negotiation between the principals of the two parties, secondly through formal non-binding mediation conducted in accordance with rules and procedures agreed upon by the parties and lastly through binding arbitration conducted in accordance with the procedures set forth in the California Code of Civil Procedures Section 1280 *et seq.*

**4.10 Changes and Modifications**

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made a part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement.

**4.11 Licenses**

Consultant shall have all appropriate licenses and certifications for the services to be performed.

**4.12 Severability**

In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

**4.13 Waiver**

One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.



#### 4.14 Extent of Agreement

This Agreement and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by District with respect to the Project or Consultant's services.

**IN WITNESS WHEREOF**, the parties hereto have set their hands the day and date of the year first set forth above.

**District:**  
**Sierra Lakes County Water District**

**Consultant:**  
**Paul A. Schultz, P.E.**

**Agreed to:**

**Agreed to:**

By: \_\_\_\_\_  
Michael ~~Linquist~~Lindquist,  
President

By: \_\_\_\_\_  
Paul A. Schultz

Date: \_\_\_\_\_, 2019

Date: \_\_\_\_\_, 2019

Address for Giving Notice:

Address for Giving Notice:

Sierra Lakes County Water District  
7305 Short Road  
P.O. Box 1039  
Soda Springs, CA 95728

Paul A. Schultz, P.E., Lic. No. C42917  
7299 3<sup>rd</sup> Avenue  
P.O. Box 269  
Tahoma, CA 96142

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**PROFESSIONAL SERVICES AGREEMENT**  
**Between**  
**SIERRA LAKES COUNTY WATER DISTRICT**  
**and**  
**PAUL A. SCHULTZ, P.E.**

This Agreement is made as of \_\_\_\_\_, 2019, between **Sierra Lakes County Water District**, hereinafter referred to as "District," and **Paul A. Schultz, P.E.**, hereinafter referred to as "Consultant."

**1.0 BASIC SERVICES**

Consultant enters into this Agreement as an independent contractor, for the purpose of providing professional services to District as District's General Manager and Agent to perform the following tasks and additional services as may be requested by District:

- Oversight of the operation of the potable water treatment/distribution and sanitary sewer collection systems:
  - Process review, troubleshooting, modifications and improvements; and
  - Supervision of three full-time and one seasonal Utility System Operators including all personal related duties such as scheduling and work assignments, training and certifications, safety programs and performance reviews.
- Regulatory permitting:
  - Interface with State Department of Water Resources Control Board (SWRCB) Division of Drinking Water re: compliance with regulatory requirements, preparation and submittal of documentation and monthly/quarterly/annual reporting;
  - Interface with State Department of Water Resources re: water rights permitting including diversion compliance and annual reporting; and
  - Interface with Placer County re: operations in County right-of-way and compliance with Environmental Health Department regulations.
- Review, permitting and inspection of residential (new and remodel) construction projects for compliance with District Ordinances;
- Preparation of annual operating and capital project budgets;
- Review and approval of invoices and tracking of monthly operational and capital project expenses;
- Coordination with Financial Consultant who performs administrative office functions;
- Function as Project Manager for all District construction projects including managing consultants providing design, construction administration and inspection services in accordance with District, County and State requirements;
- Preparation of written monthly reports to Board of Directors and attendance at regular monthly and special Meetings;
- Administration of District Ordinances re: use of District property and watershed protection; and
- Other duties as assigned by the Board of Directors.

District shall have no right of control over the manner in which the work is to be done but only as to its outcome and shall not be charged with the responsibility of preventing risk to Consultant or Consultant's employees, agents, contractors or subcontractors.

## **2.0 PERIODS OF SERVICE**

- 2.1 General.** The provisions of Section 2.0 and the various rates of compensation for Consultant's services provided for elsewhere in this Agreement have been agreed to in anticipation of Consultant's orderly and continuous provision of services as described in Section 1.0. Consultant's obligation to render services hereunder will be reviewed annually by District. District and Consultant agree that Consultant's time commitment shall average 30 hours/week overall with an average of 24 hours/week on-site and not exceed 1,560 hours per year unless specifically directed by the Board of Directors.

## **3.0 PAYMENT TO CONSULTANT**

### **3.1 Methods of Payment for Services and Expenses of Consultant**

#### **3.1.1 Compensation Terms Defined**

**3.1.1.1** "Time and Materials" shall mean an hourly rate(s) paid to Consultant as total compensation for each hour(s) of Consultant work(s) under this Agreement, plus Reimbursable Expenses.

**3.1.1.2** "Reimbursable Expenses" shall mean the actual expenses incurred directly or indirectly in connection with completing assigned tasks, including, but not limited to approved Subconsultant or Subcontractor costs, transportation (excluding routine travel to and from District office) and subsistence incidental thereto.

- 3.1.2 Basis and Amount of Compensation for Basic Services.** Compensation shall be on a Time and Materials basis. Consultant's billing rate to be \$162.50/hour. Reimbursable Expenses will include a ten percent (10%) markup over Consultant's cost. Maximum amount of compensation per year is \$265,000 without prior approval of the Board of Directors.

### **3.2 Intervals of Payments**

Payments to Consultant for services rendered and reimbursable expenses incurred shall be made once every month by District. Consultant's invoices will be submitted once every month and will be based upon total services completed at the time of billing. District shall make payments in response to Consultant's invoices within 45 days after receipt of Consultant's invoice.

### **3.3 Other Provisions Concerning Payments**

- 3.3.1** If any items in any invoices submitted by Consultant are disputed by District for any reason, including the lack of supporting documentation, District may temporarily delete the disputed item and pay the remaining amount of the invoice. District shall promptly notify Consultant of the dispute and request clarification and/or remedial action. After any dispute has been settled, Consultant shall include the agreed-upon item on a subsequent regularly scheduled invoice or on a special invoice.

## **4.0 GENERAL CONSIDERATIONS**

### **4.1 Termination**

**4.1.1** This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day cure period after written notice (delivery by certified mail, return receipt requested) of intent to terminate.

**4.1.2** District may terminate this Agreement for its convenience by providing 30 days written notice (delivered by certified mail, return receipt requested) to Consultant.

Consultant may terminate this Agreement for its convenience by providing 60 days written notice (delivered by certified mail, return receipt requested) to District.

**4.1.3** Upon any termination, Consultant shall (1) promptly discontinue all Services affected (unless a termination notice from District directs otherwise); and (2) deliver or otherwise make available to District all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by Consultant in performing this Agreement, whether such materials are completed or in process. All payments due Consultant at termination shall be made by District.

### **4.2 Ownership of Documents**

The original documents, studies or reports prepared under this Agreement, for which District pays compensation to Consultant, except working notes and internal documents, shall become and remain the property of District, and upon payment of said compensation shall be surrendered to District upon the completion of the Work under this Agreement or on the completion of specific phases of the Work, if requested by District. Consultant may retain copies of said Work in Consultant's files, but such Work shall not be released to any other party or reused by Consultant without the express written consent of District. Reuse of any work products of Consultant by District for other than the specific project covered in this Agreement without the written permission of Consultant shall be at District's risk; provided that Consultant shall not be liable for any claims or damages arising out of such unauthorized reuse by District or by other's actions through District.

### **4.3 Insurance**

Consultant shall not commence any work before obtaining, and shall maintain in force at all times during the duration and performance of this Agreement, the policies of insurance specified in this Section. Such insurance shall be placed with insurers with a current A.M. Best's rating of no less than A VII (an NR rating is acceptable for Worker's Compensation insurance written with the State Compensation Insurance Fund of California). Consultant shall furnish District with certificates of insurance and copies of endorsements providing evidence of coverage for all policies required by the Agreement.

**4.3.1 Commercial General Liability Insurance.** The insurance shall be provided on form CG0001, or its equivalent, and shall include coverage for claims for bodily injury or property damage arising out of premises/operations, products/completed operations, contractual liability, and subconsultant's work and personal and advertising injury resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by the insured. The amount of insurance coverage shall not be less than \$1,000,000.00 per occurrence and \$2,000,000 general and products/completed operations aggregates.

The commercial general liability insurance shall also include the following:

4.3.1.1 Endorsement at least as broad as ISO CG 10 10 01 naming District, its officers, officials, employees, agents, and volunteers as additional insureds. The endorsement shall contain no special limitations on the scope of protection afforded to District, its officers, officials, employees or volunteers.

4.3.1.2 Endorsement at least as broad as ISO CG 20 01 04 13 stating that insurance provided to District shall be primary with respect to the District, its officers, officials, and employees, and that any insurance or self-insurance maintained by District, its officers, officials, employees or volunteers shall be in excess of Consultant's insurance and shall not contribute with it, to the payment or satisfaction of any defense expenses, loss, or judgment.

4.3.1.3 Provision or endorsement stating that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

**4.3.2 Worker's Compensation.** Insurance to protect Consultant, its contractors and subcontractors from all claims under Worker's Compensation and Employer's Liability Acts, including Longshoremen's and Harbor Worker's Act ("Acts"), if applicable. Such coverage shall be maintained, in type and amount, in strict compliance with all applicable state and Federal statutes and regulations. Consultant shall execute a certificate in compliance with Labor Code Section 1861. Consultant shall provide a Waiver of Subrogation endorsement in favor of District, its officers, officials, employees, agents and volunteers for losses arising from work performed by Consultant.

**4.3.3 Commercial Automobile Insurance.**

4.3.3.1 The insurance shall include, but shall not be limited to, coverage for claims for bodily injury or property damage for owned, non-owned, and hired automobiles resulting from actions, failures to act, or operations of the insured, or by its employees or agents, or by anyone directly or indirectly employed by the insured. The amount of insurance coverage shall not be less than \$1,000,000.00 per accident.

4.3.3.2 The commercial automobile insurance shall include the same endorsements required for the commercial general liability policy.



**4.3.4 Professional Liability Insurance.** Consultant and its contractors and subcontractors shall secure and maintain in full force, during the term of this Agreement and for five years thereafter, professional liability insurance policies appropriate to the respective professions and the work to be performed as specified in this Agreement. The limits of such professional liability insurance coverage shall not be less than \$1,000,000 per claim, and \$2,000,000 policy aggregate.

**4.3.5 Additional Requirements.**

4.3.5.1 In addition to any other remedy District may have, if Consultant fails to maintain the insurance coverage as required in this Section, District may obtain such insurance coverage as is not being maintained, in form and amount substantially the same as is required herein, and District may deduct the cost of such insurance from any amounts due or which may become due Consultant under this Agreement.

4.3.5.2 No policy required by this Agreement shall be suspended, cancelled, terminated by either party, or reduced in coverage or in limits unless Consultant has provided thirty (30) days prior written notice by certified mail, return receipt requested, to District.

4.3.5.3 Any deductibles or self-insured retentions in excess of \$10,000 must be declared to, and approved by, District.

4.3.5.4 The requirement as to types, limits, and District's approval of insurance coverage to be maintained by Consultant are not intended to, and shall not in any manner, limit or qualify the liabilities and obligations assumed by Consultant under the Agreement.

4.3.5.5 If the policy at issue is a claims made policy:

4.3.5.5.1 The Retroactive Date must be shown and must be before the date of this Agreement;

4.3.5.5.2 Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after termination of this Agreement.

4.3.5.5.3 If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the effective date of this Agreement, Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after termination of this Agreement.

4.3.5.6 If Consultant maintains broader coverage and/or higher limits than the minimums shown above, District requires and shall be entitled to the broader coverage and/or higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to District.

**4.4 Professional Liability of Consultant**

Consultant shall be responsible for performing the work under this Agreement in a manner which is consistent with the generally-accepted standards of Consultant's profession and shall be liable for its own negligence and the negligent acts of its employees, agents, contractors and subcontractors. Consultant makes no warranty, either express or implied, as to its findings, recommendations or professional advice except that the service was performed pursuant to generally accepted standards of practice in effect at the time of performance.

#### **4.5 Indemnification; Liability Limits**

##### **4.5.1 Indemnification.**

Subject to the limitations set forth in Paragraph 4.5.2 herein, to the extent permitted by law Consultant shall indemnify, defend, and hold harmless District, its officers, officials, agents, and employees against all claims, damages, demands, liability, costs, losses and expenses, including court costs and reasonable attorneys' fees ("Claims"), arising from Consultant's negligent acts or negligent failure to act, errors, omissions or willful misconduct incident to the performance of this Agreement, except to the extent such loss or damage was caused by the negligence or willful misconduct of District. The provisions of this paragraph shall survive termination or suspension of this Agreement.

##### **4.5.2 Limitations on Liability and Indemnification.** District agrees that Consultant's liability and indemnification to District, its officers, officials, agents, employees, contractors, subcontractors, successors and assigns shall be subject to the following limitations:

4.5.2.1 For claims that are actually covered by Consultant's insurance, liability shall be limited to the policy limits set forth in Section 4.3, irrespective of actual damages.

4.5.2.2 For claims that are not actually covered by Consultant's insurance because the policy at issue has lapsed, liability shall be limited to \$250,000.

4.5.2.3 Notwithstanding Sections 4.5.2.1 and 4.5.2.2, liability shall not be limited for:

4.5.2.3.1 Claims covered by Consultant's Workers' Compensation Insurance; and

4.5.2.3.2 Claims arising from Consultant's willful misconduct.

#### **4.6 Conflict of Interest**

Consultant shall make all disclosures required by the Political Reform Act (Government Code Sections 87000 *et seq.*) and District's conflict of interest code in accordance with the category designated by District.

#### **4.7 Controlling Law and Venue**

This Agreement is to be governed by and construed in accordance with the Laws of the State of California. Venue for all matters shall be Placer County or the Eastern District of California.

#### **4.8 Successors and Assigns**

**4.8.1** The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by Paragraph 4.8.2, their assigns, to the terms, conditions, and covenants of this Agreement.

**4.8.2** Neither Consultant nor District shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the prior written consent of the other, which consent may be withheld for any reason, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.

Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

**4.8.3** Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than District and Consultant, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of District and Consultant and not for the benefit of any other party.

#### **4.9 Dispute Resolution**

In the event of a dispute arising out of or relating to the Agreement or services rendered, District and Consultant agree to resolve such disputes in the following order of precedence: first through direct negotiation between the principals of the two parties, secondly through formal non-binding mediation conducted in accordance with rules and procedures agreed upon by the parties and lastly through binding arbitration conducted in accordance with the procedures set forth in the California Code of Civil Procedures Section 1280 *et seq.*

#### **4.10 Changes and Modifications**

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made a part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement.

#### **4.11 Licenses**

Consultant shall have all appropriate licenses and certifications for the services to be performed.

#### **4.12 Severability**

In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

#### 4.13 Waiver

One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

#### 4.14 Extent of Agreement

This Agreement and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by District with respect to the Project or Consultant's services.

**IN WITNESS WHEREOF**, the parties hereto have set their hands the day and date of the year first set forth above.

**District:**  
**Sierra Lakes County Water District**

**Consultant:**  
**Paul A. Schultz, P.E.**

**Agreed to:**

**Agreed to:**

By: \_\_\_\_\_  
Michael Lindquist, President

By: \_\_\_\_\_  
Paul A. Schultz

Date: \_\_\_\_\_, 2019

Date: \_\_\_\_\_, 2019

Address for Giving Notice:

Sierra Lakes County Water District  
7305 Short Road  
P.O. Box 1039  
Soda Springs, CA 95728

Address for Giving Notice:

Paul A. Schultz, P.E., Lic. No. C42917  
7299 3<sup>rd</sup> Avenue  
P.O. Box 269  
Tahoma, CA 96142



## SIERRA LAKES COUNTY WATER DISTRICT

### Follow-up from May 10, 2019, Board Meeting

- |       |   |                         |  |
|-------|---|-------------------------|--|
| _____ | 1 | Interested<br>Directors | Provide picture and bio for website  |
| _____ | 2 | Mr. Mitchell            | Update on the District election status through Placer County (Before next<br>scheduled election in 2020) |
| _____ | 3 | Mr. Mitchell            | Discuss General Manager Agreement Insurance levels with ACWA/JPIA  |
| _____ | 4 | Bill Q.                 | Send Budget Spreadsheet to Director Lindquist  |
| _____ |   |                         |  |

Future discussion topics or agenda items:

**Sierra Lakes County Water District**  
**Action Items**  
*As of June 1, 2019*

	<b>TASK</b>	<b>STATUS</b>	<b>DUE DATE</b>	<b>PROGRESS</b>	<b>ASSIGNED</b>
1	Office Procedures Manual	3 sections left to complete	In Process	99%	Anna
2	Proper Operation of Stop & Drain Valves Program	Preparation of handout and "how-to" card completed for inclusion with 2019 Utility Bills	6/1/2019	100%	Bill Q.
3	Develop information about best management practices and fertilization for inclusion with billing	Research BMPs and macrophyte plant management options	July 2019	40%	Bill Q.
4	AMR Data Collection & Analysis	Collect use data by type of occupancy, project assigned to Operator	Summer 2019	0%	Bill Q.
5	Policies & Procedures Review/Update	Review current policies and procedures for revisions and possible additions.	August 2019	20%	Bill Q./ Anna/Dick/Bob
6	Insurance Coverage Review	JPIA Liability, Property and Workers Comp policies and information concerning District operations and exposure submitted to KMTG for review	August 2019	75%	Bill Q./Jeff M
7	Urgent Matter Protocol	Review current policies and procedures for revisions and possible additions to agenda.	August 2019	0%	Bill Q.