

**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
Groveland Community Services District

**AGENDA**  
August 8, 2016  
10:00 a.m.

District Office  
Groveland Community Services District  
18966 Ferretti Road  
Groveland, CA 95321

**Call to Order**

**Pledge of Allegiance**

**Roll Call of Board Members**

Robert Swan, President  
Bruce Carter, Vice President  
John Armstrong, Director  
Steve Perreira, Director  
Scott Wemmer, Director

**Public Comment-** (3 minutes per person; estimated time required: 10 minutes total)

The public may speak on any item not on the Agenda. We want you to understand that we are listening carefully. However, no action may be taken by the Board. The Board will only hear questions, no responses or answers will be provided. Any item that requires lengthy discussion or Board action shall be submitted in writing to the District Secretary. This will enable the meeting to proceed with decorum, and to facilitate an orderly and respectful business meeting. Thank you.

**1. Agenda Approval**

**Action Items to be Considered by the Board of Directors**

**2. Consent Calendar**

- A. Approve Minutes from July 11, 2016 Regular Meeting
- B. Approve Minutes from July 13, 2016 Special Meeting
- C. Approve Minutes from August 1, 2016 Special Meeting
- D. Waive Reading of Ordinances and Resolutions Except by Title

**3. Delinquent Account Balances to be Placed on Tuolumne County Tax Rolls**

- A. **Public Hearing for the Placement of Delinquent Charges and Delinquencies for FY 2015-2016 on Property Tax Rolls**
- B. **Consider for Adoption Resolution 3-16 Regarding Collection of Delinquent Charges**

4. Consider for Approval Chamber of Commerce Request for GCSD to Provide Traffic Control for 49'er Festival Parade (Chamber of Commerce).
5. Consider for Approval Resolution 4-16 Regarding Water Rate and Flow Meter Application (Staff)
6. Consider for Approval Resolution 5-16 Resolution Regarding Flow Meter Agreement with Self Help Enterprises Well Assistance Program (Staff).
7. Consider for Approval Adjustment from the Water, Sewer, Parks, and Fire Funds of \$2,000 each from the FY 16/17 Budget for Recruitment of the General Manager Position (Staff).
8. Consider for Approval Dog Park Volunteer Release of Liability Waiver Agreement (Staff).

#### **Information Items**

9. Review and Discuss General Manager Job Description (Staff).
10. Review and Discuss Draft Urban Water Management Plan (Staff).
11. Review and Discuss Sewer Rate Study Request for Proposal (Staff).
12. Update on California American Water –what is the process for consideration of privatization (Staff).
13. Establish Date and Times of Committee Meetings (Staff).
14. Review and Discuss Customer Satisfaction Survey (Staff).
15. Review and Discuss Staff Recognition Update (Staff).
16. Ad Hoc Committees Reports
  - A. Board of Director's Policy Manual (Directors Perreira & Swan)
  - B. Equipment Review Committee (Directors Wemmer & Armstrong)
  - C. Survey Committee (Director Carter)
  - D. Budget Committee (Directors Swan & Perreira)
  - E. Bargaining Unit Negotiations (Directors Swan & Wemmer)
  - F. Fire Department (Directors Carter & Armstrong)
  - G. General Manager's Employment Contract Review (Director Perreira & Swan)
  - H. General Manager Goals and Objectives Committee (Directors Wemmer & Carter)
17. Standing Committee Reports
  - A. Strategic Planning (Directors Wemmer & Swan)
  - B. Park Committee (Directors Wemmer & Armstrong)
  - C. Water Conservation (Directors Carter & Wemmer)

D. Finance Committee (Director Swan & Perreira)

18. Staff Reports

- A. General Manager's Comments
- B. Operations and Maintenance
- C. Admin/Finance
  - a. List of July Payables

19. Director Comments

20. Adjournment

ALL AGENDA MATERIAL MAY BE INSPECTED IN THE GROVELAND COMMUNITY SERVICES DISTRICT OFFICE AT 18966 FERRETTI ROAD, GROVELAND, CALIFORNIA

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**Summary of Guidelines for Public Comments at District Board Meetings**  
(Excerpt from Exhibit B of Policy Manual for the Board of Directors)

1. Persons wishing to speak on any Agenda Item may be asked to complete a Speaker Request Card to be given to the Board Secretary prior to the meeting, all speakers can remain anonymous.
2. The Presiding Officer will:
  - Announce the Agenda Item
  - Staff will provide a report and any associated recommended actions to be considered by the Board of Directors.
  - Members of the public will be identified by the Presiding Officer and asked to present their comments and submittals
  - The Presiding Officer will close the hearing and bring the issue back to the Directors for discussion and possible action.
3. Oral comments will typically be limited to 3 minutes and must be relevant to the Agenda Item.

**California Elections Code Section 18340 states:** Every person who, by threats, intimidations, or unlawful violence, willfully hinders or prevents electors from assembling in public meetings for the consideration of public questions is guilty of a misdemeanor.

**California Penal Code Section 403 states:** Every person who, without authority of law, willfully disrupts or breaks up any assembly or meeting that is not unlawful in its character...is guilty of a misdemeanor.

As presiding officer, the President of the Board has the authority to preserve order at all Board of Director meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Board, and to enforce the rules of the Board.  
(Sec. 6 Policy Manual for the Board of Directors)

*Any person who has any questions concerning this agenda may contact the District Secretary.*

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at 209-962-7161. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting. (28FR35.102-35.104 ADA Title 11)





**REGULAR MEETING OF THE BOARD OF DIRECTORS  
GROVELAND COMMUNITY SERVICES DISTRICT  
GROVELAND, CALIFORNIA  
July 11, 2016  
10:00 a.m.**

The Board of Directors of Groveland Community Services District met in regular session on the above mentioned date with Directors, Bob Swan, President, Bruce Carter, Vice President, Scott Wemmer, John Armstrong, and Steve Perreira being present. Also present Interim Board Secretary Lindsay Northrop.

Director Carter called the meeting to order at 10:00 a.m.

**Agenda Approval**

Director Perreira stated that the submittal presented is only a memorandum, and will be discussed under the budget committee report.

Motion

*Director Swan moved, seconded by Director Carter, and the motion passed unanimously to approve the agenda as written.*

**Consent Calendar**

- A. Approve Minutes from June 13, 2016 Regular Meeting

Motion

*Director Carter moved, seconded by Director Wemmer, and the motion passed unanimously to approve the consent calendar.*

**Action Items to be Considered by the Board of Directors**

**Consider for Approval Revising and Approving FY 13/14, 14/15 and 15/16 Pay Schedule to Reflect the Changes Needed as Suggested by CalPERS.**

Director Swan presented the item to the Board. He stated that CalPERS is requiring the District to revise the Pay Schedule for the three fiscal years, and to change the employee uniform allowance language, as it is now considered a benefit. He further stated that this would complete their findings from the District's recent audit. Director Swan read the Uniform Policy Change to the Board and members of the public. A discussion ensued between the Board of Directors and staff.

Motion

*Director Swan moved, seconded by Director Wemmer and the motion passed unanimously to approve the Corrected FY 13/14 Wage Range Schedule Revised July 6, 2016.*

Motion

*Director Swan moved, seconded by Director Armstrong, and the motion passed unanimously to approve the Corrected FY 14/15 Wage Range Schedule Revised July 6, 2016.*

Motion

*Director Swan moved, seconded by Director Carter, and the motion passed unanimously to approve the Corrected FY 15/16 Wage Range Schedule Revised July 6, 2016.*

Motion

Director Swan moved, seconded by Director Armstrong, and the motion passed unanimously to Adopt the Previously Read Policy Change Regarding Uniforms, and Uniform Charges as a Board Policy to be Incorporated in the Employee Manual.

**Consider for Approval Park Committee Recommendation to Remove Stage and Bleachers from the Mary Laveroni Park**

Director Wemmer presented the item to the Board. He stated that the Park Committee discussed and agreed due to nonuse and poor condition, that the stage and bleachers be removed. A discussion ensued between the Board and staff.

Motion

Director Swan moved, seconded by Director Wemmer, and the motion passed unanimously to approve the Park Committee Recommendation to Remove the Stage and Bleachers From Mary Laveroni Park, Contingent on Board Approval of Funds Used for Removal.

**Consider for Approval Electing CSDA 2016 Board Candidate**

Director Swan presented the item to the Board. A brief discussion ensued between the Board and staff.

Director Perreira stated that he would not vote for any of the candidates, due to the lack of information provided.

Motion

Director Swan moved, seconded by Director Armstrong, and the motion passed to Register a Vote as a District for Ginger Root for the CSDA 2016 Election.

Ayes: Swan, Carter and Armstrong

Nays: Director Perreira

Abstain: Director Wemmer

**Consider for Approval Water Committee Recommendation for IRWMP Survey**

Director Carter presented the item to the Board. He stated the survey was discussed and reviewed during the last water committee meeting, and the recommendations have been brought to the Board for final approval. A long discussion ensued.

Motion

Director Carter moved, seconded by Director Swan, and the motion passed unanimously to approve The Priority Rankings on the Questionnaire and for Staff to Fill in the Appropriate Project Responses as Outlined by the Board.

**Consider for Approval Appointing TCRCD Staff as Alternate for Attending IRWMP Meetings**

Ms. Northrop stated that the Water Advisory Committee had been in contact with Mr. Sterling, and offered to attend the meetings and represent the District in any instances staff or Board members were unable to attend.

Director Carter stated he does not think they would represent the feelings of the District.

The Item failed due to absence of a motion.

### **Information Items**

#### **Discuss and Review Traffic Control for 49'er Parade**

Director Wemmer stated that staff should not have to perform traffic control for the event. A discussion ensued between the Board and staff. The Board directed staff to contact the Chamber of commerce and inform them that the District will not assisting in traffic control for the 49'er festival.

#### **Discuss and Review Walkway Repair in Mary Laveroni Park**

Ms. Northrop stated that walkway repair had taken place at Mary Laveroni Park. A brief discussion ensued between the Board and staff.

#### **Discuss and Review SFPUC Conservation Statement**

Director Swan presented the item to the Board. He summarized the statement and stated that SFPUC is asking for a voluntary 10% reduction from its users. A brief discussion ensued between the Board and staff.

#### **Discuss and Review CERBT Annual Review**

Director Swan presented the item to the Board. A brief discussion ensued between the Board.

### **Ad Hoc Committees Reports**

- A. **Board of Director's Policy Manual (Directors Perreira & Swan)**  
No report
- B. **Equipment Review Committee (Directors Wemmer & Armstrong)**  
No report
- C. **Survey Committee (Director Carter)**  
No report
- D. **Budget Committee (Directors Swan & Perreira)**  
Director Perreira presented his memorandum to the Board. He stated that he contacted California American Water, and two of its staff members visited the District. A long discussion ensued between the Board, and members of the public.

Director Armstrong stated, "If this were to go anywhere to the point where the Board were to this that it were to go to a vote from the community".

Director Swan agreed with Director Armstrong.

The Board directed staff to contact California American Water for an additional visit.

- E. **Bargaining Unit Negotiations (Directors Swan & Wemmer)**  
Director Swan stated a closed session is needed to brief the Board on what was discussed with legal counsel. A Special session was scheduled for Wednesday July 13, at 9 am.

**F. Fire Department (Directors Carter & Armstrong)**

Director Carter updated Director Armstrong, that the Board asked the Battalion chief to bring suggestions back to better facilitate coverage to the community with a replacement facility of one of the two stations.

**G. General Manager's Employment Contract Review (Director Perreira & Swan)**

Director Swan stated the contract had been reviewed by legal counsel, and the need for a possible revision date of the General Managers termination date.

**H. General Manager Goals and Objectives Committee (Directors Wemmer & Carter)**

Director Carter stated the committee has planned to meet next month.

**Standing Committee Reports**

**A. Strategic Planning (Directors Wemmer & Swan)**

No Report

**B. Park Committee (Directors Wemmer & Armstrong)**

Director Wemmer stated a solution was found for the volunteers at the Dog Park. Volunteer Work will be approved by the Board, and volunteers will be asked to sign release waivers. He further stated concrete repair was made to the Skate Park on behalf of GAINS, but the repair is only a short term fix.

**C. Water Conservation (Directors Carter & Wemmer)**

Director Wemmer stated the committee will continue to advocate water conservation, by providing the main gate with informational materials. He also stated that work has begun to inform local schools about the Water Conservation Poster Contest.

**D. Finance Committee (Director Swan & Perreira)**

No Report

**Staff Reports**

**A. General Manager's Comments**

Ms. Northrop stated that the District is in compliance with SB 272, a public records requirement. She further stated that the enterprise system catalog can be found on the GCSD website.

**B. Operations and Maintenance**

No report

**C. Admin/Finance**

**a. List of June Payables**

Director Swan presented the list of payables to the Board.

**Director Comments**

Director Armstrong stated more should be done as a Board about Tree Mortality.

Director Swan stated the RFP time period has closed, and that the Board may not see as many proposals back from Engineering Firms, as many Districts are preparing rate studies.

**Adjournment**

Motion

Director Swan moved, seconded by Director Carter and the motion passed unanimously to adjourn the meeting at 12:34 p.m.

APPROVED:

ATTEST:

\_\_\_\_\_  
Robert Swan, President

\_\_\_\_\_  
Lindsay Northrop, Interim Board Secretary

DRAFT

**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
GROVELAND COMMUNITY SERVICES DISTRICT  
GROVELAND, CALIFORNIA  
July 13, 2016  
9:00 a.m.**

The Board of Directors of Groveland Community Services District met in special session on the above mentioned date with Directors Bob Swan, President, Bruce Carter, Vice President, Scott Wemmer, John Armstrong, and Steve Perreira being present. Also present General Manager Jon Sterling.

Director Swan called the meeting to order at 9:00 a.m.

**Agenda Approval**

Motion

*Director Swan moved, seconded by Director Carter and the motion passed unanimously to approve the agenda as written.*

The Board entered closed session at 9:01 a.m.

**Closed Session**

- A. Conference with Labor Negotiator (Government Code Section 54957.6)  
Agency designated representative: General Manager  
Employee Organization: Operating Engineers, Local #3
- B. Public Employee Performance Evaluation (Pursuant to Govt. Code Sec. 54957)  
Title: General Manager

The Board reconvened into open session at 10:31 a.m.

**Reportable Actions**

No report

**Adjournment**

Motion

*Director Wemmer moved, seconded by Director Swan, and the motion passed unanimously to end the meeting at 10:32 a.m.*

APPROVED:

ATTEST:

\_\_\_\_\_  
Robert Swan, President

\_\_\_\_\_  
Lindsay Northrop, Interim Board Secretary

**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
GROVELAND COMMUNITY SERVICES DISTRICT  
GROVELAND, CALIFORNIA  
August 1, 2016  
10:00 a.m.**

The Board of Directors of Groveland Community Services District met in special session on the above mentioned date with Directors Bob Swan, President, Bruce Carter, Vice President, Scott Wemmer, and Steve Perreira being present. Also present General Manager Jon Sterling and Interim Board Secretary Lindsay Northrop

Director Armstrong was absent

Director Swan called the meeting to order at 10:00 a.m.

**Agenda Approval**

Motion

*Director Swan moved, seconded by Director Carter and the motion passed to approve the agenda as written.*

*Ayes: Directors Swan, Carter, Perreira, and Wemmer*

*Absent: Director Armstrong*

**Action Items**

**Consider for Approval Transferring Existing Restricted Reserve Money Markey to New SEC Approved Money Market Fund.**

Mr. Sterling presented the item to the Board. He stated the current funds terms have changed, and under the SEC Government agencies cannot invest in funds that have the potential to lose money.

Motion

*Director Carter moved, seconded by Director Swan, and the motion passed to approve the Transfer of the 2014 Water Debt Restricted Reserve and the 2014 Wastewater Reserve Accounts into Goldman Sachs FS Government Fund Institutional, NASDAQ Note FGTXX.*

*Ayes: Directors Swan, Carter, Wemmer, and Perreira*

*Absent: Director Armstrong*

**General Manager's Comments**

Mr. Sterling stated that the Board will have Resolution 4-16 presented to them at the next regular board meeting, as the Bulk Water fee is the last item needed for the planning Grant for the Big Oak Flat/Downtown Groveland Water Distribution system replacement has been approved.

**Adjournment**

*Director Swan moved, seconded by Director Carter, and the motion passed to adjourn the meeting at 10.23 a.m.*

APPROVED:

\_\_\_\_\_  
Robert Swan, President

ATTEST:

\_\_\_\_\_  
Lindsay Northrop, Interim Board Secretary

*[Faint, large, diagonal watermark text, possibly reading "SECRET" or similar]*



## AGENDA SUBMITTAL

**TO:** GCSB Board of Directors

**FROM:** GCSB Staff

**DATE:** August 8, 2016

**SUBJECT:** Public Hearing for the Placement of Delinquent Charges and Delinquencies for FY 15-16 on Property Tax Rolls; Adopt Resolution 3-16 Regarding Collection of Delinquent Charges

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### SUMMARY

Government Code Section 61115 (Code) provides for the collection of unpaid utility charges and delinquencies. There are two basic methods set forth in the Code that may be pursued simultaneously.

The Code provides that the District may record a certificate of lien with the County Recorder's Office declaring the amount of charges and penalties due. The recorded lien attaches to any real property in the County that is owned by the delinquent property owner. The Code also authorizes the District to collect the delinquent charges and penalties on the tax rolls as part of the ad valorem property tax collected by the County on real property, after a public hearing.

Notice of such a public hearing must be published in the newspaper and mailed notice must be given to the delinquent property owner. Notice of this public hearing was published in the Sonora Union Democrat on July 22, 2016 and July 29, 2016 and mailed notices were sent to the property owners on July 11, 2016.

In addition to providing notice of the hearing, the General Manager must file a report with the Board that describes the amount of unpaid charges and delinquencies, as well as the associated property owners and the assessors parcel numbers. At today's public hearing, the Board must hear and consider any objections and/or protests to this report. At the close of the public hearing, the Board must make a determination on each affected parcel by adopting or revising the report. The final report is filed with the County Auditor on or before August 10<sup>th</sup> and the amount entered on the property tax assessment roll for collection in the same manner as property taxes.

### ATTACHMENTS

1. Resolution 3-16
2. Report of Amount of Unpaid Charges and Delinquencies for FY 2015-16

### RECOMMENDED ACTION

Adopt Resolution 4-16 Approving the Report of Unpaid Charges and Delinquencies for FY 2015-16 and Authorizing Staff to File the Report and Resolution with the Tuolumne County Auditor on or before August 10, 2016 to collect the delinquent charges.

GROVELAND COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 3-16

RESOLUTION OF THE BOARD OF DIRECTORS REGARDING  
COLLECTION OF DELINQUENT CHARGES

WHEREAS, GROVELAND COMMUNITY SERVICES DISTRICT (hereinafter the "District") is a community services district duly organized and validly existing pursuant to the laws of the State of California, Government Code Section 61000 et seq., and

WHEREAS, Government Code Section 61115 specifies the permissible methods for collection and enforcement of unpaid charges for services which the District provides including, but not limited to, the following: (1) by recording in the office of the County Recorder of the county in which the affected parcel is located, a certificate declaring the amount of the charges and penalties due and the name and last known address of the person liable for those charges and penalties which shall constitute a lien against all real property of the delinquent property owner in that county; and (2) to provide that any charges and penalties may be collected on the tax roll in the same manner as property taxes after giving notice to the affected property owner of the time and place for a public hearing to consider any objections or protests to the District's statement of delinquent charges; and (3) to provide for a basic penalty for the nonpayment of charges of not more than ten percent (10%); and

WHEREAS, the District's Water Ordinance authorizes the District to set user rates, charges, and fees for water related services, and

WHEREAS, the District's Sewer Ordinance authorizes the District to set user rates, charges, and fees for sewer related services, and

WHEREAS, pursuant to Government Code Section 61115, on July 11, 2016 the District mailed to all affected property owners a written Notice of Hearing for Filing of Report and Collection of Charges on Property Tax Roll, notifying property owners of a public hearing before the Board of Directors of this District on August 8, 2016 at 10:00 a.m. for the purpose of hearing and making determinations on a report by the General Manager describing the amount of charges and delinquencies for FY 2015-16 on the affected parcels; and

WHEREAS, said Notice of Hearing for Filing of Report and Collection of Charges on Property Tax Roll was published in The Union Democrat Newspaper, Sonora, California, as required by Government Code Section 61115 on July 23, 2016 and July 29, 2016; and

WHEREAS, the Board of Directors of District has conducted and completed the public hearing in accordance with the notice requirements specified in Government Code Section 61115.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Groveland Community Services District that the report from the General Manager describing the amount of charges and delinquencies for FY 2015-16 is attached hereto entitled Exhibit A and is hereby approved, received and filed; the Board hereby determines that the charges and delinquencies in the amount of \$23,485.60 shall be collected by the Tuolumne County Tax Collector on the Property Tax Roll in the same manner as property taxes; and that Staff is hereby directed to file with the Tuolumne County Auditor a copy of this Resolution on or before August 10, 2016, whereby the County Auditor shall enter the amount of the delinquent charges as specified in this Resolution against each of the affected parcels of real property specified herein as they appear on the current assessment roll, and collect the charges and delinquencies in the same manner as property taxes.

PASSED, APPROVED AND ADOPTED this 8<sup>th</sup> day of August 2016, by the following roll call vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

\_\_\_\_\_  
Robert Swan, President

ATTEST: \_\_\_\_\_  
Lindsay Northrop, Interim Board Secretary

I hereby certify that the above Resolution No. 3-16 was duly introduced, read and adopted by the District at a regular meeting held on August 8, 2016, and that such Resolution has not been modified, amended, or rescinded, and is currently in full force and effect.

\_\_\_\_\_  
Lindsay Northrop, Interim Board Secretary



AGENDA SUBMITTAL

**To:** GCSD Board of Directors

**From:** GCSD Staff

**Date:** August 8, 2016

**Subject:** Consider for approval Resolution 4-16 regarding Water Rate and Flow Meter Application

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**Summary:**

Staff is pleased to announce that the contract for Grant Funding for the Groveland/Big Oak Flat Water Line replacement planning project in the amount of \$415,000 is ready for release. The final document needed is an updated resolution memorializing the adopted Water Rate Schedule and the revised Flow Meter application. Revisions to the Districts Flow Meter Application are limited to the cost of Bulk Water sales which are now listed at the Peak Usage Rate of \$1.39.

**Recommended Action**

Approve Resolution 4-16

RESOLUTION NO. 4-16

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT ADOPTING THE WATER RATE SCHEDULE AND AMENDED FLOW METER APPLICATION

WHEREAS, the Groveland Community Services District (the "District") is a community services district duly organized and validly existing under and by virtue of the Constitution and laws of the State of California; and

WHEREAS, the District Board of Directors ("Board") hired a consultant to perform a water rate analysis, which was completed in October 2015; and

WHEREAS, based on the water rate analysis, the District determined adjustments to the water rates were necessary to properly fund District operations and future improvements to the infrastructure; and

WHEREAS, in compliance with all Proposition 218 requirements (California Constitution Article XIII D Section 6(a)(1)), the District provided timely notice to property owners and the public, held a public hearing on the proposed increased rates, accepted written protests, and provided an opportunity for public comment and discussion on the rates; and

WHEREAS, on January 13, 2016, after completion of all Proposition 218 requirements, the District Board found that a majority protest did not exist, and the Board voted to approve the water rate increase; and

WHEREAS, the District now desires to ratify the January 13, 2016 action of the Board and adopt the water rate schedule, as set forth in the October 2015 water rate analysis, and adopt the amended flow meter application.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE GROVELAND COMMUNITY SERVICES DISTRICT AS FOLLOWS:

**Section 1.** That the Water Rate Schedule shall be adopted as shown in **Exhibit A**, attached hereto and incorporated herein by this reference.

**Section 2.** That the District Flow Meter Application be amended to reflect the adopted Water Rate for Peak Demand Usage and adopted as shown in **Exhibit B**, attached hereto and incorporated herein by this reference.

**Section 3.** That the Water Rates and Flow Meter Application are consistent with the rates adopted by the District Board of Directors on January 13, 2016, after notice and public hearing compliant with Proposition 218 requirements, pursuant to California Constitution Article XIII D Section 6(a)(1).

**Section 4.** Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED this 8<sup>th</sup> day of August, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

**GROVELAND COMMUNITY SERVICES  
DISTRICT**

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President

ATTESTED:

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District Secretary

I hereby certify that the above Resolution No. 4-16 was duly introduced, read and adopted by the District at a regular meeting held on August 8, 2016.

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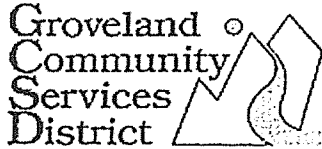
District Secretary

## Exhibit A

Meter Size	FY 2016/17			FY 2017/18			FY 2018/19			FY 2019/20		
	Fixed Rate	Usage Baseline Usage	Peak demand usage	Fixed Rate	Baseline Usage	Peak demand usage	Fixed Rate	Baseline Usage	Peak demand usage	Fixed Rate	Baseline Usage	Peak demand usage
5/8" x 3/4"	\$36.28	\$0.00700	\$0.01385	\$37.36	\$0.00721	\$0.01427	\$38.48	\$0.00743	\$0.01469	\$39.64	\$0.00765	\$0.01514
3/4" x 3/4"	\$36.28	\$0.00700	\$0.01385	\$37.36	\$0.00721	\$0.01427	\$38.48	\$0.00743	\$0.01469	\$39.64	\$0.00765	\$0.01514
1"	\$58.05	\$0.00700	\$0.01385	\$59.79	\$0.00721	\$0.01427	\$61.58	\$0.00743	\$0.01469	\$63.43	\$0.00765	\$0.01514
1 1/2"	\$94.32	\$0.00700	\$0.01385	\$97.15	\$0.00721	\$0.01427	\$100.07	\$0.00743	\$0.01469	\$103.07	\$0.00765	\$0.01514
2"	\$126.96	\$0.00700	\$0.01385	\$130.77	\$0.00721	\$0.01427	\$134.70	\$0.00743	\$0.01469	\$138.74	\$0.00765	\$0.01514
3"	\$199.52	\$0.00700	\$0.01385	\$205.50	\$0.00721	\$0.01427	\$211.67	\$0.00743	\$0.01469	\$218.02	\$0.00765	\$0.01514
4"	\$282.95	\$0.00700	\$0.01385	\$291.44	\$0.00721	\$0.01427	\$300.18	\$0.00743	\$0.01469	\$309.19	\$0.00765	\$0.01514



**Exhibit B**  
**Flow Meter Application**



G.C.S.D. Services - 209 / 962-7161  
Fax - 209 / 962-4943  
Fire Department - 209 / 962-7891  
www.gcsd.org

water • fire protection • parks • wastewater collection & treatment

18966 Ferretti Road P.O. Box 350 Groveland, CA 95321-0350

**FLOW METER APPLICATION**

**Service Address/Location of Hydrant:**

\_\_\_\_\_  
\_\_\_\_\_

**Customer Billing Information:**

**Name:**

\_\_\_\_\_

**Company: Address:**

\_\_\_\_\_  
\_\_\_\_\_

**Phone:**

\_\_\_\_\_

**The Following Fees and Charges Apply:**

<i>Non-Refundable Service Charge:</i>	<i>\$100.00</i>
<i>Additional Day Charge:</i>	<i>\$5.00/day</i>
<i>Meter Relocation Charge:</i>	<i>\$65.00/additional location</i>
<i>Water Consumption Charge:</i>	<i>\$1.39/100 gallons</i>

\* Damage to Hydrant and/or meter will be repaired at the customer's expense (Ord. 2-10, Sec. A2.06)

**FOR GCSD EMPLOYEE USE ONLY**

Meter ID#: \_\_\_\_\_ Installation Date: \_\_\_\_\_

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

**Readings:**

Beginning: \_\_\_\_\_ Ending: \_\_\_\_\_

(Revised S.S.16)



**AGENDA SUBMITTAL**

**TO:** GCSB Board of Directors

**FROM:** Staff

**DATE:** August 8, 2016

**SUBJECT:** Consider for Approval Resolution 5-16, A Resolution of the Board of Directors of Groveland Community Services District Approving Flow Meter Application Agreement

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**SUMMARY**

The District has been approached to participate in the local Dry Well Assistance Program administered by Self-Help Enterprises to assist Mariposa County Residents experiencing dry wells. On September 18, 2014, Governor Brown made funding available to provide water for drinking and sanitation purposes to households currently without running water.

If approved, water haulers would be required to fill out the 30 Day Temporary Flow Meter Application.

**ATTACHMENTS**

1. Resolution 5-16
2. List of Participants
3. Flow Meter Application

**RECOMMENDED ACTION**

**Approve Resolution 5-16, A Resolution of the Board of Directors of Groveland Community Services District Approving Flow Meter Application Agreement**

**RESOLUTION NO. 5-16**

**RESOLUTION OF THE BOARD OF DIRECTORS OF GROVELAND COMMUNITY SERVICES  
DISTRICT APPROVING FLOW METER APPLICATION AGREEMENT.**

**WHEREAS**, on January 17, 2014, and April 25, 2014, Governor Edmund G. Brown, Jr. proclaimed a State of Emergency and continuing State of Emergency throughout the State of California due to severe drought conditions; and

**WHEREAS**, many residents across the state who rely on domestic wells or very small water systems now live in homes that can no longer provide water for drinking or sanitation purposes due to declining ground water supplies resulting from the drought; and

**WHEREAS**, on September 18, 2014, the Governor made funding available to provide water for drinking and sanitation to households currently without running water (the "Program"); and

**WHEREAS**, the Program, administered by Self Help Enterprises (SHE), provides potable water to eligible households by installation of water tanks, use of existing tanks, routine water deliveries, or other means; and

**WHEREAS**, there is a need for temporary water in the Groveland area to supply water haulers servicing Program eligible households, and SHE desires access to GCSD water hydrants to temporarily fulfill those needs at the flow meter rates already approved by GCSD; and

**WHEREAS**, to facilitate the above service, a form *Temporary Flow Meter Application Agreement* attached as Exhibit A sets forth all the necessary data, rates and terms of use staff require to administer rental of GCSD flow meters and sales of water via hydrants; and

**NOW THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE  
GROVELAND COMMUNITY SERVICES DISTRICT AS FOLLOWS:**

**Section 1.** The District shall allow water haulers to provide temporary water to users who have dry domestic wells or low volume wells that do not meet health and sanitation needs as a result of drought as determined by SHE under the Program.

**Section 2.** That the water provided under this Resolution is temporary and shall not be considered a long term or permanent source of water by any water haulers or end users of water provided by them.

**Section 3.** The form *Temporary Flow Meter Application Agreement* attached as Exhibit A is hereby approved and adopted and shall be made available only to water haulers delivering water to users identified by SHE under the Program.

**Section 4.** The General Manager is hereby authorized and directed to carry out this Resolution and effective implementation of the form application agreement for the rental of water hydrant meters and sales of water via hydrants at the rates in effect at the time of the rental.

**Section 5.** The Board of Directors may repeal this Resolution at any time.

ADOPTED BY THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT ON AUGUST 8, 2016, BY THE FOLLOWING ROLL CALL VOTE:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

---

Robert Swan, President

---

Lindsay Northrop, Interim Board Secretary

NAME	ADDRESS	CITY	ZIP CODE
Pereira	9678 Texas Hill Rd	Coulterville	95311
Synkowicz / Kirk	6791 Dogtown Rd	Coulterville	95311
Maxon	10959 Smith Station Road	Groveland	95321
Drake	4771 Mary Harrison Mine Road	Coulterville	95311
Fairchild	9675 Manzanita Way	Coulterville	95311
Harley	11089 Dexter Rd	Coulterville	95311
White	9293 Merced Falls Road	La Grange	95329
Bauman	10701 Highway 49 North	Coulterville	95311
Scofield	5944 Old Greeley Hill Rd.	Coulterville	95311
Hiatt / Ridenour	6562 Greeley Hill Rd	Coulterville	95311
Alvarez	9709 Wagner Rd	Coulterville	95311
Wilcox	5936 Sugar Pine Dr.	Coulterville	95311
Munn	10436 Priest Coulterville Road	Coulterville	95311
Phillips / Maxon	10951 Smith Station Road	Groveland	95310
Fox	10427 Priest Coulterville Rd	Coulterville	95311



G.C.S.D. Services - 209 / 962-7161  
 Fax - 209 / 962-4943  
 Fire Department - 209 / 962-7891  
 www.gesd.org

water • fire protection • parks • wastewater collection & treatment

18966 Ferretti Road P.O. Box 350 Groveland, CA 95321-0350

## 30 DAY TEMPORARY FLOW METER PERMIT APPLICATION

**Customer Billing Information:**

Applicant's Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**Service Location/Hydrant:** \_\_\_\_\_

**Meter:**

I.D.# \_\_\_\_\_ Size \_\_\_\_\_ Meter Tails \_\_\_\_\_ Gate Valve \_\_\_\_\_ Hydrant Adaptor \_\_\_\_\_ Reducer \_\_\_\_\_

**Type of Use:**

SHE Approved Water Truck \_\_\_\_\_ Other \_\_\_\_\_

**Meter Check-Out:**

District Employee Name \_\_\_\_\_

Date Meter Issued \_\_\_\_\_ Date of Return \_\_\_\_\_ Total Days \_\_\_\_\_

Reading at Check-Out \_\_\_\_\_ Reading at Return \_\_\_\_\_ Total Water Used \_\_\_\_\_ (gal.)

Total Water Used	X	\$1.39/100 gal.	= \$	_____
Total Days Used	X	\$5.00/day	= \$	_____
Meter Relocation Charge:		\$65.00/add'l location	= \$	_____
Non-Refundable Service Charge:		\$100	= \$	_____
<b>Total</b>			<b>=</b>	<b>=====</b>

### TERMS AND CONDITIONS

1. Applicant is responsible to pay for any damage to hydrant and/or meter. (Ord. 2-10, Sec. A2.06.)
2. For fire safety, meter must be removed from the hydrant each night and whenever not in use.
3. Service is subject to GCSD's Water Rules and Regulations.
4. Applicant shall not allow hydrant flows to *exceed 200 gallons (28 cu. ft.)* per minute for a 2.5" meter, and *50 gallons per minute (7 cu. ft.)* for 1" meters. Flows shall be regulated by the meter valve, not the hydrant valve. The hydrant valve must be fully opened when in use.
5. Applicant shall open and close hydrant valves slowly – *2 minutes each way minimum*.
6. Applicant shall only use hydrant(s) at locations specified by the District.
7. Hydrant meter rental is limited to one (1) month, thereafter renewable in one (1) month increments at the discretion of the District.
8. Meters shall be used only in locations approved by the District and specified above.
9. Applicant agrees that he/she will the return meter in working condition and is aware that any security deposit will not be refunded until this has been verified by appropriate GCSD staff.
10. Applicant agrees that the water removed from the hydrant shall only be used to provide water to those users identified by Self Help Enterprises (SHE) as in need of a temporary water source.
11. That this permit shall expire 30 days after the date signed by the District unless otherwise expressly provided in writing.

I understand and agree to the foregoing.

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

(Approved by Board Resolution No. 5-16 on 08/10/2016)



AGENDA SUBMITTAL

**To: GCSB Board of Directors**

**From: GCSB Park Committee**

**Date: August 8, 2016**

**Subject: Consider for approval Dog Park Volunteer/Hold Harmless Agreement**

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**Summary :**

In an effort to assist in operation of the Dog Park the Districts Park Committee has met with interested volunteers who would like to continue in helping to maintain the Dog Park grounds. A brief description of volunteer duties and a hold harmless agreement have been developed. If approved by the Board this would be a "District Board approved" activity that would be covered by the Districts General Liability Policy, the Hold Harmless Agreement protects the District in case the volunteer is injured while performing volunteer duties.

**Recommended Action**

Approve the Dog Park Volunteer/Hold Harmless Agreement

**GROVELAND COMMUNITY SERVICES DISTRICT**

**AGREEMENT AUTHORIZING ENTRY ONTO DISTRICT PROPERTY AND  
WAIVER, INDEMNIFICATION, AND RELEASE FROM LIABILITY**

This Agreement Authorizing volunteers to perform maintenance tasks at the District Dog Park, entry onto District property and Waiver, Indemnification, and Release from Liability. This agreement authorizing entry onto District property to perform the following:

1. Maintenance of the Dog Park facility to include weed eating, weed pulling, raking, litter and debris removal. Emptying of dog waste containers and relining, to be disposed of in dedicated trash dumpsters located at the District maintenance facility.

This Agreement Authorizing Volunteers Entry onto District property to perform stated responsibilities and Waiver, Indemnification, and Release of Liability ("Agreement") is entered into in connection with, and as a condition of approval of, access to property owned or operated by the Groveland Community Services District ("District").

I, \_\_\_\_\_ ("Entrant/Volunteer"), in consideration of the authorized entry and access to District Property:

1. **HEREBY AGREES TO THE FOLLOWING TERMS AND CONDITIONS:**

A. Authorized Entrant/Volunteer shall:

- Sign, and obtain District approval of, this Agreement prior to initial entry;
- Park in designated parking areas at the District's administrative offices, Mary Laveroni Community Park, or Leon Rose Ball Field;
- Stay on interior roads and trails while walking on District Property;
- Not enter the spray field areas, District shop and material/vehicle storage/parking areas, or have contact with the waters stored in Reservoirs 1 and 2;
- Avoid contact with over-spray from spray fields and from aeration systems operating in the reservoirs;
- Not touch or otherwise tamper with any piping or valves associated with wastewater treatment, recycled water, or spray field irrigation activities;
- Immediately report all unauthorized entry or suspect activity to District staff;
- Not harass wildlife and shall be mindful of rattle snakes.

B. This Agreement provides limited right of entry to District Property to Entrant/Volunteer and will remain in effect until revoked at the sole discretion of District.

2. **HEREBY RELEASE, WAIVE, DISCHARGE, AND COVENANT NOT TO BRING SUIT AGAINST, AND AGREE TO INDEMNIFY AND HOLD HARMLESS**, the District, its board of directors, officers, employees, attorneys, agents, representatives, and volunteers acting within the scope of their authority on behalf of the District from all liability to the undersigned, his/her personal representatives, assigns, heirs, distributees, guardians, legal representatives, and next of kin for any loss, liability, damage, injury, or death to property or person while on District Property, whether such loss, liability, damage, injury, or death arises out of the negligence, joint, sole, active and/or passive, of the District, or otherwise.

\_\_\_\_\_  
Entrant/ Volunteer Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

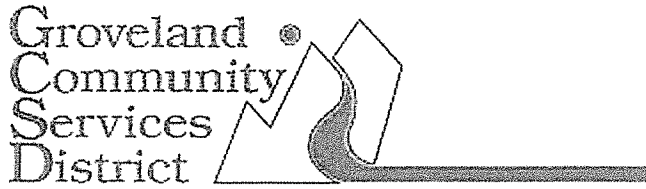
\_\_\_\_\_  
Date

District Approval

\_\_\_\_\_  
Jon Sterling  
General Manager/O&M Manager

\_\_\_\_\_  
Date





## GENERAL MANAGER

### General Description:

Under administrative direction of the Board of Directors, the General Manager is responsible for the financial, administrative, and operational affairs of the District. He/she represents the Board's policies and programs with employees, community organizations, the general public, other agencies, and associations. The General Manager is responsible for managing all expenditures, programs, and projects of the District and manages this process through the development and implementation of the District's Budget. He/she is directly responsible for all Human Resources and Personnel issues in the District.

**Essential Functions-** *Essential responsibilities and duties for the General Manager include, but are not limited to the following:*

- Serve as the Chief Executive Officer of the District, with responsibility for the day-to-day and long term operations and activities of the District, organizing and assigning responsibilities, and directing and overseeing the management provided by the subordinate managers.
- Provides advice and consultation on the development of District programs, projects and policies.
- Keeps the Board of Directors advised of District activities and laws, issues or problems that may affect District Operations.
- Coordinates the preparation of the Agenda for Board Meetings and Board Committee Meetings.
- Motivates employees to safe and efficient operations of the District
- Oversees the preparation and implementation of the District's Annual Budget.
- Responsible for all personnel matters, including employment procedures, grievance, employer-employee relations, performance evaluations and goal setting, and training.
- Responsible for all financial matters of the District, including payment authorization, grant applications, and contracts and agreements
- Responsible for the planning and implementation of long- and short-term Capital Improvement Programs.
- Responsible for Strategic Planning activities, and the long-term goals and objectives of the District.
- Serves as the District's representative with other government and community agencies, boards, and commissions.
- Represents the Board's policies and programs with employees, community representatives, and other governmental agencies.

- Responds to and resolves difficult and sensitive customer inquiries and complaints.

### **General Manager Entry Requirements**

#### **Knowledge of:**

- Principles and practices of executive management and leadership, including planning and organizing responsibilities, motivation and delegation of authority.
- Applicable federal, state, and local laws, codes and regulation relative to water treatment and distribution, wastewater collection, treatment and disposal, and fire departments.
- Fundamentals of safety and risk management.
- Principles and practices of construction and service contract negotiations and administration.

#### **Demonstrated ability to:**

- Formulate, manage, and implement annual budgets.
- Develop and implement Strategic Plans.
- Motivate and manage a safe and efficient staff.
- Manage small- and large-scale capital projects.
- Work with and assist Boards of Directors of diverse backgrounds and motivations.
- Creatively solve complex administrative, financial and technical (operational and engineering) problems.
- Understand diverse technical and engineering principles.
- Work with regulatory agencies.
- Pass physical and drug screening tests.
- Demonstrate knowledge of the Operations and Maintenance of a Water and Wastewater system.
- Effectively communicate orally and in writing, including written reports and oral presentations.
- Plan, establish and implement programs, services, capital improvements, goals, objectives, policies, and procedures.

#### **Other Requirements:**

- Prior work experience with a Community Services District.
- Prior experience working with a Public Fire Agency.
- Grant Writing/Award experience.

#### **Physical Demands:**

The physical demands described herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is regularly required to speak and hear to effectively interface with other staff members and the public; maintain the capacity to sit at the computer for a period of time; walk, stand, kneel, climb, stoop, bend, squat; and use hands and fingers to write and to handle, grip and operate office equipment and drive a District vehicle.

Specific vision abilities required by this job include close vision, distance vision, peripheral vision, and the ability to adjust focus.

**Work Environment:**

The work environment characteristics described below are representative of those an employee encounters while performing the essential functions of this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Inside: The majority of the job activities are performed indoors in a temperature-controlled environment.

Noise/Vibration: The majority of the job activities have minimal exposure to noise generated from the operation of office equipment.

Education/Certification:

BS or MS degree from an accredited college or university, in Engineering (preferred), or Public Administration.

Must possess a valid California driver's license, have a satisfactory driving record, and be insurable by the District to operate District vehicles.

Experience

A minimum of ten (10) years of progressively more responsible experience in public agency management

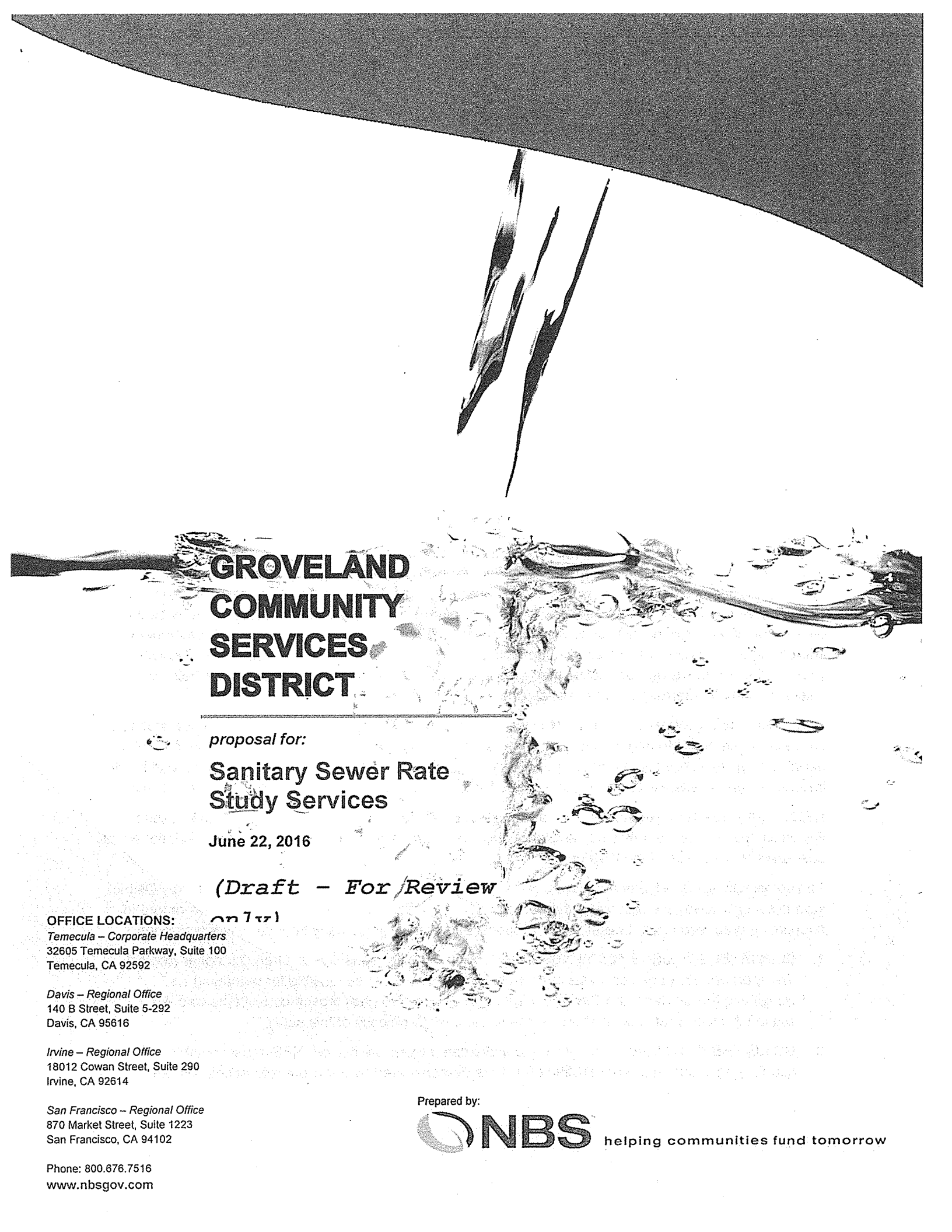
Four years of experience working experience working with an elected Board of Directors.

Work Hours:

Monday through Friday, 8:00 a.m. -4:30 p.m. Subject to change as required to meet the needs of the District. Must be willing to attend Board Meetings outside of regular work hours. Must be available for emergency response





A black and white photograph of water splashing upwards, creating a large, dynamic splash that fills the right side of the page. The water droplets are captured in mid-air, creating a sense of movement and freshness. The background is a light, textured surface, possibly a wall or a large piece of paper, which makes the dark water splash stand out prominently.

# GROVELAND COMMUNITY SERVICES DISTRICT

proposal for:

## Sanitary Sewer Rate Study Services

June 22, 2016

*(Draft - For Review*

**OFFICE LOCATIONS:**


*Temecula – Corporate Headquarters*  
32605 Temecula Parkway, Suite 100  
Temecula, CA 92592

*Davis – Regional Office*  
140 B Street, Suite 5-292  
Davis, CA 95616

*Irvine – Regional Office*  
18012 Cowan Street, Suite 290  
Irvine, CA 92614

*San Francisco – Regional Office*  
870 Market Street, Suite 1223  
San Francisco, CA 94102

Prepared by:

 **NBS** helping communities fund tomorrow

Phone: 800.676.7516  
[www.nbsgov.com](http://www.nbsgov.com)



32605 Temecula Parkway, Suite 100  
Temecula, CA 92592  
Toll free: 800.676.7516 (P) 951.296.1997  
www.nbsgov.com

June 22, 2016

**Groveland Community Service District**  
**Attn: Jon Sterling, General Manager**  
18966 Ferretti Road  
P.O. Box 350  
Groveland, CA 95321

**SUBJECT: SANITARY SEWER RATE STUDY SERVICES**

Dear Mr. Sterling,

We appreciate the opportunity to discuss your sewer rate issues and submit this proposal to prepare a Sanitary Sewer Rate Study. Based on our discussions, we have prepared this proposal with the intent of successfully meeting the challenges related to the District's sewer rate issues.

You have noted that one of the District's key issues will be determining the best approach to charging for sewer services – which may include evaluating geographically-based fixed and variable charges. Our approach includes guiding District staff and your Board through a process that we believe will produce cost-effective results and enable you to eliminate rate alternatives early on in the study that may be too complex or administratively difficult to implement. A critical component of this objective will be properly interpreting Proposition 218-related assumptions and how recent court decisions impact the District's choices. Therefore, we will summarize their pros and cons the various rate alternatives and help you select appropriate alternatives prior to analyzing them in more detail.

Other important objectives of this study include developing rates that provide long term revenue stability, are easy for the public to understand, and are easy for the District to administer. In light of the District's priority for transparently communicating with your Board and customers, we will illustrate the monthly bill impacts of various alternatives and respond to questions and input from both the Board and the public.

NBS brings a wealth of experience in resolving these types of rate design, fairness and equity issues. Based on our experience, this study is intended to provide you with the advice and recommendations that best serve the interests of the District.

To successfully achieve these objectives, our approach relies heavily on working closely with key District staff to not only develop a recommended rate alternative, but also build a solid administrative record to support the proposed rates. Overall, NBS' proposal offers the District many benefits and advantages:

- 1. DEDICATED PROJECT TEAM:** NBS offers a team of senior consultants: Greg Clumpner (project manager) and Kim Boehler (assistant project manager) will be responsible for managing and completing this study for the City *from start to finish*. We also offer proven consultants who will support the technical tasks that are crucial to the overall success of this study.
- 2. GOING THE EXTRA MILE:** In addition to a dedicated team, we believe NBS' most valuable qualification is our record of satisfied clients, as demonstrated by our client references. We are

genuinely concerned about this project's success and your satisfaction; therefore, we strive to exceed what is expected of a consultant by:

- Refining our approach and tailoring the schedule to what works best for the District
- Understanding how recent changes to laws and regulations may affect the study
- Working with you as partners, and attending to your concerns.
- Striving to educate District staff and key stakeholders throughout the process.
- Soliciting your active involvement in the study, yet respecting your time by not burdening you with unnecessary requests

**3. TAILORED PROJECT APPROACH:** Based on our understanding of the challenges of this study, our project approach is one that we believe will maximize the value and success of this study, including:

- **Careful Evaluation of Rate Design and Customer Bill Impacts** – How alternatives impact customers.
- **Review Customer Classes** – Including geographic-based and elevation zone charges as needed.
- **Examine Overall Customer Equity** – NBS will work with District staff to carefully evaluate customer classes, rate design, and equity with the intent of developing the right alternative.
- **Defensibility and Meeting Prop 218 Requirements** – NBS will fully vet rate alternatives with District staff as part of the process of selecting and designing new rates.

**4. TECHNICALLY SOUND RATE STUDY TASKS:** Working with similar agencies throughout the State, we understand the various approaches that can and have been successfully used in similar studies. Based on the 30 years' experience of our Project Manager, along with our close ties to legal experts in the water industry, our proposal offers sound and implementable solutions.

Thank you for considering our proposal. We look forward to a more detailed discussion of our ideas for meeting the challenges of this study. Please do not hesitate to contact Greg Clumpner, our proposed Project Manager for this study, at either 530.297.5856 (cell) or at [gclumpner@nbsgov.com](mailto:gclumpner@nbsgov.com) if you have any questions.

Sincerely,

Greg Clumpner  
Director - Utility Rate Practice Group

Michael Rentner  
President & CEO

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## DESERT WATER



**MARTIN KRIEGER**  
*CCMT Finance Director*

*"The recently completed Rate Study that you prepared in January 2014 addressed the needs and concerns that we were encountering. Your expertise, professionalism, insight and thoroughness places you and NBS in the highest regard with the Board of Directors and Management staff of the Desert Water Agency"*

*Comprehensive Water Agency Study: 2014*

# 1. EXECUTIVE SUMMARY

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## Key Provisions

NBS's proposal offers a dedicated team of consultants that have a long history of successfully completing similar studies and excellent client references to support this claim. Greg Clumpner, our project manager and key point of contact, is an industry leader in utility rate study issues and brings more than 30 years of experience to this study.

Other key provisions include:

1. Refining our approach and tailoring the schedule to what works best for the District
2. Understanding how recent court cases and regulations may affect the study
3. Working with you as partners, and attending to your concerns
4. Advising you on the pros and cons of alternative rate designs; in particular, the *elevation surcharges* and other customer-specific rate design issues (*geographic and location factors*)
5. Striving to educate District staff and key stakeholders throughout the process.
6. Soliciting your active involvement in the study, yet respecting your time by not burdening you with unnecessary requests
7. Our commitment to your complete satisfaction with the outcome of the study; our goal is that *you will be writing a strong letter of recommendation based on our performance*

Additionally, the NBS staff will work with District staff to determine the level of analysis of rate designs necessary to meet the expectations of the District's Board. This undoubtedly will involve discussions regarding the benefits from, and equity of different rate design alternatives.

## Role of the Consultant

The role of the consultant in this study is to provide the technical advice and guidance necessary to fully evaluate the technical issues, including various alternatives considered, and bring the study to a successful conclusion (most notably the successful adoption of new rates). This includes Prop 218-related support, materials, and presentations as necessary. NBS also assumes full responsibility for cost controls and managing each study task.

NBS manager (Greg Clumpner) and staff regularly attend and speak at industry conferences (ACWA, AWWA, CWEA) on sewer rate issues such as rate design, cost-of-service principles, and conservation and drought topics. For example, on April 26 this year, Greg Clumpner chaired a day-long preconference seminar for CWEA's Annual Conference in Santa Clara on utility rates that included attorneys, engineers, financial advisors, and rate practitioners as speakers.

## 2. INFORMATION PAGE

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### Firm Contact Information

**Business Information:**

NBS  
32605 Temecula Parkway, Suite 100  
Temecula CA 92592  
Phone: 800.676.7516

**Management Representative**

**Authorized to Bind the Consultant:**

Mike Rentner, *CEO*  
Phone: 800.676.7516  
Email: mrentner@nbsgov.com

**Project Manager & Primary Proposal Contact:**

Greg Clumpner, *Director*  
Phone: 800.676.7516 (office), 530.297.5856 (cell)  
email: gclumpner@nbsgov.com

### 3. DESCRIPTION OF STUDY UNDERSTANDING

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#### Project Understanding

The District needs a thorough rate study to evaluate cost-of-service sewer rates, and has discussed a number of alternative rate designs. For example, being a small foothill community, the sewer system includes a relatively large number lift stations (16), and some customers have raised concerns about cost-of-service and rates for customers at different elevations and what Prop 218-related requires regarding these kinds of geographic differences in customer locations.

This rate study will also make it a priority to maintain transparent communications with the District's residents and Board. Other priorities critical for the success of this study include:

- **Revenue Sufficiency and Stability** – Preparing annual revenue requirements that fully fund O&M and capital improvement needs is a task of first importance. The financial plan addresses revenue *sufficiency* whereas, in contrast, revenue *stability* is more closely tied to the rate design. Related issues include the refinement of customer classes/EDUs, and how well the rate design alternatives will perform under future changes in levels of conservation in response to drought mandates.
- **Rate Design and Water Conservation Impacts** – Current and alternative rate structures should clearly outline the pros and cons of each option, including rate based on water consumption. NBS intends to provide the guidance and advice necessary for both staff and the Board to make informed choices and implement rate designs that best serve the customers in the long run.
- **Customer Classes and Equity for All Customers** – The District's RFP has raised the customer class-related questions of whether equitable sewer charges require parcel-by-parcel rates or other geographic components such as sub-areas served by lift stations. Based on our work with many agencies and attorneys throughout the state, the general understanding is that:
  - Rates do not need to be prepared on a parcel-by-parcel basis, although this approach does not appear to be prohibited.
  - We are not aware of any other water or sewer agency that has ever used a parcel-by-parcel rate design (excluding water budget-based water rates – an entirely different matter).
  - Zonal surcharges are acceptable, although not common, and could be supported if needed.

If the District's current customer classes are not well-suited to the District's needs, NBS will consider new customer classes to the extent necessary.

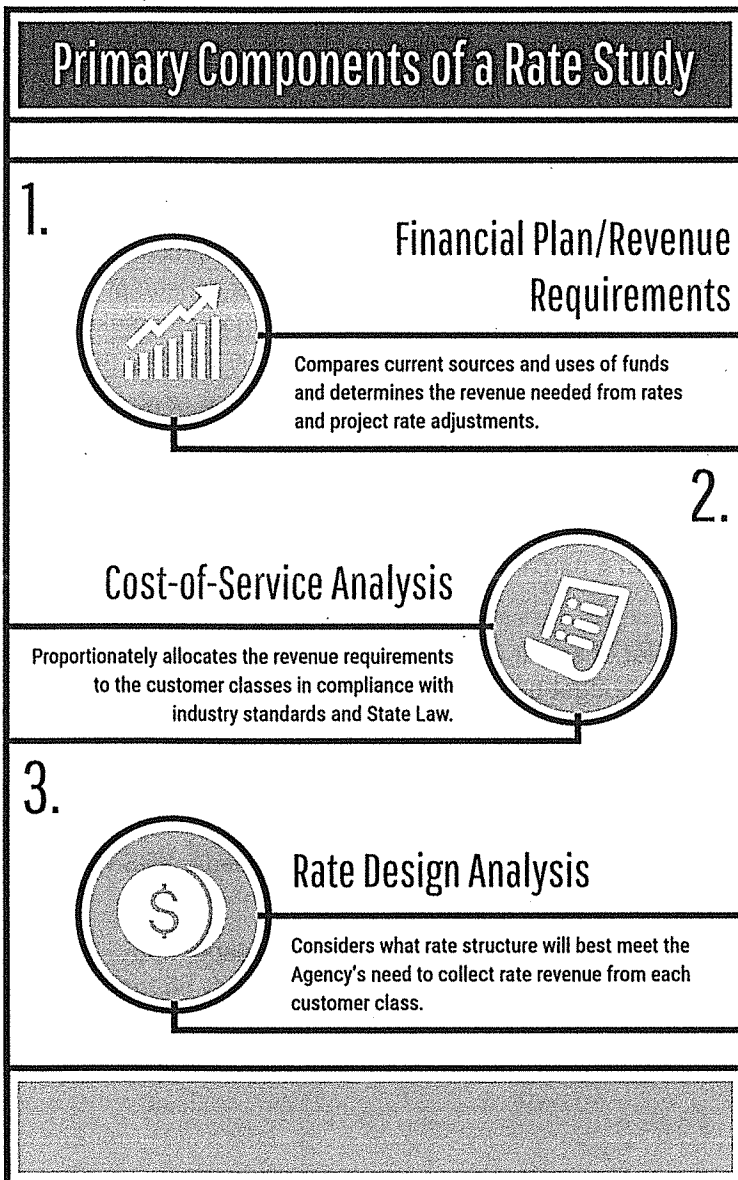
- **Defensibility and Meeting Prop 218 Requirements** – The Prop 218 "landscape" has substantially changed in the last few years. While the courts have spoken clearly on many issues, understanding the current direction and implications of these changes will be an important aspect of this study. NBS will fully vet these issues with District staff as part of the process of selecting and designing new rates.

## 4. METHODOLOGY AND SCOPE OF WORK

### Methodology

NBS follows basic industry standards, which are shown in Figure 1 and are intended to reflect the fundamental principles of cost-of-service rate making embodied in the American Water Works Association (AWWA) Principles of Water Rates, Fees, and Charges<sup>1</sup>, also referred to as Manual M1. They also address requirements under Prop 218 that rates not exceed the cost of providing the service and be proportionate to the cost of providing service for all customers. In terms of the chronology of the study, these three steps represent the order they were performed in this Study.

Figure 1. Primary Components of a Rate Study



### Scope of Services – Sewer Rate Study

This section presents the scope of services for completing the sewer rate study. However, we will be prepared to make adjustments during the course of the study to better reflect the direction of from District staff and Board as the study progresses. NBS will provide the leadership necessary to guide you through the various options, key issues, and explaining the issues involved.

#### Task 1. Kickoff Meeting and Data Collection

**Task Objectives:** Clearly communicate and work with District staff to obtain necessary data and review study objectives, tasks, and schedule.

**Task Deliverables:**

- Data request provided to District staff one week prior to the kick-off meeting.
- Review of initial data provided.
- Kick-off meeting with District staff.
- Preliminary schedule for meetings and workshops.

The kick-off meeting will be used to

<sup>1</sup> Principles of Water Rates, Fees, and Charges, Manual of Water Supply Practices, M1, AWWA, sixth edition, 2012.



review and discuss the data from the District's billing and accounting system and data requirements in general. The sewer data the District will need to provide includes the number and types of customer accounts, monthly consumption records for each customer (if volumetric-based rates are to be evaluated), total rate revenue collected by type, and financial data typically reported in financial statements.

## **Task 2. Review of Current Rates and Policies**

**Task Objectives:** Work with District staff to review and evaluate current sewer rate structure and rate-related policies at the beginning of the study, as well as broader financial policies. This will help set the direction for the study with a greater degree of clarity and avoid unnecessary complications when the final results are presented to the Board and public. For example, policies related to basic equity and fairness, revenue stability, and the level of funding for capital repair and replacement costs should be reviewed.

**Task Deliverables:**

- Assessment of *current rate structures* (pros and cons, areas for improvement, etc.).
- Assessment of *equity* of the rates for the various customer classes.
- Assessment of current *rate-related policies* compared to industry practices and how they may relate to possible rate alternatives.
- Recommendations for changes to and/or additional policies for the Board to consider adopting, as well as a greater degree of direction on rate alternatives for further evaluation.

## **Task 3. Financial Plan and Revenue Requirements Analysis**

**Task Objectives:** Prepare a detailed financial plan that details sewer revenues, expenditures, reserves, debt coverage ratios, capital improvement costs, repair and replacement costs and net revenue requirements. This will be incorporated into the financial plan in order to better evaluate current financial management concerns.

**Task Deliverables:**

1. A 20-year financial projection model that will serve as a financial "roadmap" for the sewer utility.
2. Summary of current and projected net revenue requirements.
3. Update reserve fund policies and targets potentially including reserves for operations, rate stabilization, repair and replacement, debt service and capital projects.
4. Projected year-end reserve fund levels.
5. Calculated debt service coverage ratios.

This financial plan will lay the groundwork for the cost-of-service and sewer rate design analysis addressed in Tasks 4 and 5. The following subtasks are anticipated:

- **Projected Revenues and Expenditures** – Using a cash-basis reflecting the District's system of accounts, NBS will prepare a 20-year projection of revenues, expenses, and increases in rate revenue needed to meet all obligations. This will provide the District with the financial planning tools needed for smoothing out future rate increases and maintaining appropriate reserve fund levels in light of revised budget projections.
- **Evaluate Reserve Fund Sufficiency** – NBS will evaluate the sufficiency of existing reserve funds, target reserves, reserve fund policies, and related issues such as debt service coverage ratios. We will provide recommendations for reserve fund targets that are tailored to the specific needs such as operating, capital rehabilitation/replacement and rate stabilization.

- Review Capital Improvement Funding – NBS will incorporate the capital improvement plans, and evaluate the timing, costs, and available reserves used to fund various projects. We will work with District staff to develop a well-conceived approach to funding these capital needs. This includes an appropriate balance between debt-funded and cash-funded projects.

Figures 2, 3 and 4 are examples of the types of charts and tables we use to summarize these results (the District's chart of accounts will serve as the basis for the actual analysis and tables).

**Figure 2. Summary of Five-Year Revenue Requirements and Rate Increases**

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	Projected				
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
<b>Sources of Wastewater Funds</b>						
Rate Revenue Under Prevailing Rates (1)	\$ 19,534,000	\$ 19,577,523	\$ 19,739,524	\$ 20,027,258	\$ 20,312,575	\$ 20,501,173
Recycled Water Sales	\$ 507,000	\$ 1,085,000	\$ 1,157,000	\$ 1,250,000	\$ 1,303,000	\$ 1,356,000
Other Operating Revenue	1,190,000	602,681	616,607	630,694	644,846	660,164
Interest Earnings (in Operating & Capital Reserves)	77,000	32,442	60,136	90,144	108,434	150,428
<b>Total Sources of Funds</b>	<b>\$ 21,308,000</b>	<b>\$ 21,297,646</b>	<b>\$ 21,573,267</b>	<b>\$ 21,998,096</b>	<b>\$ 22,368,855</b>	<b>\$ 22,667,765</b>
<b>Uses of Wastewater Funds</b>						
Operating Expenses	\$ 14,830,650	\$ 15,541,725	\$ 16,011,454	\$ 16,517,613	\$ 17,042,751	\$ 17,588,100
Debt Service	4,772,256	6,074,207	6,074,257	6,065,782	6,062,992	6,069,346
Rate-Funded Capital Expenses	7,738,050	6,613,399	10,537,748	11,709,593	10,515,480	8,182,697
<b>Total Use of Funds</b>	<b>\$ 27,340,957</b>	<b>\$ 28,229,331</b>	<b>\$ 32,623,458</b>	<b>\$ 34,292,987</b>	<b>\$ 33,621,222</b>	<b>\$ 31,840,142</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (6,032,957)</b>	<b>\$ (6,931,685)</b>	<b>\$ (11,050,192)</b>	<b>\$ (12,294,890)</b>	<b>\$ (11,252,367)</b>	<b>\$ (9,172,377)</b>
Additional Revenue from Rate Increases	-	2,936,628	6,365,997	8,047,954	9,586,367	10,882,437
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (6,032,957)</b>	<b>\$ (3,995,056)</b>	<b>\$ (4,684,195)</b>	<b>\$ (4,246,937)</b>	<b>\$ (1,666,000)</b>	<b>\$ 1,710,059</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>15.00%</b>	<b>15.00%</b>	<b>6.00%</b>	<b>5.00%</b>	<b>4.00%</b>
<b>Cumulative Rate Increases</b>	<b>0.00%</b>	<b>15.00%</b>	<b>32.25%</b>	<b>40.19%</b>	<b>47.19%</b>	<b>53.08%</b>
<b>Net Revenue Requirement (1)</b>	<b>\$ 25,566,957</b>	<b>\$ 26,509,208</b>	<b>\$ 30,789,716</b>	<b>\$ 32,322,149</b>	<b>\$ 31,564,942</b>	<b>\$ 29,673,551</b>

- Revenues for proposed FY 2015/16 are from the District's Fiscal Year 2015-16 Operating and Capital Budget (files: 1 - FY 15-16 Operating and Capital Budget.pdf and 2 - FY 1516 Revenue.xlsx).
- Interest earnings are per the District's budget in FY 2015/16, and calculated in the Financial Plan for all future years.

**Figure 3. Summary of Five-Year Reserve Fund Balances**

Beginning Reserve Fund Balances and Recommended Reserve Targets	Budget	Projected				
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
<b>Cash Flow Reserve</b>						
Ending Balance	\$ 6,488,319	\$ 7,771,000	\$ 8,006,000	\$ 8,259,000	\$ 8,521,000	\$ 8,794,000
Recommended Minimum Target	7,415,000	7,771,000	8,006,000	8,259,000	8,521,000	8,794,000
<b>Operating &amp; Maintenance Reserve</b>						
Ending Balance	\$ -	\$ 247,094	\$ 1,008,376	\$ 415,751	\$ 1,507,524	\$ 6,075,452
Recommended Minimum Target	6,684,400	6,795,700	7,136,100	7,326,200	7,357,100	7,346,000
<b>Debt Reserves</b>						
Ending Balance	\$ 1,961,254	\$ 3,263,654	\$ 3,263,654	\$ 3,258,979	\$ 3,257,943	\$ 3,257,943
Recommended Minimum Target	1,961,254	3,263,654	3,263,654	3,258,979	3,257,943	3,257,943
<b>Total Ending Balance</b>	<b>\$ 8,449,573</b>	<b>\$ 11,281,748</b>	<b>\$ 12,278,030</b>	<b>\$ 11,933,730</b>	<b>\$ 13,286,467</b>	<b>\$ 18,127,396</b>
<b>Total Recommended Minimum Target</b>	<b>\$ 16,060,654</b>	<b>\$ 17,830,354</b>	<b>\$ 18,405,754</b>	<b>\$ 18,844,179</b>	<b>\$ 19,136,043</b>	<b>\$ 19,397,943</b>

Figure 4. Summary of Revenue Requirements and Existing vs. Proposed Rates

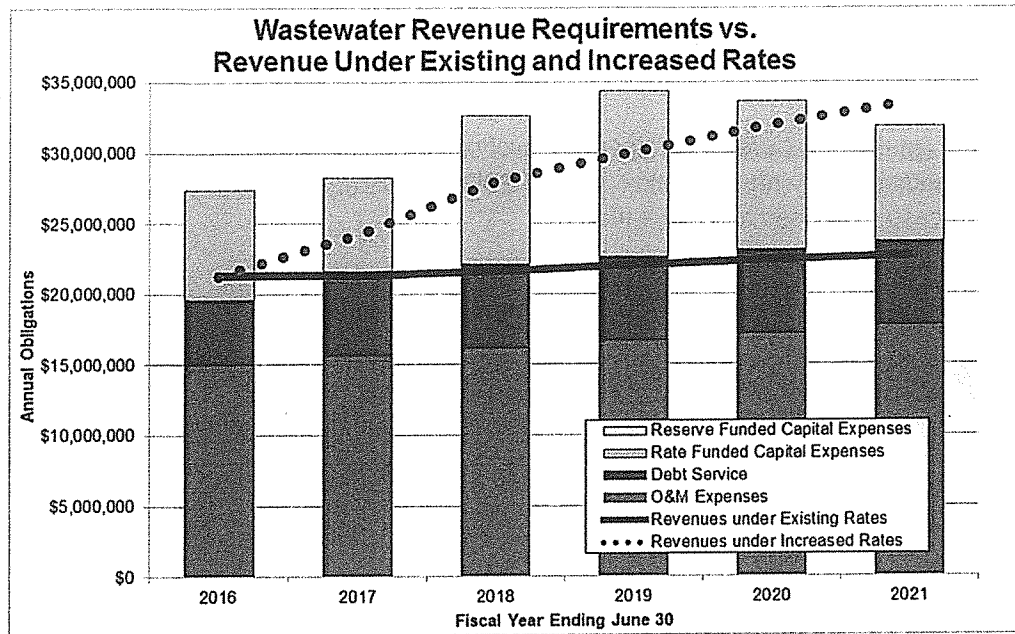


Figure 5 provides an example of a recent rate study NBS performed in which we worked with client staff to define the most preferable scenarios for funding capital improvement costs. These alternatives were linked to their individual scenario number (that is, 1 through 4) so that any of these alternatives could be “plugged into” the analysis to change the rate increase outcomes linked to each option.

Figure 5. Summary of CIP Alternative Scenarios

Summary of Annual Rate Increases & CIP Costs	Budget	Projected				5 Year Total FY1 15/16 - FY 19/20
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	
<b>1. Full Funding of Necessary CIP Improvements</b>						
Annual Rate Increases to Meet Revenue Requirements	45%	40%	5%	4%	2%	-
Capital Improvement Plan Program Funding	\$5,124,250	\$23,136,638	\$26,321,062	\$27,736,476	\$23,728,601	\$106,047,027
<b>2. Funding of Immediate CIP Needs</b>						
Annual Rate Increases to Meet Revenue Requirements	25%	25%	15%	15%	5%	-
Capital Improvement Plan Program Funding	\$3,700,000	\$8,000,000	\$10,000,000	\$10,000,000	\$15,000,000	\$46,700,000
<b>3. Status Quo CIP Funding</b>						
Annual Rate Increases to Meet Revenue Requirements	25%	20%	10%	6%	3%	-
Capital Improvement Plan Program Funding	\$3,090,000	\$3,182,700	\$3,278,181	\$3,376,526	\$3,477,822	\$16,405,230
<b>4. Pipeline Replacement &amp; 80% of Full Funding</b>						
Annual Rate Increases to Meet Revenue Requirements	35%	35%	8%	8%	8%	-
Capital Improvement Plan Program Funding	\$4,099,400	\$18,509,310	\$21,056,849	\$22,189,181	\$18,982,881	\$84,837,622

### Task 4. Cost of Service Analysis

**Task Objectives:** Equitably allocate the revenue requirements to each customer class and determine the cost of providing sewer services to each of these classes. This analysis provides a critical component necessary for establishing a *defensible administrative record for cost-based sewer rates*.

**Task Deliverables:** Cost of service summary tables will be developed and incorporated into the rate design and rate study report.

#### 4.1 COST OF SERVICE ANALYSIS

The following are some of the technical analyses necessary for equitably allocating sewer revenue requirements to customer classes.

**Sewer Classification of Expenses** – Classifying expenses involves arranging costs into basic categories, including flow and strength characteristics (that is, BOD and TSS), as well as customer costs. Figure 6 illustrates this process NBS used for a recent client.

**Figure 9. Example of (Partial) Classification of Sewer Revenue Requirements**

Classification of Expenses									
Budget Categories	Total Revenue	Flow	Strength		Customer Actual	Basis of Classification			
	FY 2013/14	(VOL)	(BOD)	(TSS)	(CA)	(VOL)	(BOD)	(TSS)	(CA)
<b>Stillwater Treatment Plant Expenses</b>									
<i>Personnel - Direct and Indirect</i>									
FULL TIME REGULAR	\$ 486,020	\$ 388,816	\$ 48,602	\$ 48,602	\$ -	80%	10%	10%	0%
OVERTIME	\$ 50,000	\$ 40,000	\$ 5,000	\$ 5,000	\$ -	80%	10%	10%	0%
MISC PAY ADJUSTMENT	\$ 300	\$ 240	\$ 30	\$ 30	\$ -	80%	10%	10%	0%
VACATION PAY BACK	\$ 6,000	\$ 4,800	\$ 600	\$ 600	\$ -	80%	10%	10%	0%
WORKER'S COMP INS	\$ 42,630	\$ 34,104	\$ 4,263	\$ 4,263	\$ -	80%	10%	10%	0%
GROUP INS PROGRAM	\$ 118,740	\$ 94,992	\$ 11,874	\$ 11,874	\$ -	80%	10%	10%	0%
PUBLIC AGENCY RET SYS	\$ 72,370	\$ 57,896	\$ 7,237	\$ 7,237	\$ -	80%	10%	10%	0%
RETIREMENT PROGRAM	\$ 129,040	\$ 103,232	\$ 12,904	\$ 12,904	\$ -	80%	10%	10%	0%
MEDICARE	\$ 7,610	\$ 6,088	\$ 761	\$ 761	\$ -	80%	10%	10%	0%
<i>Interdepartmental Fixed Charges</i>									
COST ALLOCATION REIMB	\$ 90,540	\$ 72,432	\$ 9,054	\$ 9,054	\$ -	80%	10%	10%	0%
FIX CHG BLDG MAINTENANCE	\$ 12,260	\$ 9,808	\$ 1,226	\$ 1,226	\$ -	80%	10%	10%	0%
FIX CHG INFORMATION SYST	\$ 3,850	\$ 3,080	\$ 385	\$ 385	\$ -	80%	10%	10%	0%
FIX CHG PRINT SHOP	\$ 1,010	\$ 808	\$ 101	\$ 101	\$ -	80%	10%	10%	0%
FIX CHG FLEET MAINT	\$ 6,600	\$ 5,280	\$ 660	\$ 660	\$ -	80%	10%	10%	0%
FIX CHG COMMUNICATION	\$ 6,830	\$ 5,464	\$ 683	\$ 683	\$ -	80%	10%	10%	0%
FIX CHG VOLUNTEER SERV	\$ 1,040	\$ 832	\$ 104	\$ 104	\$ -	80%	10%	10%	0%
FIX CHG EMPLOYER SERVICE	\$ 263,410	\$ 210,728	\$ 26,341	\$ 26,341	\$ -	80%	10%	10%	0%
<i>Operating and Materials</i>									
PROF SRVCS/CONSULT	\$ 30,000	\$ 24,000	\$ 3,000	\$ 3,000	\$ -	80%	10%	10%	0%
SPECIALIZED SRVCS/TECH	\$ 90,000	\$ 72,000	\$ 9,000	\$ 9,000	\$ -	80%	10%	10%	0%
VEHICLE FUEL & LUBRICANT	\$ 7,700	\$ 6,160	\$ 770	\$ 770	\$ -	80%	10%	10%	0%
WASTEWATER MAINT/REPAIR	\$ 150,000	\$ 120,000	\$ 15,000	\$ 15,000	\$ -	80%	10%	10%	0%
UTILITY EXPENSE	\$ 615,000	\$ 492,000	\$ 61,500	\$ 61,500	\$ -	80%	10%	10%	0%
FINES & PENALTIES	\$ 3,000	\$ 2,400	\$ 300	\$ 300	\$ -	80%	10%	10%	0%
COMMUNICATION EXPENSE	\$ 8,000	\$ 6,400	\$ 800	\$ 800	\$ -	80%	10%	10%	0%
OPERATING MATERIAL/SUPP	\$ 165,000	\$ 132,000	\$ 16,500	\$ 16,500	\$ -	80%	10%	10%	0%
SMALL EQUIP/FURNITURE	\$ 150	\$ 120	\$ 15	\$ 15	\$ -	80%	10%	10%	0%
SOFTWARE	\$ 33,240	\$ 26,592	\$ 3,324	\$ 3,324	\$ -	80%	10%	10%	0%
PERMIT FEES	\$ 55,000	\$ 44,000	\$ 5,500	\$ 5,500	\$ -	80%	10%	10%	0%
BOOKS/DUES/SUBSCRIPTIONS	\$ 1,800	\$ 1,440	\$ 180	\$ 180	\$ -	80%	10%	10%	0%
MAINT MATERIAL/SUPPLY	\$ 30,000	\$ 24,000	\$ 3,000	\$ 3,000	\$ -	80%	10%	10%	0%
TRAVEL EXPENSE	\$ 2,500	\$ 2,000	\$ 250	\$ 250	\$ -	80%	10%	10%	0%
CERTIFICATION	\$ 1,200	\$ 960	\$ 120	\$ 120	\$ -	80%	10%	10%	0%
EMPLOYEE TRAINING	\$ 4,000	\$ 3,200	\$ 400	\$ 400	\$ -	80%	10%	10%	0%
SAFETY MEETINGS/TRAINING	\$ 8,520	\$ 6,816	\$ 852	\$ 852	\$ -	80%	10%	10%	0%
COMPUTER HARDWARE<\$5000	\$ 4,000	\$ 3,200	\$ 400	\$ 400	\$ -	80%	10%	10%	0%
<b>Total: Stillwater Treatment Plant Expenses</b>	<b>\$ 2,507,360</b>	<b>\$ 2,005,888</b>	<b>\$ 250,736</b>	<b>\$ 250,736</b>	<b>\$ -</b>				

**Allocations to Sewer Customer Classes** – The next step in the sewer cost-of-service analysis is allocating the sewer costs to each of the customer classes using the allocation factors for each of the classes of costs, which are shown in Figure 7.

**Figure 7. Example of Allocation Factors**

COST CLASSIFICATION CATEGORY	Commodity	Strength Factors		Customer
		BOD	TSS	
<b>Allocation Factors</b>	Water Consumption by Customer Class	• BOD Effluent levels (in Mg/L)	• TSS Effluent levels (in Mg/L)	Number of Accounts by Customer Class
<b>Types of Costs</b>	Amount of Effluent generated by each Customer Class	• BOD-Related WWTP Processing	• TSS-Related WWTP Processing	Costs associated with having customers connected to the system.
<b>Examples of Costs</b>	<ul style="list-style-type: none"> <li>Hydraulic Capacity of WWTP</li> <li>Effluent Pumping Stations</li> <li>Collection System Costs</li> </ul>	• BOD-Related WWTP Equipment	• TSS-Related WWTP Equipment, Sludge Handling	<ul style="list-style-type: none"> <li>Meter Reading</li> <li>Customer Billing</li> <li>Customer Service</li> </ul>

As a result of applying the allocation factors to the cost classifications (that is, the Volume, BOD, TSS, and Customer costs), the revenue required from each customer class is accumulated by customer class, as shown in Figure 8.<sup>2</sup>

**Figure 8. Example of Allocation of Revenue Requirements to Customer Classes**

Customer Class	Classification Components				Total
	Volume	Treatment		Customer Related	
		BOD	TSS		
<b>Net Revenue Requirements</b>	\$ 3,976,986	\$ 1,176,630	\$ 1,131,180	\$ 1,260,354	\$ 7,545,150
	53%	16%	15%	17%	100%
Single-Family Residential	\$ 962,013	\$ 246,676	\$ 239,608	\$ 544,013	\$ 1,992,310
Multi-Family Residential	\$ 1,522,095	\$ 390,290	\$ 379,107	\$ 587,925	\$ 2,879,417
Commercial - Business	\$ 888,087	\$ 227,720	\$ 221,195	\$ 102,998	\$ 1,440,000
Commercial - Restaurants	\$ 225,777	\$ 188,523	\$ 202,890	\$ 15,649	\$ 632,839
Commercial - Hotels	\$ 258,430	\$ 84,956	\$ 71,316	\$ 3,319	\$ 418,021
Institutional	\$ 113,140	\$ 37,194	\$ 16,011	\$ 5,406	\$ 171,751
Schools	\$ 7,444	\$ 1,273	\$ 1,053	\$ 1,043	\$ 10,813
<b>Total</b>	\$ 3,976,986	\$ 1,176,632	\$ 1,131,180	\$ 1,260,353	\$ 7,545,151

### Task 5. Rate Design Analysis

**Task Objectives:** NBS will work with District staff to develop the best suited alternative rate structures for the sewer utility by incorporating each utility’s broader rate design goals and objectives.

**Task Deliverables:** NBS will provide rate alternatives for sewer rate structures, including the evaluation of the pros and cons of various rate structure alternatives.

<sup>2</sup> As noted above, the City did not implement a new sewer rate structure; this table illustrates the type of results from the cost of service analysis, but does not reflect the City results from the last study.

**Develop Rate Design Recommendations** – Sewer rates will be developed based on the cost of service analyses and include a discussion of the relative merits (pros and cons) of the current sewer rate structures and the new alternatives. This discussion and analysis will include issues such as the amount of revenue collected from fixed vs. volumetric charges.

**How to Determine the “Right” Rate Design for the District**

There are a number of criteria that NBS will discuss and consider in comparing the District’s current rate structure to other alternatives, including:

- Compatibility with the District’s billing system and staff efforts required to change rate structures
- Simplicity and ease of administration
- Relative merits in promoting fairness, equity and defensibility of each alternative
- Availability of the data necessary for some rate designs (e.g., a residential and/or commercial rate design that relies on winter-average or monthly water consumption)
- Defensibility in terms of complying with applicable laws (Proposition 218 requirements)

The rate structure alternatives selected will, in the end, provide the basis for comparing monthly customer bills under both the current and new rate structure. However, all rate structures will be “revenue neutral” because they will, by design, all collect the same amount of revenue from each customer class.

**5.1 CALCULATE FIXED AND VOLUMETRIC CHARGES** – Fixed costs consider the number and type of accounts. In contrast, variable costs are typically allocated in proportion to flow and strength. A strict cost-of-service methodology could be used to determine the percentages of rate revenue collected from fixed and variable rates. However, other factors are typically considered in this process, such as revenue stability, perceived fairness and equity ease of understanding, and ease of administration.

NBS will recommend a rate structure that provides a balance between fixed and variable charges. But in evaluating alternatives, we will consider an alternative that is intended to recover a significant portion of fixed costs from fixed charges and variable costs from volumetric rates.

Figure 9 illustrates how the rate-design analysis recovers customer costs based on the total number of accounts, and how volumetric costs are recovered from customers based on water consumption.

**Figure 9. Example of Fixed and Volumetric Sewer Charges Calculations**

Customer Class	No. of Accounts/ Units <sup>1</sup>	Annual Water Consumption (ccf) <sup>2</sup>	Annual Rev. Req't			Mo. Fixed Charge Per Account/Unit	Volumetric Charge Per ccf
			Total	Fixed	Volumetric <sup>3</sup>		
<b>Residential (Based on Annualized Average Winter Water Use)</b>							
Residential	7,976	878,872	\$ 8,433,754	\$ 5,742,780	\$ 2,690,974	\$60.00	\$3.06
Percent of Revenue from Fixed vs. Volumetric Charges			100%	68%	32%	—	—
<b>Commercial (Based on Monthly Water Use)</b>							
Standard Strength <sup>4</sup>	510	143,520	\$ 1,488,087	\$ 367,140	\$ 1,120,947	\$60.00	\$7.81
High Strength	1	91	\$ 2,332	\$ 720	\$ 1,612	\$60.00	\$17.71
Restaurants	34	15,669	\$ 313,335	\$ 24,600	\$ 288,735	\$60.00	\$18.43
Industrial	9	17,877	\$ 262,492	\$ 6,300	\$ 256,192	\$60.00	\$14.33
Subtotal - Commercial	554	177,157	\$ 2,066,246	\$ 398,760	\$ 1,667,486	—	—
Percent of Revenue from Fixed vs. Volumetric Charges			100%	19%	81%	—	—
<b>Total</b>	<b>8,530</b>	<b>1,056,029</b>	<b>\$ 10,500,000</b>	<b>\$ 6,141,540</b>	<b>\$ 4,358,460</b>	—	—
Percent of Revenue from Fixed vs. Volumetric Charges			100%	58%	42%	—	—

1. Reflects the number of apartment units or mobile homes in Residential. All others reflect number of accounts.
2. This is average winter consumption for Residential customers and average monthly consumption for Commercial.
3. Collects volumetric charges based on average winter monthly water consumption for residential and average monthly use for commercial.
5. The nine City accounts are included in the Commercial Standard Strength class. The City should start tracking City water consumption and charging City accounts.

**5.2 ANALYSIS OF LOCATION-DEPENDENT ALTERNATIVES** – The District's RFP notes the possibility of evaluating fixed and/or variable sewer rates based on location-dependent factors. These alternatives would require significantly broader data to evaluate and calculate. These options likely include:

- Fixed rates reflecting the geographic area (or sub-area) within the District. For example, fixed charges could be determined by which of the 16 lift stations customers are served by.
- Variable rates that reflect the energy costs associated with the geographic/lift station area.

Typical cost-of-service analyses, which do not include geographic service areas, treat the entire service area as a whole, whereas this alternative would break the District service area into 16 separate areas, thereby significantly complicating the analysis. This type of rate structure, while not unheard of, is uncommon and if followed to its logical end, could lead to further sub-categories of rates and parcel-by-parcel rates. However, this is more of a policy decision than one based on industry standards, and ultimately the District Board need to make this decision.

**5.3 ANALYSIS OF A PARCEL-BY-PARCEL ALTERNATIVE** – The wording of Prop 218 does refer to "parcel-by-parcel" rates. However, court decisions have confirmed that Prop 218 does not require this level of analysis or the resulting rate structure. If the District were to evaluate this alternative, it would (again) necessitate a far more significant database and complicate the cost-of-service analysis. Likely factors used to determine rates for each parcel would be:

- Collection system assets – the length, type, size, and costs of assets required to serve each customer.
- Pumping system assets – which of the 16 lift stations would be used to serve each customer. In addition to the capital costs, the energy costs would also factor into this aspect of the rates.

Typical cost-of-service analyses do not include parcel-by-parcel calculations. In fact, in our 30-plus years of practice in water and sewer rate studies, we have never seen a sewer agency use a parcel-by-parcel rate design. Again, the Board would make this policy-level decision regarding evaluating and implementing this alternative.

**5.4 ANALYSIS OF GREY-WATER, WINTER AVERAGE, AND LOW-VOLUME RATES** – The District has requested evaluation of several other rate alternatives:

- Rebates for Grey-Water Systems – Credits for customers who install grey-water systems, so that cost savings from reduced flows will be reflected in their bills.
- Winter Averaging – To reflect the impacts of landscape watering; this may be a version of a fairly commonly used average winter water use methodology for residential customers. This option would rely on monthly data for water consumption and reflect only the average use during winter periods.
- Low-Volume Usage Rates – Intended to reflect the lower costs of low-volume customers in a rate alternative that collects more fixed charges than the actual percentage of fixed costs.

We will review and discuss these alternatives to determine the merit of each and the District's interest in pursuing these options. Ease of understanding and administration will be key factors in this analysis.

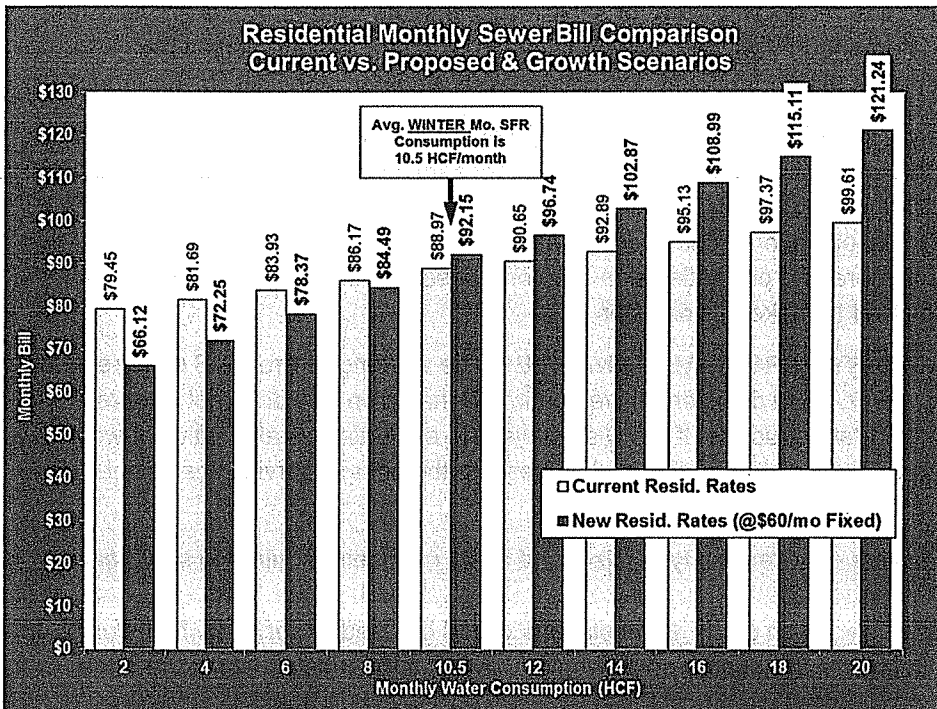
**5.5 MISCELLANEOUS OTHER FEES** – NBS will evaluate the District's current fees such as late payment and connection (or hook-up) fees. This analysis will reflect general costs for specific charges to ensure the District is sufficiently covering its costs for these services.

**5.6 COMPARISON OF MONTHLY BILLS** – We will prepare an analysis of monthly sewer bills for various types of customers, such as single-family customers with low-, average-, and high-water usage under



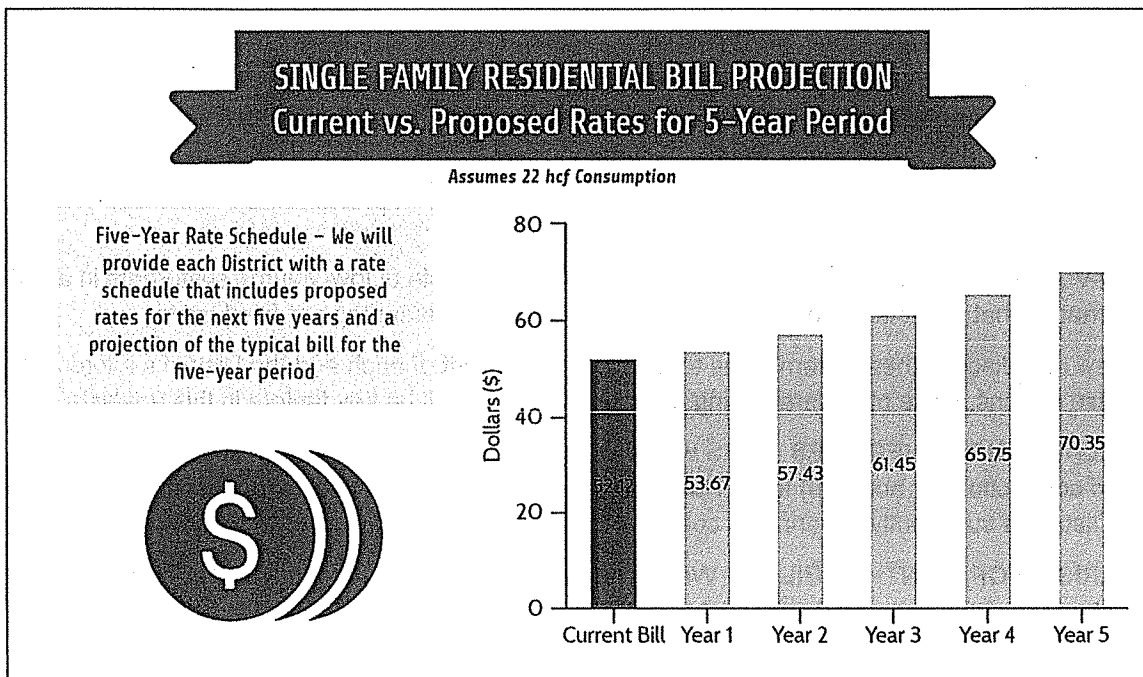
each rate alternative evaluated in the study. This analysis is useful when evaluating the effects of different rate structures on customers, as illustrated in Figure 10.

**Figure 10. Example of Monthly Bill Comparison**



**Five-Year Rate Schedule –** We will provide a rate schedule that includes proposed rates for the next five years and a projection of the typical bill for the five-year period, as illustrated in Figure 11.

**Figure 11. Example of Monthly Bill Projection**





## **Task 6. Prepare Written Study Report**

*Task Objectives:* Prepare study reports.

*Task Deliverables:* Preliminary reports, draft final reports, and final reports for review by District Staff that include our final recommendations for the financial plans, rate and fee structures. Sufficient information will be provided in the report for staff, the Board and the public to review and understand the study.

We will prepare preliminary reports, draft final reports, and final rate study reports that include proposed rates for the next five years, although the financial model will cover a 20-year period. An executive summary and introduction will present the purpose of the report and results of the study. Tables, graphs, and charts will be used as appropriate, but the emphasis will be on providing a clear, concise and understandable report that will provide the District with a thorough administrative record that addresses:

- Findings and recommendations.
- Overall study methodology, with reference to AWWA M1 Manual and industry standards as needed.
- Five-year financial plan, including a revenue and expense projection.
- Description of the capital improvement program, as provided by the District.
- Supporting justification in the form of calculation tables that a judge and general public could easily understand.
- Appropriate figures and tables summarizing key aspects and results of the study.
- Proposed new sewer rate structure that is based on cost-of-service principles, including meeting the following criteria:
  - Providing adequate revenue from rates.
  - Adopting new rates that are both defensible and equitable across customer classes.
  - Includes a multi-year adjustment schedule using a clearly defined inflationary formula that does not exceed the cost of service.

We will provide 10 hard copies of the preliminary reports, 10 copies of the draft final reports, 10 copies of the final reports, an electronic file in Microsoft Word of the reports, and one reproducible copy that includes the preliminary results of the study and alternative rates for the District's review and comment.

## **Task 7. Meetings and Presentations**

### **7.1 COORDINATION AND MEETINGS WITH DISTRICT STAFF**

*Task Objectives:* Facilitate study progress, communication of results, and meetings with District staff and stakeholders.

*Task Deliverables:* Provide two (2) meetings with District Staff to review work products, study progress, and receive input as well as regular phone calls with District Staff as needed.

### **7.2 MEETINGS WITH COMMUNITY AND BUILDING INDUSTRY**

*Task Objectives:* Facilitate understanding and acceptance of various rate alternatives with community stakeholders and members of the building industry.

*Task Deliverables:* Provide four (4) meetings with District Staff and these community members to review rate alternatives and receive input.

NBS proposes to have four onsite progress meetings with District staff and stakeholders to review alternatives and initial results.

### 7.3 BOARD MEETINGS/PRESENTATIONS

*Task Objectives:* Effectively communicate with the District Board and the public as needed to successfully complete the study.

*Task Deliverables:* Provide two onsite presentations<sup>3</sup> with the District Board as requested.

NBS will provide two (2) workshops with the District Board. After consulting with and incorporating input from District staff, we will prepare an appropriate PowerPoint presentation. For the District's consideration, we propose the following presentations for this process:

1. Presentation of the rate study results; seek direction on any proposed changes to the rate structure from the Board.
2. Attend and present/answer questions at the Prop 218 public hearing.

### Task 8. Provide Proposition 218 Guidance

*Task Objectives:* Assist the District in developing Prop 218 compliant sewer rates and appropriate notices. This also includes advising the District on the ordinances and resolution necessary for implementation.

*Task Deliverables:* Guidance and advice to District staff on compliance with the Prop 218 process, as well as the rate tables necessary for the Prop 218 notices.

NBS will provide the District with the necessary tables, as well as general guidance, advice, and written text as needed in complying with the Prop 218 process for adopting and implementing new sewer rates. This includes the notification and public hearing process, preparation of the notices, and/or additional assistance with adopting and implementing new rates. However, we will rely on the District to provide legal review of all materials, since NBS staff are not attorneys and we do not provide legal advice.

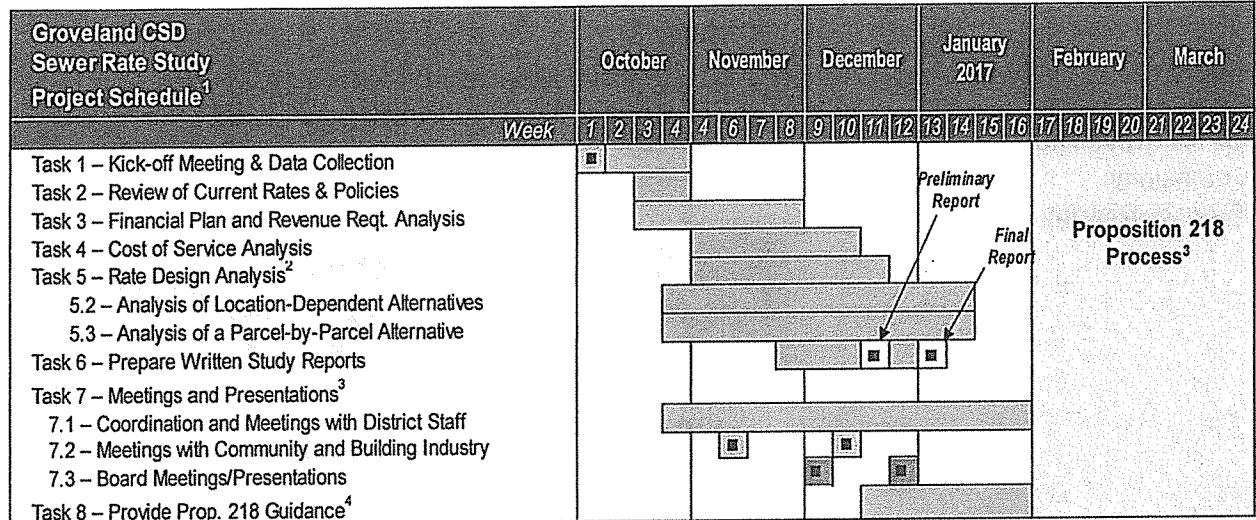
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<sup>3</sup> NBS will assume that City staff will provide final comments and edits on presentation no later than two (2) days prior to the date of presentation, particularly changes in rate study results, assumptions, etc.

## Work Schedule

Our proposed project schedule for completing the rate study is shown in Figure 12 below. We suggest having a more detailed discussion with District staff regarding this schedule at the kick-off meeting.

**Figure 12. Proposed Rate Study Schedule**



1. Proposed project schedule assumes consultant selection and notice to proceed is complete by the end of September 2016.

2. Includes Tasks 5.1, 5.2, 5.4, 5.5, and 5.6, and will likely require an additional 30-60 days to prepare.

3. Meetings and presentations are estimated and will be scheduled as needed. The number of meetings and presentations can be adjusted as District staff sees necessary.

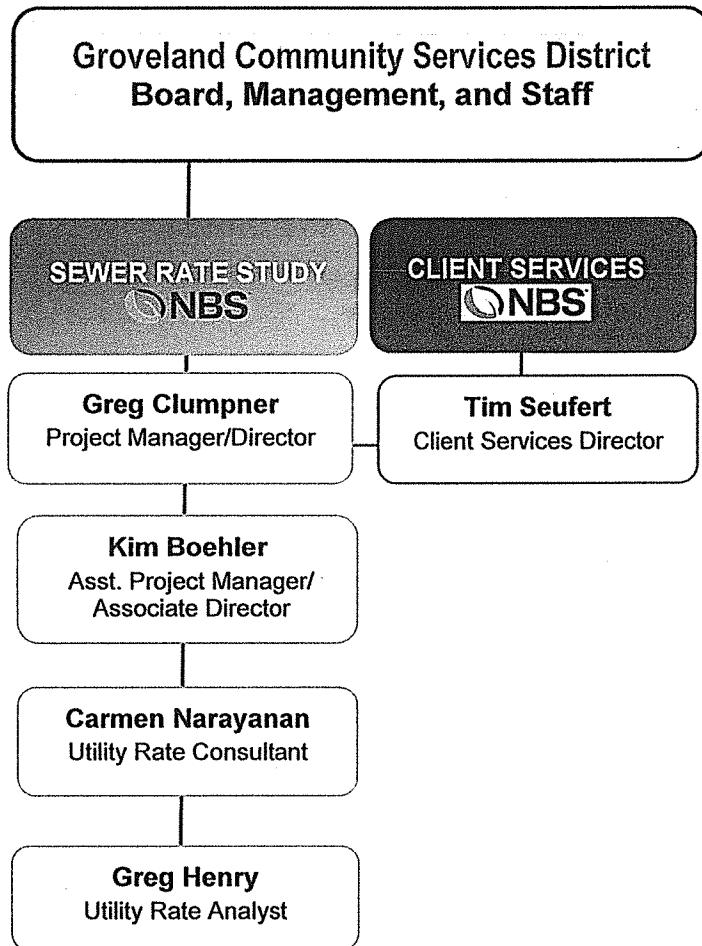
4. The timing of the Proposition 218 process shown in the schedule above is an estimate of when the process can take place. The actual schedule will be discussed at the kick-off meeting and a more defined plan will be developed at that time.

- Active task work
- Draft and Final Reports
- Meeting with District Staff (estimated, to be scheduled as needed)
- Public Presentation and Workshops (estimated, to be scheduled as needed)

## 5. PROJECT ORGANIZATION AND KEY PERSONNEL

The NBS project team brings together the key attributes that we believe will be critical to the success of this project (*detailed resumes for the project team are included in Appendix A*):

**Figure 13.**  
NBS Project Team  
for the Groveland  
Community  
Services District



- **Project Manager:** Greg Clumpner is an experienced project manager/principal with over 30 years of experience in complicated rate design projects and cost of service analysis. He will manage the day-to-day management of the technical and administrative aspects of the project, will work closely with the District's Project Manager, and serve as the primary consultant on this study. His broader background in economics and management consulting in the water industry provides good "big-picture" skills that unique projects such as the District rate analysis require, along with an intimate familiarity with public workshops and interactions with Boards, committees and public hearings.
- **Assistant Project Manager:** Kim Boehler is also an experienced project manager who brings over 9 years of experience at NBS in municipal financial consulting and has been focused exclusively on cost-of-service and rate design analysis for water and wastewater utilities for over 6-years. Ms. Boehler will assist as needed in the management, technical and administrative aspects of the project.

Kim will monitor the data analysis, developing of the financial models and cost-of-service analyses for the rate alternatives.

- **Utility Rate Consultant:** Carmen Narayanan is an experienced consultant who is focused on cost-of-service and rate modeling under the direction of Mr. Clumpner and Ms. Boehler. As a team, they have worked on over 30 studies. Carmen will be responsible for developing the financial models, cost of service analysis, and rate alternatives under Mr. Clumpner's direction for this study.
- **Utility Rate Analyst:** Greg Henry is an experienced analyst who has focused on financial analyses, budgeting, financial and rate projections, and drought planning. Under the direction of Mr. Clumpner and Ms. Boehler, Mr. Henry will assist with all aspects of the analysis.

## 6. QUALIFICATIONS

### Background and History of NBS



Helping communities fund tomorrow. NBS was founded in 1996 by experienced finance and engineering professionals, and has worked with more than 300 public agencies to date. NBS is an independent consulting firm serving local governmental agencies, including cities, towns, counties, municipal utilities, and special purpose districts. The ultimate goal of NBS is to provide support, expertise and solutions that allow these local agencies to focus on community needs and core services. NBS currently has 44 employees located in Temecula (corporate headquarters), Irvine, Davis, and San Francisco.

Our Financial Consulting Practice focuses primarily on cost recovery mechanisms and supporting justification for various agency revenue streams, including the following:

- Rate studies for municipal water, sewer, storm drainage and solid waste utilities.
- Financial plans for public utilities.
- System capacity and development impact fees.
- User and regulatory fees for a wide variety of local government programs and services.
- Overhead cost allocation analysis.

These services are performed within the requirements and framework of California-specific statutes and guidelines, including:

- Proposition 218, 26, and subsequent legislation and case law.
- Article XIII of the California state Constitution (as applies to user and regulatory fees).
- State Controller's Office Handbook of Cost Plan Procedures; and federal guidelines, including the Office of Management and Budget Circular A-87.
- Mitigation Fee Act (Government Code 66000 et seq., codified by "AB 1600").

NBS also provides special financing district consulting and administration focusing on the formation and ongoing administration of Assessment Districts, Business Improvement Districts (BIDs), Community Facilities Districts (CFDs), Local Improvement Districts (LIDs), property-related fee districts, and special parcel tax districts. NBS is staffed with seasoned experts dedicated to providing our clients with the best possible results. The company is in a strong financial position with little to no debt and continually invests in the highest-quality software and technology.

**The NBS Project Team has an in-depth understanding of all changes to laws, codes, and regulations affecting local governments, including Prop 218.**

Recognized as leaders in their field, they are often asked to teach continuing education courses and participate in workouts for troubled agencies. In addition, NBS works with its clients as partners by developing an intimate knowledge of their needs and responding with strategic and timely solutions.

#### CITY OF FORT BRAGG

LINDA RUFFING

City Manager

*"Yours was the third utility rate study that I have been involved with...it was by far the most intelligible process and work product. You have an extraordinary ability to translate the complicated mechanisms involved in creating a financial plan and rate model into easily understood concepts."*

## Experience with Rate Studies

Our rate consulting staff are primarily located in the San Francisco Bay Area; Greg Clumpner is located in Davis and Carmen Narayanan is located in San Jose. Other staff including Kim Boehler and Greg Henry are in our Temecula office, which is the headquarters for NBS. Support staff include editors and graphics design staff, as well as typical administrative and accounting/bill staff. Only support staff, such as editors and graphics design staff who directly work on this study will be billed to the project budget.

The following is a sampling of California municipal agency clients for which the proposed NBS project staff have completed (or was recently selected as the most qualified firm to complete) projects similar to the District's study. Detailed descriptions and references for recent projects can be found in Section 6 (References) of this proposal.

## Sampling of California municipal agency clients for which NBS has recently or is in the process of completing similar rate studies.



**MSRB Municipal Advisor**  
**NBS is registered with the Municipal Securities Rulemaking Board (MSRB) as a Municipal Advisor.**

**As a new rule covered under the Dodd-Frank Wall Street Reform and Consumer Protection Act, any firm that is a provider of debt issuance support services must be registered with the Securities Exchange Commission (SEC) and MSRB in order to legally provide these related services.**

## 7. REPRESENTATIVE STUDY DESCRIPTIONS AND CLIENT REFERENCES

### References



**Client Contact:**  
**Brian Crane**  
*Assistant Public Works  
Director*  
777 Cypress Ave.  
Redding, CA 96001  
*(P) 530.225.4170*  
*(E) bcrane@  
ci.redding.ca.us*

**City of Redding, CA**  
**Water, Sewer and Solid Waste Rate and Impact Fee Study**  
*(Project Dates: 2013, and Update Started in February 2016)*

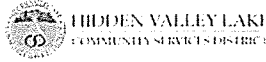
NBS completed an extensive and highly visible cost-of-service study of water, sewer, and solid waste rates and system capacity charges. The City had not conducted a cost-of-service rate study in over 15 years, and this study addressed City policies and overall objectives in developing rate structure alternatives for the City to consider. A key part of this study was working with a City Council-appointed Citizens Advisory Group that reviewed rate alternatives and provided recommendations to the Council. Key tasks included preparing financial/rate setting policies, financial plans, projecting net revenue requirements, cost-of-service analyses, and alternative rate designs.

*NBS Staff: Greg Clumpner and Kim Boehler*

**City of Redding**  
**KENT MANUEL,**  
Senior Planner

*"As expected, both you and Kim Boehler displayed the superb technical knowledge needed to complete the study. Further, the willingness of each of you to go above and beyond most expectations by grinding through multiple iterations of the study as requested by the City on short notice was exemplary."*





**Hidden Valley Community Services District – Hidden Valley  
Lake, California  
Water and Sanitary Sewer Study**

*(Completed March 2015)*

**Client Contact:**

**Roland Sanford**  
General Manager  
19400 Hartmann Road  
Hidden Valley Lake, CA  
95467  
(P) 707.987.9201  
(E)rsanford  
@hiddenvalleylakecsd.com

In 2014, NBS evaluated the District’s water and sewer rates for a number of reasons, including meeting future funding requirements, improving rate design to be more fair and equitable, and responding to public input. The rates developed in this study met basic Prop 218 requirements based on industry standards and the District’s priority of maintaining transparent communications between the District and its customers. In developing new rates, NBS and District Staff worked cooperatively with the District’s Board and, through workshops and in subsequent Board meetings, the Board reviewed recommendations and provided NBS and District Staff with direction and feedback. Key issues included: (1) water conservation, including four-tiered volumetric rates for residential customers and single (uniform) tier volumetric rates for commercial customers, and (2) drought rates that could be implemented if the District is required to further reduce overall water consumption due to the continuing drought.



**City of Fort Bragg, CA  
Water, Wastewater and Storm Drain Rate Study**

*(Completed January 2013)*

**Client Contact:**

**Linda Ruffing**  
City Manager  
415 North Franklin Street  
Fort Bragg, CA 95437  
(P) 707.961.2823  
(E)lruffing  
@fortbragg.com

This study updated the City’s 2008 water and sewer rate analysis, evaluated financial projections, cost allocations, and alternative rate structures. NBS worked cooperatively with City staff and the City’s financial advisory committee to review the pros and cons of rate structure alternatives, propose new water and sewer rates, and review storm drain funding mechanisms based on industry practices; we recommended a simplified approach that provided sufficient funding for each of the three utilities.

*NBS Staff: Greg Clumpner and Kim Boehler*

City of Fort Bragg  
LINDA RUFFING  
City Manager

*“Yours was the third utility rate study that I have been involved with...it was by far the most intelligible process and work product. You have an extraordinary ability to translate the complicated mechanisms involved in creating a financial plan and rate model into easily understood concepts.”*



**City of Sausalito, CA  
Sewer Rate Study**

**Client Contact:**  
**Jonathan Goldman**  
Director of Public Works  
and City Engineer  
420 Litho Street  
Sausalito, CA 94965  
(P) 412.289.4176  
(E) [jgoldman@ci.sausalito.ca.us](mailto:jgoldman@ci.sausalito.ca.us)

The purpose of this report was to project net revenue requirements, develop updated cost-of-service cost allocations, and evaluate rate design alternatives. Subsequent to this study, the Marin County Civil Grand Jury investigated utility rates throughout the County and concluded: *"The approach taken by this study could be considered by other agencies looking at rate increases and how to incorporate a usage element. (It) presents a combination of fixed and variable fees to meet capital improvement projects and create greater equity among ratepayers."* The recommended rates were approved and implemented.

NBS Staff: Greg Clumpner and Kim Boehler

City of  
Sausalito  
JONATHAN  
GOLDMAN,  
Director of Public  
Works and City  
Engineer

*"Congratulations on being recognized for excellence by the Marin County Civil Grand Jury!"*



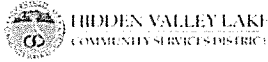
**Sussex County, Delaware  
Sewer Rate and Capacity Fee Study**

**Client Contact:**  
**Jeff James**  
Director of Engineering  
Accounting  
2 The Circle  
Georgetown, DE  
(P) 302.855.7718  
(E) [jjames@sussexcountyde.gov](mailto:jjames@sussexcountyde.gov)

NBS completed a Water and Sewer Rate and Connection Fee Study for Sussex County, Delaware, which manages, operates and maintains 28 separate Sewer Districts; they also assess service charges, assessments and connection fees. Key aspects of this study involved evaluating the sufficiency of the service charges and assessments to fully recover operating and capital costs, and creating a single capacity fee for new customers. Extensive analysis was performed to develop fair and equitable assessment charges for each of the County's 28 Sewer Districts. NBS also prepared a developer oversizing credit methodology. The recommended sewer rates, capacity fees, and oversizing credit methodology were all approved and adopted.

Sussex County  
JEFF JAMES,  
Director of  
Engineering  
Accounting

*"I think that the quality and responsiveness of the consulting service by NBS has been outstanding. It has been a pleasure working with Kim and Greg these past several months... a totally positive experience. Kim and Greg have gone the extra mile to make the study the best it can be."*



**Hidden Valley Community Services District – Hidden Valley Lake, California**  
**Water and Sanitary Sewer Study**

*(Completed March 2015)*

**Client Contact:**

**Roland Sanford**  
 General Manager  
 19400 Hartmann Road  
 Hidden Valley Lake, CA 95467  
 (P) 707.987.9201  
 (E)rsanford@hiddenvalleylakecsd.com

In 2014, NBS evaluated the District's water and sewer rates for a number of reasons, including meeting future funding requirements, improving rate design to be more fair and equitable, and responding to public input. The rates developed in this study met basic Prop 218 requirements based on industry standards and the District's priority of maintaining transparent communications between the District and its customers. In developing new rates, NBS and District Staff worked cooperatively with the District's Board and, through workshops and in subsequent Board meetings, the Board reviewed recommendations and provided NBS and District Staff with direction and feedback. Key issues included: (1) water conservation, including four-tiered volumetric rates for residential customers and single (uniform) tier volumetric rates for commercial customers, and (2) drought rates that could be implemented if the District is required to further reduce overall water consumption due to the continuing drought.



**City of Fort Bragg, CA**  
**Water, Wastewater and Storm Drain Rate Study**

*(Completed January 2013)*

**Client Contact:**

**Linda Ruffing**  
 City Manager  
 415 North Franklin Street  
 Fort Bragg, CA 95437  
 (P) 707.961.2823  
 (E)lruffing@fortbragg.com

This study updated the City's 2008 water and sewer rate analysis, evaluated financial projections, cost allocations, and alternative rate structures. NBS worked cooperatively with City staff and the City's financial advisory committee to review the pros and cons of rate structure alternatives, propose new water and sewer rates, and review storm drain funding mechanisms based on industry practices; we recommended a simplified approach that provided sufficient funding for each of the three utilities.

*NBS Staff: Greg Clumpner and Kim Boehler*

City of Fort Bragg  
 LINDA RUFFING  
 City Manager

*"Yours was the third utility rate study that I have been involved with...it was by far the most intelligible process and work product. You have an extraordinary ability to translate the complicated mechanisms involved in creating a financial plan and rate model into easily understood concepts."*



**City of Colton, CA**  
**Water Rate and Connection Fee Study**  
**Sewer Connection Fee Study and Sewer Rate Study**  
*(Project Dates: 2013-Present)*

**Client Contact:**  
**Amer Jakher**  
*Former Public Works*  
*Director for the*  
*City of Colton*  
*550 E. Sixth Street*  
*Beaumont, CA 92223*  
**(P) 951.769.8520**  
**(E) ajakher@**  
**beaumont.ca.us**

NBS is in the process of completing a Water Rate and Connection Fee Study and a Sewer Connection Fee Study for the City of Colton. We also recently completed a Sewer Rate Study for the Cities of Colton and Grand Terrace. The main concerns addressed in these studies were developing a funding plan for the water and sewer capital improvement programs which included the use of rate revenue, cash in reserves and new debt financing. A key component of the sewer rate study was developing a rate structure that would work for both Cities since the City of Colton is in the process of taking over the operation of Grand Terrace's sewer collection system, when it has historically only provided treatment in a wholesale capacity. This study required thorough analysis of each City's customer usage characteristics in order to equitably allocate costs to each customer class and create a rate structure that is fair and equitable for both communities.  
*NBS Staff: Kim Boehler, Greg Henry and Greg Clumpner*



**City of Santa Paula, CA**  
**Water and Wastewater Rate Study**  
*(Project Dates: 2013-2014)*

**Client Contact:**  
**Brian Yanez**  
*Interim Public Works*  
*Director*  
*P.O. Box 569*  
*Santa Paula, CA 93601*  
**(P) 805.933.4212**  
**(E) byanez**  
**@spcity.org**

NBS recently completed a Water and Wastewater Rate Study for the City that addressed rate design issues (tiered water rates and residential sewer rates based on average winter water usage), revenue stability, and drought rates in order to respond to the projected reductions both supplies and consumption by City customers. Key tasks in this study included reviewing the potential impacts of growth, a buy-back of the City's DBOF sewer treatment plant, and policies to address leaks, low-income/senior rates. The study has included a series of public workshops where up to 200 customers attended to express their concerns and provide input to the study.  
*NBS Staff: Greg Clumpner and Kim Boehler*

*Excerpts from the recent*

## **MARIN COUNTY GRAND JURY REPORT ON SEWER SYSTEMS:**

**Summary:** The Grand Jury conducted a survey of all wastewater agencies in Marin (except the park services), with the intention of shedding light on the operational, financial and governance aspects of these agencies. [They] also inquired about [the agencies'] experiences cooperating with each other and their views on consolidation.

**City of Sausalito Rate Study:** The City of Sausalito completed a Rate Study (February 27, 2014 [conducted by NBS]) and adopted a resolution in March 2014 whereby their rates will be increased over a 5-year period and a volumetric charge, based on annualized winter water consumption, will be incorporated into the base rate. ***The approach taken by this study could be considered by other agencies looking at rate increases and how to incorporate a usage element.***

**Grand Jury Findings:** The City of Sausalito's Rate Study (February 27, 2014 [conducted by NBS]), presents a combination of fixed and variable fees to meet capital improvement projects and ***create greater equity among ratepayers.***

**Grand Jury Recommendations:** ***The City of Sausalito share its rate study dated February 27, 2014, with all the collection agencies in Marin County.***

Full report:

<http://www.marincounty.org/depts/gj/reports-and-responses/reports-responses/2013-14/~media/Files/Departments/GJ/Reports%20Responses/2013/SewerScoop1.pdf>

### **Current Client Workload**

NBS has provided utility rate services, assessment district formation and administration, and special district funding services to hundreds of municipal clients throughout California over the last 20 years. Our utility rate staff of four consultants is actively working for 15 to 20 clients at any one time. However, because these studies are in different phases and there are often lags while we wait for client feedback and/or public meetings to occur, ***NBS will have no difficulty meeting the demands of this study.*** The following is a partial list of current municipal utility rate clients:

- Yuba City
- Benicia
- Desert Water Agency
- Davis
- Mill Valley
- Montecito Water District
- Redding
- Sacramento
- San Lorenzo Valley Water District
- Sunnyvale
- Victorville
- Mountain House CSD

## 8. PROPOSED FEE SCHEDULE

### Fees and Billing

NBS will bill monthly based on task budgets, hours billed to the project, and hourly rates. Additional services are typically provided on a mutually agreed number of hours and scope. Hourly rates are as follows:

<u>Team Member, Project Role</u>	<u>Labor Rate</u>
Greg Clumpner, Project Manager	\$245/hr.
Kim Boehler, Asst. Project Manager	\$190/hr.
Carmen Narayanan, Rate Consultant	\$155/hr.
Greg Henry, Rate Analyst	\$140/hr.

### Proposed Fee Schedule

NBS will not bill for normal office expenses on this project (e.g., postage, communications, supplies, support staff, etc.) and only bills for direct travel expenses (mileage, air travel, hotels, car rental, etc.).

Groveland CSD Sewer Rate Study - Proposed Fee Schedule						
Rate Study Tasks	Consultant Labor (Hours)				Grand Totals	
	Project Manager (Clumpner)	Asst. Project Manager (Boehler)	Consultant (Narayanan)	Analyst (Henry)	Consultant Labor (Hrs.)	Consultant Costs (\$)
<i>Hourly Rate</i>	\$245	\$190	\$155	\$140		
Task 1 – Kick-off Meeting & Data Collection	8.0	-	12.0	8.0	28.0	\$ 4,940
Task 2 – Review of Current Rates & Policies	4.0	1.0	2.0	-	7.0	\$ 1,480
Task 3 – Financial Plan and Revenue Req. Analysis	4.0	1.0	6.0	20.0	31.0	\$ 4,900
Task 4 – Cost of Service Analysis	6.0	4.0	12.0	30.0	52.0	\$ 8,290
Task 5 – Rate Design Analysis						
5.1 – Calculate Fixed and Volumetric Charges	4.0	2.0	12.0	20.0	38.0	\$ 6,020
5.2 – Analysis of Location-Dependent Alternatives (optional)	6.0	2.0	8.0	20.0	36.0	\$ 5,890
5.3 – Analysis of a Parcel-by-Parcel Alternative (optional)	8.0	4.0	20.0	36.0	68.0	\$ 10,860
5.4 – Analysis of Grey-Water and Winter Average Rates	6.0	4.0	6.0	12.0	28.0	\$ 4,840
5.5 – Miscellaneous Other Fees	4.0	1.0	2.0	6.0	13.0	\$ 2,320
5.6 – Comparison of Monthly Bills	2.0	-	2.0	4.0	8.0	\$ 1,360
Task 6 – Prepare Written Study Reports	8.0	2.0	20.0	4.0	34.0	\$ 6,000
Task 7 – Meetings and Presentations						
7.1 – Coordination and Two Meetings with District Staff	8.0	-	2.0	2.0	12.0	\$ 2,550
7.2 – Four Meetings with Community and Building Industry	20.0	-	-	-	20.0	\$ 4,900
7.3 – Two Board Meetings/Presentations	16.0	2.0	2.0	2.0	22.0	\$ 4,890
Task 8 – Provide Prop. 218 Guidance	6.0	2.0	4.0	-	12.0	\$ 2,470
<b>Task Totals</b>	<b>110.0</b>	<b>25.0</b>	<b>110.0</b>	<b>164.0</b>	<b>409.0</b>	<b>\$ 71,710</b>
Reimbursable Expenses <sup>1</sup>						\$ 1,200
<b>GRAND TOTAL (All Inclusive)</b>	<b>110.0</b>	<b>25.0</b>	<b>110.0</b>	<b>164.0</b>	<b>409.0</b>	<b>\$ 72,910</b>
<b>GRAND TOTAL (Without Tasks 5.2 and 5.3)</b>	<b>96.0</b>	<b>19.0</b>	<b>82.0</b>	<b>108.0</b>	<b>305.0</b>	<b>\$ 56,160</b>

1. Estimated travel expenses for Greg Clumpner (Project Manager) to attend on-site meetings/presentations.

## **APPENDIX A: RESUMES AND QUALIFICATIONS**

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*Detailed resumes for key project team members are provided on the following pages.*

#### RESUME HIGHLIGHTS

- 30 years of experience in financial and economic analyses
- Consulting practice focuses on municipal water, wastewater, and recycled water utilities
- Completion of over 200 rate studies

#### EDUCATION

- Master of Science, Agricultural/Managerial Economics, U.C. Davis, 1983
- Bachelor of Science, Environmental Planning, UC. Davis, 1977

#### PROFESSIONAL AFFILIATIONS

- Vice-Chair, City of Davis Utility Rate Advisory Committee
- Former Chairman, City of Davis Planning Commission
- Past President, Sacramento Economics Roundtable
- Member, Association of California Water Agencies (ACWA)
- Member, American Water Works Association (AWWA)

#### RECENT SPEAKING ENGAGEMENTS

- "What's in Your Rates? Drought? Recycled Water? Social Justice?" – AWWA/ACE 2015 National Conference, Anaheim, CA, June 2015.
- "The California Drought – What's in Your Rates?" – Calif. Municipal Finance Officer Association, February 2015.
- "Water Rates: Fairness, Equity and 'Social Justice'?", NBS Primer, 2014
- "The 'Perfect Storm' or the 'New Normal'? Meeting the Challenges of Maintaining Financial Viability", Utility Management Conference, Miami, February 2012.
- Pricing Recycled Water: The Multiple-Choice Question - What Approach Best Fits Your Agency? AWWA Fall Conference, Reno, 2011.

#### BIOGRAPHY

Mr. Clumpner's 30-year professional career has focused on financial, economic, and cost-of-service rate analyses for municipal water, wastewater, recycled water, and solid waste agencies. He regularly presents technical papers at industry conferences and client workshops. His practice has increasingly focused on management consulting related to municipal utility operations and capital improvements.

- **Utility Cost-of-Service Rate Studies:** Mr. Clumpner has prepared more than 200 multi-year financial plans, cost-of-service analysis, and rate design studies as well as conservation-oriented water rates, funding analysis for water, sewer, and solid waste utilities. These rate studies have primarily been for California clients, although he has also completed projects in Malaysia, Sri Lanka, Egypt, and Mexico.
- **Management Consulting and Strategic Planning:** His management consulting and strategic planning experience includes system operations, financial analyses, and long-term funding strategies for municipal agencies. He also has an extensive background in system valuations of capital facilities and systems, facility acquisitions, and municipal versus private operations.
- **Project Financing/Bond Feasibility Studies:** His financing/bond feasibility study experience includes successfully preparing bond feasibility reports resulting in the issuance of more than \$500 million in revenue bonds to finance the acquisition or construction of municipal facilities.

*"You have done a great job on this project, especially with the challenges we faced. I would be happy to serve as a client reference whenever needed in the future. Please have any of your prospective clients call me."*

EL DORADO  
IRRIGATION DISTRICT  
JIM ABERCROMBIE  
GENERAL MANAGER

[Greg Clumpner served as the Project Manager in completing a Cost-of-service Study of Water, Sewer, and Recycled Water Rates for the District]



## SAMPLE OF RELEVANT PROJECTS

**El Dorado Irrigation District, Placerville, CA – Water, Sewer, and Recycled Water Cost-of-Service and Rate Design Study.** Greg Clumpner conducted an extensive and high-visibility cost-of-service study of water, sewer, and recycled water rates, including working with a 10-person cost-of-service study committee and giving regular updates to the district board. Key tasks included reviewing existing and recommending changes to financial/rate setting policies, alternative rate design methodologies, and recommended water, sewer, and recycled water rates. *Client project manager: Jim Abercrombie, EID General Manager. Phone: 530-642-4055. Email: [jmabercrombie@eid.org](mailto:jmabercrombie@eid.org)*

**Cucamonga Valley Water District, Rancho Cucamonga, CA – Water and Recycled Water Capacity Fee Study.** NBS conducted a detailed evaluation of water capacity fees. Key tasks included reviewing existing capacity fee policies, capital assets, costs and timing of planned capital improvements, available capacity, alternative capacity fee methodologies, and recommending updated water and recycled water fees. *Client project manager: Carrie Corder, Director Financial and Administrative Services. Phone: 909.987.2591. Email: [carriec@cvwdwater.com](mailto:carriec@cvwdwater.com)*

**Desert Water Agency, Palm Springs, CA – Water Rate Analysis to Address Tribal/Non-Tribal Rates.** In 2012, when the district was preparing for a new budget cycle, NBS reviewed the district's internal update to the utility rate model, to ensure that the rate model was generating accurate outcomes and that the water utility was on track to implement the planned rate increases for the next two years. In 2013, NBS started a specialized rate study to determine water rates for tribal and non-tribal lands under a new federal law restricting local agency charges to tribal lands and residents. *Client contact: Martin Krieger, Finance Director. Phone: 760.323.4971. Email: [martin@dwa.org](mailto:martin@dwa.org)*

**City of Fort Bragg, Fort Bragg, CA – Water, Wastewater and Storm Drain Cost-of-Service Rate Study.** To update its 2008 water and sewer rate analysis and evaluate alternative rate structures, this rate study prepared a detailed analyses of financial projections, cost-of-service based cost allocations, and rate design alternatives under the direction of city staff and the city's financial advisory committee. NBS also reviewed rate structure alternatives and proposed new rates for the water, wastewater, and storm drainage utilities based on well-accepted industry practices. *Client project contact: Rosana Cimolino, Finance Director/Treasurer. Phone: 707.961.2825. Email: [rcimolino@fortbragg.com](mailto:rcimolino@fortbragg.com)*

**City of Redding, CA – Water, Sewer, and Solid Waste Rate and Impact Fee Study.** NBS is currently updating an extensive and high-visibility cost-of-service study of water, sewer, and solid waste rates, along with system development charges for the water and sewer utilities. A key part of this study is working with a citizen's advisory group that reviews and provides recommendations to the city council. Key tasks include reviewing financial/rate setting policies, preparing financial plans, revenue requirements, cost-of-service analysis, and developing alternative rate designs. *Client project manager: Brian Crane, Assistant Public Works Director. Phone: 530.225.4170. Email: [bcrane@ci.redding.ca.us](mailto:bcrane@ci.redding.ca.us)*

**City of Santa Paula, CA – Water and Sewer Rate Study and Workshops.** NBS is currently updating water and sewer rate studies for Santa Paula and conducting community workshops intended to solicit community input for the rate design addressed in the cost-of-service rate studies. Key aspects of this study are the high costs for sewer treatment services, purchasing their treatment plant from PERC Water, and high raw water costs, which have increased by over 300% in the last 5 years. Redesigning both water and sewer rate structures have also been key objectives. NBS staff includes Greg Clumpner and Kim Boehler. *Client project manager: Brian Yanez, Interim Public Works Director. Phone: 805.933.4212. Email: [byanez@spcity.org](mailto:byanez@spcity.org)*

**RESUME HIGHLIGHTS**

- 9 years of experience
- Over 90 cities, counties, and special districts served
- Specialist in financial, rate and cost analysis for municipal water and wastewater utilities
- American Water Works Association (AWWA), Member

**EDUCATION**

- Bachelor of Science, Business Administration and concentration in Finance, California State University, San Bernardino

**SPEAKING ENGAGEMENTS**

- "Brown Lawns and the Changing Landscape of California Water Rates: Next Steps?" AWWA CA-NV Section Spring Conference, March 2016
- "Water and Sewer Rates: from Defensibility to Tailor Made Rate Design," CSDA Annual Conference, September 2015
- "Basic Rate Making Principles and Key Issues Affecting Rates in California," American Water Works Association Water Education Seminar, August 2015
- "Recycled Water Pricing Methodologies", CWEA, May 2014 (co-presented with Greg Clumpner)
- "Drought Impacts and Recycled Water Pricing" and "Water and Sewer Rate Studies and Key Issues Affecting Rates in California," American Water Works Association Water Education Seminar, August 2014
- "Water and Sewer Rate Studies and Key Issues Affecting Rates in California," American Water Works Association Water Education Seminar, August 2013
- "Financial Viability and the "New Normal" - The Unique Challenges of California Wastewater Agencies" and "Maintaining Financial Viability in the Face of the "Perfect Storm" – Meeting the Challenges in California Today," CWEA, April 2012 (co-presented with Greg Clumpner)

*"... Kim Boehler displayed the superb technical knowledge needed to complete the study. Further, the willingness of each of you to go above and beyond most expectations by grinding through multiple iterations of the study as requested by the City on short notice was exemplary."*

**CITY OF REDDING**  
KENT MANUEL, SENIOR  
PLANNER

[Kim Boehler served as the primary consultant in completing a multi-utility rate and connection fee study for the City]

**BIOGRAPHY**

Kim Boehler is an Associate Director in NBS' Utility Rate Study Practice. Her primary area of expertise is performing financial and cost-of-service rate analyses for municipal water and wastewater utilities. Ms. Boehler manages water and wastewater utility rate and capacity fee studies for cities and special districts throughout California, and has completed over 90 water and sewer studies. Her high level of expertise in developing financial models, cost-of-service analyses, rate structure alternatives, and related financial analyses is essential for assisting clients in implementing new utility rates.

Kim regularly presents at industry conferences, client workshops, and public meetings. She also has a broader understanding of agency funding needs through her work completing cost allocation plans, user fee studies, and special financing district administration services.

## RELEVANT PROJECT EXPERIENCE

- Arvin Community Services District, Water Rate Study
- City of Arvin, Sewer Rate Study
- Avila Beach Community Services District, Water and Wastewater Rate and Connection Fee Study
- Azusa Light and Water, Water Rate Study
- Bellflower Mutual Water Company, Water Rate Study
- Calaveras County Water District, Water and Wastewater Rate Study
- Citrus Heights Water District, Water Rate Study
- City of Colton Water Rate and Connection Fee Study
- City of Colton and Grand Terrace Sewer Rate Study
- Cucamonga Valley Water District, Water and Recycled Water Connection Fee Study
- Cucamonga Valley Water District, Water Rate Study
- Culver City, Wastewater Rate Study
- Desert Water Agency, Water, Wastewater and Recycled Water Rate Study
- Desert Water Agency, Water Rate Analysis to Address Tribal/Non-Tribal Rates
- Dixon-Solano Water Authority, Water Rate Study
- East Valley Water District, Water and Wastewater Financial Plans
- City of Fort Bragg, Water, Wastewater and Storm Drain Rate Study
- City of Greenfield, Water and Wastewater Utility Revenue Requirement Analysis
- Hidden Valley Lakes Community Services District, Water and Sewer Rate Study
- City of Livermore, Water Rate and Connection Fee Study
- City of Los Altos, Storm Drain Master Plan Financing Analysis
- City of Morgan Hill, Water and Wastewater Rate Study
- City of Pasadena, Water Rate Study
- City of Redding, Water, Wastewater and Solid Waste Rate Study and Connection Fee Analysis
- Rural North Vacaville Water District, Water Rate Study
- City of San Carlos, Wastewater Revenue Requirement Analysis
- City of Santa Paula, Water and Wastewater Rate Study
- San Mateo County, Wastewater Rate Study
- City of Sausalito, Wastewater Rate Study City of Solvang, Water and Wastewater Rate and Connection Fee Study
- City of Seal Beach, Water and Sewer Rate Study
- City of Stanton, Sewer Rate Study
- Suisun-Solano Water Authority, Water Rate Study
- Sussex County, Delaware, Water and Sewer Rate and Capacity Fee Study and Oversizing Credit Analysis
- City of Taft, Wastewater and Solid Waste Rate Study
- City of Thousand Oaks, Water and Wastewater Rate Study
- Twenty-nine Palms Water District, Water Rate Study
- City of Vallejo, Water Rate and Connection Fee Study
- Victorville Water District, Water Rate Study
- City of Waterford, Water and Wastewater Rate and Connection Fee Study
- West County Wastewater District, Wastewater Rate and Connection Fee Study
- City of Winters, Water and Sewer Rate Study
- Yuba City, Water and Sewer Rate Study

# CARMEN NARAYANAN

## Consultant

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### RESUME HIGHLIGHTS

- 6 years of management experience and knowledge of Finance and Accounting methods.
- Extensive experience working with analysis software, databases, and spreadsheets.

### EDUCATION

- Master of Business Administration, University of California, Davis Graduate School of Management
- Bachelor of Business Administration, University of Montevallo

### BIOGRAPHY

Carmen Narayanan is a Consultant at NBS for the Financial Consulting Group's Utility Rate Practice. She offers 6 years of combined experience in annual financial analyses, annual budgets and projections, as well as business and general office management.

Ms. Narayanan provides support to project teams completing water and wastewater utility rate studies, cost allocation plans and user fee studies for cities and special districts in California. Ms. Narayanan provides support for the development of financial models, establishing revenue requirements, multi-year financial plans, rate adjustment strategies, performing cost-of-service analysis and rate design for utility rate studies. Ms. Narayanan's years of technical skills are essential to the work performed by NBS.

Prior to working at NBS, Carmen held various management positions, which included operations, finance and accounting expertise.

### RELEVANT PROJECT EXPERIENCE

- City of Benicia, *Water and Sewer Rate Study*
- City of Davis, *Sewer Rate Study*
- City of Lancaster, *Recycled Water Rate Study*
- City of Morgan Hill, *Water and Sewer Rate Study*
- City of Sacramento, *Impact Fee Study*
- City of Seal Beach, *Water and Sewer Rate Study*
- City of Sunnyvale, *Water Rate Study*
- City of Vallejo, *Water Rate Study*
- City of Victorville, *Water Rate Study*
- City of Yuba City, *Water and Wastewater Rate Study*
- Cucamonga Valley Water District, *Water and Sewer Rate Study*
- Hidden Valley Lake Community Services District, *Water Rate Study*
- Pajaro Sunny Mesa, *Water Rate Study*
- San Francisco Public Utilities Commission, *Power Rate Study*
- Sonoma County Water Districts, *Water Rate Study*
- Twentynine Palms Water District, *Water Rate Study*
- Valley of the Moon, *Water Rate Study*

# Customer Satisfaction Survey

As a community services district, we take pride in being the closest and most personal form of government. We strive for excellence in our fire, water, sewer and park services and want to make sure they best fit Twain Harte's unique needs.

Please let us know how we're doing by taking the brief survey below.

## How are we doing?

Please rate the level of services we provide.

**Are you familiar with all the services provided by the District? \***

- Yes
- No
- I'd like to know more

**Competence and professionalism of field staff  
(water/sewer/fire/park):\***

- 1 - Very Poor
- 2 - Poor
- 3 - Decent
- 4 - Good
- 5 - Excellent
- Not Sure

**Explanation for answer (if any):**

**Competence and professionalism of office staff: \***

- 1 - Very Poor
- 2 - Poor
- 3 - Decent
- 4 - Good
- 5 - Excellent
- Not Sure

**Explanation for answer (if any):**

**Reliability of services provided: \***

- 1 - Very Poor
- 2 - Poor
- 3 - Decent
- 4 - Good
- 5 - Excellent
- Not Sure

**Explanation for answer (if any):**

**Financial responsibility: \***

- 1 - Very Poor
- 2 - Poor
- 3 - Decent
- 4 - Good
- 5 - Excellent
- Not Sure

**Explanation for answer (if any):**

**Are you happy with our services? \***

- Yes
- No
- Don't know enough about what the District does

**Explanation for answer (if any):**

**Are there ways we could improve?**

**Other comments (if any):**

***Groveland Community Services District  
Fire Department / CALFIRE***

18966 Ferretti Road Groveland, CA 95321

Staff Report  
August 8, 2016

To: Board of Directors  
From: Paul Avila, Assistant Chief  
By: Jude R. Acosta, Battalion Chief  
Subject: Monthly Activity Report – July 4, 2016 to July 31, 2016

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**Operations:**

**Emergency Incident Response:**

On June 27<sup>th</sup> Fire Units responded to PML Country Club for a structure fire. Upon arriving at scene, there was light smoke coming from the employee bathroom. After further investigation it was determined to be an electrical short in the bathroom fan. The fan was removed and there was no additional damage to the structure.

On July 28<sup>th</sup>, Fire Units responded to a vegetation fire on Highway 120 east of Big Creek Shaft Road. Upon arrival, there was one acre of grass and brush burning at a slow rate of spread. Fire crews aggressively attacked the fire and kept it from spreading any further. The cause of the fire is determined to be electrical.

On July 31<sup>st</sup> Fire Units responded to a reported vegetation fire in the area of Clifton Way and Clements Road. Upon arriving scene, fire crews located the source of a smoke coming from the exterior of a structure. An air conditioning unit had caught on fire causing damage to a plastic trash can and wood stairs. Fortunately, alert neighbors noticed the fire and woke up the tenant who extinguished the fire. The cause of the fire is under investigation.

**Apparatus and Equipment:**

All equipment is in service and available

**Training:**

In addition to our monthly Emergency Medical Technician (EMT) curriculum and engine company performance standards, Battalion personnel received the following specialized training:

- Engineer Stephens completed his 1<sup>st</sup> year JAC test
- 2016 Focus on Safety
- S-101 Internet Security
- Ladders
- Hose Evolutions
- Hazardous Materials
- Multi company drill

**Public Education:**

Groveland Fire participated at the Groveland Library Kid's Day. The boys and girls ages between 6 and 10 years old enjoyed the presentation from Captain Rock and Engineer Chunn. The presentation was very informative and entertaining with the children participating in stop, drop, and roll drills, what to do during a fire, and homework was given to them to learn their address. Engine 781 was on display to show the equipment carried and for the kids to get on.





# RESPONSE ACTIVITY TALLY REPORT

55045

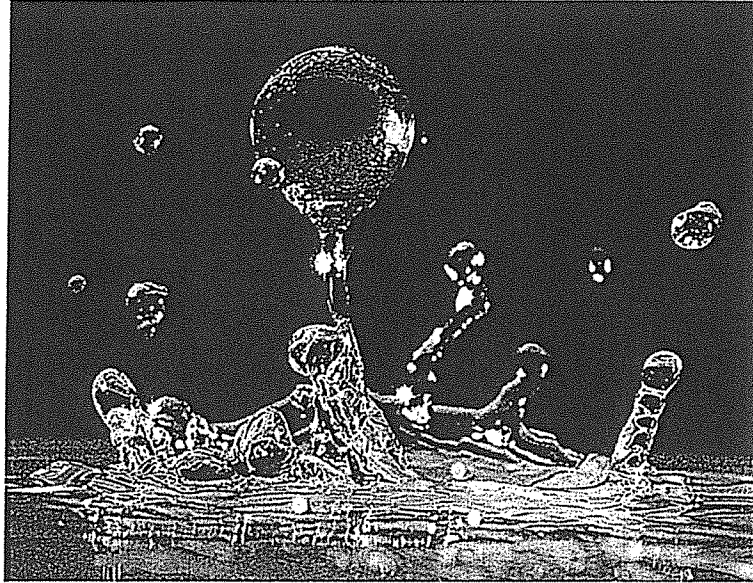
GROVELAND CSD

Alarm Date From: 7/4/2016 To: 7/31/2016

Report Date:8/2/2016

INCIDENT TYPE	INCIDENT TYPE DESCRIPTION	INCIDENT COUNT
<b>GCS</b>		
111	Building fires	2
321	EMS call, excluding vehicle accident with injury	23
322	Vehicle accident with injuries	1
400	Hazardous condition, other	1
550	Public service assistance, other	12
551	Assist police or other governmental agency	3
700	False alarm or false call, other	3
	<b>Subtotal</b>	<b>45</b>
<b>GRV</b>		
321	EMS call, excluding vehicle accident with injury	3
550	Public service assistance, other	4
	<b>Subtotal</b>	<b>7</b>
<b>FDID 55045</b>	<b>GROVELAND CSD</b>	<b>Grand Total 52</b>





# ACCOUNTS PAYABLE CHECK LISTING

July, 2016

Fiscal Year 16/17

Board Approval \_\_\_\_\_

# Bank Reconciliation

## Checks by Date

User: dpercoco  
 Printed: 08/03/2016 - 11:07AM  
 Cleared and Not Cleared Checks



Check No	Check Date	Name	Comment	Module	Clear Date	Amount
14402	7/1/2016	Nicholas Belitz		AP		200.00
14403	7/1/2016	CSDA		AP		300.00
14404	7/1/2016	Department Of Water Resources		AP		7,771.49
14405	7/1/2016	Gregory Dunn		AP		200.00
14406	7/1/2016	Jack Henry & Associates, Inc.		AP		1,487.32
14407	7/1/2016	Jeffery Jones		AP		200.00
14408	7/1/2016	KC Courier, LLC		AP		259.00
14409	7/1/2016	Brandon Klein		AP		200.00
14410	7/1/2016	James Koster		AP		200.00
14411	7/1/2016	Wyatt Livingston		AP		200.00
14412	7/1/2016	Matthew Dickens		AP		200.00
14413	7/1/2016	Luis Melchor		AP		200.00
14414	7/1/2016	MetLife Small Business Center		AP		154.53
14415	7/1/2016	Parcel Quest		AP		642.60
14416	7/1/2016	John Pike		AP		200.00
14417	7/1/2016	PLIC-SBD Grand Island		AP		2,007.41
14418	7/1/2016	Ray Suess Insurance & Invst		AP		3,777.30
14419	7/1/2016	Sacramento Excerise Equip Center, Inc		AP		1,305.21
14420	7/1/2016	SDRMA		AP		91,264.81
14421	7/1/2016	Patrick Sommarstrom		AP		200.00
14422	7/1/2016	Standard Insurance Co		AP		386.24
14423	7/1/2016	SWRCB		AP		130.00
14424	7/1/2016	The Bank of New York Mellon		AP		1,750.00
14425	7/1/2016	Anthony Trujillo		AP		200.00
14426	7/1/2016	VSP		AP		368.73
114348	7/5/2016	John Pike		PR		268.62
114373	7/7/2016	Motherlode Bank		AP		712.50
114374	7/7/2016	Operating Engineers Local #3		AP		258.94
114375	7/7/2016	Rabobank, N.A.		AP		1,412.50
114376	7/7/2016	US Treasury		AP		230.87
901618	7/7/2016	Dept of Child Support Services		AP		482.41
901619	7/7/2016	EDD - Electronic		AP		1,209.41
901620	7/7/2016	Federal EFTPS		AP		8,044.13
901621	7/7/2016	Pers - Electronic		AP		118,780.96
901622	7/7/2016	TD Ameritrade Trust Co.		AP		800.00
114349	7/8/2016	Jonathan Sterling		PR		2,949.52
114367	7/8/2016	John Pike		PR		1,349.27
14427	7/12/2016	A&E Auto Parts		AP		5.88
14428	7/12/2016	Aqua Labs		AP		3,760.00
14429	7/12/2016	Blue Shield of California		AP		1,604.45
14430	7/12/2016	CA-NV Sec AWWA Cert Prog		AP		200.00
14431	7/12/2016	Erma Cherry		AP		111.34
14432	7/12/2016	Conifer Communications		AP		76.90
14433	7/12/2016	Dataprose Inc.		AP		2,878.65
14434	7/12/2016	Davidson's Training		AP		500.00
14435	7/12/2016	Foothill-Sierra Pest Control		AP		244.00

Check No	Check Date	Name	Comment	Module	Clear Date	Amount
14436	7/12/2016	GCSD		AP		3,072.02
14437	7/12/2016	General Plumbing Supply		AP		82.97
14438	7/12/2016	Gilbert Associates, Inc.		AP		3,100.00
14439	7/12/2016	Gold Rush Printing		AP		235.05
14440	7/12/2016	Kerry Harris		AP		116.02
14441	7/12/2016	Hydraflo, Inc.		AP		247.90
14442	7/12/2016	Ken's Asphalt		AP		16,300.00
14443	7/12/2016	Kimball Midwest		AP		58.14
14444	7/12/2016	Richard Kissee		AP		76.99
14445	7/12/2016	LAMAR Construction Equip Rental		AP		600.00
14446	7/12/2016	Mark & Elizabeth Lopez		AP		3.15
14447	7/12/2016	Lowe's Companies, Inc.		AP		629.21
14448	7/12/2016	Melissa Griggs		AP		140.00
14449	7/12/2016	Miner's Mart		AP		117.50
14450	7/12/2016	Moore Bros. Savenger Co., Inc.		AP		433.88
14451	7/12/2016	Mother Lode Answering Service		AP		144.00
14452	7/12/2016	Mountain Oasis Water Systems		AP		116.00
14453	7/12/2016	JEFF MUSGROVE		AP		3.38
14454	7/12/2016	Ronald Percoco		AP		2,462.38
14455	7/12/2016	PG&E		AP		644.74
14456	7/12/2016	Pine Mountain Employment Temp Ager		AP		157.50
14457	7/12/2016	PML Hardware & Supply Inc.		AP		284.46
14458	7/12/2016	Ray Suess Insurance & Invst		AP		8,162.34
14459	7/12/2016	Rush Advertising Specialties		AP		765.67
14460	7/12/2016	San Francisco Public Utilities Commissi		AP		17,799.46
14461	7/12/2016	Streamline		AP		200.00
14462	7/12/2016	SWRCB		AP		140.00
14463	7/12/2016	SWRCB		AP		12,515.40
14464	7/12/2016	Tuo. Co. Public Power Agency		AP		15,998.18
14465	7/12/2016	Univar Usa Inc.		AP		8,454.12
14466	7/12/2016	Walter Wixon		AP		22.98
14467	7/12/2016	Zee Medical Service Co		AP		168.13
114391	7/21/2016	Operating Engineers Local #3		AP		258.94
901623	7/21/2016	Dept of Child Support Services		AP		482.41
901624	7/21/2016	EDD - Electronic		AP		964.37
901625	7/21/2016	Federal EFTPS		AP		7,118.01
901626	7/21/2016	Pers - Electronic		AP		4,656.08
901627	7/21/2016	TD Ameritrade Trust Co.		AP		800.00
114377	7/22/2016	Jonathan Sterling		PR		2,947.17
14468	7/25/2016	Robert & Judith Abney		AP		24.09
14469	7/25/2016	AM Consulting Engineers, Inc.		AP		12,330.00
14470	7/25/2016	AT&T		AP		2,430.45
14471	7/25/2016	AT&T Long Distance		AP		752.62
14472	7/25/2016	Atkinson, Andelson, Loya, Rudd & Ror		AP		1,506.70
14473	7/25/2016	Blue Shield of California		AP		17,203.60
14474	7/25/2016	Board Of Equalization		AP		165.45
14475	7/25/2016	Burton's Fire Inc		AP		6,648.70
14476	7/25/2016	CV Industrial Corp		AP		290.59
14477	7/25/2016	Thomas & Lynda Duross		AP		20.23
14478	7/25/2016	Theo Edwards		AP		1,572.50
14479	7/25/2016	General Plumbing Supply		AP		727.91
14480	7/25/2016	Charles & Cheryl Giles Jr		AP		128.28
14481	7/25/2016	Hach		AP		1,205.89
14482	7/25/2016	Randy & Allie Henderson		AP		15.34
14483	7/25/2016	Hopkins Technical Products		AP		61.25
14484	7/25/2016	Industrial Electrical Co.		AP		386.81

Check No	Check Date	Name	Comment	Module	Clear Date	Amount
14485	7/25/2016	Itron Electric Metering Co Inc		AP		684.24
14486	7/25/2016	Patrick Laeng		AP		105.64
14487	7/25/2016	Lise Lemonnier		AP		250.00
14488	7/25/2016	Michelle McCoy		AP		15.05
14489	7/25/2016	MetLife Small Business Center		AP		188.73
14490	7/25/2016	Bob Mosley		AP		130.00
14491	7/25/2016	National Meter & Automation		AP		437.24
14492	7/25/2016	PLIC-SBD Grand Island		AP		2,007.41
14493	7/25/2016	Zack Selmser		AP		155.48
14494	7/25/2016	Standard Insurance Co		AP		386.24
14495	7/25/2016	Staples Credit Plan		AP		766.19
14496	7/25/2016	Jonathan Sterling		AP		470.49
14497	7/25/2016	Thomas & Janie Stivers		AP		77.91
14498	7/25/2016	Verizon Wireless 7706		AP		144.45
14499	7/25/2016	Jennifer Villeneuve		AP		87.97
14501	7/25/2016	VSP		AP		368.73
14502	7/25/2016	Wells Fargo Bank, N.A.		AP		413.88
14504	7/25/2016	Underground Service Alert		AP		209.55

Total Check Count: 120

Total Check Amount: 422,533.15

## Legal Fees

79-015	<u>CK#</u>	<u>Atkinson</u>	<u>CK#</u>	<u>Neumiller</u>
July			13449	\$ 2,237.00
August	13516	\$ 2,491.00	13534	\$ 1,449.00
September	13624	\$ 2,209.00	13702	\$ 691.00
October	13748	\$ 2,138.50	13771	\$ 1,807.00
November			13891	\$ 712.00
December	13922	\$ 164.50	13938	\$ 2,747.00
January			14014	\$ 2,553.70
February	14086	\$ 211.50	14143	\$ 2,396.86
March	14162	\$ 117.50	14182	\$ 1,590.20
April			14264	\$ 3,088.16
May	14351	\$ 236.15	14374	\$ 2,818.00
June	14472	\$ 1,506.70		\$ 6,922.13

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Total		\$ 9,074.85		\$ 29,012.05
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Legal Fee Total	\$ 38,086.90
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