

Regular Meeting of the Board of Directors

9751 Merced Falls Road
March 20, 2017, at 1:00 p.m.

Mission Statement: *The Lake Don Pedro CSD is dedicated to providing our customers with ample quantities of high quality water meeting all standards, in a fiscally responsible manner.*

AGENDA

1. CALL TO ORDER: Presiding Officer: Establish Quorum, Pledge of Allegiance:

2. PUBLIC COMMENT:

Any person may address the Board at this time on any matter within the jurisdiction of the Board that is NOT ON THE AGENDA. A maximum of **three minutes** is allowed each person and a maximum of 20 minutes per topic. Any person wishing to address the Board on an item ON THE AGENDA will be given the opportunity at that time. Speakers are encouraged to consult District Management or Directors prior to agenda preparation regarding any District matters, as no action will be taken on non-agenda issues.

3. PRESENTATION ONLY:

- a. Presiding Officer's Report
- b. Interim Manager's Report: Peter J. Kampa
- c. Chief Plant Operator's Report: R. Gilgo

4. APPROVAL OF CONSENT AGENDA: The following items may all be approved in one motion or considered separately as determined appropriate by the President

- a. Read and file the February 2016 Treasurer's Report

5. DISCUSSION AND ACTION ITEMS:

- a. Adoption of a Resolution approving a Public Records Request Response Policy
- b. Adoption of a Resolution approving a Debt Management Policy
- c. Discussion and Action on the Water Use Efficiency Project in response to the results of the Water Conservation Survey and IRWMP grant scope of work

6. DIRECTORS COMMENTS:

Any Director may address the Board on any item of interest that is within the subject matter and jurisdiction of the District. Generally, no discussion or comment by other Board members should be expected on non-agenda items, except to properly place the matter on a future agenda for review, discussion or action as appropriate.

7. CLOSED SESSION

Conference with Real Property Negotiator

The Board will confer with its appointed negotiator, General Manager Peter J. Kampa to discuss price, terms and conditions of a potential real estate transaction related to the proposed lease of a portion of tank site property by AT&T for the purpose of installation of high speed internet communication equipment. Property Owner: Lake Don Pedro CSD, Location: Arbolada Water Tank, Mariposa County Assessor's Parcel 019-090-003-0.

8. ADJOURNMENT:

Meeting agendas and written materials supporting agenda items, if produced, can be received by the public for free in advance of the meeting by any of the following options:

- A paper copy viewed at the District office, 9751 Merced Falls Rd., La Grange, CA 95329 during business hours or mailed pursuant to a written request and payment of associated mailing fees
- An electronic copy received by email. Note - a form requesting email delivery of agendas and/or meeting materials must be completed a minimum of one week in advance of the meeting
- Viewed on the Board page of the District's website
- A limited number of copies of agenda materials will also be available at the meeting

Americans with Disabilities Act Compliance: If you require special assistance to participate in Board Meetings, please contact the LDPCSD Board Secretary at (209) 852-2251 Ext. 2. Advance notification will enable the District to make reasonable arrangements to insure accessibility.



Lake Don Pedro Community Services District

General Manager's Report

March 20, 2017

1 Report Overview

We are pleased to present this report covering the activities of district management over the past month. During this month, the majority of the activity included contract award for Intake Booster Pump #2, planning the IRWMP grant project finalizing the IRWMP grant reimbursement request #1, accounting activities and administering existing construction contracts.

2 Management and Administration

- **ATT agreement** - continued negotiations on final points of a proposed lease agreement for installation of a wireless digital communication tower on the Arbolada tank site.
- **UC Merced Survey** – Student Amber Arroyo has prepared language regarding their proposed drought impact survey to be included in a LDPCSD Newsletter currently in preparation. We hope to be able to produce the newsletter for distribution to all customers in April. Content of the newsletter will include a brief discussion of all of the great projects we have going on funded with customer rates, the IRWMP grant project, new emergency water supply wells, and other information. If you are interested in a particular timely topic, please let me know so we can consider its inclusion.
- **Debt and Public Records Request Policy** – To remain in compliance with new laws and to achieve the CSDA Excellence in Transparency award, two new policies needed to be developed this month; and are included in this agenda packet for approval.

3 Water Service

- **Water Supply** –Lake McClure is nearly at capacity, and should remain full through the spring. The groundwater wells continue to perform as tested and continue to be operated on a rotating basis to meet the Outside MID (Place of Use) water demand.
- **Customer Meter Troubleshooting** – The meter contractor performed several days of auditing and troubleshooting of customer water meters in January and February. As of our March 2017 billing, almost all of the regular customer meters are registering correctly and transmitting properly. Thank you to Syndie and the operations crew for resolving this long standing problem. Our meter reading time and accuracy is now the best it can be.

4 Finance

- Last month President Johnson requested the presentation of the cost of the water lost through leaks. Using only direct costs as contained within our budget, the approximate cost of treated water is shown below:

Approximate Cost per Gallon	\$ 0.00173
Cost per Acre Foot	\$ 564.33
Gallons per day leaked from a service line @ 5 gallons per minute	7200
Days to leak one (1) acre foot (325,828 gallons)	45
Leak days where cost of water leaked pays for lateral replacement	200
Expense per month of lost water at 7.21 AF/month (treated)	\$ 4,068.84
Yearly value of lost water	\$ 48,532.64

- Well Project Closeout** – We continue to work with Kennedy Jenks, and our contractors to finalize the well project construction. With all major invoices paid, we are well under budget. We are in the process of performing a full accounting of all well expenses to determine if all costs have been applied to the appropriate grants. We expect to submit the final reimbursement request to DWR in April 2017. We also had an 8-inch binder of documentation prepared and delivered to USDA as required for their project approval. We have scheduled a meeting with USDA in Merced at the end of this month to discuss any remaining documentation required for us to submit our first reimbursement request, for nearly all the currently eligible project costs; primarily Well 5. It was also determined that the report provided at the last meeting was inaccurate in its presentation of costs by individual vendor. Since we did not budget the project to limit costs by vendor, no Board action is required.
- DWR IRWMP Grant** – The 2016 annual status report was completed and submitted, and all project reporting deliverables uploaded to the state website. We received preliminary approval for reimbursement of Njirich Construction invoices for existing service line replacements since 2015, and have been coordinating with Warmerdam CPA Group for preparation of the reimbursement forms and documentation. Invoice (Reimbursement) #1 is planned for initial submittal the week of March 20, 2017. The DWR funding agreement awards grant money to the following projects:

 - Project 1 – Grant Administration
 - Project 2 – Water Supply Wells/Service Line Replacements
 - Project 3 – Regional Water Use Efficiency
 - Project 4 - Service Line Replacement Project

During this Board meeting, we will be covering Project 3, Water Use Efficiency and in April we will discuss and take action on the Project 4 to allow the Water Service Line Project to proceed to bidding.

5 Infrastructure and Operations

- Gear Motors for Flocculation Basin** – Three gear motors on the mixers of the treatment plant flocculation basin have failed. We have received a quote of approximately \$8000 and are waiting until near the close of the fiscal year to complete the replacement if the funding remains in the budget, and if not, we will budget for first thing in July 2017.
- Treatment Plant Blowoff and Effluent Meter Vault** – We are in the process of securing quotes for installing a large meter vault to protect and provide access to the treatment plant effluent meter. Due to the constant underground water flow in the area of the vault, we will also be installing a small storage tank underground and sump pump (with electrical connection) to keep the meter dry. If you will remember, the effluent meter was replaced in 2009 but immediately flooded ruining the

meter electronics. We have purchased a replacement meter, but must complete the sump pump before installing. At the same time, we are securing quotes for the installation of a valve and discharge pipe (to the raw water pond) previously planned for installation in 2009.

- **SCADA System Repair and Programming** – Included with this report you will find a work proposal from AquaSierra Controls for the removal of PLCs, installation of bypass cards and reprogramming of our SCADA system to reduce false alarms, tank overflows and unnecessary staff time operating pumps manually. This project was planned by Randy Gilgo and is being implemented as a cost savings and efficiency measure within our approved 2016/17 Distribution System Repair and Maintenance budget.
- **Treated Water System Leakage** – Treated water leakage for the month was over 8 acre feet, or 37% of the water produced as shown in the attached report.
- **Intake Booster Booster Pump #2** – Richard Townsend Construction Management submitted the low bid of \$117,409, and has delivered the appropriate documentation to begin construction of the project soon. We expect to issue the Notice to Proceed during the week of March 20, 2017 and the system will be completed and on line within couple short months.
- **Water Treatment Plant Filters**– The filter renovations including new stainless steel collection manifold has been completed. Remaining tasks include painting the filters outside and small cleanup work.
- **Master Meter Project Status** – The DWR IRWMP grant will be funding the cost to renovate or replace and test our large master water meters. The purpose of this work is to increase the accuracy and efficiency of system leak detection.
- **Emergency Pump Barge Renovations** – Evaluating possibility of installing new pontoons on our existing pump barge, reviewing engineering, and confirming calculations. The project will be completed by summer, but the barge may not be launched unless the remaining main submersible pump fails.
- **Ranchito Well #1 Renovations** – The well has been rehabilitated and tested at an increased flow rate over last year. We are waiting for a replacement meter and piping connection plans, and should have the project completed by next month; within budget.



**California Special
Districts Association**
Districts Stronger Together

March 6, 2017

The Honorable Pedro Nava
Little Hoover Commission
925 L Street, Suite 805
Sacramento, CA 95814

RE: February 23 Business Meeting of the Little Hoover Commission

Chair Nava:

This letter is intended to follow-up on a number of questions raised by Commissioners during the February 23, 2017 Business Meeting of the Little Hoover Commission (Commission), specifically during the discussion regarding the Commission's draft report on special districts.

The California Special Districts Association (CSDA) would be remiss if we did not recognize that over the course of the three hearings and multiple business meetings since August of 2016, we have been impressed by the communication, outreach, and perspective your staff has brought to the review process. Similarly, we appreciate the leadership you have demonstrated as Chair of the Commission. Your good humor, balanced treatment of witnesses, and search for evidenced-based information is refreshing and most welcomed.

However, CSDA must confess concern over some of the arguments put forth during the February 23 meeting. Our concern is not because special districts were challenged, or the "status quo" upset. We have welcomed the opportunity to discuss such challenges over these past seven months. Rather, our concern is that some of the rhetoric exercised at the meeting was ill-informed.

Our goal throughout the Commission's review has been to serve as a resource and to promote an accurate and thoughtful understanding of special districts and the services they provide. It is with this purpose that we share the following information in response to comments expressed during the Commission's February 23 business meeting.

The "Right" Number of Special Districts

One Commissioner commented that 4,700 special districts in California is too many. Other Commissioners seemed to sympathize with this sentiment in previous business meetings.

We must ask, what is the "right" number for any local government? Are 58 counties the right number? Or, 482 cities? Or, 1,022 school districts? What if we were to offer to the Commission that we could *cut* the number of special districts by more than half? Would that address the concern?

California Special Districts Association

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A proud California Special Districts Alliance partner

Special District Risk Management Authority
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CSDA Finance Corporation
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The fact is we *can* reduce the 4,700 number by more than 50 percent immediately. Pages 3-4 of our August 8, 2016 written testimony submitted to the Commission detail that there are actually less than 2,200 independent special districts in California. The 4,700 number that Commissioner Scott Barnett cited is taken from the State Controller's report, which includes non-profit corporations, dependent special districts, and joint powers authorities.

Regardless of the numbers, as our written testimony details, the discussion should focus on the *quality* rather than the quantity. *Fewer* local governments does not necessarily equal *better* local government. Similarly, consolidating into *bigger* governments does not always result in *better* government.

Special Districts Are Methodically Consolidating Where Appropriate

One Commissioner inquired why it seemed as though special districts in California were "exploding" in number.

The fact is we can address this concern immediately. Page 4 of our written testimony notes that Census data from the 2012 Census of Governments indicates that the number of special districts in California has declined by five percent since its peak in 1997, while the number nationwide continued to grow by 10 percent during that same period. Far from "exploding", the number of special districts in California has actually bucked the nationwide trend and is gradually declining. This is particularly impressive given the population in California, and presumably the demand for services, has *increased* by 20.8 percent since 1997. There are now fewer special districts serving substantially more residents.

Why might the number of special districts in California have declined since 1997? We hypothesize that much of it has to do with the updates to LAFCO law (known as "Cortese-Knox-Hertzberg") in 2000. This update empowered LAFCOs with new tools that has led to consolidations and other reorganizations where appropriate.

Some might say that a five percent reduction over 20 years is too slow. However, it is important to consider that we are dealing with local services for thousands of unique communities. These are complex issues that involve public infrastructure, debts, liabilities (including pension obligations), taxes, fees, property (including water) rights, employee rights, and voter rights. And, when it comes to water, sewer, fire protection, and other essential services in California, a methodical approach is the right approach.

RDA Dissolutions and Oversight Boards as Examples

One Commissioner referred to redevelopment (RDA) dissolutions and RDA oversight boards as a potential example for dealing with special districts.

While the RDA experience is a great example for several things, it is not an example of a good approach for special districts. Just a few lessons from the RDAs:

- **Bonds, Junk Bonds**

As outlined in the report, "The 2012-13 Budget: Unwinding Redevelopment" by the Legislative Analyst's Office (LAO), the mere *proposal* to dissolve RDAs in January 2011 created enough uncertainty in the RDA bond market to *double* interest rates. According to the LAO,

“Specifically, about two-thirds of the bond issuances in 2011 had interest rates greater than seven percent—compared with less than one-quarter of bond issuances in 2010. In fact, RDAs issued more tax allocation bonds with interest rates exceeding eight percent during the first six months of 2011 than they had in the previous ten years.”

- **Law Lawsuit Land**

Forced dissolution is a recipe for litigation. According to a 2015 League of California Cities analysis, there have been 204 lawsuits filed in the wake of RDA dissolution. At a 2014 Assembly Budget Committee oversight hearing, the Department of Finance noted that tentative rulings in just a handful of these lawsuits could potentially affect up to \$3.4 billion. Given the greater amount of complexity and vast infrastructure holdings involved with special districts, these numbers would likely just scratch the surface.

- **Now You See Me, Now You Don't**

As significant as some RDA's may have been with regard to financing economic development and affordable housing activities, they were essentially financing mechanisms. They did not directly employ a skilled workforce beyond some managerial duties and they were not responsible for delivering the daily essential services of residents. Average Californians probably didn't even notice that 400 RDAs went away overnight. That would not be the case if people woke up and their neighborhood recreation and park district went away, let alone their water, wastewater, or fire protection district.

- **I Say Soda, You Say Pop**

RDA dissolution law established over 400 RDA oversight boards, one for each former RDA. These boards look a lot like Local Agency Formation Commissions (LAFCOs). They each have a special district member, city member, county member, and public member. In July 2018 they will look even more like LAFCOs when they consolidate into one RDA oversight board per county. The suggestion that something like an RDA oversight board would provide the right solution, essentially supports the existing LAFCO model.

“Death Sentence” Is a Fitting Name for a Dangerous Proposal

One Commissioner dubbed the idea of a ten-year sunset for all special districts a “death sentence” and suggested the Commission, “start on the extreme end” and “do something more radical.”

A ten-year sunset for special districts would be an extremely radical and costly approach that could very well result in a literal death sentence for residents in some communities. Special districts are responsible for essential services and public infrastructure for millions of people throughout California. Premature, poorly executed, or poorly conceived dissolutions would have very real and very serious implications for both life and property.

An extremely radical approach that could disrupt special district services would be dangerous, and is the last thing our communities need right now. Residents create, fund, and oversee special districts to address a need that isn't otherwise being met. Districts are formed when it's something the community wants; wants it done well; and wants it done with local control and flexibility.

Special Districts Are Diverse in their Nature

One Commissioner noted that we cannot look at all special districts the same.

CSDA could not agree more. Special districts are uniquely formed by diverse communities to address specialized needs. They come in all shapes and sizes and confront myriad challenges with vastly different levels of resources. It is impossible to productively take a one-size-fits-all approach to local government, and it is both counterintuitive and hazardous to consider a top-down approach to local government.

Flip-Side is Community Engagement

One Commissioner acknowledged that special districts offer the opportunity for increased levels of community engagement.

Special districts offer an avenue for residents to take a proactive approach to civic engagement. The politics and fundraising required to successfully win election to a federal, state, and sometimes even county or city office is an insurmountable barrier to most citizens. Many residents even feel as though their votes do not "count" for these elections, and that access is limited to the politically connected.

Agendas and hearings for some large, centralized governments, including many general purpose governments can be long (those who have attended can attest), and the amount of time spent on certain specific local issues can sometimes be insignificant or non-existent due to time constraints. Such issues may be relegated to unaccountable "advisory bodies" or civil servants. Constituents may need to travel hours to participate, may never attain an audience with their elected representative, and may struggle to navigate a large and daunting bureaucracy. Special districts may come with their own set of challenges, but it is important to note the trade-offs involved.

We All Want a Local Approach

One Commissioner stated that, ultimately, we want a local approach.

Again, CSDA could not agree more. Many disenfranchised voters find nothing worse than somebody from up in Sacramento or D.C. coming to their community and saying, "we are from the government, and we are here to help."

CSDA is not "anti-consolidation" nor are we "pro-consolidation". We are pro-community and pro-quality, local, service. When it comes to consolidation, CSDA supports a local LAFCO process that meets the following criteria:

1. Facilitates an open and public local process.
2. Includes the input and participation of all affected parties.
3. Conducts an objective analysis.
4. Gives the residents who receive and pay for the services the final say.

Let's Make Sure We Are Fixing a Problem That Actually Exists

One Commissioner cautioned to make sure we are fixing a problem that actually exists.

This is an important question. What is the problem the Commission is trying to address? CSDA has been engaged on these issues from the moment we were contacted about the Commission's

review, and we have participated in each of the three public hearings occurring since August 2016. Dozens of special district officials have sacrificed days' worth of their time and committed personal and public resources to travel to Sacramento and participate in these hearings. We have been forthcoming and responsive, and we have provided hundreds of pages of documentation and background.

Nonetheless, at the February 23 meeting, a Commissioner, who did not attend a single one of these three hearings, raised questions that were previously addressed in detail during both written and oral testimony.

In light of this diversion from an otherwise productive and healthy review by the Commission, we simply ask that the Commission respect the time and resources of our membership. We have repeatedly stated and demonstrated throughout this process that we want to be constructive toward meeting challenges related to special districts and the communities they serve. But, doing so requires we all take the time, as you and your staff have done, to come together in the same room to focus on the facts.

As we stated in our first written correspondence on August 8, 2016:

"Across our state, nation, and world, all levels of government face what seems to be growing levels of scrutiny. CSDA is striving to take a proactive approach to this issue, which this written testimony will speak to."

These words are all the more poignant given the discourse that has occurred in our nation in the months since it was first submitted. We don't think that anybody on the Commission or within the special districts community is looking to further erode the public's trust in its government. We seek your help to work constructively with the Commission so that together we can help special districts be as successful as possible in serving their communities.

We have attached our previously provided written testimony for the Commission's reference, and look forward to participating in the upcoming fourth hearing planned for this fall. Your willingness to speak to our members at CSDA's legislative conference in Sacramento on May 17 is greatly appreciated. It is a demonstration of our mutual commitment to constructive dialogue. Our membership thanks you in advance for your willingness to share your time and experience.

Sincerely,


Neil McCormick
Chief Executive Officer


Kyle Packham
Advocacy and Public Affairs Director

Water Distribution System:

	Date (mo/dy/yr)	Plant Eff Meter Reading (ccf)	(A) Plant Eff Meter Corrected (ccf)	Central Tank Level (feet)	(B) Central Tank Volume (cu. ft.)	Enebro Tank Level (feet)	(C) Enebro Tank Volume (cu. ft.)	Alamo Tank Level (feet)	(D) Alamo Tank Volume (cu. ft.)	Coronado Tank Level (feet)	(E) Coronado Tank Volume (cu. ft.)	Lazo Tank Level (feet)	(F) Lazo Tank Volume (cu. ft.)	Aroblada Tank Level (feet)	(G) Arbolada Tank Volume (cu. ft.)	Sturtevant Tank Level (feet)	(H) Sturtevant Tank Volume (cu. ft.)	Customer Meters Total Readings (ccf)	(I) Customer Meters Corrected (ccf)
Current	02/28/17	35,475.00	35,475.00	26	220,867	36.00	30,790.75	12.00	46,181.41	18.00	39,711.30	13.00	7,443.22	7.00	15,443.28	25.00	55,154.59	5,348.00	5,348.00
Last:	01/27/17	25,806.00	25,806.00	18.00	152,907.60	37.00	31,646.05	13.00	50,029.86	14.00	30,886.57	7.00	4,007.89	15.00	33,092.75	18.00	39,711.30	6,867.00	6,867.00
Difference:		9,669.00	9,669.00	8.00	67,958.93	-1.00	-855.30	-1.00	-3,848.45	4.00	8,824.73	6.00	3,435.33	-8.00	-17,649.47	7.00	15,443.28		-1,519.00

Other metered and unmetered uses (J):

Item	**Method Measured	Quantity (ccf)
Fire fighting		
Other hydrant usage		
Main flushing		
Bulk water sales		
Repaired leaks		
Water quality testing		
Tank drainage or overflow		
Other:		
Total (ccf): (G)		0

Totals for Zone:	
Flows into System (A):	9,669.00 (ccf)
Change in Storage (B+C+D+E+F+G+H)	733.09 (ccf)
Flows Out of Zone (I+J):	5,348 (ccf)

Real and Apparent Water Loss: 3,588 CCF = 8.24 AC-FT for period: 01/27/17 through 02/28/17 System Loss, % 37%



Aqua Sierra Controls, Inc.

Engineering General and Electrical Contractor
Sales & Service (800) 649-4287



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SCADA – AUTOMATION – RADIO TELEMETRY – MOTOR CONTROLS
DESIGN BUILD PUMP STATIONS – UL508 PANEL SHOP – FLOW STUDIES
PUMP CONTROLLERS – RADIO STUDIES – CHEMICAL FEED EQUIPMENT

Lake Don Pedro CSD
La Grange, CA

Attention: Mr. Randy Gilgo

Phone: 209-916-5025

Subject: SCADA Programming
Project: SCADA Automation for Intake, Enebro and Tulipin

Quote # QJ05013
January 10, 2017

Mr. Gilgo,

The following is our proposal for the SCADA automation programming to bring the automation for Intake, Enebro and Tulipin into the SCADA server.

Scope of Work

1. Remove PLCs from Intake, Enebro and Tulipin.
2. Install PLC Bypass Cards at Intake, Enebro and Tulipin.
3. Program the SCADA server to automate the operations at Intake, Enebro and Tulipin.
4. Provide onsite startup and testing of the new automation programming.

Quotation Total \$4,200.00

Items included

1. Shipping and handling
2. Sales tax
3. Prevailing wage rates

Items not included

1. Items not in our scope of work
2. Specialty insurance beyond our standard two million dollars coverage
3. Confined space entry
4. Bonds or permits

If you have any questions please let me know.

Thank you,

Josh Lane
SCADA Manager

TERMS AND CONDITIONS OF SALE

The Terms and Conditions of Sale set forth herein, and Supplements that may be attached hereto, constitute the full and final expression of the contract of equipment or services as described in the quotation between AQUA SIERRA CONTROLS, INC. (herein referred to as Seller) and the Buyer and supersedes all prior quotations, purchase orders, correspondence or communication whether written or oral between the seller, and the Buyer. Notwithstanding any contrary language in the Buyer's purchase order or other acceptance, Buyer shall be bound by these Terms and Conditions of Sale when it returns its purchase order or otherwise indicates acceptance of this contract, or when it accepts delivery from Seller of the Equipment or Service. ACCEPTANCE OF THE CONTRACT IS EXPRESSLY LIMITED TO ACCEPTANCE OF THESE TERMS AND CONDITIONS OF SALE STATED HEREIN AND ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY BUYER ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY THE OFFICER OF THE SELLER. No contract shall exist except as herein provided. No statement, representation or warranty not contained herein shall be binding on the Seller unless made in writing by an officer or other authorized representative of the Seller. Prior dealings, usage of the trade or a course of performance shall not be relevant to determine the meaning of this agreement even through the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used herein, the definition contained in the Code shall control.

ORDERS

All orders, where Equipment or Services are to be supplied for a specific order, are received subject to acceptance by an authorized representative of Seller. All orders must be firm commitments giving complete item description, including prices, quantity, installation, and shipping requirements. Typographical and clerical errors in quotations, orders and acknowledgments are subject to correction.

PRICES

Written quotations expire thirty (30) calendar days from the date of quotation unless withdrawn sooner. Verbal quotations expire twenty-four (24) hours after they are made. Prices on an Order requesting shipment or performance longer than three (3) months from date of order, and "Held" orders which are not released in time to be shipped or performed in three (3) months, may be revised at the option of Seller.

CREDIT

Buyers not having established credit ratings with Seller should send satisfactory credit information with first order or remit a certified check to avoid delay in filling orders.

MINIMUM BILLING

Orders for Service performed in Seller's Shop shall have a minimum billing time of two (2) hours. Orders for Service performed in the "field" or at the Buyer's place of business shall have a minimum billing time of four (4) hours. Billing time for Services performed away from Seller's Shop shall be determined on a "portal to portal" basis.

TERMS OF PAYMENT

Terms of payment to Buyers with satisfactory credit at ½% cash discount for payment within 15 days of the date of the invoice and net invoice amount for payment net 30. Invoices will be submitted as partial shipments of equipment are made. Seller reserves the right at any time to require full or partial payment before proceeding with a contract of sale if, in its judgment, the financial condition of the Buyer shall not justify the terms of payment specified. If Buyer defaults when payment is due, then the whole contract price shall become due and payable upon demand, or Seller, at its option, without prejudice to other lawful remedies, may defer delivery and/or performance or cancel the contract of sale.

ACCELERATED OR DELAYED PAYMENT

There will be no reduction in price for payments more favorable to Seller than the standard terms. If payments are not made in conformance with standard terms, the quoted price shall, without prejudice to the right of Seller to immediate payment, be increased by an amount of interest equal to the highest legal rate per month or fraction thereof on the unpaid balance. Seller reserves the right to refer for collection sums not paid by Buyer within the herein stated Terms of Payment. In the event Seller chooses to refer unpaid sums for collection of said sums, collection costs include but are not limited to collection agency fees, process fees, attorneys fees and costs, and court costs as well as such other costs, that are directly related to collection.

SHIPMENT AND RISK OF LOSS

All shipments are F.O.B. the place of shipment. Risk of loss or damage to the Equipment shall pass to Buyer at the F.O.B. point unless the Seller specifically agrees otherwise in writing.

PACKAGING

Seller's price does not include the cost of packaging for shipment. Charges for standard packaging will be imposed plus any additional special packaging or marking performed at Buyer's request and agreed to by Seller. The cost of such items are determinable only upon completion and will appear as a separate item on Seller's invoice.

GENERAL TRANSPORTATION

Seller will prepay and add the cost of common carrier transportation charges as a separate item on Seller's invoice. Seller, in the absence of direction before the date of shipment, will select method of shipment of goods. If Buyer prefers a certain method or forwarding agent to handle the shipments, complete written instructions must be given. All claims for loss, breakage and damage (obvious or concealed) should be made to carriers, but Seller will render Buyer reasonable assistance in securing satisfactory adjustment of such claims. Claims for shortages or other errors must be made in writing to Seller within thirty (30) days after receipt of shipment. Failure to give notice shall constitute unqualified acceptance and a waiver of all such claims by Buyer.

SHIPPING AND PERFORMANCE SCHEDULES

When requested, Seller will establish estimated shipping and Service performance schedules as closely as practical in accordance with the Buyer's needs and will exercise diligence in meeting such estimated schedules. However, Seller will not be responsible for deviations in meeting shipping or Service performance schedules nor for any losses or damages to Buyer (or any third persons) whether occasioned by the deviations in performance or the non-performance of any of Seller's obligations under this contract, or loss of or damage to goods when caused directly or indirectly by or in any manner arising from strikes, secondary boycott, riots, wars, accidents, fires, floods, explosions, vandalism, government embargoes, priorities or regulations, transportation delays, shortages of labor, fuel, supplies, power transportation facilities, tooling capacity or similar or dissimilar causes, beyond Seller's control. Under no circumstances shall Seller have any liability for penalties or other consequential damages of any kind resulting in whole or in part from Seller's delay in delivering or failure to deliver, any Equipment or Service to Buyer as agreed. Should shipment of goods be held beyond schedule date for the convenience of the Buyer, the Seller reserves the right to bill for said goods plus charges for warehousing, insurance, trucking and other expenses incident to such delay.

TERMINATION AND ALTERATION

Order may be terminated by the Buyer only upon payment of reasonable charges based upon expenses already incurred and commitments made by Seller. Termination charges on completed items will be 100% of the selling price. Buyer at any time, by timely written notice, may request alteration of any order in any one or more of the following which will be accepted by Seller where feasible: (1) Drawings, designs or specifications, where the order calls for items to be specifically manufactured for the Buyer; (2) method of shipment or packing; and (3) place of delivery. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance of any of the work under this contract, whether altered or not altered by Buyer's notice, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Buyer will provide written documentation of all changes affecting contract order price in the form of change orders or additional purchase orders, prior to order shipment.

WARRANTIES

Equipment – The Seller warrants the Equipment covered by this agreement of Sale to be free from defects in material and workmanship under normal care and proper usage the shorter of: (1) one year from the date of shipment or installation whichever is earlier; or (2) the period of the warranty of the original equipment manufacturer, whichever is shorter. Warranty covers parts and the labor to repair the Equipment, but does not include the costs of travel, labor and expenses portal to portal to remove or replace the defective Equipment. This express warranty is in lieu of and excludes all other representations made by advertisements or by agents and all other warranties, both express and implied, except as specifically set forth herein. Seller warrants that the equipment sold is as described in the Agreement of Sale, but no promise, description, affirmation of fact, sample, model, or representation, oral or written, shall be deemed a part of the Agreement of Sale unless set forth therein or herein or are made in writing and signed by an authorized representative of Seller.

Seller, in connection with Equipment covered and sold pursuant to the Agreement of Sale, agrees to either (1) correct any defect in workmanship or material which may develop under proper care and normal usage during the period of warranty set forth herein; or (2) at the option of Seller, to replace or repair the defective part or parts F.O.B. the place of shipment; or (3) to repay upon return of the defective part or parts, the price paid for such Equipment by Buyer. Buyer's remedies with respect to any Equipment furnished by Seller under the Agreement of Sale shall be limited exclusively to the right of replacement and/or repair or repayment of the purchase price as provided herein.

Service Labor – Seller warrants that the Service Labor and workmanship covered by this Agreement of Sale to be free from defects for a period of thirty (30) days from the date of completion of such Service Labor, and that the term Service Labor includes travel and expenses on a portal to portal basis.

Construction Labor – Sell warrants that the Construction Labor and workmanship covered by this Agreement of Sale to be free from defects for a period of ninety (90) days from the date of completion of such Construction Labor, and that the term Construction Labor includes travel and expenses on a portal to portal basis.

THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN NO EVENT SHALL SELLER BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT OR IMMEDIATE, FORESEEABLE, CONSEQUENTIAL, OR SPECIAL ARISING OUT OF A BREACH OF ANY EXPRESS OR IMPLIED WARRANTY, OR NEGLIGENCE.

Seller shall not be liable for any expenses incurred by the Buyer or any other person by reason of the use, or misuse, sale or fabrication of the Equipment regardless of whether the Equipment conforms to the specifications. Any lawsuit or legal claim for breach of the contract must be brought within one year after the alleged breach occurs.

PENALTY OR LIQUIDATED DAMAGES

Contracts which include Penalty and Liquidated Damage clauses for failure to meet shipping or performance promises are not acceptable or binding on Seller, unless such clauses are specifically accepted in writing by an officer of Aqua Sierra Controls, Inc.

RETURNS

Full credit will be issued for all returned material, authorized in advance, which has been accepted under warranty or returned as a result of Sellers incorrect material or quantities. In the case of Seller's error, return must be requested within 30 days of the date of invoice covering the original shipment. Buyer shall not initiate the deduction from payment to Seller for product returned to Seller.

WAIVER

The failure of Seller to insist, in any one or more instances, upon the performance of any of terms or conditions of this contract or the failure of Seller to exercise any of its rights hereunder shall not be construed as a waiver or relinquishment of any such term, condition, or right thereunder and shall not effect the Seller's right to insist on strict performance and compliance with regard to any unexecuted portions of this contract or future performance of these terms and conditions.

EQUAL OPPORTUNITY

Seller warrants that goods shipped to Buyer under this Purchase Order will be produced in compliance with the Fair Labor Standards Act. The nondiscrimination clauses contained in section 202, Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity for all persons without regard to race, color, sex, or national origin and the implementing rules and regulations prescribed by the Secretary of Labor (41 CFR, Chapter 60) are incorporated herein.

HIRING OF AQUA SIERRA CONTROLS' EMPLOYEES

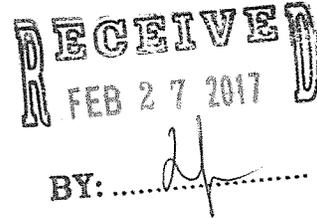
From time to time a client will appreciate and enjoy working with one of Aqua Sierra Controls' employees so much that the client will offer our employee a job. Experienced and talented technicians represent the backbone of Aqua Sierra Controls' business. Aqua Sierra Control has made a substantial commitment in hiring and training talented technicians to serve our clients. Therefore, in the event client wishes to hire away one of aqua sierras' employees, client will agree to pay Aqua Sierra

Controls a fee equal to six months' salary of the employee. The six months' salary will be the greater of the employee's salary with Aqua Sierra Controls or the new salary with the client. This fee is designed to fairly compensate Aqua Sierra Controls for its time and effort in training their employees.

Additionally, client shall not engage the services of an Aqua Sierra Controls technician in any type of independent work (i.e. after hours, weekends, 1099, etc.) Whether the technician is still under the employment of Aqua Sierra Controls or has subsequently terminated employment. In the event that this type of arrangement is entered into during current employment of within six months of termination of employment from Aqua Sierra Controls client agrees to pay a fee of \$10,000 to fairly compensate Aqua Sierra Controls for the referral.

February 22, 2017

Mr. Pete Kampa
General Manager
Lake Don Pedro Community Services District
9751 Merced Falls Road
La Grange, California 95329-8632



RE: Property/Liability Longevity Distribution

Dear Mr. Kampa,

On February 2, 2017, the SDRMA Board of Directors approved a longevity distribution for the eighth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$247,965 for Property/Liability members and \$463,920 for Workers' Compensation members. For the Property/Liability program, over 91% of members will receive the distribution credit and for the Workers' Compensation program, over 90% of members will receive the distribution credit.

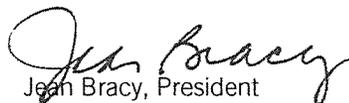
Congratulations! Since you have participated in our Property/Liability Program for 23 years as of June 30, 2016, your agency will receive a longevity distribution credit on your 2017-18 renewal invoice in the amount of \$860. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Property/Liability program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

REMINDER – SDRMA's Safety/Claims Education Day/Annual Membership Meeting is Tuesday, March 28 at the Hilton Sacramento Arden West Hotel and is FREE to SDRMA members including breakfast, lunch and refreshments. For more information, please visit our website at www.sdrma.org and click on "Register for a Training Workshop" on the right side of the page.

Thank you for your participation and helping make SDRMA a premier risk management provider! If you have any questions, please contact the SDRMA Finance Department at 800.537.7790 or 916.231.4141.

Sincerely,
Special District Risk Management Authority


Jean Bracy, President
Board of Directors

February 22, 2017

Mr. Pete Kampa
General Manager
Lake Don Pedro Community Services District
9751 Merced Falls Road
La Grange, California 95329-8632

RECEIVED
FEB 27 2017
BY: 

RE: Workers' Compensation Longevity Distribution

Dear Mr. Kampa,

On February 2, 2017, the SDRMA Board of Directors approved a longevity distribution for the eighth year in a row. The Longevity Distribution Policy was adopted by the Board to recognize and reward members for their loyalty and commitment to SDRMA programs. The policy is consistent with the goals and objectives of the Board's strategic business plan and helps ensure pool stability by rewarding members for remaining in our Property/Liability and Workers' Compensation programs.

This year, the Board approved a longevity distribution in the amount of \$463,920 for Workers' Compensation members and \$247,965 for Property/Liability members. For the Workers' Compensation program, over 90% of members will receive the distribution credit and for the Property/Liability program, over 91% of members will receive the distribution credit.

Congratulations! Since you have participated in our Workers' Compensation Program for 23 years as of June 30, 2016, your agency will receive a longevity distribution credit on your 2017-18 renewal contribution invoice in the amount of \$296. We encourage you to share this valuable news with your governing body!

There is no action required by your agency. Every member that has completed the 3 full program year initial commitment period for the Workers' Compensation program is eligible to receive a longevity distribution credit when they renew coverage. The longevity distribution may be declared by the Board of Directors each year only after all Board policy reserve requirements have been met. The amount available for the longevity distribution is the amount of investment earnings on reserves above the Board approved confidence level for each program as of June 30. The distribution is weighted based on the member's length of time in that program and the amount of the member's annual contributions compared to the total contributions of all pool members.

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Sincerely,
Special District Risk Management Authority


Jean Bracy, President
Board of Directors

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

OPERATIONS SUPERVISOR REPORT

Board of Directors Meeting
Monday, March 20th 2017

Treatment Operations - During the month of February, operations staff spent approximately 170 man hours operating the water treatment plant which involves direct inspection of processes, checking operation of pumps, valves and controls, monitoring of water quality monitoring equipment and finished water quality, and associated documentation. During the month, we backwashed the filters 3 times as opposed to 3 to 5 times a week, paying close attention to and documenting the performance of the newly refurbished filters. The filters are now operating excellent.

Plant Maintenance - Treatment plant maintenance included draining and cleaning of the floc basin and continuing our months long effort of locating an undocumented chemical injection line for a necessary repair. Maintenance also included daily cleaning and calibrating of all our process analysis equipment and chemical injection pump maintenance. During our maintenance routine it was discovered that two of the three sedimentation basin's floc mixers had once again stopped working. I have provided Pete with a quote for replacing the gear drives that operate the mixers and will be replaced upon approval.

Water Distribution System - In the distribution system, staff performed site inspections for all facilities and conducted manual reading of all remote tank/pump site meters and gages. We conducted annual maintenance including spraying for weeds at all district facilities including the office and treatment plant grounds, tank sites, booster stations, well sites and sample sites.

You will remember that each tank site, booster pump location and well site have a Supervisory Control and Data Acquisition (SCADA) system which collects information about the operating conditions at the location including pump status, tank levels and flow. In addition, the SCADA controls pumps based on remote tank levels. For example, when Coronado tank level hits a low set point, the pumps at Central tank come on and operate to fill Coronado tank to its full set point.

The SCADA system was installed in 1996 and although the system radios, backup power supply and antennas have been upgraded to current technology, logic control cards (programmable logic controllers or PLCs) installed in 1996 are now not communicating with the new technology installed in 2015 at the treatment plant. This is what has caused numerous tank overflows over the past few years at both Arbolada, Sturtevant and Coronado tanks, where randomly the PLC will incorrectly read low tank levels and turn on pumps that don't need to run, and not shut off those pumps until our operators manually shut the system down. This has resulted in a need to operate the remote pumps in "Hand" or manual by driving to the site to turn the pump on, then returning later to turn them off, wasting a minimum of a few hours per day of staff time. The problem has been difficult to troubleshoot and the problem was only recently identified and a solution developed. I have given Pete a quote to replace the older PLC's at these sites with bypass cards and reprogramming the logic into the main server at the treatment plant, which will be completed upon approval. Completion of this fix will free up staff time for much needed system maintenance.

Customer Service - In customer service, our staff remaining available time was spent responding to customer service requests and work orders that included meter lock offs and unlocks, meter read requests (primarily reread due to high usage), meter install or removals and leak identification. We also spent some time working out the final kinks in the automated meter reading system, which is not entirely completed but we have gotten 99% to read in the drive by fashion. The remaining meters are mostly larger meters that are not on the system or ones that had broken transmitters, cut/eaten wires or under water etc.

Groundwater Wells - We continue to evenly operate the newly completed groundwater wells on a rotational basis, with one well operating at its design output at all times. The SCADA has been installed on the new wells, which now turns the operating well off when the raw water tank is full or the well water level is too low. We have found the pumping water level of these wells to perform as estimated in the well test report. We are still working the bugs out of the flow metering and SCADA and will be able to provide detailed pumping reports and conditions for each well by May 2017. Ranchito Well #1 has been renovated and we are waiting on a new meter for installation and a piping connection plan from Binkley and this well should be up and running by May 2017 as well.

Training and Certification – Our operators are expected to achieve a Grade II certification in both Water Treatment and Distribution System Operations; issued by the State Water Board Drinking Water Division. Both operators have signed up for the next available certification examination to be held 5/20/2017 and we wish them both success. Both operators have or will be attending certification training classes in advance of taking the state test.

Randy Gilgo
Water Operations Supervisor/Chief Operator
Lake Don Pedro C.S.D.

MID OUTSIDE PLACE OF USE METERED PROPERTIES
2017

Account #	Customer	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
1 5004	DOSCHER	0	0	0										
2 5009	DOSCHER (BOAT STOR)	4	6	4										
3 5057	COBARRUBIA	5	320	11										
4 5188	PARSONS	0	0	0										
5 100771	HILLS	X	X	X										
6 102094	CARPENTER / ERICKSON	4	4	4										
7 5444	ELEM. SCHOOL	26	33	4										
8 5470	SHEPHERD/ NICHLOS	15	20	18										
9 5477	(AT&T)	1	0	1										
10 5481	C.D.F.	7	3	8										
11 101328	HALL	6	5	5										
12 5695	OLIVER	5	7	4										
13 101662	ROSEMIRE	12	11	10										
14 5754	ARTMAN	4	5	4										
15 5908	CLARK	1	0	1										
16 5910	DANIELSEN	4	4	3										
17 5927	PALELSKIN	6	6	5										
18 100237	HENDERSON	11	11	11										
19 5980	LAWSON	5	5	4										
20 101770	LAWSON (RENTAL)	4	4	7										
21 101815	BOWDEN	13	16	10										
22 6026	PONZO	0	0	0										
23 101143	MARTIN	X	X	X										
24 101333	KELLER	0	0	0										
25 102085	DUMAS / NAUMANN	7	8	8										
26 6238	ROSS	5	5	4										
27 6245	ROSS	5	0	3										
28 100687	Bozsk / WHITE	15	13	12										
29 101072	*KENNER	15	9	12										
30 6259	*STONE	5	3	3										
31 100872	BURLARLEY	12	10	9										
32 100181	RAYHER	13	12	11										
33 101248	WALKER	101	0	0										
34 101803	KELLER	0	0	0										
100473														
35	D P WASTE WTR	3	23	43										
	TOTAL	314	643	219	0	0	0	0	0	0	0	0	0	0
	TOTAL UNITS (CCF)													
	TOTAL UNITS (CCF) LIMITS	0.721	1.247	0.503	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	ACRE FEET													
	TOTAL ACRE FEET													

February Board
Meeting
Minutes are
Unavailable for
Approval at this
Meeting

(To be approved in April 2017)

**LAKE DON PEDRO
COMMUNITY SERVICES DISTRICT**

Treasurer's Report

Reporting Period: February 2017

The district ended the month of February 2017 with the following balances in our accounts:

* All bank accounts verified against bank statements

Restricted:		
Investment - LAIF	\$	163,422
Total Restricted:		\$ 163,422
Unrestricted:		
Checking	\$	74,300
Money Market - Working Capital	\$	539,206
Petty Cash	\$	125
Total Unrestricted:		\$ 613,631
Total Restricted & Unrestricted:		\$ 777,053

The district ended February 2017 with the following amounts affecting our financial status:

	Feb-2017	Year to Date
Sales & Business Revenue:	\$ 105,894	\$ 950,004
Total Operating Expenses:	\$ (53,331)	\$ (724,692)
Non-Operating Income/Expense:	\$ (15,310)	\$ (103,599)
Water Drought Income/Expense:	\$ (188,834)	\$ (126,216)
Change in Net Assets (P&L):	\$ (151,581)	\$ (4,503)
Net Cash Flow:	\$ (199,567)	\$ 152,809

Accounts Receivable:

Billing Time Frame	Utility Billing	Availability Billing	A/R Other	A/R Accrue	A/R Water Drought Reimb
Current	\$ 22,325	\$ -	\$ -	\$ 89,655	\$ -
> 30 Days	\$ 8,491	\$ -	\$ -	\$ -	\$ -
> 60 Days	\$ 3,408	\$ -	\$ -	\$ -	\$ -
> 90 Days	\$ 2,129	\$ -	\$ -	\$ -	\$ -
> 120 Days	\$ 10,166	\$ 188,094	\$ 5,241	\$ -	\$ -
Credits	\$ (13,946)				
Total	\$ 32,573	\$ 188,094	\$ 5,241	\$ 89,655	\$ -
Total Combined	\$ 310,322		\$ 5,241		\$ -
G/L Balance	\$ 310,322		\$ 5,241		\$ -
Difference	\$ -		\$ -		\$ -

* Amount of availability payments received: \$97,488

* Amount of availability payments outstanding: \$90,606

Accounts Payables:

Payable Time Frame	A/P Trade	A/P Accruals	A/P Water Accrual
Current	\$ 10,805	\$ -	\$ 3,184
> 30 Days	\$ -	\$ -	\$ 4,272
> 60 Days	\$ -	\$ -	\$ -
> 90 Days	\$ -	\$ -	\$ -
Credits	\$ -	\$ -	\$ -
Total	\$ 10,805	\$ -	\$ 7,456
G/L Balance	\$ 10,805	\$ -	\$ 7,456
Difference	\$0	\$0	\$0

Name Title Date

Statement of Revenues and Expenses (P&L)
February 2017 & Year-To-Date Versus 6/30/17 Budget

	Feb-17	February vs Budget %	2016-2017 YTD	67% of Year Budget %	2016-2017 Budget	Remaining Budget
Revenue						
01-0-3010-302	Donated Capital - Meters Curre	-	#DIV/0!	25,000	#DIV/0!	- (25,000)
01-0-4010-400	Water Sales Residential	10,688	5.06%	182,326	86.32%	211,229 28,903
01-0-4010-402	Water Availability Revenue	15,675	8.25%	124,935	65.76%	190,000 65,065
01-0-4010-403	Water Service Charges	79,032	8.42%	631,261	67.22%	939,101 307,840
01-0-4020-410	Interest Income - LAIF	-	0.00%	747	101.59%	735 (12)
01-0-4020-413	Int Inc Penalties - Customer	1,868	8.56%	16,328	74.80%	21,830 5,502
01-0-4020-414	Transfer Fee Income	500	7.04%	3,900	54.93%	7,100 3,200
01-0-4020-415	Other Income	395	10.39%	2,466	64.89%	3,800 1,334
01-0-4020-416	Meter Set Fee	-	0.00%	6,000	120.00%	5,000 (1,000)
01-0-4020-417	Interest Income Guaranty Fed	-	0.00%	9	6.07%	144 135
01-0-4020-901	Hydrant Rental	-	#DIV/0!	80	#DIV/0!	- (80)
01-0-4020-902	Hydrant Consumption	-	#DIV/0!	49	#DIV/0!	- (49)
01-0-4020-999	Avail Fee Income	-	0.00%	1,453	111.75%	1,300 (153)
01-0-4040-100	Lease Fee	900	4.41%	7,200	35.29%	20,400 13,200
01-0-4050-575	Office Fire Reimbursement	-	0.00%	-	0.00%	32,000 32,000
	Transfer From Reserve					-
TOTAL REVENUE*	109,058	7.61%	1,001,753	69.92%	1,432,639	430,886
Expenses						
01-1-5010-100	Regular Pay - Plant	8,305	6.38%	76,231	58.57%	130,147 53,916
01-1-5010-101	Overtime Pay	650	3.25%	10,889	54.45%	20,000 9,111
01-1-5010-102	Sick Pay	403	7.03%	3,388	59.13%	5,730 2,342
01-1-5010-104	Vacation Pay	480	4.35%	4,706	42.61%	11,044 6,338
01-1-5010-105	Holiday Pay	396	5.08%	4,638	59.50%	7,796 3,156
01-1-5010-200	PERS	636	5.79%	6,058	55.22%	10,972 4,914
01-1-5010-201	FICA/Medicare	904	6.71%	8,361	62.04%	13,477 5,116
01-1-5010-202	SUI	286	17.41%	1,436	87.51%	1,641 205
01-1-5010-203	Health Insurance	2,541	5.31%	30,735	64.26%	47,828 17,093
01-1-5010-204	Workers Compensation	468	6.37%	3,322	45.23%	7,345 4,023
01-1-5010-206	Dental Insurance	390	7.94%	3,121	63.48%	4,917 1,796
01-1-5010-207	Vision Care	-	0.00%	-	0.00%	300 300
01-1-5010-546	Travel, Meetings & Mileage	-	0.00%	-	0.00%	1,000 1,000
01-1-5020-501	Lease Of Equipment	-	0.00%	-	0.00%	2,211 2,211
01-1-5020-510	Repair & Maintenance - Plant	-	0.00%	33,287	192.33%	17,307 (15,980)
01-1-5020-511	Repair & Maintenance - Vehicle	884	3.59%	8,319	33.80%	24,614 16,295
01-1-5020-512	Repair & Maintenance - Distribution	410	0.68%	28,483	47.47%	60,000 31,517
01-1-5020-515	R&M Transmission - Intake	-	0.00%	18,278	169.24%	10,800 (7,478)
01-1-5020-520	Small Tools & Equipment	33	1.09%	522	17.41%	3,000 2,478
01-1-5020-522	Gas, Oil & Lubricant - Plant	926	6.33%	6,833	46.68%	14,637 7,804
01-1-5020-524	Health & Safety	480	8.42%	2,250	39.51%	5,695 3,445
01-1-5020-529	Telephone - T & D	539	6.97%	4,173	53.96%	7,733 3,560
01-1-5020-544	Water Testing Fees	575	4.70%	8,685	70.92%	12,247 3,562
01-1-5020-545	Water System Fees	-	0.00%	3,891	26.45%	14,709 10,818
01-1-5020-548	Water Testing Materials	-	0.00%	381	13.10%	2,909 2,528
01-1-5021-521	Water Treatment Chemicals	-	0.00%	36,564	79.23%	46,151 9,587
01-1-5021-524	P G & E Power - Office	224	9.09%	2,194	89.09%	2,462 268
01-1-5021-525	P G & E Power - Intake	147	0.23%	50,031	79.00%	63,332 13,305
01-1-5021-526	P G & E Power - Well	24	0.25%	181	1.90%	9,523 9,342
01-1-5021-527	P G & E Power - Water Treatment	1,621	6.53%	18,823	75.79%	24,836 6,013
01-1-5021-528	P G & E Power - Distribution	1,306	6.36%	17,598	85.71%	20,533 2,935
01-1-5021-529	P G & E Power - Well 2	1,001	25.01%	5,175	129.38%	4,000 (1,175)
01-1-5021-530	P G & E Power - Medina	14	0.36%	956	23.89%	4,000 3,044
01-1-5021-532	P G & E Power - Well 5/6	14	0.36%	955	23.89%	4,000 3,045
01-1-5021-561	Purchased Water Actual-mid-p	3,184	5.87%	42,703	78.74%	54,232 11,529
01-1-5023-533	Outside Services**	-	0.00%	5,154	113.05%	4,559 (595)
01-1-5023-535	Fire Protection/Weed Control	-	0.00%	-	0.00%	500 500
01-1-5023-537	Pest Control	32	7.94%	256	63.52%	403 147
01-1-5023-538	Engineering Services	5,777	38.51%	18,636	124.24%	15,000 (3,636)
01-1-5023-539	Employee Education	-	0.00%	-	0.00%	3,000 3,000
01-1-5024-540	Memberships	-	0.00%	328	31.11%	1,055 727
01-1-5024-542	Publications	-	0.00%	45	9.00%	500 455

	Feb-17	February vs Budget %	2016-2017 YTD	YTD vs Budget %	2016-2017 Budget	Remaining Budget	
01-1-5024-543	Licenses, Permits & Cert.	-	0.00%	349	29.08%	1,200	851
01-1-5032-583	Depreciation Expense	12,502	7.81%	108,362	67.73%	160,000	51,638
01-2-6010-100	Regular Pay - Administration	6,262	8.01%	54,652	69.88%	78,211	23,559
01-2-6010-101	Overtime Pay	373	6.44%	2,621	45.19%	5,800	3,179
01-2-6010-102	Sick Pay	250	105.50%	4,149	1750.69%	237	(3,912)
01-2-6010-104	Vacation Pay	432	9.20%	4,238	90.23%	4,697	459
01-2-6010-105	Holiday Pay	275	7.44%	3,108	84.19%	3,692	584
01-2-6010-200	PERS	431	7.52%	3,688	64.36%	5,730	2,042
01-2-6010-201	FICA/Medicare	552	7.61%	5,158	71.17%	7,248	2,090
01-2-6010-202	SUI	75	6.41%	810	68.85%	1,176	366
01-2-6010-203	Health Insurance	1,853	9.26%	13,838	69.17%	20,005	6,167
01-2-6010-204	Workers Compensation	46	6.36%	329	45.19%	727	398
01-2-6010-206	Dental Insurance	159	7.94%	1,274	63.49%	2,007	733
01-2-6010-207	Vision Care	-	0.00%	-	0.00%	200	200
01-2-6010-546	Travel, Meetings & Mileage	-	0.00%	161	13.41%	1,200	1,039
01-2-6020-512	Propane	492	113.86%	558	129.14%	432	(126)
01-2-6020-515	Customer Billing Supplies	543	55.50%	1,470	150.15%	979	(491)
01-2-6020-529	Telephone - Admin	290	7.08%	2,486	60.66%	4,099	1,613
01-2-6020-530	Office Supplies	148	3.55%	1,810	43.58%	4,153	2,343
01-2-6020-531	Postage	464	5.06%	4,596	50.10%	9,172	4,576
01-2-6023-531	Computer IT	1,260	5.84%	20,921	96.96%	21,576	655
01-2-6023-533	Outside Services	2,500	2.00%	72,784	58.23%	125,000	52,216
01-2-6023-535	Office Cleaning Serv	140	8.42%	1,160	69.75%	1,663	503
01-2-6023-536	Legal Services	358	2.39%	5,319	35.46%	15,000	9,681
01-2-6023-537	Audit Services	-	0.00%	7,000	100.00%	7,000	-
01-2-6023-539	Employee Education	-	0.00%	982	98.15%	1,000	18
01-2-6024-540	Memberships	-	0.00%	5,008	92.26%	5,428	420
01-2-6024-542	Publications	-	0.00%	1,100	113.87%	966	(134)
01-2-6024-547	County Fees	114	11.40%	194	19.40%	1,000	806
01-2-6024-999	County Avail Fee	-	0.00%	1,460	88.45%	1,651	191
01-3-6025-100	Regular Pay	500	6.01%	4,300	51.71%	8,316	4,016
01-3-6025-201	FICA/Medicare	38	6.01%	329	51.72%	636	307
01-3-6025-546	Travel, Meetings & Mileage	-	0.00%	-	0.00%	2,000	2,000
01-3-6025-550	Board Meeting Expense	-	0.00%	-	0.00%	1,000	1,000
01-3-6025-555	Board Election Expenses	68	2.28%	68	2.28%	3,000	2,932
01-9-6030-569	Credit Card Service Charges	715	15.87%	3,705	82.27%	4,503	798
01-9-6030-572	Business Insurance Expense	2,343	6.94%	27,481	81.41%	33,757	6,276
01-9-6030-576	Misc Other Expense	18	0.23%	200	2.67%	7,478	7,279
01-9-6030-577	Retired Employee Health	2,138	#DIV/0!	15,615	#DIV/0!	-	(15,615)
01-9-6030-580	Retired EE Benefit Expense	-	0.00%	-	0.00%	148,142	148,142
01-9-6031-580	Interest Long Term Debt	3,800	7.28%	30,864	59.16%	52,173	21,309
01-9-6032-583	Depreciation Expense	16	0.64%	308	12.32%	2,500	2,192
TOTAL EXPENSES*	71,805	4.95%	880,040	60.65%	1,450,899	570,859	
IRWMP (DWR) GRANT PROJECT EXPENSE							
01-9-6030-591	IRWMP Service Lines	-	0.00%	-	0.00%	721,287	721,287
01-9-6030-592	IRWMP Administrative Expenses	-					
01-9-6030-589	IRWMP Project	5,124	4.87%	81,668	77.66%	105,156	23,483
TOTAL IRWMP GRANT PROJECT EXPENSE	5,124		81,668		826,443	744,775	
IRWMP GRANT PROJECT REVENUE							
TBD	IRWMP Service Line Replacement		0.00%		0.00%	721,287	721,287
TBD	IRWMP Regional Water Use Efficiency		0.00%		0.00%	87,630	87,630
TBD	IRWMP Grant Administration		0.00%		0.00%	85,000	85,000
TOTAL IRWMP GRANT REVENUE	-	0.00%	-	0.00%	893,917	893,917	
CARRYOVER WELL PROJECT EXPENSES							
01-1-5020-535	Water Supply Emergency 2014	-	#DIV/0!	42	#DIV/0!	-	(42)
01-9-6030-584	Well 2	72,089	#DIV/0!	91,902	#DIV/0!	-	(91,902)
01-9-6030-585	Medina Well	43,119	#DIV/0!	171,178	#DIV/0!	-	(171,178)
01-9-6030-586	Well 3/4	8,572	#DIV/0!	8,572	#DIV/0!	-	(8,572)
01-9-6030-587	Well 5	59,930	#DIV/0!	103,530	#DIV/0!	-	(103,530)
01-9-6030-588	Well 6	-	#DIV/0!	-	#DIV/0!	-	-

	Feb-17	February vs Budget %	2016-2017 YTD	YTD vs Budget %	2016-2017 Budget	Remaining Budget
TOTAL CARRYOVER PROJECTS EXPENSE	183,710	#DIV/0!	375,224	#DIV/0!	-	(375,224)
Net Income / (Loss)	(151,581)	-308.00%	(4,503)	-9.15%	49,214	384,392

* Total income and expenses are different from the Statement of Revenue & Expenses due to how the finance and non-operating income are combined. Net income is identical.

** Oustide services over budget due to emergency barge service

New Capital Improvement Projects

01-0-1070-163	Structures - HVAC System	-			18,500		
01-0-1090-300	CIP-Filter Media Replacement	-			41,370		
01-0-1090-315	Intake Booster #2 Installation	-	0.00%	1,715	3.43%	50,000	48,285
TBD	Intake Pump Control Replacements	-	0.00%	-	0.00%	85,000	85,000
TBD	Intake Raw Water Pipeline Replacements	-	0.00%	-	0.00%	250,000	250,000
01-0-1090-305	Ranchito Well #1 Renovation	21,625	57.50%	34,025	90.47%	37,611	3,586
01-0-1090-313	Office Server Installation w/Software	-	0.00%	37,403	34.96%	107,000	69,597
01-0-1090-314	CIP-Barge Renovation	-		3,506			
TOTAL NEW CAPITAL IMPROVEMENT PROJECTS		21,625	4.08%	136,520	25.78%	529,611	456,468

01-0-2040-233	Muni Finance Loan (Principal Payments)	-	0.00%	35,609	50.51%	70,500	34,891
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Recap of water drought related projects to show remaining budget amounts:

Account #	Account	2014-2015 YTD	2015-2016 YTD	2016-2017 YTD	Activity from Inception	Total Budget	Remaining Budget
01-9-6030-584	Water Supply Emergency 2014	132,505	142,608	42	275,155	21,000	(254,155)
01-9-6030-584	Well 2	142,298	236,703	91,902	470,904	392,760	(78,144)
01-9-6030-585	Medina Well	32,328	394,640	171,178	598,146	599,950	1,804
01-9-6030-586	Well 3/4	66,152	57,951	8,572	132,675	257,000	124,325
01-9-6030-587	Well 5	-	178,944	103,530	282,474	329,820	47,346
01-9-6030-588	Well 6	-	8,577	-	8,577	329,820	321,243
01-9-6030-589	Grant Application Services	-	79,907	-	79,907	80,000	93
01-9-6030-590	NBS rate evaluation	-	1,786	-	1,786	54,000	52,214
		373,283	1,101,117	375,224	1,849,624	2,064,350	214,726

Outstanding Well Grant Revenue***

01-0-4020-418	Well 2 Grant Revenue	-	0.00%	121,532	49.11%	247,471	125,939
01-0-4020-419	Medina Well Grant Revenue	-	0.00%	217,678	39.52%	550,785	333,107
01-0-4020-420	Well 3 & 4 Grant Revenue	-	#DIV/0!	607	#DIV/0!		(607)
01-0-4020-421	Well 5 Grant Revenue ****	-	0.00%	(9,141)	-2.25%	407,135	416,276
		-		330,676		1,205,391	874,715

***Outstanding Well Grant Revenue is included with Net Income above

LDPCSD Financials

**Statement of Net Assets (Balance Sheet)
for the month ending February 2017**

Asset :

Cash and investments	\$	777,053
Restricted cash	\$	-
Accts Receivable net of res	\$	161,936
Water Drought Receivable	\$	-
Inventory	\$	69,931
Prpd expense & deposits	\$	19,794
Deferred Outflow of Resources	\$	7,580
	Total current assets	\$ 1,036,294
Property, plant & equipment	\$	9,910,443
less depreciation	\$	(6,773,889)
C I P	\$	1,038,976
	Net P P & E	\$ 4,175,530
Other L T Assets		
	Total Assets	\$ 5,211,824
Liabilites:		
Accounts payable	\$	10,805
Interest payable	\$	20,900
Water Accrual	\$	7,456
Accrued Payroll	\$	45,667
L T debt, current	\$	73,884
	Total current liab	\$ 158,712
L T debt		
Post Retirement Benefit	\$	932,016
Net Pension Liability	\$	125,182
Deferred Inflow of Resources	\$	44,882
Muni Loan	\$	929,797
less current above	\$	(73,884)
	Total Liabilites	\$ 2,116,705
Net assets	\$	3,095,119
	Total liab & net ass't	\$ 5,211,824

<u>Vendor</u>	<u>Check Amount</u>
000012 AQUA LAB	575.00
0000303 Kennedy/Jenks Consultants	187,241.37
000065 KKI CORPORATION	11,139.15
000067 GENERAL PLUMBING SUPPLY CO., I	96.03
000076 USPS	454.22
000091 VALERO MARKETING & SUPPLY	635.96
000099 CYNTHIA MARCHESIELLO	145.72
0001013 BLOMBERG & GRIFFIN	7,000.00
000105 PACIFIC GAS & ELECTRIC	7,957.33
000106 BINKLEY ASSOCIATES, INC	6,526.00
000118 D & D PEST CONTROL *	32.00
0001226 McCoy Passenger Tire Co	825.81
000136 AT&T	408.29
000165 ACWA/JPIA	6,532.25
000196 AQUA SIERRA CONTROLS, INC	1,951.14
000203 GRISWOLD, LaSALLE, COBB, DOWD	666.00
000263 Brenntag	744.38
0003221 KAMPA COMMUNITY SOLUTIONS LLC	6,250.00
000383 BUSINESS CARD	256.01
000425 MARTECH *	400.28
0004375 Accela Inc #774375	4,365.90
000542 Sonora Regional Medical Center	48.00
000550 LUIS'S HOUSEKEEPING / YARDS	140.00
000557 MARIPOSA COUNTY ELECTIONS	68.30
000583 COPY KING	543.32
000635 Contractor Compliance And Monitoring Inc	510.00
00071 Mother Lode Answering Service	260.00
014384 CANEPA AND SONS INC	21,625.00
10107 HD Supply Water Works, LTD	205.16
660108 VERIZON WIRELESS	155.56
702 Warmerdam CPA Group	2,500.00
UB*10505 JEREMY DIFEO	39.94

Report Total: 270,298.12

Lake Don Pedro Community Services District

Regular Meeting of March 20th, 2017

AGENDA SUPPORTING DATA

5. Discussion and Action Items

- a. Adoption of a Resolution to approve a Public Records Request Response Policy.

Recommended Motion

I move to adopt the Resolution to approve a Public Records Request Response Policy.

Background

State law requires that the District make all public records, as defined, available for public inspection and copying. The law contains specific requirements regarding what is, and is not a public record, as well as the time schedule for District response to public records requests. District staff recommends that the Board adopt a policy to clearly direct staff, by describing the Board's expectations with regard to responses provided within the limitations of law.

Included with this agenda item is a draft public records response policy developed from a model provided by the California Special Districts Association and in place with many special Districts throughout the state.

The District's website contains many of the documents normally requested of the District through this process. Staff's intention is to maintain a vast reference library of important and timely public records on the website; which will save staff time and individual response effort.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

Policy and Procedures Manual

POLICY TITLE: PUBLIC RECORDS ACT REQUESTS

POLICY NUMBER: (to be numbered)

- XXXX.1** The purpose of this policy is to: establish District Policy and guidelines concerning accessibility of District Records.
- XXXX.2** Section 6253 of the Government Code provides that every person has a right to inspect any public record except those specifically exempted by law.
- XXXX.3** “Public Record” is defined by law to include any writing containing information relating to the conduct of the public business prepared, owned, used, or retained by the District regardless of physical form or characteristics. A “writing” for purposes of public access may be a handwriting, typewriting, printing, photostating, photograph, transmitting by electronic mail or facsimile, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols or any combination of thereof regardless of the manner in which the record has been used.
- XXXX.4** Every person has the right to inspect any District record except those exempted by statute from public disclosure.
- XXXX.5** All requests to view or photocopy District records other than the requesting party’s typical billing and account information and other than that confirmed readily available on the District website shall be forwarded to the District’s General Manager for processing.
- XXXX.6** When a member of the public requests the inspection of a public record, or requests a copy of a public record, and to the extent such records are not exempt, the General Manager or his/her designee shall assist the individual in identifying existing records.
- XXXX.7** Records existing in electronic format shall be made available to the public in such format, but only if the production will not jeopardize or compromise the security or integrity of the original record or of any proprietary software in which it is maintained. The person requesting the information shall bear the cost of producing the record, including the cost to construct the record, and the cost of programming and computer service to produce the record when the District is requested to produce a copy of an electronic record that is produced only at otherwise regularly scheduled intervals or that request requires data compilation, extraction, or programming to produce.
- XXXX.8** District staff shall provide a “Public Records Request” form to each individual who requests the inspection or photocopying of District records and shall assist the individual in completing the form if so requested.
- XXXX.9** Upon receiving a request for a copy of records, the District shall, **within 10 days from receipt of the request**, determine whether the request, in whole or in part, seeks copies of

disclosable public records in the possession of the agency and shall promptly notify the person making the request of the determination and the reasons therefor.

XXXX.10 Upon receipt of a completed Request, the District will, when appropriate:

XXXX.10.1 Review the request and determine if the record exists, and if so, if it is a record that can be disclosed.

XXXX.10.2 Respond to the Requestor within 10 days and indicate the place within which the inspection must be made and the time limitation, if any, for return of the documents, or when copies may be emailed, copied to the desired form of digital media including email, or picked up and the charge for such documents. The District's goal is for public records to be produced as quickly as possible once a valid request has been submitted, the record determined disclosable, and considering District workload and staffing.

XXXX.11 Any notification of denial of any request for records shall justify withholding any record by demonstrating that the record in question is exempt under express provisions of this chapter or that on the facts of the particular case the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record, and the name, title or position of the District personnel responsible for the denial.

XXXX.12 A request for a copy of an identifiable public record, for information produced from such a record, or for a certified copy of such a record, must be accompanied by payment of the appropriate fee as determined by District staff based on cost to the District. Any fee established may be modified from time to time by District staff to reflect actual chargeable costs, and any fee schedule developed shall be made available by the District's General Manager. Where the State Legislature has established a statutory fee for any given record, the statutory fee shall be charged.

XXXX.13 Electronic files in response to a Public Records request may be provided free of cost under the following conditions as determined appropriate by the District:

XXXX.13.1 If the validated Public Records are existing as electronic files that can be mailed to the requestor electronically without added effort such as scanning, data manipulation or first copying records; and

XXXX.13.2 Where electronic transmittal of the record does not jeopardize the safety and security of the District's email or technology systems; and

XXXX.13.3 Where the District determines that such electronic transmission of the record does not increase the probability of unauthorized reproduction, document editing or manipulation, or modification of the document for use for any purpose other than to meet the information needs of the requesting party.

XXXX.14 Exempted records found in Government Code 6254 shall not be disclosed. A response to a written request for inspection or copies of public records that includes a determination that the request is denied, in whole or in part, shall be in writing.

RESOLUTION 2017 - ____

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
APPROVING A POLICY ON PUBLIC RECORDS REQUESTS

WHEREAS, the Lake Don Pedro Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

WHEREAS, the District Board of Directors has directed District management to propose the adoption of policies and to develop procedures that maximize the transparency and accountability of the District; and

WHEREAS, the District regularly responds to requests from the public for information and documents related to the business of the District and state law provides certain requirements and guidelines within which the District must provide its response to such requests for public records; and

WHEREAS, the District desired to provide a policy statement to guide and direct management's response to all requests for public records, within the confines of law; and

WHEREAS, a Public Records Request Response Policy has been developed and attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LAKE DON PEDRO COMMUNITY SERVICES DISTRICT that the revised Public Records Response Request policy is included herein, shall be approved and effective immediately, and that prior policies on Public Records Requests are hereby repealed.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Lake Don Pedro Community Services District on March 20, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Danny Johnson, President, Board of Directors

ATTEST:

Syndie Marchesiello, Secretary
CERTIFICATE OF SECRETARY
(STATE OF CALIFORNIA)
(COUNTY OF MARIPOSA)

I, Syndie Marchesiello, the duly appointed and Secretary of the Board of Directors of the Lake Don Pedro Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Lake Don Pedro Community Services District duly called and held at the District office at 9751 Merced Falls Road, La Grange, CA 95239, on March 20, 2017.

Lake Don Pedro Community Services District

Regular Meeting of March 20th, 2017

AGENDA SUPPORTING DATA

5. DISCUSSION AND ACTION ITEMS

- b. Adopt a Resolution to approve a Debt Management Policy

Recommended Action

Staff recommends the following motion:

I move to Adopt a Resolution approving a Debt Management Policy.

Background

Senate Bill 1029 (SB 1029), which became effective on January 1, 2017, amended California Government Code 8855 to add certain requirements related to the issuance and administration of debt by local agencies, including requiring the adoption of a debt policy meeting the requirements of California Government Code 8855. This impacts the District.

In connection with the issuance of new debt, the District will need to submit to the California Debt and Investment Advisory Commission (CDIAC) a preliminary report of debt issuance which will include a certification that the District has adopted a debt policy that meets the requirements of the new legislation, which are found in California Government Code 8855. Adoption of the debt policies by the Board is required for compliance with the new legislation.

In accordance with Government Code 8855, a local debt policy must include all of the following:

- The purposes for which the debt proceeds may be used
- The types of debt that may be issued
- The relationship of the debt to and integration with the issuer's capital improvement program or budget, if applicable
- Policy goals related to the issuer's planning goals and objectives
- The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

The contemplated debt management policy meets all of these requirements. Although the District does not expect to issue debt in the very near future, adoption of a policy will ensure that the Board and management will have guidelines in place to guide related decisions.

The attached policy language was recently developed by legal counsel for a district similar to LDPCSD.

LAKE DON PEDRO COMMUNITY SERVICES DISTRICT

Policy and Procedures Manual

POLICY TITLE: DEBT MANAGEMENT

POLICY NUMBER: (to be numbered)

This Debt Policy is intended to comply with Government Code Section 8855(i), and shall govern all debt undertaken by the District. The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.

XXXX.1. Purposes For Which Debt May Be Issued

XXXX.1.1 Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District. Long-term debt financings are appropriate when the following conditions exist:

- When the project to be financed is necessary to provide basic services.
- When the project to be financed will provide benefit to constituents over multiple years.
- When total debt does not constitute an unreasonable burden to the District and its taxpayers and/or ratepayers, as applicable.
- When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.

XXXX.1.2 Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses. The District may use long-term debt financings subject to the following conditions:

- The project to be financed must be approved by the District Board.
- The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.

- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with the applicable state and federal law.

XXXX.1.2 Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment.

XXXX.1.3 Financings on Behalf of Other Entities. The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

XXXX.2 Types of Debt - The following types of debt are allowable under this Debt Policy:

- General obligation bonds (GO Bonds)
- Bond or grant anticipation notes (BANs)
- Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions
- Other revenue bonds and COPs
- Tax and revenue anticipation notes (TRANs)
- Land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- Tax increment financing to the extent permitted under State law
- Refunding Obligations
- State Revolving Loan Funds
- Lines of Credit

XXXX.2.1 The District Board may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.

XXXX.3. Relationship of Debt to Capital Improvement Program and Budget

XXXX.3.1 The District is committed to long-term capital planning. The District intends to issue debt for the

purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and the capital improvement plan.

XXXX.3.2 The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

XXXX.3.3 The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

XXXX.3.4 The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

XXXX.3.5 The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

XXXX.4. Policy Goals Related to Planning Goals and Objectives

XXXX.4.1 The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operations budget.

XXXX.4.2 It is a policy goal of the District to protect taxpayers, ratepayers (if applicable) and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

XXXX.4.3 The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

XXXX.4.4 When refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt service savings approximately 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage. The cost of refinancing will always be less than the savings.

XXXX.5. Internal Control Procedures

XXXX.5.1 When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds. Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12.
- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- The District's investment policies as they relate to the use and investment of bond

proceeds.

XXXX.5.2 Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the Finance Director of the District (or his or her written designee), or (b) by the District, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the District.

RESOLUTION 2017 - ____

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
LAKE DON PEDRO COMMUNITY SERVICES DISTRICT
APPROVING A DEBT MANAGEMENT POLICY

WHEREAS, the Lake Don Pedro Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

WHEREAS, Senate Bill 1029 (SB 1029), which became effective on January 1, 2017, amended California Government Code 8855 to add certain requirements related to the issuance and administration of debt by local agencies, including requiring the adoption of a debt policy meeting the requirements of California Government Code 8855; and

WHEREAS, the District desired to provide a policy which would meet the standard set forth by the California Government code which would determine the purposes for which debt proceeds may be used, the types of debts that may be used, The relationship of the debt to and integration with the District's capital, policy goals related to the District's planning goals and objectives and the internal control procedures that the District has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use; and

WHEREAS, a Debt Management Policy has been developed and attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LAKE DON PEDRO COMMUNITY SERVICES DISTRICT that the Debt Management policy included herein, shall be approved and effective immediately.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Lake Don Pedro Community Services District on March 20, 2017, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Danny Johnson, President, Board of Directors

ATTEST:

Syndie Marchesiello,
Secretary CERTIFICATE
OF SECRETARY
(STATE OF
CALIFORNIA) (COUNTY
OF MARIPOSA)

I, Syndie Marchesiello, the duly appointed and Secretary of the Board of Directors of the Lake Don Pedro Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Lake Don Pedro Community Services District duly called and held at the District office at 9751 Merced Falls Road, La Grange, CA 95239, on March 20, 2017.

Lake Don Pedro Community Services District

Regular Meeting of March 20th, 2017

AGENDA SUPPORTING DATA

5. DISCUSSION AND ACTION ITEMS

- c. Discussion and Action on the Water Use Efficiency Project in response to the results of the Water Conservation Survey and IRWMP grant scope of work

Recommended Action

Staff recommends the following motion:

I move to direct staff to negotiate a scope of work and contract with a third-party Program Coordinator and to prepare the Final Water Use Efficiency Program Description, Public Workshop Plan, Outreach and Marketing Plan and Incentive/Reimbursement Program Terms and Conditions.

Background

In 2015, the District applied for grant funding to support an enhanced water conservation program in the Yosemite/Mariposa Integrated Regional Water Management Planning (IRWMP) region. This water conservation project, titled Regional Water Use Efficiency Project (WUE) was strongly endorsed by the IRWMP Regional Water Management Group. The original grant application to the Department of Water Resources (DWR) for the WUE project totaled \$518,820; however due to limited available funding, we were awarded only 27% of the requested grant and allocated the grant award as follows:

Project 3 – Regional Water Use Efficiency Program Budget					
Budget Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total
(a)	Direct Project Administration	\$2,500	-	-	\$2,500
(c)	Planning/Design/Engineering/Environmental Documentation	\$2,640	-	-	\$2,640
(d)	Construction/Implementation	\$170,120	-	\$55,275	\$225,395
Total		\$175,260	-	\$55,275	\$230,535

Attached to this report is a copy of the approved, detailed project work scope. In summary, the proposed program will include multiple elements to promote water conservation by residential and commercial water users. The program will initially focus on the LDPCSD's service area within Mariposa County for the first year, and later expand to the remainder of Mariposa County. The program will include education and outreach, house calls, rebates and incentives.

As previously discussed, the District commissioned a customer survey in Don Pedro to determine the level of need and interest in various water conservation program components. The survey results summary is included with this report.

Additional tasks to be completed to finalize the program design include:

- Modifying the existing public outreach materials to tailor the content to the local audience as necessary
- Determining the detailed methods and schedules for outreach, marketing and educational program curriculum development, venue identification and scheduling
- Determining the details of the Terms and Conditions, application process, any applicable system design or homeowner permitting requirements, inspection and installation verification process and reimbursement methods for the Incentive Program

The DWR requires the development of a Project Monitoring Plan that helps to determine if the funding helped the District and customers achieve the intended water conservation goals. We anticipate a contract with the Mariposa County Resource Conservation District (MCRCD), funded under budget category (c) above. The recommended motion provides staff the authority to contract the program administration work to the MCRCD within the budget and as approved by the DWR to perform the following work:

- Develop and submit a Project Monitoring Plan. The Project Monitoring Plan will include baseline conditions, a brief discussion of monitoring systems to be used, methodology of monitoring, frequency of monitoring, and location of monitoring points.
- The project performance monitoring parameters are anticipated to include the number of program participants (e.g., number of Water Kits installed, number of rebates disbursed, high efficiency toilets or urinals installed, square feet of turf eliminated, irrigation systems modified to drip), water use reduction data for metered program participants, and data from follow-up surveys for non-metered program participants.

The WUE program will primarily be administered and managed by a third party program coordinator (Program Coordinator), expected to be the MCRCD. In addition, third party contractors will be secured through a Request for Proposal (RFP) process to implement the House Call Program and Technical Assistance program elements. The contracting activity to be performed by the MCRCD and funded under budget categories (a) and (c) above, will include: developing the request for proposals, evaluation and review of the proposals, selection of the contractor, award of contract, and issuance of notice to proceed.

The program coordinator, funded under Budget Category (d) above, will administer the Incentive Program, including monitoring project compliance and completion, and identifying and coordinating with equipment supply vendors and contractors. Incentive Program administration will include the following activities:

- Customer outreach and marketing via the program website, mailers, workshops and outreach activities at community events.

- Receiving customer applications for program participation.
- Purchase and distribution of water saving showerheads, faucet aerators, hose nozzles, shower timers, toilet leak test tablets and other water use reduction devices.
- House Calls / Audits -- Third party contractors will conduct house calls / audits and provide property owners with a site-specific efficiency plan that identifies appropriate measure(s) and/or device(s) for the property.
- Rebate Distribution. Upon verification and/or inspection of the purchase of relevant materials/devices, or installation of approved devices or systems, the customer will be reimbursed.
- The program coordinator will provide regular reports to LDPCSD, outlining ongoing implementation activities. Upon project completion the third party administrators will provide a final report on implementation.

The following presents the types of water-saving retrofits, incentive rebates and workshops to be provided under the Program throughout the entire region:

- Water Use Reduction Kits and/or devices (kit includes water-saving retrofit plumbing fixtures including two faucet aerators, showerhead, sprinkler nozzle, toilet tank die tablets, leak info card, and water heater wrap). Up to 700 kits at approximately \$15 per kit will be available and a (\$ dollar amount TBD) incentive paid to the first (TBD – number of) customers verifying full installation.
- Greywater (laundry to landscape or fixed lateral system)- or rainwater catchment-to-irrigation system rebate: up to (TBD) properties will receive approximately (\$TBD) rebates from the program.
- Irrigation system and landscaping modification rebate: up to a maximum of (\$TBD) per property and up to (TBD) properties will receive rebates for conversion of spray irrigation to drip, installation of smart irrigation controllers and sensors, and/or lawn removal or replacement of high-water-use landscaping with drought tolerant landscaping.
- High Efficiency Toilet and High Efficiency Washing Machine rebate: up to (TBD) units will be reimbursed approximately (\$TBD) under the rebate program.
- Conduct Rainwater and Greywater installation, and irrigation system conversion workshops (TBD) times in (TBD) locations.

The actual number of rebates and specific amount of the rebate is subject to change based on program performance and customer interest.

The Don Pedro survey appears to clearly indicate that our customers do not want a home visit to evaluate water use, or to install the conservation kits. The sentiment appears to be in favor of keeping more funding available for customer rebates, therefore in program development, we may recommend increasing rebates for higher water conserving activities and reducing home visits. Surveys in other parts of the county may have different results.

**EXHIBIT B
BUDGET**

Summary Budget for the Yosemite-Mariposa IRWM Implementation Grant					
Project Title	Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total Cost	% Funding Match
Project 1 – Grant Agreement Administration	\$105,000	\$0	\$12,700	\$117,700	0%
Project 2 – Water Supply Improvement/Groundwater Wells*	\$250,000	\$0	\$262,350	\$512,350	0%
Project 3 – Regional Water Use Efficiency Program*	\$175,260	\$0	\$55,275	\$230,535	0%
Project 4 – Service Line Replacement*	\$471,287	\$0	\$225,000	\$696,287	0%
Total	\$1,001,547	\$0	\$555,325	\$1,556,872	0%

*Denotes DAC Funding Match Waiver

Project 1 – Grant Agreement Administration Budget					
Budget Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total
(a)	Direct Project Administration	\$105,000	–	\$12,700	\$117,700
	Total	\$105,000	–	\$12,700	\$117,700

**EXHIBIT B
BUDGET (CONT.)**

Project 2 – Water Supply Improvement/Groundwater Wells					
Budget Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total
(a)	Direct Project Administration	\$15,000	-	-	\$15,000
(b)	Land Purchase/Easement	-	-	-	-
(c)	Planning/Design/Engineering/Environmental Documentation	-	-	\$262,350	\$262,350
(d)	Construction/Implementation	\$235,000	-	-	\$235,000
Total		\$250,000	-	\$262,350	\$512,350

Project 3 – Regional Water Use Efficiency Program Budget					
Budget Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total
(a)	Direct Project Administration	\$2,500	-	-	\$2,500
(c)	Planning/Design/Engineering/Environmental Documentation	\$2,640	-	-	\$2,640
(d)	Construction/Implementation	\$170,120	-	\$55,275	\$225,395
Total		\$175,260	-	\$55,275	\$230,535

Project 4 – Service Line Replacement Budget					
Budget Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total
(a)	Direct Project Administration	\$10,000	-	-	\$10,000
(c)	Planning/Design/Engineering/Environmental Documentation	\$33,000	-	-	\$33,000
(d)	Construction/Implementation	\$428,287	-	\$225,000	\$653,287
Total		\$471,287	-	\$225,000	\$696,287

Deliverables:

- Photographic documentation

PROJECT 3: REGIONAL WATER USE EFFICIENCY PROGRAM

IMPLEMENTING AGENCY: Lake Don Pedro Community Services District

PROJECT DESCRIPTION: The proposed program will include multiple elements to promote water conservation by residential and commercial water users. The program will initially focus on the LDPCSD's service area within Mariposa County for the first year, and later expand to the remainder of Mariposa County. The program will include education and outreach, house calls, rebates and incentives.

Budget Category (a): Direct Project Administration

Task 1a Project Management

Manage grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoice supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Environmental Information Form (EIF)
- Financial Statements
- Invoice supporting documentation
- Other Applicable Project Deliverables

Task 1b Labor Compliance Program

The project does not involve any "public works" construction elements that would require the payment of prevailing wages. Therefore, it is not required to initiate and enforce a Labor Compliance Program in accordance with the Labor Code 1771.5 for this project.

Task 1c Reporting

Prepare supporting information for progress reports detailing work completed during reporting period as outlined in Exhibit (G) of this agreement.

Prepare Draft Project Completion Report and submit to DWR for DWR comment and review no later than 90 days after project completion. Prepare Final Report addressing DWR's comments. The report shall be prepared and presented in accordance with the provision of Exhibit G.

Deliverables:

- Draft and Final Project Completion Report

Budget Category (b): Land Purchase/Easement

Task 2 Land Purchase/Easement

Land purchase/easement is not needed for the project.

Budget Category (c): Planning/Design/Engineering and Environmental Documentation

Task 3a Feasibility Studies

The water efficiency program elements included in the project have been demonstrated to be feasible and effective in Tuolumne County and elsewhere in the state. Incentive programs have been specifically crafted and incentivized in

response to needs identified by local water providers and their customers. Therefore, no separate feasibility study will be required to implement the proposed project.

Deliverables:

- Preliminary Water Use Efficiency Program Description

Task 3b CEQA Documentation

The Regional Water Use Efficiency Program is not a project as defined by CEQA

Task 3c Permitting

Obtain all necessary federal, state, and local permits. Permits may include:

- County Encroachment Permit

Additional permits may be required and will be obtained as necessary.

Deliverables:

- Copy of all required permits

Task 3d Design

LDPCSD staff has been working to identify the financial, staffing, and external resources needed to implement and manage a successful water conservation program. Additional tasks to be completed to finalize the program design include:

- Modifying the existing public outreach materials to tailor the content to the local audience as necessary
- Determining the detailed methods and schedules for outreach, marketing and educational program curriculum development, venue identification and scheduling
- Determining the details of the Terms and Conditions, application process, any applicable system design or homeowner permitting requirements, inspection and installation verification process and reimbursement methods for the Incentive Program

Deliverables:

- Marketing and outreach materials
- Educational workshop schedules and agendas
- Incentive Program Terms and Conditions

Task 3e Project Monitoring Plan

Develop and submit a Project Monitoring Plan. Along with the Project Performance Measures Table provided by DWR project manager, the Project Monitoring Plan (as described in Exhibit J) will include baseline conditions, a brief discussion of monitoring systems to be used, methodology of monitoring, frequency of monitoring, and location of monitoring points.

The project performance monitoring parameters are anticipated to include the number of program participants (e.g., number of Water Kits installed, number of rebates disbursed, high efficiency toilets or urinals installed, square feet of turf eliminated, irrigation systems modified to drip), water use reduction data for metered program participants, and data from follow-up surveys for non-metered program participants.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 4a Construction Contracting

The proposed program will primarily be administered and managed by a third party program coordinator. In addition, third party contractors will be secured through a Request for Proposal (RFP) process to implement the House Call Program and Technical Assistance program elements. The contracting activity will include: developing the request for proposals, evaluation and review of the proposals, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Request for Proposal
- Proof of Advertisement
- Award of contract
- Notice to proceed

Task 4b Construction Administration

The program coordinator will administer the Incentive Program, including monitoring project compliance and completion, and identifying and coordinating with equipment supply vendors and contractors. Incentive Program administration will include the following activities:

- Customer outreach and marketing via the program website, mailers, workshops and outreach activities at community events.
- Receiving customer applications for program participation.
- Purchase and distribution of water saving showerheads, faucet aerators, hose nozzles, shower timers, toilet leak test tablets and other water use reduction devices.
- House Calls / Audits -- Third party contractors will conduct house calls / audits and provide property owners with a site-specific efficiency plan that identifies appropriate measure(s) and/or device(s) for the property.
- Rebate Distribution. Upon verification and/or inspection of the purchase of relevant materials/devices, or installation of approved devices or systems, the customer will be reimbursed.
- The program coordinator will provide regular reports to LDPCSD, outlining ongoing implementation activities. Upon project completion the third party administrators will provide a final report on implementation.

Deliverables:

- Preliminary Water Use Efficiency Program Description

Task 4c Construction/Implementation Activities

The following presents the estimated quantities of water-saving retrofits and incentive rebates to be provided under the Program:

4c(1): Water Use Reduction Kits and/or devices (kit includes water-saving retrofit plumbing fixtures including two faucet aerators, showerhead, sprinkler nozzle, toilet tank die tablets, leak info card, and water heater wrap). Up to 700 kits at approximately \$15 per kit will be available and a \$30 incentive paid to the first 200 customers verifying full installation.

4c(2): Greywater (laundry to landscape or fixed lateral system)- or rainwater catchment-to-irrigation system rebate: up to 100 properties will receive approximately \$500 rebates from the program.

4c(3): Irrigation system and landscaping modification rebate: up to a maximum of \$250 per property and up to 100 properties will receive rebates for conversion of spray irrigation to drip, installation of smart irrigation controllers and sensors, and/or lawn removal or replacement of high-water-use landscaping with drought tolerant landscaping.

4c(4): High Efficiency Toilet rebate: up to 400 units will be reimbursed approximately \$75 under the rebate program.

The actual number of rebates and specific amount of the rebate is subject to change based on program performance and customer interest.

Deliverables:

- Photographic documentation



PROJECT 4: SERVICE LINE REPLACEMENT

IMPLEMENTING AGENCY: Lake Don Pedro Community Services District

PROJECT DESCRIPTION: The project will replace existing water service lines that are over 40 years old and subject to frequent leaks. Approximately 375 segments of service lines from the water main corporation stop (i.e., the start of end user's water line) to the water meter box will be replaced with pipes that meet current codes and standards for material and diameter. Since the LDPCSD service area is in both Tuolumne and Mariposa Counties, the replacement work will be in both counties, addressing the worst leaking service line segments first.

Budget Category (a): Direct Project Administration

Task 1a Project Management

Manage grant agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoice supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Environmental Information Form (EIF)
- Financial Statements
- Other Applicable Project Deliverables

Task 1b Labor Compliance Program

LDPCSD has developed and implemented an approved labor compliance program used for its recent Proposition 84 funded groundwater well projects. LDPCSD will take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, preparation and implementation of a labor compliance program or including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.

Deliverables:

- Proof of labor compliance upon request

Task 1c Reporting

Prepare supporting information for progress reports detailing work completed during reporting period as outlined in Exhibit (G) of this agreement.

Prepare Draft Project Completion Report and submit to DWR for DWR comment and review no later than 90 days after project completion. Prepare Final Report addressing DWR's comments. The report shall be prepared and presented in accordance with the provision of Exhibit G.

Deliverables:

- Draft and Final Project Completion Report

**EXHIBIT B
BUDGET**

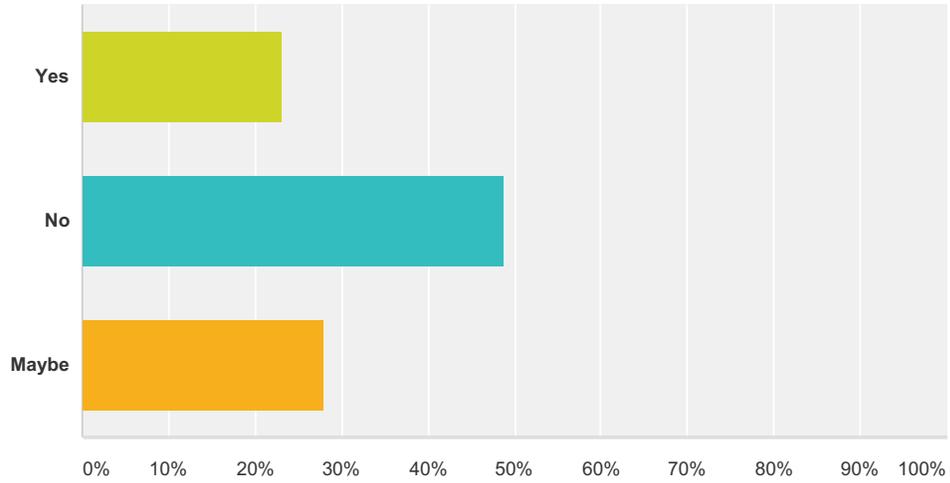
Summary Budget for the Yosemite-Mariposa IRWM Implementation Grant					
Project Title	Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total Cost	% Funding Match
Project 1 – Grant Agreement Administration	\$105,000	\$0	\$12,700	\$117,700	0%
Project 2 – Water Supply Improvement/Groundwater Wells*	\$250,000	\$0	\$262,350	\$512,350	0%
Project 3 – Regional Water Use Efficiency Program*	\$175,260	\$0	\$55,275	\$230,535	0%
Project 4 – Service Line Replacement*	\$471,287	\$0	\$225,000	\$696,287	0%
Total	\$1,001,547	\$0	\$555,325	\$1,556,872	0%

*Denotes DAC Funding Match Waiver

Project 1 – Grant Agreement Administration Budget					
Budget Category		Requested Grant Amount	Cost Share: Non-State Fund Source (Funding Match)	Additional Cost Share	Total
(a)	Direct Project Administration	\$105,000	–	\$12,700	\$117,700
	Total	\$105,000	–	\$12,700	\$117,700

Q1 Would you like someone to come out to your home and evaluate your water usage and give you ideas to save water?

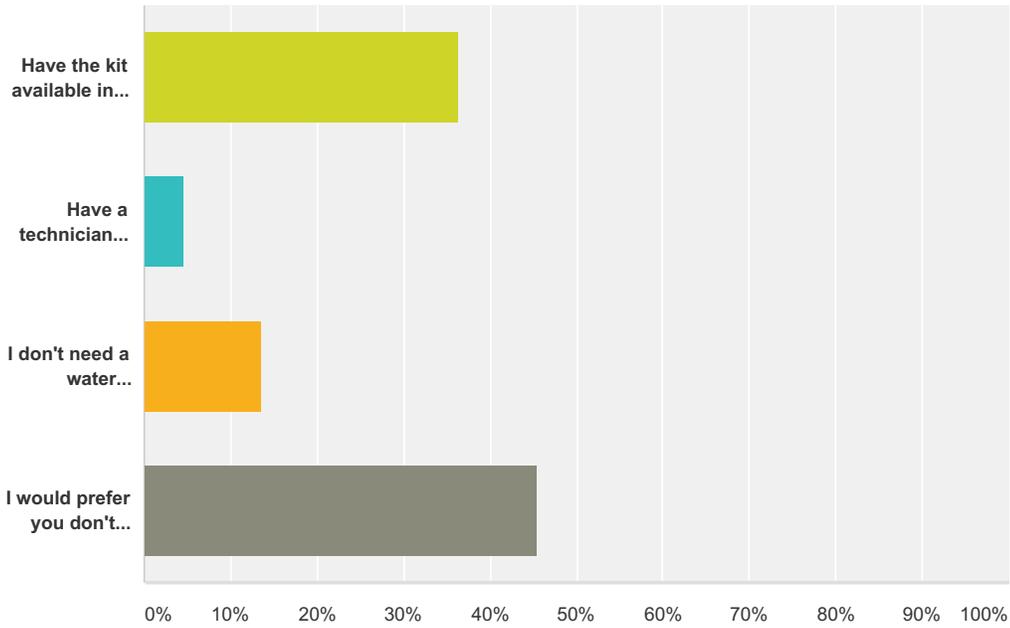
Answered: 43 Skipped: 3



Answer Choices	Responses
Yes	23.26% 10
No	48.84% 21
Maybe	27.91% 12
Total	43

Q2 We will be offering a limited number of water conservation kits that include water saving shower-heads, faucet aerators, hose shutoff nozzles, shower timers and toilet leak detection tablets. If the kits were free of cost, would you rather:

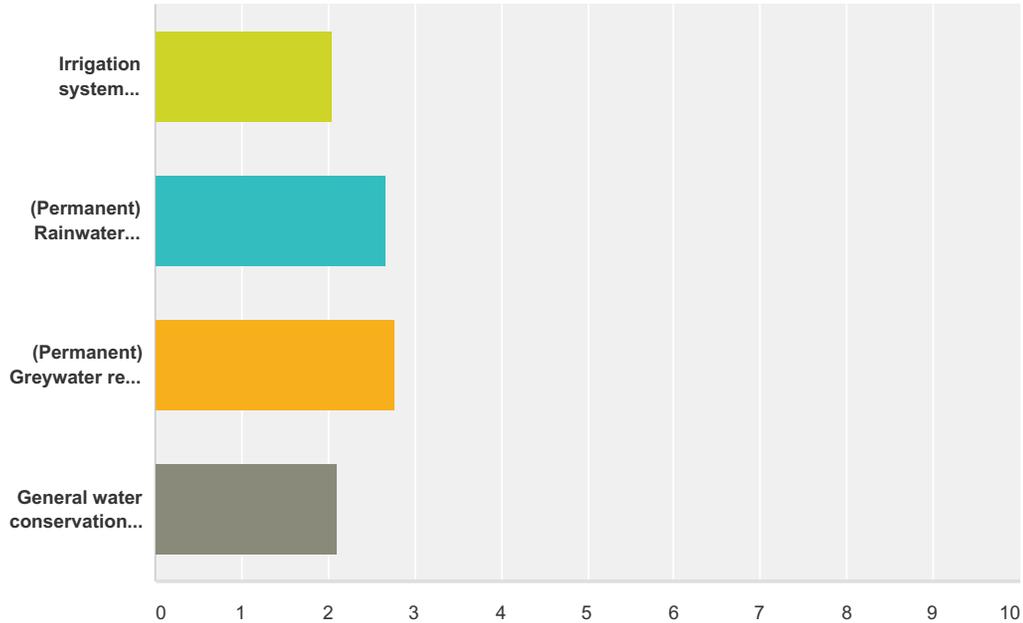
Answered: 44 Skipped: 2



Answer Choices	Responses
Have the kit available in the LDPCSD office for you to pick up and install yourself	36.36% 16
Have a technician conduct a water use evaluation at my home, bring the kit to my home and install it/instruct me on it's use	4.55% 2
I don't need a water conservation kit	13.64% 6
I would prefer you don't provide the kits in Don Pedro and put the money into customer rebates for other water conservation activities	45.45% 20
Total	44

Q3 If LDPCSD was to offer community educational classes/programs/workshops on water conservation, which would you prefer?

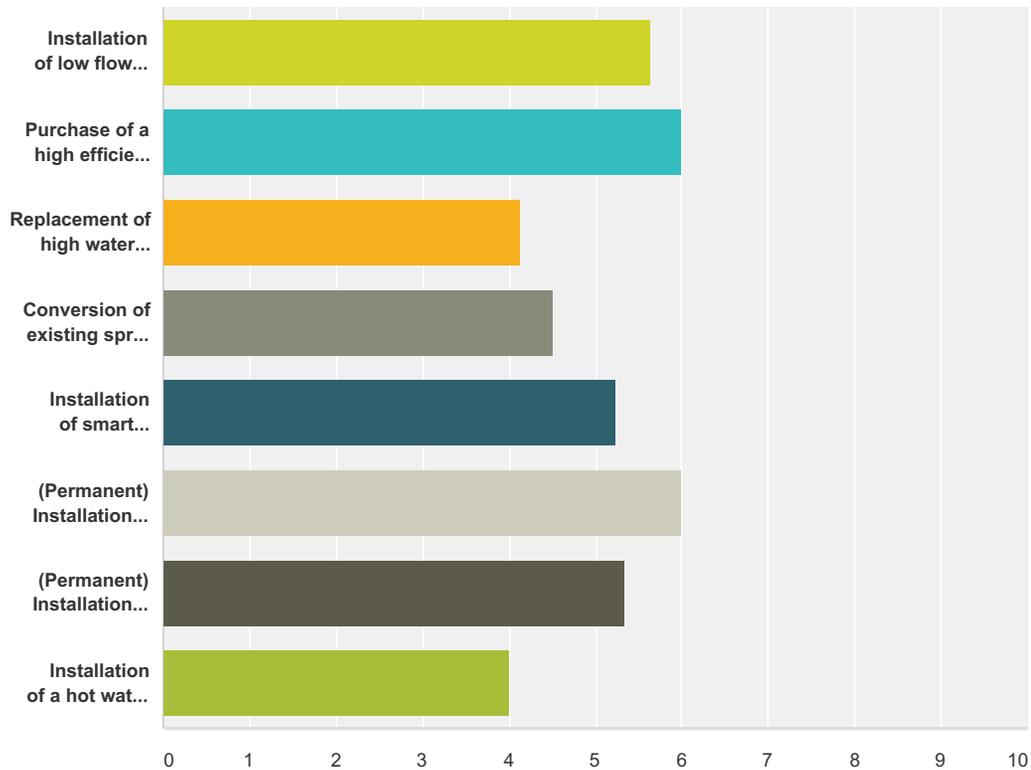
Answered: 44 Skipped: 2



	Would NOT attend	Might attend	Would attend	I would attend and feel this is a high priority	Total	Weighted Average
Irrigation system improvements such as drip irrigation installation and smart irrigation controllers	36.59% 15	29.27% 12	26.83% 11	7.32% 3	41	2.05
(Permanent) Rainwater collection systems for irrigation water	21.43% 9	16.67% 7	35.71% 15	26.19% 11	42	2.67
(Permanent) Greywater reuse systems for landscape irrigation	18.60% 8	16.28% 7	34.88% 15	30.23% 13	43	2.77
General water conservation such as calculating how much water is used for irrigation, reading your meter, finding leaks in your plumbing, etc	28.21% 11	46.15% 18	12.82% 5	12.82% 5	39	2.10

Q4 LDPCSD will be offering rebates to property owners for completing home improvements that conserve water. Please rate the following to show your level of interest in moving forward with the improvements in 2017 if all or a portion of your cost was reimbursed.

Answered: 45 Skipped: 1

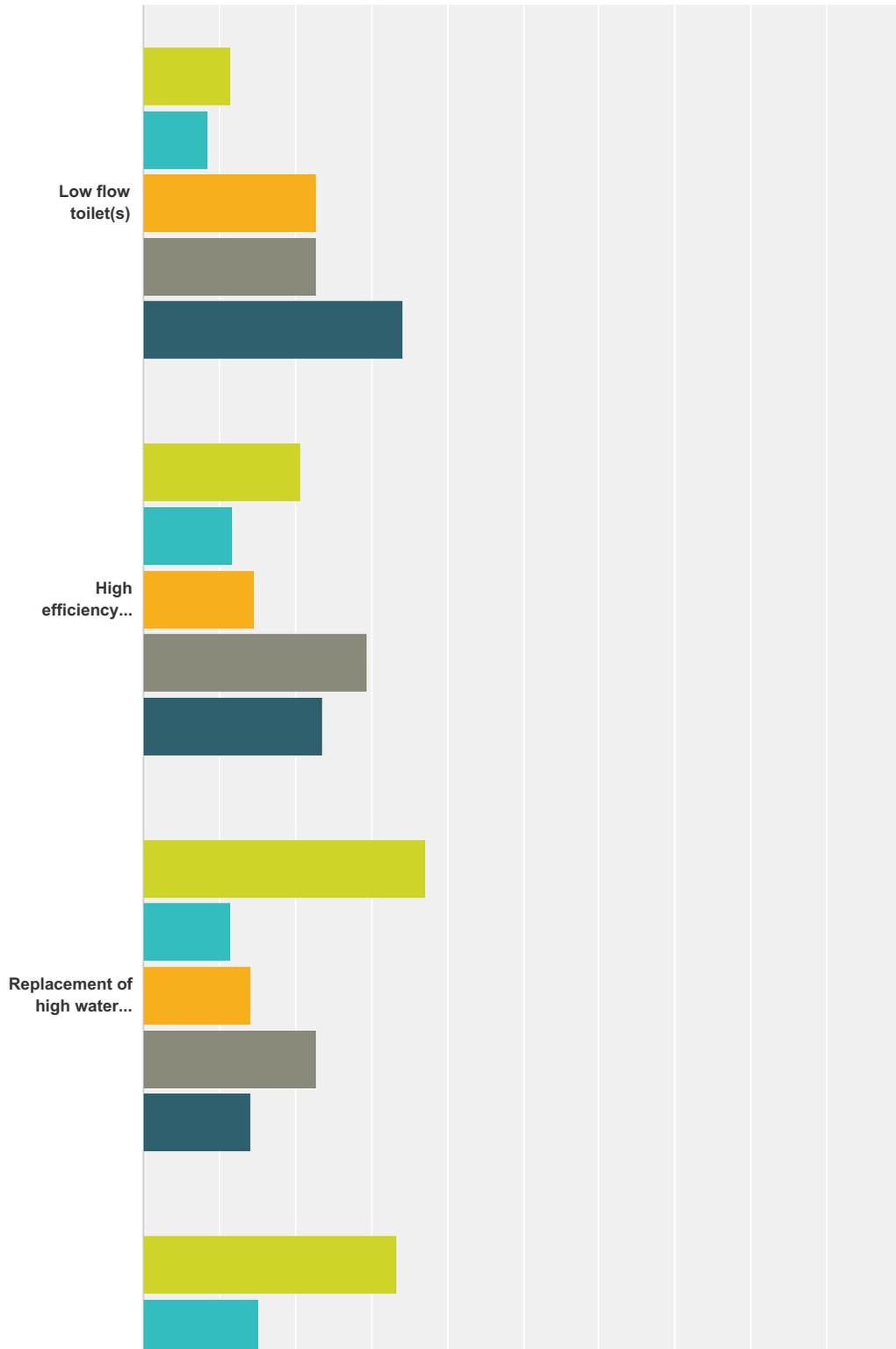


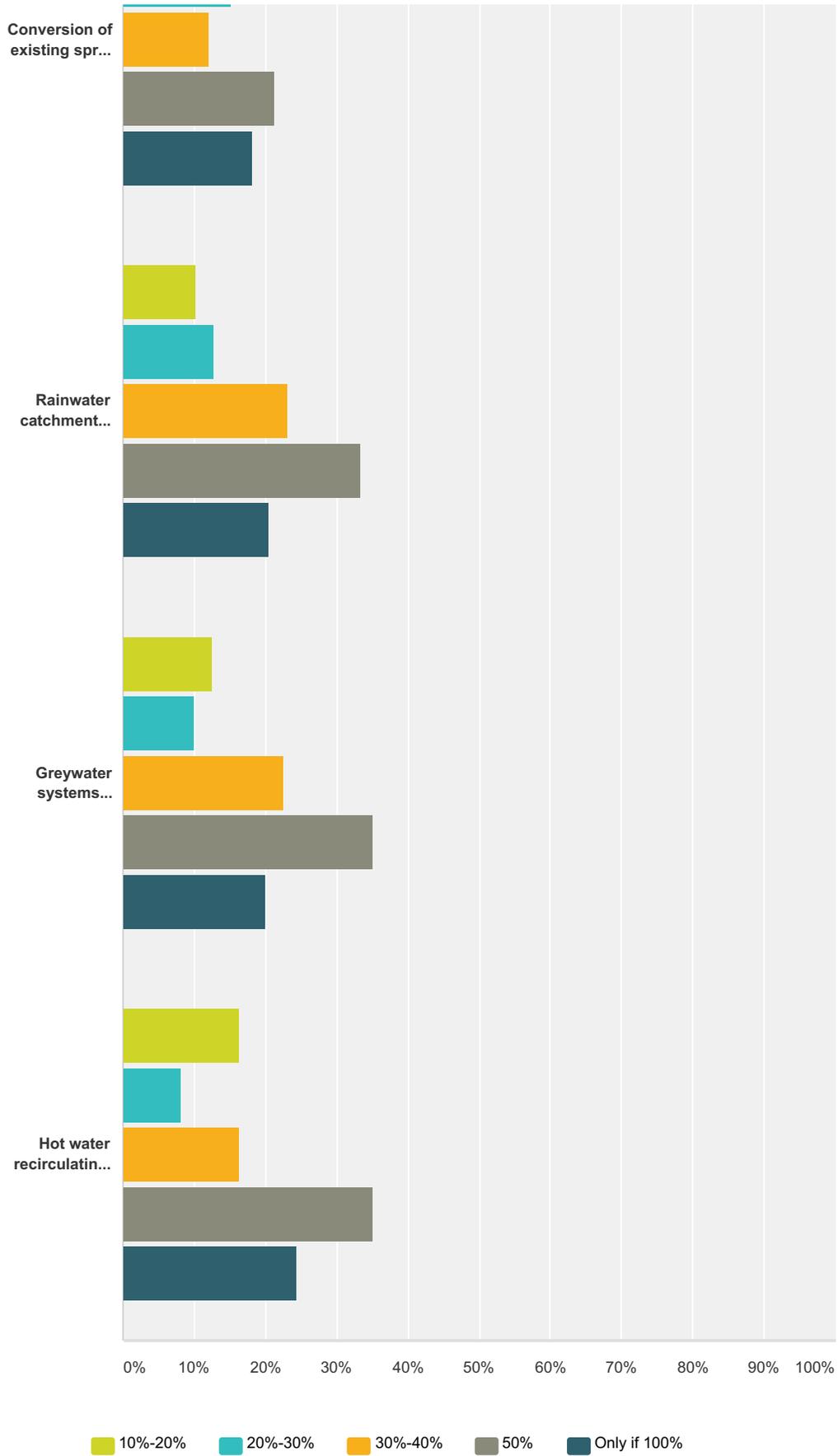
	1	2	3	4	5	6	7	8	N/A	Total	Score
Installation of low flow toilet(s)	17.65% 6	14.71% 5	0.00% 0	8.82% 3	11.76% 4	8.82% 3	0.00% 0	2.94% 1	35.29% 12	34	5.64
Purchase of a high efficiency washing machine	22.58% 7	9.68% 3	3.23% 1	6.45% 2	12.90% 4	3.23% 1	3.23% 1	0.00% 0	38.71% 12	31	6.00
Replacement of high water using plants or grass with drought tolerant landscaping	5.71% 2	8.57% 3	11.43% 4	0.00% 0	11.43% 4	8.57% 3	14.29% 5	8.57% 3	31.43% 11	35	4.13
Conversion of existing spray irrigation to drip or micro-spray systems	0.00% 0	16.13% 5	12.90% 4	3.23% 1	0.00% 0	9.68% 3	9.68% 3	6.45% 2	41.94% 13	31	4.50
Installation of smart irrigation controllers that include weather and moisture sensors	3.45% 1	13.79% 4	13.79% 4	24.14% 7	10.34% 3	0.00% 0	3.45% 1	3.45% 1	27.59% 8	29	5.24
(Permanent) Installation of rainwater catchment systems for irrigation water	30.00% 9	13.33% 4	10.00% 3	16.67% 5	10.00% 3	6.67% 2	0.00% 0	3.33% 1	10.00% 3	30	6.00

(Permanent) Installation of greywater systems for landscape irrigation water	20.59% 7	17.65% 6	8.82% 3	5.88% 2	8.82% 3	8.82% 3	8.82% 3	5.88% 2	14.71% 5	34	5.34
Installation of a hot water recirculating system	2.63% 1	5.26% 2	21.05% 8	7.89% 3	10.53% 4	15.79% 6	10.53% 4	13.16% 5	13.16% 5	38	4.00

Q5 Considering that limited grant funding is available for customer rebates, at what minimum percentage of the improvement cost must rebates be to ensure that in 2017 you will complete the improvements?

Answered: 44 Skipped: 2

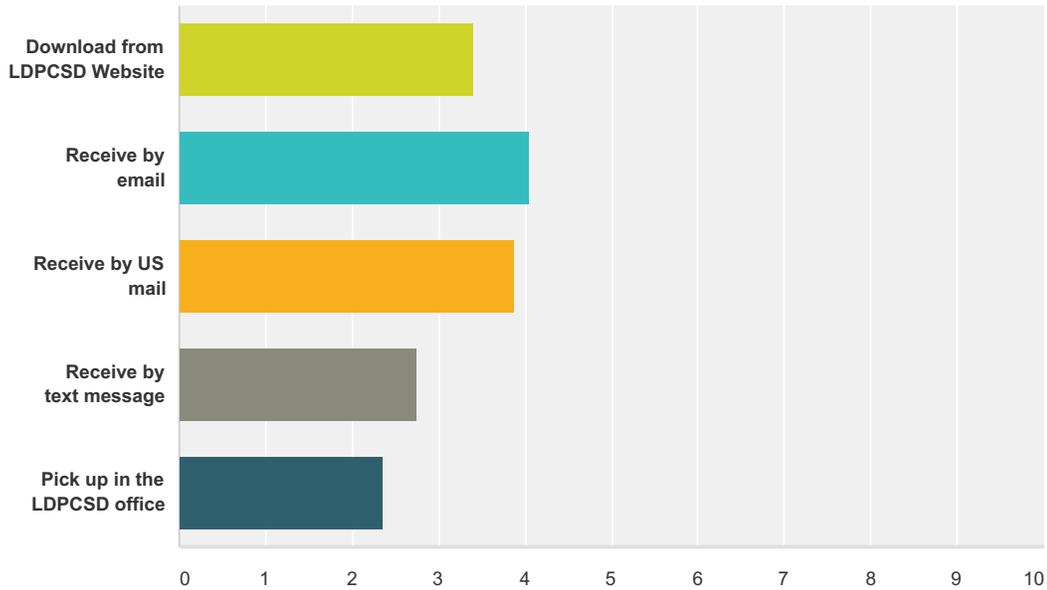




	10%-20%	20%-30%	30%-40%	50%	Only if 100%	Total
Low flow toilet(s)	11.43% 4	8.57% 3	22.86% 8	22.86% 8	34.29% 12	35
High efficiency washing machine	20.59% 7	11.76% 4	14.71% 5	29.41% 10	23.53% 8	34
Replacement of high water using plants or grass with drought tolerant landscaping	37.14% 13	11.43% 4	14.29% 5	22.86% 8	14.29% 5	35
Conversion of existing spray irrigation to drip or micro-spray systems	33.33% 11	15.15% 5	12.12% 4	21.21% 7	18.18% 6	33
Rainwater catchment system installation	10.26% 4	12.82% 5	23.08% 9	33.33% 13	20.51% 8	39
Greywater systems installation (such as laundry to landscape)	12.50% 5	10.00% 4	22.50% 9	35.00% 14	20.00% 8	40
Hot water recirculating system	16.22% 6	8.11% 3	16.22% 6	35.14% 13	24.32% 9	37

Q7 Please rate how would you like to receive information regarding this grant program's water conservation workshops, rebate programs, or home water use evaluations.

Answered: 44 Skipped: 2



	1	2	3	4	5	Don't Care	Total	Score
Download from LDPCSD Website	15.63% 5	21.88% 7	25.00% 8	9.38% 3	6.25% 2	21.88% 7	32	3.40
Receive by email	51.35% 19	21.62% 8	0.00% 0	2.70% 1	13.51% 5	10.81% 4	37	4.06
Receive by US mail	24.14% 7	20.69% 6	13.79% 4	3.45% 1	3.45% 1	34.48% 10	29	3.89
Receive by text message	7.14% 2	10.71% 3	25.00% 7	14.29% 4	14.29% 4	28.57% 8	28	2.75
Pick up in the LDPCSD office	15.63% 5	0.00% 0	3.13% 1	37.50% 12	21.88% 7	21.88% 7	32	2.36

Lake Don Pedro CSD Water Conservation Funding Survey

Please provide information on other water conservation improvements we should consider in the rebate program, or any other suggestions related to development of a high quality, functional water conservation program for Lake Don Pedro!

Answer Options	Response Count
	13
<i>answered question</i>	13
<i>skipped question</i>	33

Number	Response Date	Response Text
1	Mar 11, 2017 1:04 AM	I can't really think of anything.
2	Feb 19, 2017 3:52 PM	n/a
3	Feb 17, 2017 6:10 PM	I think you have covered the most important
4	Feb 12, 2017 6:09 PM	We have already implemented many of the suggestions made above.
5	Feb 11, 2017 2:49 PM	Repairing leaks in a timely manner.
6	Feb 10, 2017 10:33 PM	Removing grass. We are in the country.
7	Feb 9, 2017 8:50 PM	Anything that has to do with outdoor irrigation. Drought resistant landscape.
8	Feb 9, 2017 1:04 AM	Please note: for my level of interest, 8 means VERY interested and 1 means Not interested. I was a bit confused on that.
9	Feb 8, 2017 8:37 PM	Tankless water heaters.
10	Feb 6, 2017 10:35 PM	Reimbursement for Systems put in when drought was occurring and not just for new systems. At least 50% with a showing of receipts.
11	Dec 19, 2016 2:16 PM	What about systems that I have already installed? There should be a consideration for a rebate for homeowners who have already installed some of these items. In order to conserve, we put in a tankless water heater, purchased a new HE washer machine, stop flow showerheads, Pex plumbing(improve water quality 100%) and a spray nozzle on our hose. Is solar power being considered for use in conjunction with a timer for outdoor watering use?[]
12	Dec 4, 2016 3:52 PM	Thank you for your consideration.
13	Dec 4, 2016 2:21 AM	Replace grass with arifical turff