

SIERRA LAKES COUNTY WATER DISTRICT

Operations & Maintenance Office

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AGENDA REGULAR MEETING

5:00 PM – August 13, 2010

District Office, Soda Springs, California

I. Open Meeting

A. Roll Call (Action)

Director Martin D. Bern will join the meeting by telephone from 560
Mission Street, 27th Floor, San Francisco, California

II. Public Forum*

III. Consent Items Calendar (Action)**

A. Meeting Minutes of the July 9, 2010 Regular Meeting and July 10,
2010 Special Joint Board Meeting with Donner Summit Public Utility
District

B. July 2010 Check Register

IV. Operations

A. Operations Report submitted by Bill Quesnel (Consideration & Possible
Action)

B. Purchase of Replacement Backhoe (Consideration & Possible Action)

C. Training Policy Recommendation (Consideration & Possible Action)

D. Award of Pavement Sealing Construction Contract (Consideration &
Possible Action)

V. Old Business

A. President's Report (Review)

B. Update on Water Rights Permit (Review & Possible Action)

1. Memo dated 8/6/10 regarding conference with PCWA Staff on 8/4/10.
2. Receipt of PCWA Grant for Ice Formation Study.

C. Donner Wastewater Plant Upgrade/Expansion Facility Plan (Review & Possible Action)

1. Memo from Director Freedle Dated July 22, 2010, regarding DSPUDs July 20, 2010 Board Meeting.
2. Review of the status of cost allocation program.
 - a. Memo dated 8/6/10 regarding teleconference with Jeff Hauser, Tom Skjelstad, Ulrich Luscher, Bill Quesnel, and Wade Freedle
 - b. Jeff Hauser's allocation worksheet
 - c. Letter dated 8/6/10 to Jim Curtis regarding WWTP Cost Allocation
3. Response to comments by Joe Gray.

D. Richard Sausser – Status of Service; Non-payment of water/sewer fees (Consideration & Possible Action)

VI. New Business

- A. Liability for post retirement medical benefits – GASB 45 Calculation (Consideration & Possible Action)
1. Memo from Wade Freedle dated August 6, 2010
 2. James Marta & Company Draft “Retiree Health Benefits Liabilities”

VII. Administration

- A. July 9, 2010 Meeting Follow-up (Review)
- B. July 2010 Action Items List (Review & Possible Action)

VIII. Finance

A. Disbursements Requiring Board Approval (Consideration & Action)

B. Financial Reports July 2010 (Review)

1. Operating Expenses Budget vs Actual (Month and Year-to-Date)
2. Capital Expenses Budget vs Actual (Year-to-Date)
3. Cash Flow Forecast – One Year
4. Cash Flow Forecast – Three Year

IX. Adjournment

* Members of the Public shall be allowed to address the Board of Directors on items of interest to the public and which are within the subject matter jurisdiction of the Board, provided that no action shall be taken on any item not appearing on the agenda unless otherwise authorized by law. The public also may address each item on the agenda before or during discussion of that item. All items will be considered by the Board for possible action.

** Consent Items Calendar – Consent items are expected to be routine and non-controversial. They will be acted upon by the Board, at one time, without discussion. Any Board member, advisor, staff, or interested person may request that an item be removed from the Consent Items Calendar for discussion.

NOTE: The meeting will convene on the ground floor of the Water Filtration Plant; if there is no handicap requirement, the meeting may reconvene in the meeting room upstairs. In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Anna Nickerson at 530-426-7800 or (fax) 530-426-1120. Requests must be made as early as possible and at least one full business day before the start of the meeting.

Next Regular Meeting: September 10, 2010 at 5:00p.m.

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

July 9, 2010

Time: 5:00 p.m.

Place: 7305 Short Road, Serene Lakes, California

I. Open Meeting

Directors in attendance at the Sierra Lakes Board Room were:

Director Wade Freedle – President
Director Gene Bowles
Director Ulrich Luscher

Director Martin D. Bern joined the meeting at 5:25 p.m. by telephone from 560 Mission Street, 27th Floor, San Francisco, California

Director Bill Oudegeest was absent.

Staff members present: Bill Quesnel and Anna Nickerson

Guests present were: See Attached

Minute Recorder: Anna Nickerson

II. Public Forum – None

III. Consent Items Calendar

The “Consent Items Calendar” was presented to the Board for review and approval. The consent items included the minutes from the June 4, 2010 Regular Meeting, June 21, 2010 Special meeting, the June 2010 Check Register, and two new vendors; Orr Safety and James Marta & Company.

A motion was made by Director Luscher and seconded by Director Bowles “to accept the consent items.” The motion passed on a roll call vote. Ayes: Freedle, Luscher, and Bowles Noes: none. Absent: Bern and Oudegeest. Abstentions: none

IV. Operations

A. Mr. Quesnel’s “Operations Report” was presented to the Board for review and discussion. Mr. Quesnel said that after his report had been prepared, he received Donner Summit Public Utilities District’s (DSPUD’s) flow report. The report showed that Sierra Lakes County Water District’s (SLCWD’s) flows for June 2010 were 53.6% of the total flow, compared to flows from June 2009 of 53.5% and June 2008 of 50.2%. This information showed that the closing of

the Donner Summit rest areas had little effect on the flow percentage however, both Districts also showed high levels of I&I.

Mr. Quesnel also reported that he had met with Don Beldon about marking trees for removal on several specified lots. He said that Mr. Beldon had flagged trees on the Serene lot near Island and the Serene lot at the face of Kilborn. Mr. Beldon had not marked trees on the lot near the frog pond as requested but Mr. Quesnel said he would follow-up with Mr. Beldon about that lot. In addition, Mr. Quesnel said he had been in touch with Washington Ridge about laborers to perform the lot clearing work but would not be able to talk to the appropriate person until Tuesday July 13, 2010. He estimated that the actual clearing would take about three days at a rate of \$200 to \$250/day.

Director Luscher asked if Mr. Quesnel had looked at Mr. Beldon's markings. Mr. Quesnel said he had but that he thought the lots could have been a little more aggressively marked. Director Bowles said he had been by the sites as well and had heard comments supporting a more aggressive approach but thought the first clearing could be done on a more conservative level; more could be cleared if needed.

Director Bowles asked about the "no dig lateral repair" mentioned in Mr. Quesnel's report. Mr. Quesnel explained the process of installing liners to repair breaks in laterals, he also said that 100 pieces of the new liner repair technology were scheduled to be installed in the Colfax District and one in the Truckee District. The price per lateral was around \$3,000 to \$4,000 but compared to the price the District is paying to repair a typical break (about \$2,000) the new technology could be a good alternative for hard to repair leaks especially when shoring and traffic control were required.

Director Luscher asked what was next in regard to the lot clearing; how would the public be approached. After some discussion, Mr. Quesnel said he would post a write up at the pump stations and post notices on the trees at the various locations.

Director Bowles asked if Mr. Quesnel had had time to follow-up on the pump station analysis to determine which sections were having the most problems. Mr. Quesnel said he hadn't had the time but that he would follow-up and report back at the next meeting.

B. Mr. Quesnel's Construction Contract Award recommendations were presented to the Board for review and approval.

A motion was made by Director Luscher and seconded by Director Bowles to "approve Mr. Quesnel's recommendation for project 10-002". The motion passed on a roll call vote. Ayes: Freedle, Luscher, and Bowles Noes: none. Absent: Bern and Oudegeest. Abstentions: none

A motion was made by Director Luscher and seconded by Director Bowles to "approve Mr. Quesnel's recommendation for project 10-003". The motion passed on a roll call vote. Ayes: Freedle, Luscher, and Bowles Noes: none. Absent: Bern and Oudegeest. Abstentions: none

Prior to the vote, Director Luscher asked about the failure mentioned in Mr. Quesnel's write-up. Mr. Quesnel explained that in the past few years approximately 20 stainless steel sleeves with locking gears had been installed in the District. However, this year one of the pipes broke during the installation. But, because the line only serviced one residence and the break did not seem to interrupt service, there was not need to immediately repair the pipe. The cost of the repair was estimated to be less than \$5,000.

A motion was made by Director Luscher and seconded by Director Bowles to “approve Mr. Quesnel’s recommendation for project 10-004”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, and Bowles Noes: none. Absent: Bern and Oudegeest. Abstentions: none

A motion was made by Director Luscher and seconded by Director Bowles to “approve Mr. Quesnel’s recommendation for materials observation and testing services”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, and Bowles Noes: none. Absent: Bern and Oudegeest. Abstentions: none

C. Mr. Quesnel's "Training Policy Recommendation" was presented to the Board for review. He explained that District employees have now received the necessary training to reach their required certification levels and that the policy provided for continuing education to maintain those certifications. However, if an employee desired to achieve a higher level of certification to qualify for a higher rate of pay, the employee would need to take that training on their own time; the District would not pay for training above the required certification level. Both Director Bowles and Director Luscher felt the policy wording needed to be clearer on what training the District would and wouldn't pay for. Mr. Quesnel said he would make some changes to the policy to be reviewed at the next meeting.

IV. Old Business

A request to move item IV. C. "Wastewater Plant Upgrade/Expansion" up the agenda was granted by the Board and discussed prior to the "President's Report".

A. Director Freedle's "President's Report" was presented and discussed by the Board.

B. Director Freedle reported on the "Update on Water Rights Permit" as part of his President's Report. That report said that the Water Supply Study had been completed, in terms of the statistical work, and that a draft report would be prepared and taken to Andy Fecko at PCWA for his comments and opinion about how the document would be received by the State Water Board. In addition to the report contained in Director Freedle's President's report, the Board discussed the additional biological and cultural studies that had previously been put on hold. Director Freedle agreed to contact Craig Stevens to follow-up on the previously proposed biological and cultural studies and approve him to perform "drive by" studies.

C. Donner Wastewater Plant Upgrade/Expansion Facility Plan was discussed by the Board prior to Director Freedle's "President's Report".

1. A letter to DSPUD in support of expediting ECO:LOGIC's Engineering Design schedule was presented to and accepted by the Board with no discussion.
2. A letter dated July 1, 2010 from Kirk Syme, Royal Gorge, was presented to the Board for review.
3. A draft letter dated July 2, 2010, in response to Mr. Syme's letter was presented to the Board. The discussion was tabled until the Board made the decision on the number of additional EDU's to be requested in the new plant.

After the Board discussed item 4 "A draft letter to DSPUD regarding the number of additional EDUs...", and a decision was made as to how many additional EDUs would be requested in the Wastewater Plant Upgrade/Expansion, the Board then discussed the draft letter addressed to Kirk Syme.

A motion was made by Director Luscher and seconded by Director Luscher to "approve the letter to Kirk Syme except to replace the number 230 with 200". The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

4. A draft letter to DSPUD regarding the number of additional EDUs to be requested in the plant upgrade/expansion was presented and discussed by the Board. Director Freedle explained that after a discussion with Jeff Hauser, from ECO:LOGIC, it was determined that there were certain parts of the plant (about 80% of the facilities) that would need to be sized and installed now to accommodate the ultimate capacity of the plant. It was also estimated that 80% of the costs associated with the expansion facilities would have to be spent now, leaving only a minimal cost to be paid at the time of actual capacity expansion. Director Freedle also said he felt the Board had an obligation to provide capacity to the un-built, subdivided, lot owners. Initially, SLCWD had requested an additional 80 EDUs of expanded capacity. Director Freedle proposed that the Board increase its request to 230: an amount equal to the 260 un-built lots less an amount for possible lot consolidations. Director Bowles said that Mr. Hauser needed to know what the ultimate capacity of the plant was going to be in addition to the current capacity needs.

The Board discussed the probability of the District achieving full build-out. Director Bowles said he thought that if un-built lot owners were subject to an annual assessment to insure capacity and could not afford to build on their lots, those lot owners may consider selling their lots to someone who could build; increasing the probability of achieving full build-out. Director Freedle added that there were no guarantees of any future expansions so there could be no guarantee that a lot owner could get capacity in the future if they opted out now. Also, if DSPUD didn't need any more capacity in the future but SLCWD did, SLCWD would have to pay 100% of the design and expansion costs to get more capacity. Director Luscher moved to change the District request to 200 additional EDUs in the plant expansion project. Director Bern asked if the District would be committing to pay for the 200 additional EDUs without knowing whether there were 200 customers willing to pay for them. Director Freedle explained that Mr. Hauser needed the anticipated ultimate capacity number, since 80% of the facilities would have to be planned for

and installed now, in order to determine the price of an additional EDU. Once the price was determined, the District could poll the un-built lot owners to determine who wanted capacity. However, there was a risk that Mr. Hauser would not be able to scale back the design of the new plant should the polling result in a number significantly less than 200 EDUs; he could probably reduce the plant size but it could add to the design costs. The discussion included Director Bern's concern about future growth of the District; he felt that even a request for 200 additional EDUs was excessive given the current economy. Director Freedle suggested that the Board submit the higher number and poll the un-built lot owners as soon as Mr. Hauser determined the cost of a new connection. Kirk Syme, Royal Gorge, added that the cost of the environmental reviews should be taken into account because if the District underestimated the required EDUs and tried to increase the plant size subsequent to the environmental reviews the change could be costly. The Board agreed to decide on a higher number with the possibility that, for a fee, the design of the new plant could be adjusted down if enough lot owners requested to "opt out" and not be included in the expansion.

A motion was made by Director Luscher and seconded by Director Bowles to "authorize 200 additional EDUs in the plant upgrade/expansion project". The motion passed on a roll call vote. Ayes: Freedle, Luscher, and Bowles Noes: Bern. Absent: Oudegeest. Abstentions: none

A motion was made by Director Bowles and seconded by Director Luscher to "make the changes to the draft letter and send it to DSPUD". The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

5. Bill Quesnel's memo dated 7/2/10, "Calculation of EDU Charges to Fund DSPUD Expansion" was presented and discussed by the Board. Director Luscher requested some changes to the spreadsheet and Director Bowles had some questions regarding the underlying calculations. The Board agreed that the spreadsheet was a good profile and as more information regarding the costs associated with the upgrade and expansion portions of the new plant become available, the spreadsheet would be updated and reviewed again.

6. Director Freedle's memo regarding the status of the draft letter to undeveloped lot owners was reviewed by the Board. Given the discussions regarding the number of additional EDUs that would be requested in the plant upgrade/expansion and the lack of costs associated with the expansion, the draft letter was put on hold until Jeff Hauser could incorporate the new capacity numbers into the design and determine the cost of and expansion connection.

7. Joseph Gray's 7/5/10 e-mail regarding "ECO:LOGIC's Over-Specified and Over-Designed Upgrade Proposal" was presented and reviewed by the Board.

8. Joseph Gray's 7/6/10 e-mail regarding "Facilities Plan Meeting, notes on red worms" was presented to the Board.

Director Bowles commented on Mr. Gray's e-mails. He said that Mr. Gray's comments reflected a position of only looking out for the current rate payers but that the Board needed to give the un-built lot owners consideration in any decisions as well. He also said the Mr.

Gray's comments reflected a confidence in the current AccuWeb system that was not necessarily shared by others. Director Luscher said that Mr. Gray made some very good points and that some of his opinions were shared by Jim Gesselbract, the District peer review engineer. But due to time restraints of the permit, the Joint Wastewater Facilities Committee had rejected further investigation into modifying the current system. Bill Quesnel said that he had talked to Mr. Gesselbract about Mr. Gray's comments and that Mr. Gesselbract agreed that Mr. Gray made some very good points. However, he too said that due to the time restraints of the permit, there was not enough time to modify, change and adjust the current system especially without any guarantee that the plant could ever work at the level needed.

D. The status of Richard Sausser's water/sewer services was discussed by the Board. Anna Nickerson was asked to investigate the property title and place a lien against the property for unpaid fees.

VI. New Business

A. Robert Johnson's Engagement Letter for auditing services was presented to the Board for review and approval

A motion was made by Director Luscher and seconded by Director Bowles to "authorize the audit by Bob Johnson". The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

B. James Marta & Company's Engagement Letter for GASB 45 Actuarial calculation of post retirement benefits study was presented to the Board for review and approval. Director Freedle explained that the actuarial was required by the auditor, Robert Johnson, for the 2009/2010 Financial Statement Audit. Director Freedle said he could have the information from James Marta & Company by the next meeting at which time he would have a write-up of the results and possible options the District had in regard to the information. Director Luscher asked that the "Termination" clause be removed from the contract. He also asked that the line "Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose" be stricken from the contract.

A motion was made by Director Luscher and seconded by Director Bowles to "accept the proposal from James Marta & Company to perform the retirement requirement for health insurance study for the sum of \$950.00". The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

C. The California Special District Association requests were presented and reviewed by the Board.

1. The Board discussed the "2011 CSDA Committee Participant" request. No one was interested in participating.

2. The Board discussed the "2010 Proposed CSDA Bylaws".

A motion was made by Director Luscher and seconded by Director Bowles to “accept the CSDA By-Law Changes”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

3. The Board discussed CSDA’s “2010 Board Elections”.

A motion was made by Director Luscher and seconded by Director Bowles to “vote for Valerie Lord”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

D. Legacy Treasury Direct’s request for a “Resolution for Transaction” which would allow Legacy Treasury Direct to respond to the auditor’s request for information was presented and reviewed by the Board.

A motion was made by Director Bowles and seconded by Director Luscher to “sign and deliver the form to the appropriate person”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern Noes: none. Absent: Oudegeest. Abstentions: none

VII. Administration

A. The “June 4, 2010 Meeting Follow-up” was reviewed and discussed by the Board. Mr. Quesnel’s cost analysis for purchase of a new backhoe was the only item not complete. He agreed to get a quote for a new/used backhoe to be presented to the Board at a later date.

B. The June 2010 “Action Items List” was reviewed by the Board.

VIII. Finance

A. The “Disbursements Requiring Board Approval” was presented to the Board for consideration and action. Director Luscher commented that most of the items listed on ECO:LOGIC’s “Apr 2010 Engineering Services” invoice were related to the new plant. Anna Nickerson said she would be analyzing the ECO:LOGIC bills, looking at all the charges, and making enquires as to where tasks were being billed. Director Luscher asked for a copy of the CEQA Options memorandum identified on the Apr 2010 Engineering Services invoice.

A motion was made by Director Luscher and seconded by Director Bowles “to accept the disbursements for Board approval with the exception of the comments made by Director Luscher to correct the placement of the tasked to the correct categories.” The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles, and Bern. Noes: none. Absent: Oudegeest. Abstentions: none

B. The June 2010 Financial Reports were presented to the Board for review. The Financial Reports included:

1. Operating Expenses Budget vs Actual (Month and Year-to-Date)
2. Capital Expenses Budget vs Actual (Year-to-Date)

3. Cash Flow Forecast – One Year
4. Cash Flow Forecast – Three Year

X. Adjournment

A motion was made by Director Bowles and seconded by Director Luscher “to adjourn the meeting.” The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles, and Bern. Noes: none. Absent: Oudegeest. Abstentions: none

A motion was made by Director Luscher and seconded by Director Bowles “to re-open the meeting”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern. Noes: none. Absent: Oudegeest. Abstentions: none

The meeting was re-opened to allow the Board to discuss the Joint Wastewater Facilities Committee’s (Committee) recommendations that were to be presented at the DSPUD/SLCWD Joint Board Meeting to be held Saturday, July 10, 2010 at 10:00am. The Board discussed the Committee’s recommendation to begin design of a new Membrane Bioreactor (MBR) system to replace the current wastewater treatment facility.

A motion was made by Director Luscher and seconded by Director Bowles “to support the Wastewater Facilities Committees recommendation for an MBR system and either the UV or chloramination disinfection system.” The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles, and Bern. Noes: none. Absent: Oudegeest. Abstentions: none

A motion was made by Director Luscher and seconded by Director Bowles “to re-adjourn the meeting”. The motion passed on a roll call vote. Ayes: Freedle, Luscher, Bowles and Bern. Noes: none. Absent: Oudegeest. Abstentions: none

The next meeting was set for August 13, 2010 at 5:00p.m.

Financial Consultant

APPROVED BY:

President

MINUTES OF THE SPECIAL JOINT MEETING
of the
Donner Summit Public Utility District and Sierra Lakes County Water District
Boards of Directors

Held Saturday July 10, 2010, 10:00 am
Sugar Bowl Ski Area, 629 Sugar Bowl Rd., Soda Springs, California
Upstairs in the Coldstream Room at Judah Lodge, Norden, California

1. Call to Order: The meeting was called to order by Cathy Preis, President Donner Summit Public Utility District (DSPUD), and Wade Freedle, President Sierra Lakes County Water District (SLCWD), at 10:00 am.

2. Roll Call:

Roll was called for DSPUD Directors present:

Bob Sherwood
Dave Oneto
Cathy Preis
Tayler Dolph

Directors absent were:

Phil Gamick

Roll was noted for SLCWD Directors present:

Wade Freedle
Gene Bowles
Ulrich Luscher

Directors absent were:

Martin Bern
Bill Oudegeest

Staff and Consultants present were:

Jeff Evers – DSPUD Legal Counsel
Tom Skjelstad – DSPUD General Manager
Bill Quesnel – SLCWD Operations Manager
Jeff Hauser – ECO:LOGIC Engineering – Engineering & Design
Catherine Hansford – ECO:LOGIC Engineering – Financial Options
Greg Matuzak – ECO:LOGIC Engineering – CEQA/NEPA Requirements
Robert Emerick – ECO:LOGIC Engineering

Recording Secretary: Anna Nickerson

Guests present were: See Attached List

3. Welcome:

Cathy Preis, President DSPUD Board, extended a welcome to everyone in attendance at the second public meeting regarding the Wastewater Facilities Plan for the new wastewater treatment plant. Director Preis thanked SLCWD Joint Facilities Committee Members for their efforts, in conjunction with DSPUD's Committee Members, in developing a plan which was to be presented by ECO:LOGIC Consultants. She also thanked ECO:LOGIC for all their efforts.

Wade Freedle, President SLCWD Board, reported that the Sierra Lakes Board had previously met and passed a motion to fully support all of the recommendations of the Joint Wastewater Facilities Committee.

Director Preis turned the meeting over to the ECO:LOGIC for their presentation

4. Facilities Plan Presentation:

Jeff Hauser, Design Engineer for ECO:LOGIC, thanked everyone for coming. He explained that DSPUD was facing a number of wastewater management issues. Most importantly was that the existing plant was not consistently meeting the discharge requirements set by the Regional Water Quality Control Board in April 2009, for discharging into the Yuba River during the wet season; the ammonia and nitrate limits were frequently exceeded. He also said that in addition to the need to meet current permit requirements, both Districts were looking to expand capacity. He explained that capital costs, annual Costs, and non-economic issues were all considered in identifying the "Apparent Best Project". He presented the estimated timeline of the project, which was subject to change once the final decisions were made, but emphasized that the only date that was not flexible was April 2014, the date the plant had to be running within permit requirements.

Jeff said the basis of the facilities plan was to design a plant that would operate at the required levels and to provide additional capacity for both Districts' future needs. He said that DSPUD was currently at 818 EDUs with a request for an additional 332 EDUs (1,150 EDUs total) and that SLCWD was currently at 817 EDUs with a request for an additional 80 EDUs (total 897 EDUs). He noted that the average annual flow was 0.23 million gallons per day (MGD), which was expected to increase to 0.28 MGD with the additional capacity. However, he said that the "peak flows" were more important because during the peak ski season, "average day maximum weekly flows" were expected to increase from 0.61 MGD to 0.74 MGD; all of which are within the permit capacity of 0.52 MGD average dry weather flow.

Jeff then said that during the development of the facilities plan virtually every type of wastewater management systems was looked at. He said the current system consisted of flow equalization storage of 200,000 gallons and that the plan included an increase to 750,000 gallons of storage. Four alternatives for biological treatment were investigated: an upgrade of the existing Integrated Fixed-Film Activated Sludge (IFAS) System,

installation of a new IFAS System, installation of a Submerged Attached Growth System, and installation of the recommended Membrane Bioreactor (MBR) System. Jeff's presentation included a detailed explanation of the four biological treatment processes presented in the facilities plan; how they worked, where the facilities would be placed, and the implementation of the facilities. He discussed the concerns of temperature management and of the need for chemical feed and filtration. He explained that the microorganisms that accomplish wastewater treatment don't work properly if the effluent is too cold and that the goal was to keep the temperature of the system at 7 degrees Celsius. The facilities plan included a process for adding heat to the wastewater, when needed, at a proposed cost of \$1.9 million and annual fuel costs of \$22,000. Also included in the facilities plan were the chemical feed facilities for ammonia, alkalinity and a carbon source, such as methanol or an alternative, to promote the de-nitrification process, and the necessary filtration facilities needed for the Non-MBR biological treatment options; MBR requires no filtration. He discussed the three disinfection alternatives; Chlorine, Ultraviolet (UV) and Ozone (which is the best process for emerging contaminants such as pharmaceuticals and personal care products). Jeff also explained that there were two options under the chlorine approach: pre-chlorine, chlorination in the absence of ammonia; and chloramination, to add a little ammonia back in to suppress the formation of disinfection byproducts. However, the use of chlorine would require dilution credits and chloramination had yet to be tested. Jeff discussed the need for additional biostimulation storage (facilities to hold processed effluent until spray irrigation could be started). He said that with the lack of evidence of a nuisance algae growth the last two years, the recommendation was not to add biostimulation storage at this time.

Jeff discussed the overall cost comparison spreadsheet presented in the facilities plan. He explained how the spreadsheet calculated the costs of the four biological treatment alternatives, each with either chlorine or UV disinfection. Regarding the same alternatives' rating and ranking spreadsheet, he said that the non-cost elements, such as ease of expansion, power use, etc, were considered along with the capital and annual costs. All elements were weighted by importance, and the sum of the weighted ratings gave an aggregate score and a ranking for each alternative. According to the ranking an MBR system with UV disinfection was determined to be the "Apparent Best Project", which was also the project recommended by the Joint Facilities Committee.

5. CEQA/NEPA (Environmental Studies) Process Presentation:

Greg Matuzak continued the presentation, outlining the key environmental issues with the project. He said once the project was defined, the project description could be completed which would allow them to determine what environmental documentation and studies would be required. He said the project would have to comply with the California Environmental Quality Act (CEQA) but that the National Environmental Policy Act (NEPA) would be the bigger issue since the plant was located on U.S. Forest Service property and the plant was currently working under a special use permit. He said the process would begin with an environmental baseline study and that the Forest Service

would require a habitat assessment, biological resource survey, and cultural resource assessment. He also said that at this point, the assumption was that a Mitigated Negative Declaration/Environmental Assessment would be sufficient but that the initial study and public input could change that. Greg then explained that if the Districts were to get funding for the environmental studies through the United States Department of Agriculture (USDA) or the State Revolving Fund (SRF), additional environmental compliance documentation may be required. He said that a lot of the work would be done upfront so if other permitting issues were to arise any additional work required would probably be minimal.

Greg reported that some of the botanical and baseline surveys have been started, that the biological and archeological surveys should be completed by October 2010, and that scoping meetings were scheduled for September/October 2010. Currently they were working on the Draft Joint CEPA/NEPA document and anticipate that the draft would be ready for public review by February 2011 with a final document approved by June 2011.

6. Financing Options Presentation:

Catherine Hansford, ECO:LOGIC's Senior Economist, explained what elements were considered in developing a financing strategy. She said with larger projects like this, financing was sought from State and Federal programs, sometimes a combination of the two. Some of the considerations made in securing financing included the project costs, Board policies, timing requirements, along with who would benefit from the project, and if existing or new customers.

Catherine talked about the two phases of the project, the planning and construction phases. She said that funding for the \$1,478,000 estimated planning costs had been secured with a 5 year, 2.78%, loan from the SRF. She also said it was the first planning loan the State of California had ever approved.

Catherine said that two main sources of financing were being pursued, USDA Rural Utilities and the Clean Water SRF. The USDA loan provided for a 40-year term, resulting in a lower impact to the rate payers, while the SRF loan had a term of only 20 years. However, the SRF loan had a lower interest rate of 2.7%, while the USDA loan ranged between 3.25% and 4.125%, depending on the Districts' "ability to pay" classification. She said her recommendation was to submit applications to both sources to provide the Districts with the best financing options.

Finally, Catherine talked about some other potential sources of funding that become available periodically. She said she was monitoring the situation so applications could be submitted in the event that other financing options become available.

7. Compliance with Cease and Desist Order:

Bob Emerick of ECO:LOGIC addressed some concerns from the first public meeting to which there were no answers at the time. In response to those questions he said a letter was written to the Regional Water Quality Control Board asking for clarification. The first question was: what if one District passed the Prop. 218 funding vote but the other did not. The second question was: what if there were CEQA challenges that were no fault of the Districts, would there be any leeway. The third question was: was there any way to postpone the compliance date? According to the letter the Regional Board said that because the plant was currently protected under the “Cease and Desist Order”, the District had saved \$105,000 in fines, at \$3,000 per violation. The letter also said that without the “Cease and Desist Order” the plant could be shut down because it was not operating in compliance with the current permit. Further, if either or both Districts failed to pass the Prop. 218 funding vote, the District could lose the protection of the “Cease and Desist Order” and fines would be levied. In response to the question about postponing compliance, the Regional Board’s response was that if the District didn’t meet the compliance deadline then the permit could be revoked, the plant shut down, and the houses boarded up. Someone asked if a community had ever been shut down. Bob said as far as he knew, communities eventually complied; some fought the good fight but complied in the end.

8. Review of Joint Facilities Committee Recommendation to the DSPUD and SLCWD Board of Directors:

The discussion started with Director Luscher’s question regarding additional EDUs. He wanted to know how it would affect the process if another 200 to 230 EDUs were requested in the expansion. He also wanted to know what facilities would have to be installed now to provide for future expansion. Jeff Hauser said that although 250 additional EDU’s may be significant he didn’t think the cost would be. He did say that each component of the plant would have to be evaluated individually to determine its capability of handling the additional expansion; the cost would be associated with those sections of the plant that couldn’t handle the additional capacity. However, the ability to expand would have to be considered at the time of pre-design when some of the facilities could be oversized to handle future expansion.

The question was asked why spray irrigation would be needed with the MBR system since the effluent was crystal clear. Jeff’s response was that the State’s primary objective was to keep effluent out of the river if there was a reasonable alternative. Due to snow, spray irrigation was not available in the winter so discharge to the river during winter months was allowed.

Director Luscher asked how accurate the additional total EDU number had to be for the environmental studies. Greg responded saying that the larger number would be better, it would be better to be approved for more EDUs than to come up short.

A motion was made by Director Luscher and seconded by Director Bowles of the Sierra Lakes County Water District to **“approve the recommendations of the Joint**

Facilities Committee as recorded per the minutes of April 2 and May 10, 2010”.

The motion passed on a roll call vote: Ayes: Freedle, Bowles and Luscher. Noes: none. Absent: Bern and Oudegeest. Abstentions: none.

A motion was made by Director Sherwood and seconded by Director Dolph of the Donner Summit Public Utility District to **“accept the Committee’s recommendations.”** The motion passed on a roll call vote: Ayes: Preis, Sherwood, Oneto, and Dolph. Noes: none. Absent: Gamick. Abstentions: none.

9. Consideration of Additional Recommendations; Preliminary Engineering Design Schedule:

A letter from the SLCWD Board recommending that the schedule for Pre-Engineering Design be accelerated was presented to the DSPUD Board.

A motion was made by Director Sherwood and seconded by Director Oneto to **“accept SLCWD’s letter into consideration”**. The motion carried by a 4-0 vote with 1 absent.

10. Public Participation:

Bernard Pech, Serene Lakes, made two suggestions. First he suggested that the District set up a financial incentive program for ECO:LOGIC to reward them if they are able to complete processes, such as bidding, before scheduled dates. He also suggested that the Boards allow homeowners the option of paying their portion up front instead of over the life of a 20 to 40 year loan. He believed there would be many homeowners who would want to do this.

Susan Snider, Nevada City, asked how the additional EDU’s for a development like Pendola, who has nothing filed with or approved by the County, could be included in the CEQA process. Greg Matuzak explained that the CEQA/NEPA analysis would be based on a total EDU capacity of the new plant, not on to whom those EDUs are allocated.

Susan Snider asked about the additional EDUs discussed earlier, in regard to which Jeff Hauser had said that an additional 250 EDUs might be significant but that he didn’t think the cost would be. She wanted to know if the additional EDUs would exceed the average 0.52 MGD permit limit. It was Jeff’s opinion that the additional EDUs would still be within the 0.52 MGD permit limit.

Susan Snider questioned the continued use of the Cisco Grove gauge to monitor flows when the Regional Board said that DSPUD should be using a gauge that directly correlated with their discharge location. Jeff Hauser said that monitoring flows had to do with evaluating biostimulation storage. He further explained that the decision to switch over to spray irrigation had only to do with the ground conditions at Soda Springs; it did not have anything to do with river flows. He said “the District was required to put the effluent on the land if the land could take it.”

Tom Burns, Serene Lakes, commented that he was disappointed with the low public turnout. He felt that these were very important issues for the community and maybe the Boards should send out a sample of what their water bills were going to look like in the future, maybe that would get their attention. He also suggested that the Boards look at general-obligation bonds as a source of financing. He thought the Boards should look at the financing from a taxpayer's standpoint instead of a ratepayer's standpoint.

Ursula Heffernon, Soda Springs, asked how many connections were being considered in the new plant and asked what EDU meant. First Jeff Hauser explained that EDU meant Equivalent Dwelling Unit and that it was equivalent to the flows associated with a single residence. So a ski resort would have multiple EDUs calculated on the volume of their flows. He also repeated that DSPUD currently had 818 EDUs with a request for an additional 332 (1,150 EDUs total) and that SLCWD currently had 817 EDUs with a request for an additional 80 (total 897 EDUs), but that these numbers were subject to change.

Susan Snider stated that she heard at the last meeting that the Boards were going to charge current rate payers for the expansion component of the costs and later reimburse those ratepayers when the connections were issued and paid for by the future ratepayers. Several members of the Boards and panel disagreed with her statement, saying that what she thought she heard would not only be illegal but that it was incorrect; current ratepayers were not going to be charged for the expansion costs of the new plant. Ms. Snider continued, wanting to know how the Boards were going to handle the cost of future EDUs especially when a Prop 218 hearing was required to impose a rate increase. Geoff Evers, General Counsel for DSPUD, explained that the EDUs included in the plant expansion were determined based on those who wanted or didn't want capacity in the new plant; there were no speculative EDUs requested by either District. Again she asked how the financing of the expansion was going to be handled and if the Boards had considered one of the other alternatives, like the IFAS, if the Prop 218 vote didn't pass. Tom Burns asked what a Prop 218 hearing was. Tom Skjelstad explained that property owners had to be given at least a 45-day notice of a rate increase and that with a 51% written protest the increase could be blocked. Again Susan asked her question. Tom then explained that one way the financing of the expansion could be handled was through an Assessment District. The undeveloped lot owners who wanted future capacity would vote to assess themselves an amount that included the cost of the expansion plus a portion of the upgrade costs. If the undeveloped lot owners did not vote to assess themselves then there would be no expansion because there would be no one to pay for it.

Hal Kessler, Towle Mountain, thanked all the Board members involved for their hard work and thoroughness. He asked that the Boards keep an open mind in regard to chloramination. Susan Snider asked the Boards to consider UV disinfection.

Kirk Syme, Royal Gorge, wanted to know if ECO:LOGIC was going to use an estimated number or an actual number of EDUs in the CEQA/NEPA process. Greg

Matusak said that the anticipated completion date of the document was February 2011 and that he hoped to have a pretty accurate number by that time.

Director Bowles, SLCWD, commented on the issue of chloramination. He said that ozone disinfection would be best but that it was too expensive and by going with UV disinfection, \$1 million could be saved.

Olga Diaz, Sierra Club, asked who was going to be surveyed for future EDUs, and if someone chose not to include themselves in the expansion would that mean they could never build on their lot. Director Freedle, SLCWD, said that, for Sierra Lakes, the un-built subdivided lot owners would be surveyed and if a lot owner opted out they would not have capacity in the current expansion.

11/12. Direction to ECO:LOGIC Engineering Discussion – Combined Boards

Director Freedle said that the SLCWD Board would like to see both the engineering/design and environmental studies started immediately. Given the limited construction season on the Summit, the Board felt that issues that could arise during these processes could be dealt with as they came up; waiting could delay the project completion.

A motion was made by Director Sherwood and seconded by Director Dolph, DSPUD Board, to **“direct staff to negotiate the scope and budget with ECO:LOGIC for pre-design and environmental studies.”** The motion carried by a 4-0 vote with 1 absent.

11. Adjournment:

A motion was made by Director Oneto and seconded by Director Dolph, DSPUD Board, and a motion was made by Director Luscher and seconded by Director Bowles, SLCWD Board, to **“adjourn the meeting at 1:10pm.”** The motion passed on unanimous votes.

11:46 AM
 08/05/10
 Accrual Basis

**Sierra Lakes County Water District
 Check Register - Demand Account**

Type	Date	Num	Name	July 2010	Memo	Amount
1000 - Demand Checking						
Bill Pmt -Check	07/02/2010	21075	Donner Summit Public Utility District		Jul 2010 Processing Fee	(32,925.00)
Bill Pmt -Check	07/09/2010	21091	Donner Summit Public Utility District		Apr & May 2010 Facility Plan & Engineering Fees	(18,401.12)
Bill Pmt -Check	07/09/2010	21086	Acumen Engineering Company		June 2010 Professional Fees	(14,305.65)
Check	07/20/2010	21121	KIRSEBOM, CHRISTIAN O		Returned Water/Sewer Connection Fees	(8,610.80)
Liability Check	07/16/2010	PR071510	QuickBooks Payroll Service		P/R: Created by Payroll Services on 07/15/2010	(7,345.84)
Liability Check	07/30/2010	PR073110	QuickBooks Payroll Service		P/R: Created by Payroll Services on 07/29/2010	(7,233.88)
Liability Check	07/01/2010	PR063010	QuickBooks Payroll Service		P/R: Created by Payroll Services on 06/30/2010	(7,205.23)
Bill Pmt -Check	07/02/2010	21081	Public Employees' Retirement System (Med)		Medical - 1347	(7,110.72)
Bill Pmt -Check	07/09/2010	21097	Pacific Gas & Electric		Electricity	(5,270.42)
Bill Pmt -Check	07/15/2010	21108	Anna M. Nickerson		Professional Fees 7/1/10 to 7/15/10	(4,575.00)
Bill Pmt -Check	07/09/2010	21096	Mountain Pipeline		June Camera Work and Leak Repairs	(4,222.50)
Bill Pmt -Check	07/02/2010	21074	Anna M. Nickerson		Professional Fees: 6/16/10 to 6/30/10	(3,750.00)
Liability Check	07/01/2010	21072	Public Employees' Retirement System (Ret)		Retirement - 1347	(3,161.64)
Liability Check	07/15/2010	E-pay	Internal Revenue Service		P/R Taxes: 94-1619513 QB Tracking # 7879406	(3,161.18)
Bill Pmt -Check	07/15/2010	21110	Orr Safety Corporation		Lifeline, Self Retract 50' Ss	(2,509.04)
Bill Pmt -Check	07/02/2010	21073	ACWA/Joint Powers Insurance Authority		Workers Comp Premium Apr-Jun 2010	(2,108.95)
Bill Pmt -Check	07/09/2010	21090	Cranmer Engineering, Inc.		Filter Plant Testing	(1,311.00)
Bill Pmt -Check	07/09/2010	21089	CalPers		May 2010 Cobra Premiun for D Smith	(876.96)
Liability Check	07/15/2010	E-pay	Employment Development Department		P/R Taxes: 499-0546-6 QB Tracking # 7879408	(782.82)
Bill Pmt -Check	07/02/2010	21080	Placer County Treasurer		July 2010 Dental/Vision Premium	(674.65)
Bill Pmt -Check	07/15/2010	21120	Orr Safety Corporation		Confined Space Kit	(558.13)
Paycheck	07/09/2010	21104	Gene E. Bowles Jr {Salary}		6/22, 6/25, 7/9, & 7/10 Meetings	(554.39)
Paycheck	07/09/2010	21106	Richard W. Freedle {Salary}		7/6, 7/7, 7/9, & 7/10 District Work/Meetings	(443.18)
Bill Pmt -Check	07/09/2010	21088	AT&T		Telephone	(436.58)
Bill Pmt -Check	07/02/2010	21077	Krebill, Jeff (expense)		Mileage Reimbursement: Training	(420.88)
Bill Pmt -Check	07/09/2010	21094	Local Agency Formation Commission (LAFCO)		10/11 Annual LAFCO Fees	(401.13)
Bill Pmt -Check	07/02/2010	21084	Tahoe Truckee Sierra Disposal Co., Inc.		Dumpster Donation	(354.00)
Bill Pmt -Check	07/15/2010	21116	Western Nevada Supply Co.		Water Dist General Maint Parts	(320.95)
Bill Pmt -Check	07/09/2010	21092	Freedle, Wade (Director)		Mileage to District: 7/6, 7/7, 7/9 & 7/10	(308.00)
Paycheck	07/16/2010	21118	Richard W. Freedle {Salary}		District Office: 7/13 & 7/15/2010	(283.96)
Paycheck	07/26/2010	21124	Richard W. Freedle {Salary}		District Office: 7/20 & 7/22/10	(283.95)
Bill Pmt -Check	07/22/2010	21122	Alicia Nickerson		Temp Office Help	(276.00)
Bill Pmt -Check	07/15/2010	21114	Tahoe Truckee Sierra Disposal Co., Inc.		July Trash Service	(270.84)
Paycheck	07/02/2010	21085	Richard W. Freedle {Salary}		District Office: 6/28 & 7/2/10	(270.43)

11:46 AM
 08/05/10
 Accrual Basis

**Sierra Lakes County Water District
 Check Register - Demand Account**

Type	Date	Num	Name	July 2010	Memo	Amount
Bill Pmt -Check	07/09/2010	21099	TIP, Inc.		Envelopes & Billing Statements	(260.82)
Liability Check	07/09/2010	E-pay	Internal Revenue Service		P/R Taxes: 94-1619513 QB Tracking # 7769933	(257.34)
Liability Check	07/15/2010	E-pay	Employment Development Department		P/R Taxes: 499-0546-6 QB Tracking # 7786007	(234.79)
Bill Pmt -Check	07/09/2010	21103	Western Energetix Cardlock, LLC		Gasoline/Diesel	(212.41)
Bill Pmt -Check	07/15/2010	21111	Sierra Nevada Media Group		3 Invitations to Bid 2010/2011 Projects	(195.88)
Bill Pmt -Check	07/09/2010	21101	Ulrich Luscher (Director)		Mileage to District Board Meetings	(191.00)
Bill Pmt -Check	07/29/2010	21129	Ulrich Luscher (Director)		Mileage to District 7/19/10	(191.00)
Paycheck	07/09/2010	21107	Ulrich Luscher {Salary}		7/9/10 & 7/10/10 Board Meetings	(187.00)
Bill Pmt -Check	07/15/2010	21113	Suburban Propane		Propane	(169.77)
Bill Pmt -Check	07/09/2010	21098	Placer County Assessor		2010/2011 Tax Roll	(165.00)
Bill Pmt -Check	07/02/2010	21076	Freedle, Wade (Director)		Mileage to District: 6/28/10 & 7/2/10	(154.00)
Bill Pmt -Check	07/22/2010	21123	Freedle, Wade (Director)		Mileage to District: 7/19/10 & 7/22/10	(154.00)
Bill Pmt -Check	07/15/2010	21112	Sprint		Cell Phone	(150.71)
Paycheck	07/16/2010	21117	Gene E. Bowles Jr {Salary}		District Office 7/15/10	(145.61)
Paycheck	07/30/2010	21125	Gene E. Bowles Jr {Salary}		District Work: Fire Safety 7/19/10	(141.99)
Paycheck	07/30/2010	21127	Ulrich Luscher {Salary}		District Work: Fire Safety 7/19/10	(141.98)
Paycheck	07/09/2010	21105	Martin D. Bern {Salary}		7/9/10 Board Meeting	(141.97)
Paycheck	07/30/2010	21126	Richard W. Freedle {Salary}		District Office: 7/27/10	(141.97)
Bill Pmt -Check	07/02/2010	21082	Summit Home Care		June Cleaning Services	(140.00)
Bill Pmt -Check	07/02/2010	21078	NC Auto Parts		New Alternator	(118.33)
Bill Pmt -Check	07/09/2010	21087	Alicia Nickerson		Office: Process 2010/2011 Service Billing	(108.00)
Bill Pmt -Check	07/15/2010	21115	The House Whisperer		Annual Backflow Test	(100.00)
Bill Pmt -Check	07/02/2010	21083	Tahoe Supply Company		Paper Towels & Bleach	(80.46)
Bill Pmt -Check	07/15/2010	21109	Freedle, Wade (Director)		Mileage to District 7/15/10	(77.00)
Bill Pmt -Check	07/15/2010	21119	Freedle, Wade (Director)		Mileage to District 7/13/10	(77.00)
Bill Pmt -Check	07/29/2010	21128	Freedle, Wade (Director)		Mileage to District Office 7/27/10	(77.00)
Bill Pmt -Check	07/09/2010	21102	United States Postal Service (box fee)		Annul Box Fee	(76.00)
Bill Pmt -Check	07/02/2010	21079	Overhauser, Michael (expense)		Reimbursement fro Gasoline/Diesel	(74.33)
Liability Check	07/15/2010	E-pay	Internal Revenue Service		P/R Taxes: 94-1619513 QB Tracking # 7879403	(72.04)
Bill Pmt -Check	07/09/2010	21093	Lake Tahoe On Line		July 2010 DSL	(49.95)
Liability Check	07/27/2010	E-pay	Internal Revenue Service		P/R Taxes: 94-1619513 QB Tracking # 8032241	(47.60)
Liability Check	07/06/2010	E-pay	Internal Revenue Service		P/R Taxes: 94-1619513 QB Tracking # 7685177	(45.34)
Bill Pmt -Check	07/09/2010	21100	Truckee Tahoe Lumber Co.		Sheetrock & Lumber	(42.14)
Bill Pmt -Check	07/09/2010	21095	Mountain Hardware		Stucco Tape & Paint for Wastewater General Maint	(30.25)
Liability Check	07/09/2010	E-pay	Employment Development Department		P/R Taxes: 499-0546-6 QB Tracking # 7769937	(18.49)

11:46 AM
 08/05/10
 Accrual Basis

**Sierra Lakes County Water District
 Check Register - Demand Account**

Type	Date	Num	Name	July 2010	Memo	Amount
Liability Check	07/15/2010	E-pay	Employment Development Department		P/R Taxes: 499-0546-6 QB Tracking # 7879405	(5.18)
Liability Check	07/27/2010	E-pay	Employment Development Department		P/R Taxes: 499-0546-6 QB Tracking # 8032309	(3.43)
Liability Check	07/06/2010	E-pay	Employment Development Department		P/R Taxes: 499-0546-6 QB Tracking # 7685183	(3.26)
Paycheck	07/02/2010	DD1101	Jeffery D. Krebill		P/R Ending 6/30/10: Direct Deposit	-
Paycheck	07/02/2010	DD1102	Jeffrey C. Stransky		P/R Ending 6/30/10: Direct Deposit	-
Paycheck	07/02/2010	DD1103	Jerrold G. Dahlen		P/R Ending 6/30/10: Direct Deposit	-
Paycheck	07/02/2010	DD1104	Michael W. Overhauser		P/R Ending 6/30/10: Direct Deposit	-
Paycheck	07/19/2010	DD1105	Jeffery D. Krebill		P/R Ending 7/15/10: Direct Deposit	-
Paycheck	07/19/2010	DD1106	Jeffrey C. Stransky		P/R Ending 7/15/10: Direct Deposit	-
Paycheck	07/19/2010	DD1107	Jerrold G. Dahlen		P/R Ending 7/15/10: Direct Deposit	-
Paycheck	07/19/2010	DD1108	Michael W. Overhauser		P/R Ending 7/15/10: Direct Deposit	-
Total 1000 · Demand Checking						<u>(145,207.86)</u>
TOTAL						<u>(145,207.86)</u>

RECONCILIATION:

7/1/2010	Beginning Cash Balance	937,461.84
	Deposits	290,196.39
	Fees	
	Disbursements	<u>(145,207.86)</u>
7/31/2010	Ending Cash Balance	<u><u>1,082,450.37</u></u>

MEMORANDUM

To: Board of Directors, Sierra Lakes County Water District
From: Bill Quesnel PE, Operations Manager
Subject: July 2010 Operations and Maintenance Report
Date: August 4, 2010

The purpose of this memorandum is to update the Board of Directors on the activities of the Operations and Maintenance Department during the month of July 2010.

Regulatory Issues:

The DSPUD Board authorized Eco:Logic to proceed with the environmental studies and engineering pre-design work for the Treatment Plant upgrades at their July 20th meeting. There was significant discussion about the timing of the two tasks (concurrent or not) and the level of environmental review/analysis. Since that time DSPUD, Eco:Logic and the Forest Service have met at the plant to review the physical location of the planned improvements; my understanding is the meeting was positive and the Forest Service continues to entertain the idea an Environmental Assessment (EA) will satisfy the NEPA requirements as opposed to an Environmental Impact Statement (EIS). Eco:Logic's Environmental group is working on a Project Description and proposing a public scoping meeting in September which will likely guide the decision of preparing a Mitigated Negative Declaration or Environmental Impact Report to satisfy CEQA requirements. On the engineering side, Jeff Hauser is working on an analysis allocating the project cost per EDU for treatment improvements and capacity improvements. This information is necessary for the Boards to understand the cost to each district (for funding purposes) and therefore the costs to existing and potential connections.

I received the 2009-2010 dam overflow information from Camp Dresser and McKee (CDM). This year a total of 3,684 acre-feet of water flowed over the dam as compared to 4,204 in water year 2008-2009 with this year's peak flow in June as compared to May last year. Water stopped flowing over the dam on July 21st and staff started monitoring inflow on July 19th. To date 14 acre-feet has entered the lakes while six acre-feet has been released; inflow started at 0.65 cfs and is now down to 0.17 cfs.

As reported, President Freedle, Director Bowles, Mary Hall and I have been working on the Water Supply Analysis. We met with Andy Fecko and Brian Martin from PCWA on August 4th to review the methodology used to compute available water within the lakes under various scenarios (summer, ice and drought) and the through-put of the watershed (based on three years of CDM data). The meeting was productive and both Andy and Brian thought our analysis was very reasonable and defensible with some minor tweaking. Based on their recommendation, the next step is a meeting with the Department of Water Resources to get buy-in on our direction and then complete the CEQA documentation with Craig Stevens. Meanwhile the biological and cultural field work on the unbuilt lots was completed as directed by the Board at the last meeting.

Operations Issues:

Average daily water and sewer flows in July were 132,590 and 111,523 gallons respectively as compared to June's flows of 72,609 and 158,180 gallons and 141,346 and 87,898 in July 2009. As shown on the attached spreadsheet, Sierra's monthly water flows in 2010 continue to trend below the 2005-2009 average; however July's average daily sewer flow is 25,520 gallons more than the 2005-2009 average. Flows through the treatment plant in July were not available when this memo was prepared; Sierra's percentage of the cumulative flow through the Donner Plant through June 2010 was 40% of the total. Through June 2010, Sierra's annual flow through the plant (w/o the Caltrans rest stops in operation) was 53.6% of the total as compared to 50.2% in 2008 and 53.5% in 2009.

Staff is beginning to test residential sewer laterals that indicated leakage during the spring TV inspection and scheduling Mountain Pipeline back on site to finish grouting leaking manhole channels before the coating/rehabilitation work starts after Labor Day. We've also started thinking about what portions of the system to "smoke test" in late September or early October. As requested at the last Board Meeting, attached is an updated graph of daily sewage flows by pump station; clearly there is a significant I&I within the tributary area of SPS-3. One of this fall's projects is to locate all the cross-country components of the system that was installed as part of the Ice Lakes Lodge/Subdivision project and flows into SPS-3.

We are continuing to operate the filter plant and intake pumps on "automatic" as water demand has significantly increased with the summer season. Staff finally was able to determine the cause of the glitches/alarms caused by the chemical feed pumps and also modified one of the settings on the SCADA screen to reduce the number of false alarms related to SPS-1 operation and flows through the measuring flume on Pahatsi Road. Eco:Logic's SCADA engineer from Reno come up to train staff on the calibration procedure of the ultrasonic flow measuring device at the flume (as compared to paying a firm to come up from Sacramento) that measures sewer flows to DSPUD and will now be able to check the calibration more frequently. Finally the SCADA system base radio is intermittently experiencing lost communication with SPS-4 and we have asked RMS Communications to come up and check the physical condition of the antenna, its alignment (directional) and verify the integrity of the coaxial cable before purchasing a replacement radio unit.

Director Bowles, Director Luscher and I met with Bob Belden (Truckee Fire) to look at the District owned parcels slated for fuels reduction work and discuss appropriate levels of treatment. In an effort to notify as many residents as possible, notices were posted on each parcel describing the proposed work and asking for comments by July 31st. Letters were also sent to the owners of the properties adjacent/opposite the two Serene Road parcels telling them of the upcoming project; we received a call from one owner asking to be notified when the work is happening so she can "see how it is supposed to be done"; that was the only comment received. Subsequent to our meeting with Truckee Fire, I met with Captain Crandall from the Washington Ridge Conservation Camp to review the scope of the project and finalize the paperwork necessary to get the crew on site, planned dates are August 13th, 16th and 20th with additional days as necessary based on progress (work will start at the Serene Road/Island Way parcel). Captain Crandall estimated between four and five days of work at an approximate cost of

\$250/day. Bob Belden committed to meeting the Crew on-site to make sure the prescription at each parcel is understood and followed.

Capital Project Status

The 2010 Watermain and Lateral Replacement Project started the week of July 12th and all mainline will have been installed by August 5th. An updated schedule identifying the planned timing of individual lateral installations, and outages, was posted on the District's website; the contractor is still anticipating completion of the project in mid-September. Work has progressed well with discussion of one minor change-order related to a culvert conflict on Palisades Drive. Spiess is working a 4day-10hour (Monday through Thursday) schedule and as mentioned previously equipment cannot be started until 7:00am. Residents have been very patient and understanding of the inconvenience we're causing them.

Contract documents for the three small projects approved at the July meeting have been finalized and work on the manhole and valvebox adjustment project (10-002) is scheduled to begin on August 5th while the manhole and lateral repair project (10-003) will begin on August 9th. Finally, the manhole and wetwell rehabilitation project (10-004) will begin September 13th after sewer flows have subsided.

We met with Eco:Logic to plan the SCADA upgrades at SPS-1 that will allow us to monitor water levels in the wetwell and automatically alternate the small pumps. The plan is for Eco:Logic to provide a list of materials and installation drawings with construction done by District Staff. Eco:Logic's programmers will make the changes to the SCADA control software itself.

Under separate cover are discussions re: the pavement sealing contract and purchase of a replacement backhoe.

Attachments: Monthly Water and Sewer Flows
 2005-2010 Water and Sewer Flow Summary
 Sewer Pump Station Run Time
 Water Project Schedule Update

SIERRA LAKES COUNTY WATER DISTRICT SEWER & TREATED WATER TOTALS

Month: July Year: 2010

DATE	DAY	SEWER TOTALS		TREATED WATER TOTALS				REMARKS
		SEWER FLOW	FLOW METER	GALLONS WATER PUMPED	GALLONS WATER USED	BACKWASH GALLONS	*COMBINED TANK TOTAL GALS.	
1	T	120,544	37700765	98,165	134,029	9979	708,290	
2	F	145,696	37713475	102,921	113,677	9009	672,426	
3	S	179,936		177,175	157,289	6943	661,671	
4	S	175,392		71,257	158,733	3294	681,557	
5	M	174,016		159,763	167,940	10342	594,081	
6	T	101,344		134,764	117,066	15553	585,904	
7	W	119,552		162,582	104,733	11030	603,602	
8	TH	116,864		154,421	109,666	18537	661,451	
9	F	127,008	37819493	79,048	114,635	5695	706,206	
10	S	124,224		143,167	144,729	7866	670,619	
11	S	108,640		114,233	127,760	5791	669,057	
12	M	94,368		141,528	131,939	7200	655,529	
13	T	91,360		149,135	121,850	8021	665,118	
14	W	94,560		131,462	128,217	7676	692,403	
15	TH	98,400		82,768	108,134	4167	695,648	
16	F	108,416	37897166	118,428	128,947	7892	670,283	
17	S	115,104		78,648	150,081	3542	659,764	
18	S	110,276		134,428	139,235	3648	588,331	
19	M	80,736		173,207	129,190	7745	583,523	
20	T	86,688		150,865	99,582	9306	627,541	
21	W	76,448		101,964	81,640	4172	678,823	
22	TH	82,624		88,248	127,610	7878	699,147	
23	F	97,600	37967160	145,574	135,729	5615	659,785	
24	S	121,440		161,061	181,055	6135	669,630	
25	S	111,264		146,621	158,848	15201	649,636	
26	M	88,992		156,501	123,489	6,343	637,408	
27	T	86,144		120,421	114,348	6,529	670,420	
28	W	85,664		99,021	121,476	9,683	676,494	
29	TH	89,792		163,393	143,744	7849	654,039	
30	F	116,064	38038396	191,167	160,851	22387	673,689	
31	S	128,064		178,359	189,018	12138	704,005	
Total		3,457,220	3,637,380	4,110,295	4,125,240	267,166		
Average		111,523	117,335	132,590	133,072	8,618	658,906	
Max		179,936		191,167	189,018	22,387	708,290	

* Max. combined capacity of both tanks is 760,000 gals.

1st of the
Month Data 38064503

SIERRA LAKES COUNTY WATER DISTRICT

DATE: August 1, 2010

TO: Board of Directors

FROM: Mike Overhauser, Operator

RE: Operator's Report

Water & Wastewater Flows for Month: July 2010

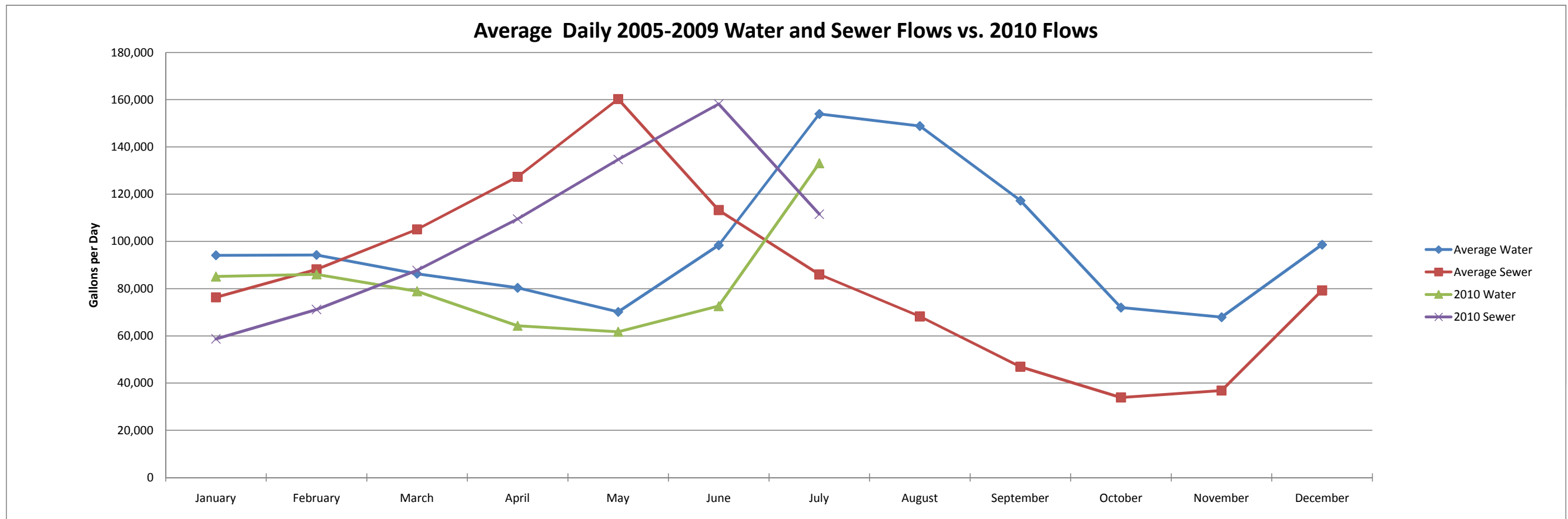
	<u>LAST YEAR</u>	<u>CURRENT FLOW</u>	<u>% CHANGE</u>	<u>LAST MONTH</u>
WATER	4,403,702	4,125,240	-6.32%	2,178,258
Lot 1	67,000	23,500	-64.93%	15,640 ¹
Royal Gorge	790	1,620	105.06%	2,335
Ice Lakes Lodge	92800	15,640	-83.15%	23,500
Avg. pH	7.59 pH	7.66 pH		7.75 pH
Avg. Turbidity	0.03 NTU	0.04 NTU		0.05 NTU
Avg. Filter Takeout	97%	95%		93%
WASTEWATER	2,724,848	3,457,220	26.88%	4,745,408
DSPUD				
WW INFLUENT				
WW EFFLUENT				

¹ First reading of the year.

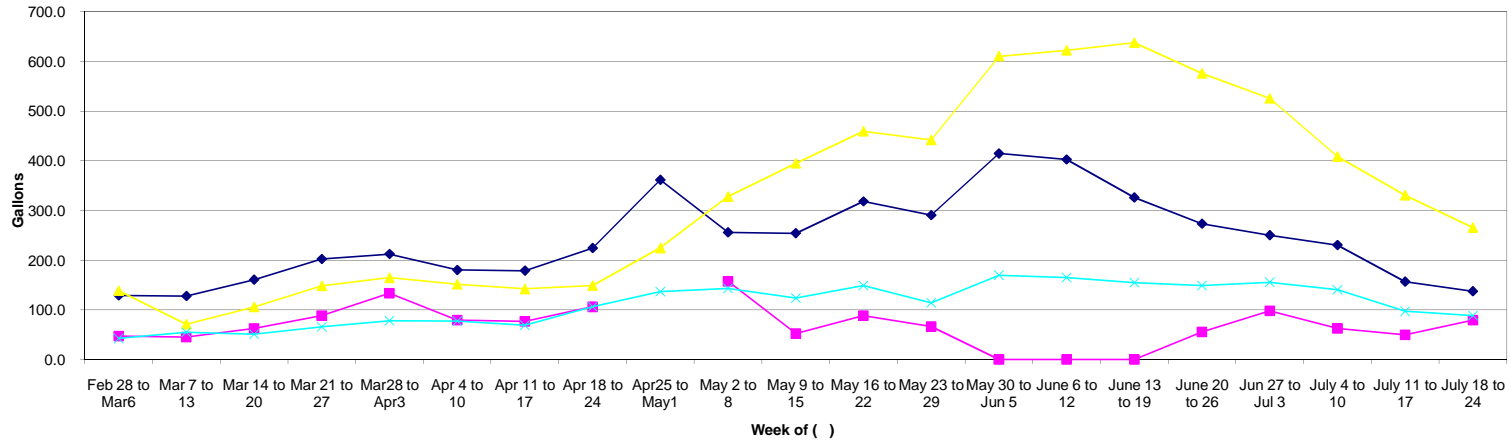
Sierra Lakes County Water District Daily Average Water and Sewer Flows

Month	2005		2006		2007		2008		2009		2010	
	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer
January	78,611	52,837	104,180	133,848	93,586	60,584	89,324	58,246	104,915	76,076	85,135	58,715
February	86,936	71,056	96,190	138,752	95,329	79,931	95,248	64,852	97,663	86,113	86,071	71,161
March	79,194	90,320	83,329	126,510	82,768	101,731	88,018	85,436	98,250	121,541	78,894	87,707
April	67,930	106,751	83,439	159,717	100,009	113,847	66,673	112,457	83,824	143,952	64,256	109,469
May	60,691	185,304	89,324	218,557	73,315	110,771	66,081	130,570	61,539	156,042	61,745	134,655
June	77,209	149,446	101,336	145,055	117,150	70,063	100,870	95,055	95,407	106,653	72,609	158,180
July	141,240	92,211	173,629	89,575	168,777	81,250	144,858	79,083	141,346	87,898	133,072	111,523
August	138,478	64,087	149,863	61,434	166,327	72,543	147,985	69,962	141,716	73,084		
September	107,120	43,660	118,039	44,614	129,275	52,889	107,060	40,548	124,838	52,838		
October	72,206	31,110	77,343	30,411	73,992	38,341	69,466	32,974	66,965	36,732		
November	67,633	34,130	78,584	36,578	69,057	35,566	63,641	44,895	60,600	32,956		
December	83,676	156,394	135,599	67,387	94,571	63,670	80,719	62,119	98,527	46,567		

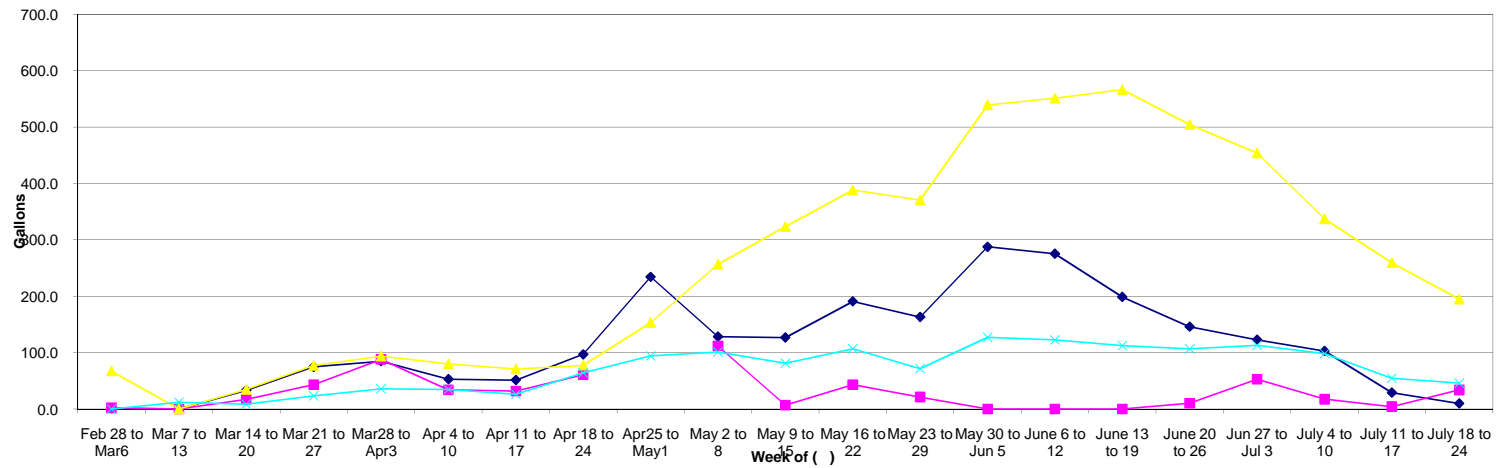
2005-2009			2010 Water	2010 Sewer	2010 Difference
Average Water	Average Sewer	Average Difference			
94,123	76,318	17,805	85,135	58,715	26,420
94,273	88,141	6,132	86,071	71,161	14,910
86,312	105,108	-18,796	78,894	87,707	-8,813
80,375	127,345	-46,970	64,256	109,469	-45,213
70,190	160,249	-90,059	61,745	134,655	-72,910
98,394	113,254	-14,860	72,609	158,180	-85,571
153,970	86,003	67,967	133,072	111,523	21,549
148,874	68,222	80,652			0
117,266	46,910	70,357			0
71,994	33,914	38,081			0
67,903	36,825	31,078			0
98,618	79,227	19,391			0



Daily Sewage Flow Normalized by Number of Laterals



Daily Net I&I Normalized by Number of Laterals



SIERRA LAKES COUNTY WATER DISTRICT

Operations & Maintenance Office

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Administrative & Billing Office

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2010 Water System Upgrade Project Updated August 3, 2010

The final project of a three year program to significantly upgrade the District's water distribution system began the week of July 6th and will continue until about mid-September. The low bidder is Spiess Construction of Santa Maria, California; the Board of Directors awarded a \$597,400 construction contract to Spiess at the May 14, 2010, meeting. Staff estimates the total cost of the project including design costs, Placer County permitting and inspection fees, payment to the contractor, construction inspection and construction materials testing to be \$700,555. Spiess has provided the following schedule:

- **August 2nd through August 4th:** Completion of installation of mainline on Palisades Drive.
- **August 5th through August 10th:** Mainline connections (new main to distribution system)
- **August 9th through August 12th:** Installation of replacement laterals and meter pits on lower Cascade Road
- **August 16th through August 19th:** Installation of replacement laterals and meter pits on Palisades Drive
- **August 23rd through August 26th:** Installation of replacement laterals and meter pits on Yuba Drive
- **August 30th through August 31st:** Installation of replacement laterals and meter pits on upper Cascade Road
- **September 1st through September 2nd:** Installation of replacement laterals and meter pits on Acorn Drive
- **September 7th through September 8th:** Installation of replacement laterals and meter pits on Pahatsi Road
- **September 9th through September 10th:** Final installation of replacement laterals and meter pits.
- **September 7th through September 16th:** Replacement paving and project cleanup.

During construction there will be a significant amount of activity, especially in the areas of mainline replacement which may reduce your ability to use certain streets at various times. For residents living on the affected streets, there will be temporary interruptions of your water service and times when you may not be able to access your driveway. To minimize these inconveniences the Contractor will be required to:

- Notify you in writing (by means of a door hanger) two working days in advance of any planned water outage. Service interruptions should not occur before 9:00 am and be completed by 4:00 pm on weekdays only. No overnight, weekend or holiday outages are planned.
- Notify you at least four hours prior to blocking your driveway. All streets will be opened to two-way way traffic in the evenings, weekends and holidays.

The Contractor plans to work from 7:00 am to 5:30 pm Monday through Thursday until the Labor Day weekend. As the project progresses the schedule will be updated on a regular basis, and if necessary, the Contractor will be allowed to work on Saturdays after September 6, 2010. Construction equipment will not be allowed to “warm-up” or idle prior to 7:00 am. District Staff will be on-site during construction and available at any time to answer your questions or concerns.

The Board and Staff of the Sierra Lakes County Water District appreciate your patience and understanding during construction. Please do not hesitate to contact the office at 530-426-7800 if you have any comments, questions, have a special need and/or live on an affected street.

Memorandum

To: Board of Directors, Sierra Lakes County Water District
From: Bill Quesnel PE, Operations Manager
Subject: Purchase of Replacement Backhoe
Date: August 5, 2010

Background:

The Capital Budget includes a \$75,000 line item for the replacement of the District's 1987 John Deere backhoe. Replacement of the machine is recommended for two reasons:

- The unit has a Tier 0 engine (no pollution controls) so must be replaced by January 1, 2015, due to California Air Resources Board (CARB) requirements.
- The brake/transmission system failed during the winter of 2008/09 and was repaired by staff to the best of their ability because replacement brake housing is no longer available. The same system began to fail again in 2009/10; staff monitors fluid levels to ensure the unit is safe to operate but there is no practical fix other than having a machine shop manufacture a replacement part (quoted price of ~\$10,000 in 2008 from John Deere).

The Operations and Maintenance Staff use the backhoe approximately 200–250 hours/year for excavation, hauling and placing fill material and snow removal. While the GapVax has been a very welcome and appreciated tool for excavation of smaller holes, the backhoe is still necessary for larger holes and removal of rock. With respect to snow removal, staff uses the machine to maintain access to the five outlying pump stations, the area surrounding the District Office and the front of the office tank.

As the cost of the replacement machine is significant, I have investigated the option of renting a machine for the four month construction season and contracting with a third-party to provide snow removal services. The cost of a four month lease of a comparable machine from the John Deere dealer in Reno was quoted at \$2700/month with the District responsible for fuel and maintenance of the machine. Staff solicited informal quotes from two snow removal firms in the Serene Lakes Soda Springs area and was told to budget about \$5,000/season. The total cost of this approach would be \$15,000 +/- year. Staff's concern is that we never know when an emergency will occur and not having a backhoe readily available (at the District office) to respond in a timely manner during the other eight months of the year could potentially result in an unfortunate incident.

The current machine has been in service for more than 20-years and there is no reason to expect a replacement backhoe would not be usable for that same length of time. The great unknown is the ever changing emission rules, but in discussions with vendors and research on the CARB website, I believe it is reasonable to expect only an exhaust upgrade (catalytic convertor type device) would be required at about 10-years assuming the new unit was equipped with a CARB approved Tier -2 engine at the time of purchase.

As discussed at the July meeting, staff has been in contact with the John Deere dealer in Reno re: the opportunity to purchase a relatively new low-time unit that has been returned to the dealer because of the current economic circumstances. Staff identified the desired equipment specifications; heated cab, 4:1 bucket; extend-a-hoe, and ideally an additional hydraulic circuit to operate other attachments and the dealer indicated that configuration is relatively common but also very popular. He estimated a price of \$55-60,000, depending upon model year and operating hours, could be expected. Needless to say, the District is not the only potential purchaser trying to take advantage of the soft equipment market. The Dealer indicated one backhoe that fit our specifications was sold in two days while another was in the yard for a week before being purchased. Because of the competitive nature of the buyers, the Dealer indicated that it could be difficult for them to “wait” for the District to make a decision when the Board meets once per month.

Recommendation:

- The Board of Directors authorize the Operations Manager to execute a purchase order in an amount up to \$60,000 for the purchase of a replacement backhoe when in the opinion of Staff the purchase represents a good value and savings that would otherwise not be available to the District.

Memorandum

To: Board of Directors, Sierra Lakes County Water District
From: Bill Quesnel PE, Operations Manager
Subject: Training Policy Recommendation
Date: July 30, 2010

Background

The District requires the operators to achieve and maintain certain levels of certification and training depending upon the individual employee's position and accompanying level of responsibility. With respect to drinking water, the maximum levels of certification for Sierra Lakes (Treatment-3 and Distribution-2) are mandated by the California Department of Public Health as a function of the type of water treatment system and the size of the water distribution system. On the sewer side, there is no state requirement related to collection, but the common maximum in this area for a system of this size is a Collection System Maintenance Grade II (C-II) certificate issued by the California Water Environment Association. All of the operators are not required to have the highest certifications, but given the small staff size, it is advantageous to the District to have redundancy in the event an operator leaves the District or is off-work for any substantial amount of time.

While the State requires at least one T-3 and one D-2 operator for our water system, certification up to and including T-5, D-5 and C-V can be achieved by the operator(s) through a combination of experience and classroom training. The District's operator pay schedule recognizes the effort required to achieve those higher levels and rewards the operators with modest percentage increases in recognition of the benefits to the District:

- CDPH Treatment above required by position: 2.5%
- CDPH Distribution above required by position: 2.0%
- CWEA Collection above required by position: 1.5%

Operation of the Gap-Vax requires a Commercial Driver's License (CDL), and again in the name of redundancy, the pay schedule includes an incentive for a Class A or B license of 1.5%.

The District's personnel manual is silent on training during normal work-hours and reimbursement for related expenses. The purpose of this memorandum is to establish the District's policy toward California Department of Public Health (CDPH) and California Water Environment Association (CWEA) operator training, certification and membership expenses.

Proposed Policy

The Sierra Lakes County Water District will allow an employee to attend multi- and/or single-day training (initial and/or continuing education) classes and take applicable exams related to CDPH Treatment-3 and Distribution-2 and CWEA C-II certification, during normally scheduled work hours up to a **total** of 40-hours per fiscal year. Time spent in excess of 40-hours will be at the employee's expense as leave without pay or the

operator may use vacation or personal leave time. The District will not pay overtime, hotel or food expenses related to the attendance at training classes unless the employee is directed by the Operations and Maintenance Manager to take the class. A district vehicle may be used to attend classes within 50-miles of the District office when approved in advance by the Operations and Maintenance Manager.

Attendance at training classes, seminars, exams and other education related events necessary for certification at levels **above** T-3, D-2, C-II and CDL-C will be done entirely at the Operator's expense (vacation or leave-without-pay, travel, per-diem, etc.) as the operator directly benefits from the wage incentive bonuses contained within the pay schedule and the certification(s) are not mandated by the regulatory agencies.

Each operator is responsible for coordinating with the California Rural Water *Expense Reimbursement Grant* program to arrange payment of tuition for applicable classes. The District will consider payment of tuition for other classes on a limited case-by-case basis. The District will pay the initial testing fee for the appropriate CDPH and CWEA exams; if the operator does not pass the first time, he is responsible for all subsequent re-test fees. The District will pay the operator's annual membership/certification renewal fees for CDPH and CWEA as long as the operator is in good-standing with the licensing entity.

All training classes (paid or not paid) must be approved in writing by the Operations Manager **prior** to registering for the class. Approvals will consider the District's staffing and workload; priority will be given to Winter and Spring classes.

Recommendation

The Board of Directors amend Part I of the Employee Handbook to include the proposed Training and Reimbursement Policy described above.

Memorandum

To: Board of Directors, Sierra Lakes County Water District
From: Bill Quesnel PE, Operations Manager
Subject: Award of Pavement Sealing Construction Contract
Date: August 5, 2010

Background

The 2010-2011 budget includes \$90,000 in Project 10-005 to Slurry Seal streets where the District has constructed infrastructure replacement projects over the past four years. Sealing of longitudinal and transverse patches is a standard condition established by Placer County Public Works and the County has allowed the District to postpone the sealing until all of our projects have been completed. The scope of work is shown on the attached drawing and proposes the full width on streets where both mainline and laterals were replaced and spot sealing (24" beyond the limits of the patch) on streets where only spot excavations occurred. The sealing will be done to County specifications and is planned for the week of September 20th, weather (temperature and moisture) permitting.

Bidding

You will recall I originally had hoped to include the District's work (about 300 tons) with the Town of Truckee's 2010 project (3,500 tons) currently under construction. However, the Town's attorney was reluctant to sanction that partnership because the potential risks to the Town outweighed any benefit that agency may gain due to increased quantities. The largest concern centered on timing and possible delays as the Town's project will be complete by Labor Day. Town staff did provide me with contract documents/specifications and the bidding results for their project:

Valley Slurry Seal	\$159.88/ton
Sierra Nevada Construction	\$169.75/ton
Intermountain Slurry Seal	\$172.50/ton
California Pavement Maintenance	\$175.36/ton

As I began preparing the District's bid package I called Valley Slurry Seal to inquire if the company would consider completing the District's work for the same unit price as proposed to the Town and the company agreed. When I prepared the budget I assumed a unit price of \$0.25/sf, which equates to a unit price of \$300/ton, for a number of reasons; the small quantity, lateness of the season, the handwork involved with the patches and mobilization costs from Sacramento or Reno. While the estimated quantity of material to be placed is more than estimated (250 tons) in the budget, the unit price is 47% less than budget resulting in a significant cost savings to the District. The 300 ton estimate is based on patch counts and street widths but will likely increase because the condition of the streets will result in the use of additional slurry to fill the cracks (as compared to a smooth surface) and thus I am requesting a 10% contingency as compared to the normal five percent.

Recommendation:

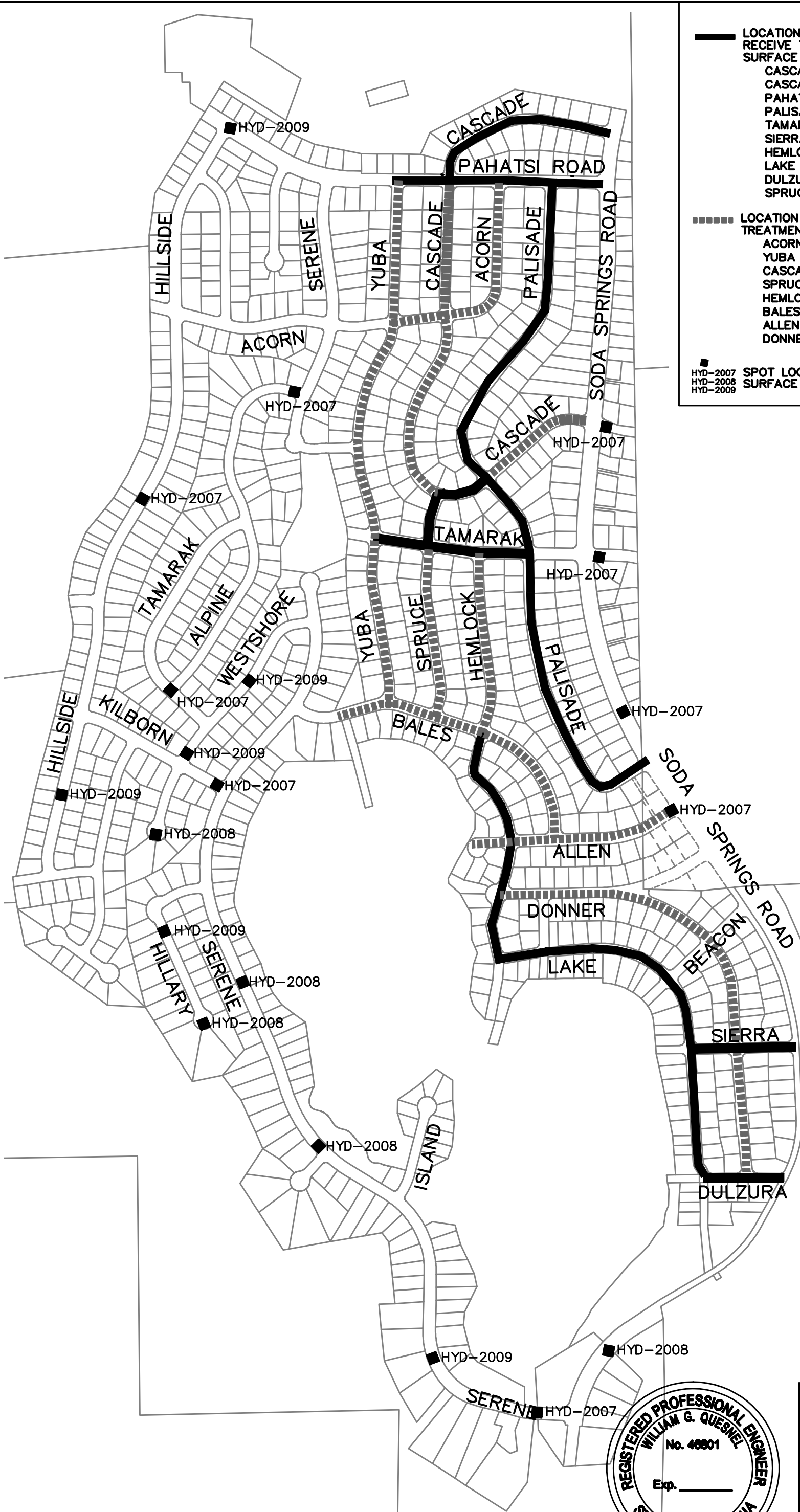
- The Board of Directors award Construction Project 10-005 to Valley Slurry Seal of Sacramento, California, in the amount of \$47,964.00, authorize the Board President to execute the contract and authorize the Operations Manager to approve change orders up to 10% (\$4,796.40) of the contract price for additional material.

Attachment: Pavement Sealing Exhibit

LOCATION WHERE ENTIRE WIDTH TO RECEIVE TYPE II SLURRY SEAL SURFACE TREATMENT:
 CASCADE (PAHATSI N. TO SODA)
 CASCADE (SPRUCE TO PALISADE)
 PAHATSI (YUBA TO SODA)
 PALISADE (PAHATSI TO SODA)
 TAMARACK (YUBA TO PALISADE)
 SIERRA (LAKE TO SODA)
 HEMLOCK (BALES TO LAKE)
 LAKE (HEMLOCK TO DULZURA)
 DULZURA (LAKE TO SODA)
 SPRUCE (CASCADE TO TAMARACK)

LOCATION WHERE SPOT SURFACE TREATMENT REQUIRED:
 ACORN (YUBA TO PAHATSI)
 YUBA (PAHATSI TO BALES)
 CASCADE (PAHATSI S. TO SODA)
 SPRUCE (BALES TO TAMARACK)
 HEMLOCK (TAMARACK TO BALES)
 BALES (INTAKE TO ALLEN)
 ALLEN (SODA TO END)
 DONNER (HEMLOCK TO DULZURA)

SPOT LOCATION FOR TYPE II SLURRY SEAL SURFACE TREATMENT
 HYD-2007
 HYD-2008
 HYD-2009



1 INCH = 500 FEET



SIERRA LAKES COUNTY WATER DISTRICT

CIP 10-005
 PAVEMENT SURFACE TREATMENT
 TREATMENT LOCATION MAP

20 JULY 2010 SHEET 1 OF 1 SHEET

SIERRA LAKES COUNTY WATER DISTRICT
P.O. Box 1039
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(530) 426-7800
Fax: (530) 426-1120

MEMORANDUM

TO: Board of Directors, Staff

FROM: Wade Freedle

RE: President's Report for August 13, 2010 Board Meeting

DATE: August 9, 2010

Activities in August further consolidated decision making criteria that were in progress during July. The status of these items is as follows:

1. Wastewater Treatment Plant Upgrade/Expansion: The decisions in regard to technology and the initial engineering design schedule were confirmed at the Joint Board Meeting of Donner and Sierra held on July 10, 2010. At a subsequent DSPUD Board Meeting held on July 20, 2010, a decision was made to select UV disinfection without any further consideration of chloramination. From both a technical and administrative standpoint, chloramination appeared to be a process with very little chance of succeeding. On August 5, 2010, a facilities committee teleconference was held with Jeff Hauser to review some additional statistical data that he had developed on flows and loads and also discuss the initial cost allocation for the WWTP Upgrade/Expansion. The initial allocation of costs, primarily between developed and undeveloped lots, has considerable significance for Sierra. This is because these allocated costs will evolve into the final assessment for both developed and undeveloped lots. These costs will also be the basis for developing the proposals re assessment amounts for the Proposition 218 approval process. And the policy background for the plant cost allocation is still being discussed. An update in regard to the schedule for CEQA assessments will be initiated by a public scoping meeting to be held sometime in September 2010.
2. Our draft presentation of water supply and CEQA data was discussed with the PCWA staff on August 4, 2010. Their comments in regard to the presentation were generally favorable. However, they did indicate some additional features to enhance the value of our data. While we do not have a specific time frame for

affecting this process, we hope to have the initial review by our attorneys and CEQA consultant by September 1, 2010.

3. Our auditor, Bob Johnson, made his initial visit to our office on June 16, 2010 and made a preliminary review of our financial data. The most significant additional feature for the 2010 Audit will be the inclusion of GASB 45 Actuarial Analysis to define our post employment benefits for healthcare. The detail of this analysis is presented as a separate agenda item for further discussion.

SIERRA LAKES COUNTY WATER DISTRICT

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MEMORANDUM

TO: SLCWD Board of Directors

FROM: Wade Freedle

RE: Conference with PCWA staff in regard to the Water Supply Study and associated requirements for presentation to the Water Rights Division of the State Water Board

DATE: August 6, 2010

On August 4, 2010, Gene Bowles, Bill Quesnel, and myself, met with Brian Martin and Andy Fecko of the PCWA staff. We conducted a complete review of all of the statistical data, charts, tables, graphs, and associated explanatory write-ups with Brian and Andy. They expressed a general approval of the work we had completed and indicated that we had fulfilled all of the requirements for presentation to the State Water Board.

They offered numerous recommendations about what and what not to include in our presentation format and provided insight into the process by which the Water Rights Division would review our application. We presented separate analyses of all three phases of our Water Supply Profile during an annual cycle. First was the summer drawdown, which was the material contained in our original Water Supply Study. Second were the winter months in which ice forms and consequently restricts the available liquid water supply that is available for municipal use. Finally, the third phase was the spring snow melt which results in the flow through the water shed, lakes and over the dam. There is a state format for this analysis which is known as the "Water Supply Availability Analysis". It was developed by Bill Quesnel based upon the measurements taken by CDM over the last three years. PCWA staff also felt that this was a valid water supply report.

They were especially complementary in regard to our charts which they felt conveyed a very good picture of the physical characteristics of the lakes, the associated facilities, and the fluctuations in lake levels due to modifications in the water supply. We anticipate a presentation to the State Water Board within the next few weeks.

SIERRA LAKES COUNTY WATER DISTRICT

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MEMORANDUM

TO: SLCWD Board of Directors

FROM: Wade Freedle

RE: Donner Summit PUD Meeting on July 20, 2010

DATE: July 22, 2010

Gene Bowles, Bill Quesnel and myself attended the subject meeting because the discussion and possible approval of the contract proposal by ECO:LOGIC was on the agenda. A number of significant decisions were made at this meeting and this letter is to keep the Board up to date on the process.

Consideration of the ECO:LOGIC proposal centered around three critical criteria;

1) The decision as to whether to pursue the chloramination study or alternatively make the decision to go with ultraviolet disinfection at this point in time. After an extensive discussion on the merits of the question the DSPUD Board decided to cancel any further testing for chloramination and adopt UV disinfection as the selected option.

2) The second question was raised by my letter of July 20, 2010, to Donner in regard to allocation of value in present facilities back to the developed lot owners. I pointed out to Donner that for customers who already had EDUs that were utilized and were applying for additional EDUs (i.e. Sugar Bowl) that the exercise would merely be a cost offset between the old and new EDUs. Further, the fact that a very large percentage (approximately 80%) of the present Donner plant was paid for by grants precluded any property interest from being developed, Donner finally adopted a motion to exclude any calculation of residual value for purposes of crediting presently utilized EDUs.

3) The last recommendation by the Joint Facilities Committee was to initiate preliminary engineering design immediately and complete it as quickly as possible. This recommendation applied to the entire schedule rather than just Jeff Hauser's work on preliminary engineering design. I made this statement when the project schedule was discussed and it generated considerable, if unspecified, opposition from the ECO:LOGIC environmental

Board of Directors

7/22/10

Page 2 of 2

review team. After the discussion as to whether opposition might develop that would require a full blown Environmental Impact Report as opposed to a Mitigated Negative Declaration, Bill Quesnel suggested that the ECO:LOGIC environmental team complete the project description and we could then hold a Public Scoping Session. Depending upon the response during the Public Scoping Session, we would probably be able to determine whether opposition to the project would be substantial. Everyone agreed that this was the best course of action and it was adopted with appropriate direction to ECO:LOGIC.

All of the other proposed provisions of the ECO:LOGIC proposal were accepted and adopted by the Board.

Another significant item in the operations report was the change in the profile of the influent flowing into the wastewater treatment plant. The strength of the influent is down very substantially as the result of the close down of the CalTrans rest stop.

There was a discussion in regard to the continuing function of the Joint Facilities Committee and any future coordination and communication between the two District Boards. It was agreed that the Joint Facilities Committee would monitor the process on an ongoing basis and that the Boards would be updated by Joint Board Meetings at critical milestones in the project schedule.

SIERRA LAKES COUNTY WATER DISTRICT
P.O. Box 1039
Soda Springs, CA 95728
(530) 426-7800
Fax: (530) 426-1120

MEMORANDUM

TO: SLCWD Board of Directors

FROM: Wade Freedle

RE: 8/5/10 Teleconference with Jeff Hauser, Tom Skjelstad, Ulrich Luscher, Bill Quesnel and Wade Freedle

DATE: August 6, 2010

The subject meeting was held to review some worksheets prepared by Jeff Hauser updating some of the flow and load statistics along with a review of the initial cost breakdown for assigning responsibility to develop and undeveloped lots in the new plant. Jeff's update of the flow and load data provided additional statistical material but he concluded that the additional material did not modify the flow and load standards that he had adopted for the facilities plan. The additional data were reviewed by the group and there was a unanimous conclusion that everyone was in agreement with Jeff's conclusions and that there was no reason to consider modification of the standards that had been set for the facilities plan.

The second phase of his study was a presentation of the major cost components of the proposed plant broken down by existing and anticipated users. The profile that Jeff adopted resulted in an equal buy in cost for developed lots vs undeveloped lots. The group questioned this premise and Jeff indicated that this was the practice that he had followed on all previous cost allocations for new sewer plants. When we suggested that a more equitable allocation method was to divide the upgrade costs by all lots (both developed and undeveloped) and the expansion costs by just the undeveloped lots, Jeff indicated that he did not think this procedure might be legal. I indicated that if this was a concern, we could obtain an opinion from our attorney (Jim Curtis) who has had extensive experience in municipal developments. I have prepared the request to Jim Curtis per a separate letter.

We did not have time to thoroughly review the reasons as to why our allocation method might be preferable. All of the community feedback that we have received from Sierra Lakes has been primarily focused on the question of equity between developed and undeveloped lots. By far the most numerous and vehement comments that we have received have been to the effect that the developed lots did not want to subsidize costs for the undeveloped lots and that the

8/5/10 Teleconference

8/6/10

Page 2 of 2

undeveloped lots did not want to subsidize costs for the developed lots. The net result has been the formation of a strongly developed opinion on the part of both parties that they do not want to subsidize the opposing party in any manner. I believe that we need to be able to show the public that we have built up the cost allocations from separate bases for both the developed and undeveloped lot owners. In order to do this, we would have to have an initial allocation for just the upgrade and another allocation for the expansion, or, in other words, the formula that we suggested to Jeff Hauser as an alternative.

If our community views this as an inequitable allocation which consequently generates enough adverse feeling, it could negatively impact the Proposition 218 process which will probably require a majority vote from both groups to approve the project.

Since Donner does not have the same ownership and/or utilization profile for developed vs undeveloped lots, we may be required to adopt a different allocation base than they do. While this would not be an impossible situation, it would make the entire allocation process considerably more complicated.

SIERRA LAKES COUNTY WATER DISTRICT

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August 6, 2010

Mr. Jim Curtis
Shine Compton, APC
131 So. Auburn Street, #203
Grass Valley, CA 95945

Subject: Allocation of costs for the proposed Wastewater Treatment Plant
Upgrade/Expansion

Dear Mr. Curtis:

This is to confirm our discussion of this subject on 8/5/10. An upgrade and expansion of the Wastewater Treatment Plant (WWTP) has been approved by the Boards of both Donner Summit Public Utility District (Donner) and Sierra Lakes County Water District (Sierra). The presently allocated percentages of capacity in the plant are Donner at 56%; and Sierra at 44%.

These are the circumstances in regard to the subject plant upgrade/expansion;

1. An equipment component of the present plant will be utilized in the expanded plant upgrade.
2. The technology for wastewater treatment processing will be converted from an integrated fixed film activated sludge system to a membrane bioreactor system. This represents a significant improvement in the wastewater treatment processing technology.
3. The presently proposed expansion components (i.e. additional EDUs) are Donner at 471 and Sierra at 200. The present number of EDUs in service is Donner at 818.5 and Sierra at 816.

The decision to upgrade the technology of the plant was mandated by the most recent permit issued by the Regional Water Quality Control Board – Central Division in April 2009. The permit was accompanied by a cease and desist order which provided a time frame of five years (April 2014) until the plant is required to meet the more stringent discharge limitations contained in the permit.

The decision making process was essentially two phased; First, was the requirement to update the processing technology to an MBR system. Second, was the decision to include additional capacity to cover presently anticipated development requirements.

ECO:LOGIC of Rocklin, California (an engineering and consulting firm) has been selected to design and manage the plant upgrade/expansion process.

Jeff Hauser, the design engineer with ECO:LOGIC, has prepared a preliminary cost estimate of the entire project, it totals \$21,490,000. This estimate includes both the upgrade and expansion phases of the project. This cost must be allocated between EDUs that are presently developed and EDUs that are still undeveloped. In Sierra, all of the undeveloped EDUs are residential lots. The question that must be resolved is the method of allocation of plant costs to both developed and undeveloped EDUs.

Jeff Hauser's initial allocation was based on a method that assigned an equal cost to both the developed and undeveloped EDUs. He indicated that this was the accepted profile that he had used in past projects and that he felt that it was possibly legally mandated. There is a consensus on the Sierra Board that the costs should be allocated on two bases; 1) That the cost of upgrading the plant would be born equally by all lot owners (both developed and undeveloped) while the expansion costs would be completely born by the undeveloped lots. This would result in a greater cost per EDU to be allocated to the undeveloped lots.

Jeff Hauser has raised the question as to whether the allocation method, favored by the Sierra Board, would be legally authorized. Consequently, we would like your opinion as to whether the specific allocation method that Sierra has proposed would be acceptable and that further, are there any legally mandated standards that apply to this process (i.e. methods of cost allocation).

I have included substantial background information because this allocation will be the basis for the subsequent development of assessment costs per EDU and consequently the basis for the proposition 218 approval process.

Sincerely;

Wade Freedle, President

WF:amn

cc: Sierra Lakes Board of Directors
Tom Skjelstad, Donner Summit PUD
Jeff Hauser, ECO:LOGIC
Bill Quesnel, Sierra Lakes Operations Manager

BOARD OF DIRECTORS: ~ Wade Freedle, President ~ Gene Bowles, Vice-President ~ Martin D. Bern,
Secretary ~
Ulrich Luscher, Director ~ Bill Oudegeest, Director

**Potential Calculation of Sierra Lakes Parcel Cost
for DSPUD Plant Upgrade
Base Case: USDA Loan**

Assumptions		Values	Annual Payment	Comments
Years	40			US Department of Agriculture
Interest Rate	4.125%			Assumed
Upgrade Cost		\$17,917,000		Estimate
Expansion Cost		\$3,583,000		Estimate
Total Project Cost		\$21,500,000		Eco:Logic Facility Plan
SLCWD/DSPUD Share of Upgrade Cost	44.0%	\$7,883,480		Interim Service Agreement
SLCWD/DSPUD Share of Expansion Cost	30.0%	\$1,074,900		
SLCWD/DSPUD Share of Total Cost		\$8,958,380		
Treatment Upgrade Cost Per Existing EDU	817	\$7,752	(\$398.96)	Does not include estimated \$290/year for Bank of the West loan principal paydown starting by 2012.
Upgrade plus Expansion Cost Per Future EDU	200	\$13,126	(\$675.57)	

enter value in shaded cells only

**Potential Calculation of Sierra Lakes Parcel Cost
for DSPUD Plant Upgrade
CWSRF Loan**

Assumptions		Values	Annual Payment	Comments
Years	20			US Department of Agriculture
Interest Rate	2.700%			Assumed
Upgrade Cost		\$17,917,000		Estimate
Expansion Cost		\$3,583,000		Estimate
Total Project Cost		\$21,500,000		Eco:Logic Facility Plan
SLCWD/DSPUD Share of Upgrade Cost	44.0%	\$7,883,480		Interim Service Agreement
SLCWD/DSPUD Share of Expansion Cost	30.0%	\$1,074,900		
SLCWD/DSPUD Share of Total Cost		\$8,958,380		
Treatment Upgrade Cost Per Existing EDU	817	\$7,752	(\$506.69)	Does not include estimated \$290/year for Bank of the West loan principal paydown starting by 2012.
Upgrade plus Expansion Cost Per Future EDU	200	\$13,126	(\$858.00)	

enter value in shaded cells only

**Potential Calculation of Sierra Lakes Parcel Cost
for DSPUD Plant Upgrade
15% Lower Cost**

Assumptions		Values	Annual Payment	Comments
Years	40			US Department of Agriculture
Interest Rate	4.125%			Assumed
Upgrade Cost		\$15,229,200		Estimate
Expansion Cost		\$2,975,800		Estimate
Total Project Cost		\$18,275,000		Eco:Logic Facility Plan
SLCWD/DSPUD Share of Upgrade Cost	44.0%	\$6,700,848		Interim Service Agreement
SLCWD/DSPUD Share of Expansion Cost	30.0%	\$892,740		
SLCWD/DSPUD Share of Total Cost		\$7,593,588		
Treatment Upgrade Cost Per Existing EDU	817	\$6,589	(\$339.11)	Does not include estimated \$290/year for Bank of the West loan principal paydown starting by 2012.
Upgrade plus Expansion Cost Per Future EDU	200	\$11,053	(\$568.84)	

enter value in shaded cells only

Anna Nickerson

From: Anna Nickerson [anna.nickerson@slcwa.org]
Sent: Tuesday, August 03, 2010 11:59 AM
To: 'joseph-gray@sbcglobal.net'
Cc: Wade Freedle; Gene Bowles; ulrich luscher; Martin Bern; 'Bill Oudegeest'; 'Bill Quesnel'
Subject: FW: Fw: Response to Joe Gray's Email of 7/21

Dear Joe,

Thank you for your recent analysis and thoughts concerning the future DSPUD wastewater treatment upgrade and expansion. We appreciate input from the community and will take your email into consideration during our deliberations.

It strikes me that there are some specifics in your email that deserve to be addressed so as to clarify our current understanding and positions on the issues.

1. The spreadsheet "Calculation of Sierra Lakes Parcel Cost for DSPUD Plant Upgrade" in the July Board packet was only a draft document and clearly marked so. It was included to stimulate thinking and perspective on the part of the Board members. It has not been used in any decision making to date and has undergone several refinements since the Board meeting.
2. Board discussions have consistently revolved around the concept that the plant upgrade (to meet requirements mandated by the state) will be very expensive, and we can not expect Existing EDUs to pay for these expenditures plus speculative expansion for the future. Existing lot-owners, if they want assured access to a sewer connection in the future, must simply participate in funding their share of the combined upgrade/expansion project. Lot-owners who do not wish to participate will be given the option to "opt out" of their access to a future sewer connection, which will be recorded against their parcel.
3. A number of lot-owners have provided input to Board members concerning their strong desire to have a guaranteed connection in the future, lest the value of their property be drastically diminished. With the median asking price for an undeveloped lot hovering around \$150,000, they believe that an annual assessment under \$1000 would be acceptable to retain the value of their property. Assuming they will sell their lot in less than 10 years, the majority of the burden of the new sewer plant will be passed on to the next owner. Those who do not wish to develop their lot (usually when it is adjacent to their existing residence) will simply opt out.
4. Our discussions with current lot-owners have indicated that the large majority will participate. For those who don't, we will simply not include any expansion to meet their needs in the future, reducing the size and cost of the overall plant upgrade/expansion. DSPUD's thinking on this issue is parallel to ours. Therefore, all planned Future EDUs will be specifically assigned and committed

to an identified property owner.

5. One piece of logic embedded in the spreadsheet involves the Board's current thinking that Future EDUs should fund both their pro-rata share of the upgrade and the total cost of the expansion. Thus, in the draft spreadsheet, the upgrade cost is spread over 1,027 EDUs, not 827.

6. Catherine Hansen, the financing expert for ECO:LOGIC, has stated that our highest probability financing from State and Federal sources is a 40-year loan from the U.S. Department of Agriculture under a program specifically designed to meet the needs of small communities funding expensive water quality projects. Serene Lakes qualifies, the scope of the project fits within their charter, and USDA has available funds.

7. Although we may be required to make additional modifications to the plant in less than 40 years (because of more stringent State requirements), there should still be considerable residual value in facilities and equipment being purchased during the proposed upgrade/expansion project – just as we are utilizing major portions of the current plant in this new project. Accordingly, it not at all clear that 30 or 40 year financing would not be appropriate. We will consult with our CPA on this matter.

8. As ECO:LOGIC proceeds through the preliminary design process, we will revisit the planned flow capacity numbers to ensure that we are not overdesigning the new plant. Our peer review consultant, Waterworks Engineers, will assist us in this task.

Regards,
Wade

SIERRA LAKES COUNTY WATER DISTRICT
P.O. Box 1039
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MEMORANDUM

TO: Board of Directors

FROM: Anna Nickerson

RE: Notes on Status of Water/Sewer Fees
Sausser Residence, 2051 Soda Springs Rd., Soda Springs, CA

DATE: August 5, 2010

1. According to the attached document, a \$45,000 mortgage was recorded 10/18/2000 (15 year note)
2. Outstanding fees:

2009/2010 Water Sewer Fees:	\$1,827.00
Late Fees	182.70
Finance Charges	54.82
2010/2011 Water Sewer Fees:	<u>913.50</u> (Due no later than 9/15/10)
Current Balance Due:	<u>\$2,978.02</u> (Plus reconnection Fees)
3. Considerations:
 - Liens forgiven in the event of a foreclosure
 - Possible inhabitable status by Placer County

SIERRA LAKES COUNTY WATER DISTRICT

P.O. Box 1039

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MEMORANDUM

TO: SLCWD Board of Directors

FROM: Wade Freedle

RE: Annual Financial Audit for 2009/2010 – Requirement for calculation of the accumulated liability GASB 45 – Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions

DATE: August 6, 2010

We have received the subject draft report from James Marta & Company. The highlights are as follows:

- We have an accrued liability of \$1,282,427, which is unfunded.
- In order to fund this liability, we will be required to make an annual contribution of \$114,551.
- We are presently contributing \$44,030 to this fund via our PERS payments
- Consequently the balance of \$70,521 must be recorded each year to meet the liability of \$1,282,427 when it becomes due in future years.

Since Bob Johnson recommended this firm it is probable that he will agree with these results.

I believe we have the following options available if we wish to modify this liability. They are certainly not all encompassing since I haven't investigated all of the alternatives that we might have within the PERS plan, or all of the other possibilities that might be legally authorized. However, the obvious options are as follows:

1. Require our employees to pay more of the cost of this benefit program.

2. Eliminate benefits for dependants.
3. Reduce the liability to PERS by selecting a lower cost plan as our standard for employee healthcare.

There are numerous variations of these options or possibly more significant benefits reductions that might be considered. However, this is obviously a question that warrants considerable investigation and discussion before a decision is made.

SIERRA LAKES COUNTY WATER DISTRICT

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MANAGEMENT REPRESENTATION LETTER

To James Marta and Company
Sacramento, California

We are providing this letter in connection with your agreed-upon procedures engagement which were performed solely to assist us in the calculation of our liability for retiree health benefits for presentation in the financial statements as of June 30, 2010 using the Alternative Measurement Method as provided in the Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. We confirm that we are responsible for the sufficiency of the procedures as enumerated in the report.

We confirm, to the best of our knowledge and belief, as of July 15, 2010, the following representations made to you during your engagement.

1. We are responsible for the fair presentation of the OPEB liability and related expenses in the aforementioned financial statements of Sierra Lake County Water District in accordance with Generally Accepted Accounting Principles.
2. We are responsible for the underlying assumptions, methods, participant data and benefits information used in determining the Retiree Health Benefits liability and related disclosures as enumerated in the report.
3. We have made available to you complete and accurate plan and participant information and relevant data. You may rely upon such documents and data with no duty to inquire or audit it.
4. We have evaluated the adequacy and results of the services performed and accept responsibility for the results of the services.
5. There are no violations or possible violations of laws, regulations, or contractual agreements relating to the administration of the Plan whose effects should be considered for disclosure in the financial statement or as a basis for recording a loss contingency.
6. We have not funded any portion of the estimated OPEB liability and an irrevocable trust has not been set up as of June 30, 2010.

To the best of our knowledge and belief, no events have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment of the OPEB liability and related expenses or disclosure in the financial statements of Sierra Lake County Water District.

Wade Freedle, President

BOARD OF DIRECTORS: ~ Wade Freedle, President ~ Gene Bowles, Vice-President ~ Martin D. Bern,
Secretary ~
Ulrich Luscher, Director ~ Bill Oudegeest, Director

SIERRA LAKES COUNTY WATER DISTRICT

Follow-up from the July 9, 2010, Board Meeting

<u>X</u>	1	Bill Q	Post Notices for Public Inspection of flagging
<u>X</u>	2	Bill Q	Update the "Training Policy Recommendation" for review at the 8/13/10 meeting
<u>X</u>	3	Bill Q	Follow-up on pump station analysis to determine which sections are having problems.
<u> </u>	4	Bill Q	Modify calculations in worksheet
<u>X</u>	5	Anna	Rick Sausser Residence - have a title search done on residence and file lien for past due water/sewer fees.
<u>X</u>	6	Wade	Check with Craig Steven about proceeding with Biological/Cultural Study
<u>X</u>	7	Wade	Write up on GASB 45 issue
<u>X</u>	8	Anna	Obtain Facilities Plan CEQA options memorandum and forward to Director Luscher
<u>X</u>	9	Wade	Change draft letter to DSPUD from 230 to 200 additional EDUs and send.
<u>X</u>	10	Wade	Change draft letter to Kirk Syme from 230 to 200 EDUs and send

**Sierra Lakes County Water District
Action Items
August-2010**

Shaded Items show changes from last report

	TASK	STATUS	DUE DATE	PROGRESS	ASSIGNED
1	Develop a small tool/equipment control system	Not Started	none	0%	Bill Q/Staff
2	SWRCB sewer system management plan incremental submittals	In Progress	Aug-10	90%	Bill Q/Staff
3	Develop Capitalization Policy	In Progress	None	25%	Wade/ Anna
4	Develop Fraud Policy	In Progress	ASAP		
5	Develop Ordinance for annual backflow-cross connection control program	Program Approved by the Board Requires Ordinance	Jul-10	90%	Bill Q/Staff
6	SLCWD Master Plan for Water Facilities	In Progress	None	10%	Wade/Bill Q.
7	Research extending intake location and effect of easement on lake bottom	On hold until District acquires Lake Bottom		on hold	Bill Q.
8	Waiting on reply from Money Brokers re: service billings for DeRosa property	In Progress	None	75%	Staff
9	Have Bob Belden consult on work needed on specific lots under the Property Mgt Guidelines	In Progress	Jul-10	80%	Bill Q
10	Complete Ethic's Training	Not Started	12/31/2010	0%	Wade/Ulrich/Martin

amn
8/11/2010
11:26 AM

SIERRA LAKES COUNTY WATER DISTRICT
LIST OF DISBURSEMENTS REQUIRING BOARD APPROVAL
AUGUST 13, 2010

Vendor	Inv # / Inv Date	Invoice Amount
<u>Accumen Engineering</u>	Invoice # 46 Date 8/1/2010 For: <u>July 2010 Professional Fees</u>	10,356.36
<u>Donner Summit PUD</u>	Invoice # SLCWD 19/10 Date 7/31/2010 For: <u>Jun 2010 Facility Plan Fees</u>	3,817.77
	Invoice # SLCWD 20/10 Date 7/29/2010 For: <u>Jun 2010 On Call Eng Services</u>	2,820.18
	Invoice # SLCWD 21/10 Date 7/29/2010 For: <u>Jun 2010 WWTP Improvements Predesign</u>	1,097.80
	<i>SUBTOTAL: DSPUD</i>	7,735.75
<u>ACWA/JPIA</u>	Invoice # 10/1/2010-2011 Date 9/1/2010 For: <u>10/1/2010 - 2011 Auto & Gen Liability Ins.</u>	12,400.00
<u>ECO:LOGIC</u>	Invoice # Progress Bill #4 Date 7/13/2010 For: <u>Balance on contract: SCADA Upgrades</u>	2,916.94
<u>Ellison, Schneider & Harris, LLP</u>	Invoice # 17225 Date 6/30/2010 For: <u>June 2010 Professional Fees</u>	3,084.30
<u>Holdrege & Kull</u>	Invoice # 710011 Date 8/4/2010 For: <u>July Observation & Materials Testing</u>	6,229.60
<u>SCCI</u>	Invoice # 21019-01 Date 8/3/2010 For: <u>Progress Bill #1 Replace Water Mains</u> (\$24,654.60 - Retention Recorded)	221,891.40
TOTAL INVOICES FOR APPROVAL		264,614.35

ACUMEN ENGINEERING

C O M P A N Y

PO Box 3497
Truckee, California 96160

Invoice

DATE	INVOICE #
8/1/2010	46

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

TERMS	DUE DATE	PROJECT
Net 30	8/31/2010	

DESCRIPTION	QTY	RATE	AMOUNT
Consulting Engineering Services in July 2010 for O&M related duties/tasks per attached worksheet	67	100.00	6,700.00
Consulting Engineering Services in July 2010 for Project 10-001 (account 3107)	12	100.00	1,200.00
Consulting Engineering Services in July 2010 for Project 10-002 (account 9814: 60%, 9819: 40%)	1.5	100.00	150.00
Consulting Engineering Services in July 2010 for Project 10-003 (account 3102: 75%, 9812: 25%)	6.5	100.00	650.00
Consulting Engineering Services in July 2010 for Project 10-004 (account 3103: 60%, 3104: 40%)	4	100.00	400.00
Consulting Engineering Services in July 2010 for Project 10-005 (account 3108)	4.5	100.00	450.00
Engineering Technician Services in July 201 for Project 10-001 (account 3107)	2.5	75.00	187.50
Engineering Technician Services in July 2010 for Project 10-002 (account 9814: 60%, 9819: 40%)	2	75.00	150.00
Engineering Technician Services in July 2010 for Project 10-003 (account 3103: 60%, 3104: 40%)	2.5	75.00	187.50
Engineering Technician Services in July 2010 for Project 10-005 (account 3108)	2.5	75.00	187.50
Copies/Reproduction for Project 10-001		16.67	16.67
Copies/Reproduction for Project 10-003		18.30	18.30
Copies/Reproduction for Project 10-004		58.89	58.89
		Total	\$10,356.36

Sierra Lakes County Water District
Acumen Engineering Monthly Invoice Detail
July 2010

Date	Engineering Task Description	Hours
7/1/2010	Preparation of Board Memos for July Meeting; review Mtn. Pipeline invoice; cross-connection survey letter. O&M hours: 4.0	4.0
7/2/2010	Finish Board Memos; Drive to District; review agenda items with Anna; review RG letter re: EDUs with President Freedle; cover letters to employees re: annual appraisals. O&M hours: 4.5	4.5
7/3/2010	Telephone with Operators re: sewer spill on Cascade; update water project schedule for District Website and email to Director Oudegeest O&M hours: 1.5 CIP 10-001 hours: 0.5	2.0
7/5/2010	2010 Summer/Fall internal project list; sewer spill paperwork; employee reviews O&M hours: 3.5	3.5
7/6/2010	Telephone with Tom S., President Freedle and Jim G. re: Facilities Plan; Resident cover letter re: Cross-Connection survey; call CalFire re: crew and coordination with Truckee Fire; update contact list for Spiess Construction; O&M hour: 4.0 CIP 10-001 hours: 0.5	4.5
7/8/2010	Shop Drawing Review 10-001 and review materials with H&K; Notice to Proceed for 10-001; Drive to District; walk water project with Jeff K.; telephone with Mtn Pipeline re: spill; meet with Tom S. re: Saturday meeting; pickup new office modem at LTOL. O&M hours: 1.5 CIP 10-001 hours: 4.0	5.5
7/9/2010	Drive to District; attend Board Meeting; telephone with Spiess re: aggregate submittal; telephone with Tom S. and Jim G. re: Joint Board Meeting O&M hours: 5.5 CIP 10-001 hours: 0.5	6.0
7/10/2010	Drive to District for Joint Board Meeting at Sugar Bowl. O&M hours: 3.0	3.0
7/12/2010	Notice of Award for 10-002, 10-003 and 10-004; Prep notice re: Fuels Reduction on lots; telephone with Western Nevada Supply and Mueller re: 10-001 brass fittings; telephone with TDPUD re: remote meters; Drive to District; locate cross-country sewers with crew; mark trees for removal on lots; telephone with Contractor re: plan review on Soda Springs Road; telephone with Eco:Logic re: SCADA alarms. O&M hours: 3.5 CIP 10-001 hours: 1.0 10-002 hours: 0.5 10-003 hours: 0.5, 10-004 hours: 0.5	6.0
7/13/2010	Telephone with Truckee Fire re: tree marking and notices; email Directors Bowles and Luscher re: same; Drive to District; meet with fitting supplier for 10-001; plan check two new houses; Right-of-Entry to property owners at Palisade/Hemlock manhole and Serene Road lateral repair; send DBP Phase II test results report to CDPH. O&M hours: 2.0 CIP 10-001 hours: 1.0 CIP 10-003 hours: 1.0	4.0
7/14/2010	Prepare and fax application to CalFire for fuels project; revise parcel notice and email to Directors Bowles and Luscher; Drive to District; post notice on parcels and bulletin boards; meet with H&K on Cascade re: 10-001 project; meet with Operators re: SCADA issues and summer projects. O&M hours: 3.0 CIP 10-001 hours: 1.0	4.0
7/15/2010	Drive to District 2x; Staff meeting; employee reviews; water project on Cascade re: broken lateral O&M hours: 5.5 CIP 10-001 hours: 0.5	6.0
7/16/2010	Telephone with John Deere dealer re: backhoe; telephone with RMS Communications re: pagers; email Eco:Logic re: meeting for SPS-1 SCADA upgrade; telephone with Tom S. re: GapVax at Big Bend; review Director Bowles spreadsheet re: DSPUD Plant Upgrade cost allocation; research new cell phones for operators and information to Anna. O&M hours: 1.5	1.5
7/19/2010	Drive to District; tour fuels project parcels with Truckee Fire, Directors Bowles and Luscher; preconstruction meeting CIP 10-003; review cost allocation spreadsheet with Director Bowles; review Eco:Logic proposal for DSPUD Enviro and Pre-Design services; O&M hours: 4.5 CIP 10-003 hours: 1.5	6.0
7/20/2010	Letters to property owners affected by 10-003 project; telephone with Placer County re: Slurry Seal project and timing, telephone with Town of Truckee re: contractor contact information; attend DSPUD Board Meeting; Slurry Seal Plans/Spec preparation; call CalFire re: scheduling and site inspection; O&M hours: 1.5 CIP 10-003 hours: 2.0 CIP 10-005 hours: 1.5	5.0
7/21/2010	Slurry Seal Plans/Specs; Drive to District; meet with CalFire Captain re: Conservation Crew; review progress with Jeff K. re: Water Project; contract documents for Projects 10-002, 10-003 and 10-004; O&M hours: 1.0 CIP 10-001 hours: 0.5 CIP 10-002 hours: 1.0 10-003 hours: 1.0, 10-004 hours: 1.0 CIP 10-005 hours: 0.5	5.0

**Sierra Lakes County Water District
Acumen Engineering Monthly Invoice Detail
July 2010**

Date	Engineering Task Description	Hours
7/23/2010	Letters to adjacent property owners re: fuels reduction; EDU information to Eco:Logic; Drive to District; plan check for residential construction; review invoices and time sheets; watermain project status with Jeff K., telephone with TDPUD re: pipe zone compaction O&M hours: 4.0 CIP 10-001 hours: 1.0	5.0
7/26/2010	Contract documents for 10-004; CalFire forms/information re: fuels project; telephone with Longo re: insurance and bonds; call Placer Electric re: SPS-1 generator cord O&M hours: 0.5 CIP 10-003 hours: 0.5 CIP 10-004 hours: 1.0	2.0
7/27/2010	Shop Drawing review and contract documents 10-004; telephone with resident re: UV disinfection; meet with Truckee Fire re: CalFire signature; review emails re: Joe Gray comments re: cost allocation; telephone with Placer County re: Slurry Seal O&M hours: 1.5 CIP 10-004 hours: 1.0	2.5
7/28/2010	Drive to District; review projects with Operators; progress review 10-001; schedule gas monitor training with vendor; email RG re: hill tank access; fax CalFire documents to Washington Ridge; email Eco:Logic re: flume measurements and calibration O&M hours: 3.5 CIP 10-001 hours: 0.5	4.0
7/29/2010	Research backhoe vs. plowing costs; contract documents for 10-004; information request re: AC pipe; telephone with Placer County re: Slurry Seal. O&M hours: 1.0 CIP 10-004 hours: 0.5 CIP 10-005 hours: 0.5	2.0
7/30/2010	Revise Employee Training memo for Board Meeting; telephone with Placer County and Truckee Contractor re: Slurry Seal pricing and timing; telephone with President Freedle re: AC pipe information and meeting with PCWA; correspondence with Spiess re: updated construction schedule and billing O&M hours: 3.0 CIP 10-001 hours: 1.0 CIP 10-005 hours: 2.0	6.0
7/31/2010	Water Availability Analysis for meeting with PCWA O&M hours: 3.5	3.5
Summary of hours: O&M: 67.0, CIP 10-001: 12.0, 10-002: 1.5, 10-003: 6.5, 10-004: 4.0, 10-005: 4.5		95.5

Sierra Lakes County Water District

Acumen Engineering
PO Box 3497 Truckee, CA
530-550-8068

**Sierra Lakes County Water District
Acumen Engineering Technician Monthly Invoice Detail
July 2010**

Engineering Technician Task Description	Hours
2010 Water Project 10-001 Water Testing Materials and Documentation	2.5
2010 Adjust Manholes and Valvebox Project 10-002 Plans/Specifications and County Comments	2.0
2010 Sewer Improvements Project 10-003 Plans/Specifications and County Submittal	2.5
2010 Slurry Seal Pavement Project 10-005 Plans/Specification:	2.5
TOTAL	9.5

Sierra Lakes County Water District
Operating Budget-to-Actual
July 2010

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Jul 2010	Budget	\$ Over Budget	% of Budget	Jul 10 - Jun 10	Budget	\$ Over Budget	% of Budget	FY 10-11	% of Budget
<u>Controllable Expenses:</u>										
<u>Salaries:</u>										
9001 · Director Salaries	3,227	2,594	(633)	124%	3,227	2,594	(633)	124%	31,130	10%
9002 · Office Salaries										
9002-01 Office Hourly Regular	-	-	-	0%	-	-	-	0%	-	0%
9003 · Maintenance Salaries										
9003-01 - Maint Hourly Regular	14,991	17,007	2,016	89%	14,991	17,007	2,016	88%	204,084	7%
9003-02 - Maint Overtime	224	458	233		224	458	233		5,491	4%
9003-03 - Maint Standby	1,882	1,842	(40)		1,882	1,842	(40)		22,100	9%
Total 9000 · Salaries	20,324	21,900	1,576	93%	20,324	21,900	1,576	93%	262,805	8%
<u>Payroll Expense</u>										
9005 · Payroll Expense - SS & Medicare	1,930	1,675	(255)	115%	1,930	1,675	(255)	115%	20,105	10%
9007 · Payroll Expense- SUI & ETT	49	187	137	26%	49	187	137	26%	2,240	2%
9008 · Payroll Expense - Retirement	1,992	2,300	308	87%	1,992	2,300	308	87%	27,595	7%
9009 · Payroll Expense - Medical & D/V	7,455	7,667	212	97%	7,455	7,667	212	97%	92,000	8%
9010 · Payroll Expense - Workers' Comp	-	-	-	0%	-	-	-	0%	9,350	0%
Total 9004 · Payroll Expense	11,426	11,828	403	97%	11,426	11,828	403	97%	151,290	8%
<u>Indirect & G&A</u>										
9012 · Legal Expense	3,702	5,000	1,298	74%	3,702	5,000	1,298	74%	60,000	6%
Ellison Snider	<u>\$ 3,084.30</u>									
Jim Curtis	<u>\$ 617.30</u>									
Subtotal:	<u>\$ 3,701.60</u>									
9013 · Audit Expense	-	-	-	0%	-	-	-	0%	9,500	0%
9014 · Fees & Penalties	79	53	(26)	150%	79	53	(26)	150%	630	12%
9015 · Engineering Expense	-	417	417	0%	-	417	417	0%	5,000	0%
9016 · Directors' Expense	1,229	1,167	(62)	105%	1,229	1,167	(62)	105%	14,000	9%
9017 · Professional Fees - Operations	6,700	7,500	800	89%	6,700	7,500	800	89%	90,000	7%
9018 · Professional Fees - Office	8,225	8,009	(217)	103%	8,225	8,009	(217)	103%	96,102	9%
9019 · Staff Travel/Training	-	333	333	0%	-	333	333	0%	4,000	0%
9023 · Insurance Expense	-	-	-	0%	-	-	-	0%	22,131	0%
9024 · Membership Expense	-	833	833	0%	-	833	833	0%	10,000	0%
9026 · Outside Services	140	208	68	67%	140	208	68	67%	2,500	6%
9028 · Telephone Expense	603	833	230	72%	603	833	230	72%	10,000	6%
9029 · Garbage/Hazmat Expense	271	292	21	93%	271	292	21	93%	3,500	8%
9030 · Uniform Expense	235	100	(135)	235%	235	100	(135)	235%	1,200	20%
9034 · Propane Expense	170	270	100	63%	170	270	100	63%	9,708	2%
9036 · SCADA System Expense	336	292	(44)	115%	336	292	(44)	115%	3,500	10%
9037 · M&O Asset Mgmt Sys (SLAMS)	-	83	83	0%	-	83	83	0%	1,000	0%
9040 · Office Expense	743	558	(185)	133%	743	558	(185)	133%	6,700	11%
9041 · Postage Expense	1,000	1,100	100	91%	1,000	1,100	100	91%	4,400	23%
9042 · Postage Meter Expense	-	-	-	0%	-	-	-	0%	1,500	0%
9043 · Copier & Fax Expense	42	208	166	20%	42	208	166	20%	2,500	2%
9044 · Computer Equipment & Service	316	417	101	76%	316	417	101	76%	5,000	6%

Sierra Lakes County Water District
Operating Budget-to-Actual
July 2010

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Jul 2010	Budget	\$ Over Budget	% of Budget	Jul 10 - Ju6 10	Budget	\$ Over Budget	% of Budget	FY 10-11	% of Budget
Total 9011 · Indirect & G&A	23,790	27,672	3,882	86%	23,790	27,672	3,882	86%	362,871	7%
<u>MAINTENANCE & OPERATIONS</u>										
<u>Water Treatment & Filter Plant</u>										
9101 · Filter Plant Operations & Maint	177	417	240	42%	177	417	240	42%	5,000	4%
9102 · Filter Plant-Chems, Lab & Equip	3,132	1,500	(1,632)	209%	3,132	1,500	(1,632)	209%	18,000	17%
9103 · Filter -Water Pumping Plant M&O	-	625	625	0%	-	625	625	0%	7,500	0%
Total 9100 · Water Treatment & Filter Plant	3,309	2,542	(767)	130%	3,309	2,542	(767)	130%	30,500	11%
<u>Water Distribution</u>										
9201 · Water Dist - General Maint	863	417	(446)	207%	863	417	(446)	207%	5,000	17%
9202 · Water Dist - Pipes & Fittings	-	208	208	0%	-	208	208	0%	2,500	0%
9203 · Water Dist - Hydrant Maint	-	-	-	0%	-	-	-	0%	750	0%
9204 · Fees - Water	201	500	299	40%	201	500	299	40%	10,000	2%
9205 · Water Dist - Electricity	2,829	2,333	(496)	121%	2,829	2,333	(496)	121%	28,000	10%
9600 · Water Dist - Meters/Parts	1,270	-	(1,270)	100%	1,270	-	(1,270)	100%	500	254%
Total 9200 · Water Distribution	5,162	3,458	(1,704)	149%	5,162	3,458	(1,704)	149%	46,750	11%
<u>Wastewater Collection System</u>										
9301 · Wastewater - General Maint	462	583	122	79%	462	583	122	79%	7,000	7%
9302 · Wastewater - Pipes/Fittings	-	-	-	0%	-	-	-	0%	2,500	0%
9303 · Wastewater- Enzymes/Lab Testing	835	792	(43)	105%	835	792	(43)	105%	9,500	9%
9304 · Wastewater - Manholes	-	-	-	0%	-	-	-	0%	500	0%
9305 · Fees - Sewer	201	500	299	40%	201	500	299	40%	4,000	5%
9306 · Wastewater - Electricity	1,055	917	(138)	115%	1,055	917	(138)	115%	11,000	10%
9700-01 · Wastewater Export Service Refund	-	-	-	0%	-	-	-	0%	(11,907)	0%
9700 · Wastewater- Export Service Exp	32,925	33,766	841	98%	32,925	33,766	841	98%	405,190	8%
Total 9300 · Wastewater Collection System	35,477	36,558	1,081	97%	35,477	36,558	1,081	97%	427,783	8%
<u>Vehicle Expense</u>										
9501 · Gasoline/Diesel	748	871	123	86%	748	871	123	86%	10,450	7%
9502 · Pickups	-	167	167	0%	-	167	167	0%	2,000	0%
9503 · Gapvac	71	250	179	29%	71	250	179	29%	3,000	2%
9504 · Backhoe	-	167	167	0%	-	167	167	0%	2,000	0%
9505 · Vehicle Maint Supplies	-	63	63	0%	-	63	63	0%	750	0%
Total 9500 · Vehicle Expense	820	1,517	697	54%	820	1,517	697	54%	18,200	5%
<u>Project Expenses</u>										
9812 · Spot Repairs of Sewer Mainline	102	8,640	8,538	0%	102	8,640	8,538	1%	43,200	0%
9814 · Adjust Sewer Manholes to Grade	293	3,432	3,139	0%	293	3,432	3,139	9%	17,160	2%
9815 · Misc Sewer Pump Station Upgrades	-	-	-	100%	-	-	-	0%	-	-100%
9817 · TV Gravity Sewer System	-	2,588	2,588	0%	-	2,588	2,588	0%	12,938	0%
9818 · Fire Hydrant Replacement	-	-	-	0%	-	-	-	0%	-	0%
9819 · Adj Water Valve Boxes to Grade	195	2,160	1,965	9%	195	2,160	1,965	9%	10,800	2%
9822 · Safety & Emergency Op Equip	3,553	-	(3,553)	100%	3,553	-	(3,553)	100%	#DIV/0!	
Total 9800 · Project Expenses	4,143	16,820	12,676	25%	4,143	16,820	12,676	25%	84,098	5%

Sierra Lakes County Water District
Operating Budget-to-Actual
July 2010

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Jul 2010	Budget	\$ Over Budget	% of Budget	Jul 10 - Jun 10	Budget	\$ Over Budget	% of Budget	FY 10-11	% of Budget
Total Controllable Expenses	104,451	122,295	17,844	24%	104,451	122,295	17,844	85%	1,384,297	8%
<u>Non-Controllable Expenses:</u>										
9900 · Debt - Interest										
9903 · Interest on AGFS Loan	-	-	-	0%	-	-	-	0%	6,035	0%
9904 · Interest on SRF Loan	13,054	13,054	(0)	100%	13,054	13,054	-	100%	25,747	51%
9905 · Interest on Bank of West Loan	-	-	-	0%	-	-	-	0%	211,460	0%
Total 9900 · Debt - Interest	13,054	13,054	(0)	100%	13,054	13,054	-	100%	243,242	5%
9920 · Depreciation										
9921 · Depreciation - Water	9,411	9,742	331	97%	9,411	9,742	331	97%	116,904	8%
9922 · Depreciation - Sewer	7,140	8,127	987	88%	7,140	8,127	987	88%	97,523	7%
Total 9920 · Depreciation	16,551	17,869	1,318	93%	16,551	17,869	1,318	93%	214,427	8%
Total Non-Controllable Expenses	29,605	30,923	1,318	0%	29,605	30,923	1,318	96%	457,669	6%
TOTAL DISTRICT EXPENSES:	134,056	153,218	19,162	87%	134,056	153,218	19,162	87%	1,841,966	7%
<u>COSTS COVERED BY GRANTS:</u>										
9940-01 · Costs Covered by Grants	-	-	-	0%	-	-	-	0%	-	0%
<u>CAPITAL PROCESSING COSTS (DSPUD)</u>										
9950 · SLCWD Share-DSPUD Capital Costs										
9950-01 · DSPUD Plant Upgrade-Peer Review	-	1,250	1,250	0%	-	1,250	1,250	0%	15,000	0%
9950-04 · DSPUD Facilities Plan Costs	6,638	1,173	(5,465)	566%	6,638	1,173	(5,465)	566%	14,080	47%
9950-06 · DSPUD - Financial Strategy		990	25,208	0%		990	25,208	0%	11,880	0%
9950-07 · DSPUD - Envir Doc & Permitting		25,208	14,014	0%		25,208	14,014	0%	302,500	0%
9950-08 · DSPUD - Preliminary Design	1,098	14,014	347	76%	1,098	14,014	347	76%	168,168	1%
9950-09 · DSPUD - Public Outreach & Education		1,445	-	0%		1,445	-	0%	17,336	0%
Total 9950 · SLCWD Share-DSPUD Capital Costs	7,736	44,080	36,345	18%	7,736	44,080	36,345	18%	528,964	1%
GRAND TOTAL:	141,792	197,298	55,507	72%	141,792	197,298	55,507	72%	2,370,930	6%

SIERRA LAKES COUNTY WATER DISTRICT
CAPITAL PROJECTS SUMMARY

	JUL 2010 TO JUL 2010		
	PROPOSED BUDGET	ACTUALS	VARIANCE Favorable (Unfavorable)
CAPITAL PROJECTS IN PROGRESS:			
3101 - Replace Sewer Mainline 3101-11	159,600		159,600
3102 - Misc Sewer Collection System Improvements 3102-11	22,500	2,995	19,505
3103 - Repair of Sewer Manholes at Various Locations 3103-11	64,200	1,131	63,069
3104 - Misc Sewer Pump Station Upgrades 3104-11	81,600	695	80,905
3105 - Fire Hydrant Replacement 3105-11	20,125	-	20,125
3106 - Misc Upgrades at Water Pump Stations 3106-11	-	-	-
3107 - Replace Water Mainline and Laterals 3107-11	700,555	258,167	442,388
3108 - Slurry Seal Pavement 3108-11	90,000	638	89,363
			-
	1,138,580	263,626	874,954

Sierra Lakes County Water District
Cash Flow Projection
July 2010 to June 2011

	ACTUAL Jul-10	Forecast Aug-10	Forecast Sep-10	Forecast Oct-10	Forecast Nov-10	Forecast Dec-10	Forecast Jan-11	Forecast Feb-11	Forecast Mar-11	Forecast Apr-11	Forecast May-11	Forecast Jun-11
Beginning Cash Balance:	937	1,082	849	1,737	1,302	898	768	1,051	1,103	2,024	1,826	1,599

Cash Provided/(Used) by Operations:

Revenues:

2010/2011 Sewer & Water Service Fees
Placer County Taxes

Expenses:

Operating Expenses
Sierra Plant - Capital Projects
Donner Plant - Facility Upgrade/Expansion

2010/2011 Sewer & Water Service Fees	290	200	250			40	250	200	253			
Placer County Taxes							180					125
Operating Expenses	(127)	(140)	(140)	(140)	(140)	(100)	(100)	(100)	(100)	(100)	(100)	(100)
Sierra Plant - Capital Projects		(250)	(250)	(250)	(190)	-	-	-	(50)	(50)	(50)	(49)
Donner Plant - Facility Upgrade/Expansion	(18)	(43)	(45)	(45)	(45)	(45)	(47)	(48)	(48)	(48)	(48)	(48)
Net Cash Provided/(Used) by Operations:	145	(233)	(185)	(435)	(375)	(105)	283	52	55	(198)	(198)	(72)

Cash Provided/(Used) for Financing Activities

Bank of the West Loan Draws
Westamerica Bank Loan Prin & Int
CA Bank & Trust - Qrtly Transfers
Bank of the West Interest Payments -

Total Cash Provided/(Used) by Financing Activities:

Bank of the West Loan Draws									1,000			
Westamerica Bank Loan Prin & Int					(29)						(29)	
CA Bank & Trust - Qrtly Transfers			(25)			(25)			(25)			(25)
Bank of the West Interest Payments -			(102)						(109)			
Total Cash Provided/(Used) by Financing Activities:	-	-	(127)	-	(29)	(25)	-	-	866	-	(29)	(25)

Cash Provided(Used) by Investment Activities

T-Bills - Purchases
Redemptions

Total Cash Provided(Used) by Investment Activities:

T-Bills - Purchases			1,200									
Redemptions												
Total Cash Provided(Used) by Investment Activities:	-	-	1,200	-	-	-	-	-	-	-	-	-

Ending Cash Balance:

	1,082	849	1,737	1,302	898	768	1,051	1,103	2,024	1,826	1,599	1,502
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Summary of Balances:

T-Bill Fund:
Bank of the West - Line of Credit

T-Bill Fund:	1,200	1,200	-	-	-	-	-	-	-	-	-	-
Bank of the West - Line of Credit	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	2,000	2,000	2,000	2,000

AMN
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SIERRA LAKES COUNTY WATER DISTRICT - THREE YEAR CASH FLOW PROJECTION
2010/2011 - 2012/2013

	Forecast 2010/11	Forecast 2011/12	Forecast 2012/13
Beginning Cash Balance:	937	1,502	3,144

Cash Provided/(Used) by Operations:

Revenues:

2000 Sewer & Water Service Fees
8030 Placer County Tax

Expenses:

Operating Expenses
Sierra Plant - Capital Projects
Donner Plant - Facility Upgrade/Expansion

	1,483	1,492	1,500
	305	305	305
	(1,387)	(1,465)	(1,529)
	(1,139)	(307)	(224)
	(528)	(1,500)	(3,500)
Net Cash Provided/(Used) by Operations:	(1,266)	(1,475)	(3,448)

Cash Provided/(Used) for Financing Activities

Bank of the West Loan Draws
Westamerica Bank Loan Prin & Int
CA Bank & Trust Loan Principal & Interest
Bank of the West Interest Payments -

WWTP Construction Loan

Total Cash Provided/(Used) by Financing Activities:

	1,000	2,000	
	(58)	(58)	(58)
	(100)	(100)	(100)
	(211)	(225)	(468)
		1,500	3,500
Total Cash Provided/(Used) by Financing Activities:	631	3,117	2,874

Cash Provided(Used) by Investment Activities

T-Bills - Purchases
T- Bills - Redemptions

Total Cash Provided(Used) by Investment Activities:

	1,200		
Total Cash Provided(Used) by Investment Activities:	1,200	-	-

Ending Cash Balance:

	1,502	3,144	2,570
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Summary of Balances:

T-Bill Fund:
Bank of the West - Line of Credit

	-	-	-
	2,000	-	-