

CALAVERAS PUBLIC UTILITY DISTRICT
506 W. Saint Charles Street, San Andreas, CA 95249

TUESDAY, February 11, 2020

7:00pm

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office at (209) 754-9442. Notification in advance of the meeting will enable CPUD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at CPUD for review by the public.

1. Roll Call and Pledge of Allegiance

2. Public Comment (Limit: 3 min/person)

At this time, members of the public may address the Board on any non-agendized item. The public is encouraged to work with staff to place items on the agenda for Board consideration. No action can be taken on matters not listed on the agenda. Comments are limited to 3 minutes per person.

3. Approval of Consent Calendar

- a. Minutes for Regular Meeting of January 14, 2020
- b. Directors Report for January 2020
- c. Monthly Maintenance Report for January 2020

4. Financial Business

- a. Approval of Claim Summary #736
- b. 2nd Quarter Investment Report
- c. 2nd Quarter Budget Report

5. Ad Hoc Committee Report – Policies and Procedures (Directors Overmier and Blood)

6. Accept GASB 75 Actuarial Valuation Report of June 30, 2019

7. Report: Temporary Water Service Fees Public Hearing – March 10, 2020

8. Update Status on Establishing District Mission Statement

9. Monthly Water Report

10. Staff Reports

- a. Manager's Report
- b. Legal Counsel Report
- c. Engineer's Report

11. Board Members Report

- a. Director Lavaroni – LAFCO Meeting Report (1/27/20)
- b. Director Blood – UMRWA Meeting Report (1/24/20)

12. Closed Session

- a. Personnel Matters
Update on Negotiations with SEIU Local 1021(Government Code § 54957.6)
Agency Designated Representative: Donna Leatherman

13. Adjournment (Public Hearing and Regular Meeting on March 10, 2020 at 7:00pm)

AGENDA ITEM 3

Approval of Consent Calendar

If an item is requested for removal from the Consent Calendar, it should be reflected prior to action being taken. The items will be discussed independently upon approval of remaining Consent Calendar items.

- a. Minutes for Regular Meeting of January 14, 2020
- b. Directors Report for January 2020
- c. Monthly Maintenance Report for January 2020

Recommended Action: Approval of Consent Calendar

Motion 1st _____, 2nd _____, Carried _____

Regular Meeting

7:07 P.M.

MEMBERS PRESENT: J.W. Dell’Orto
Clifford Overmier
Richard Blood
John Lavaroni
Scott Speer

MEMBERS ABSENT: None

STAFF PRESENT: Donna Leatherman, District Manager
Kate Jesus, Administrative Account Assistant
Adam Brown, Legal Counsel

OTHERS PRESENT: Larry Bain, Auditor
Tyla Daries, Weber, Ghio & Associates
Matt Ospital, Weber, Ghio & Associates

1. ROLL CALL AND PLEDGE OF ALLEGIANCE: The regular meeting was called to order by Chairperson Dell’Orto at 7:07pm. Directors Dell’Orto, Overmier, Blood, Lavaroni and Speer were present.
2. PUBLIC COMMENT (Limit 3 minutes per person/15 minutes per subject): None.
3. APPROVAL OF CONSENT CALENDAR:
 - a. Minutes for Regular Meeting of December 10, 2019
 - b. Directors Report for December 2019
 - c. Monthly Maintenance Report for December 2019

Chairperson Dell’Orto requested further description of the Manager’s report be included in the minutes. Director Blood inquired about the difference in treated water and sold water. Chairperson Dell’Orto asked if the water treated figure can be added to the Directors Report; the Manager clarified and will follow up with a revised report. Director Blood inquired about the repairs and cost of the OSG unit referenced on the Maintenance Report and revisions to the Operations Plan. The Manager stated the repairs were maintenance and did not have a cost available, also, that staff is working on updates to the Operations Plan. A motion was made by Director Lavaroni, seconded by Director Overmier, to approve the Consent Calendar. Motion carried 5-0.

4. FINANCIAL BUSINESS:
 - a. Approval of Claim Summary #735: The Board was presented a revised Claim Summary due to a check that was voided. Director Speer inquired about the purchase of a new truck and inquired about what happens to old vehicles and training costs; the Manager stated that the old truck would be presented for surplus at a future Board meeting and clarified the costs for recent staff training. He also expressed concerns with the costs related to the District’s winter newsletter. Directors Speer and Blood requested more detail be provided for Weber, Ghio and Associates invoicing. The Manager would provide the invoice details. Mr. Ospital explained the formatting of the invoices. Director Overmier inquired about the retro pay line item on the Payroll Journal; the Manager stated that two employees were paid out for their vacation time after resigning from the District and one employee was paid for a payroll error. A motion was made by Director Lavaroni, seconded by Director Speer, to approve the revised Claim Summary #735 in the amount of \$367,172.28 as presented. Motion carried 5-0.

5. FINANCIAL STATEMENTS JUNE 30, 2019: Mr. Larry Bain, CPA gave a brief presentation reviewing the District's Financial Statements which explained the District's net position at fiscal year-end 2018/19. The Board inquired about the unfunded liability of the CalPERS Other Post Employment Benefits (OPEB) and Mr. Bain offered clarification. A motion was made by Director Overmier, seconded by Director Lavaroni, to authorize the Manager and Chairperson to sign the Management Letter and accept the Financial Statements for June 30, 2019 as presented. Motion carried 5-0.

6. DISCUSSION/POSSIBLE ACTION: REVIEW OF TEMPORARY WATER SERVICE FEES:

a. Set Public Hearing – March 10, 2020: The Manager reviewed the bulk water fees and determined the need for an increase to be concurrent with the existing water rates. The recommended proposal to increase the Bulk Water Fee from \$7.80 to \$11.20 per thousand gallons will require setting a Public Hearing. A motion was made by Director Lavaroni, seconded by Director Overmier, to authorize the Manager to set a Public Hearing for March 10, 2020 to update the Temporary Water Service Fees. Motion carried 5-0.

7. UPDATE STATUS ON ESTABLISHING DISTRICT MISSION STATEMENT: The Manager and Director Blood have developed language for a draft mission statement. The Manager has requested input from the other Directors. Director Blood suggested the draft language be presented to the Board for review. The Manager mentioned that the recommendation for the Strategic Focus Plan discussed in agenda item 9, also includes the development of a mission statement if considered. Director Blood suggested to continue working on the mission statement in-house by gathering input to discuss at future meetings. Director Lavaroni asked the Manager to email the Board the draft language. Chairperson Dell'Orto stated the Board would review the drafts and report back to the Manager by next week.

8. JEFF DAVIS WATER TREATMENT PLANT SCADA PROJECT:

a. Review: Technical Memorandum: Mr. Ospital reviewed the memorandum and stated that District staff was happy with the contractor. Director Overmier inquired about the warranty; Ms. Daries reviewed the warranty which includes eighteen (18) months of technical support. Director Blood asked to review the system manual; the Manager stated a copy was available at the office. Director Blood expressed concerns with the original cost estimate of \$100,000 not being mentioned in the memorandum and the project not being well-defined.

b. Resolution 2020-1: Accepting Work on the Jeff Davis Water Treatment Plant SCADA Project: A motion was made by Director Lavaroni, seconded by Director Speer to accept Resolution 2020-1: Accepting Work on the Jeff Davis Water Treatment Plant SCADA Project. A roll call vote was taken. Directors Dell'Orto, Overmier, Blood, Lavaroni and Speer voted yes. Motion carried 5-0.

DISCUSSION/POSSIBLE ACTION: ENTER INTO AGREEMENT FOR PROFESSIONAL SERVICES WITH BHI MANAGEMENT CONSULTING TO DEVELOP A STRATEGIC FOCUS PLAN: The Manager gave a review of the proposal. Director Blood suggested tabling the agenda item until a mission statement was developed by the District. He then presented Legal Counsel with a draft document created by the Rate Study Ad Hoc Committee members for review at a March 2019 meeting. Director Speer expressed concerns with the cost of the proposal and did not feel it was necessary expense. No action due to lack of motion.

9. MONTHLY WATER REPORT: The water usage and rainfall report for December 2019 was presented for review and discussion. Director Speer inquired about the annual average amount of rainfall; the Manager clarified.

10. MANAGER'S MONTHLY REPORT: A report of ongoing projects was provided for review and discussion, which included final report of the Winter newsletter, possible Proposition 1 funding for a leak detection program, 2019 storm damage reimbursement, Emergency Action Plan updates for Jeff Davis

and Schaads reservoirs, leak repair on the Schaads penstock and status of the hydro, Court Street line replacement project, and future plans for the updating of the District's billing and accounting software. Director Dell'Orto inquired about the Red Hawk dam repair from the storm damage; the Manager stated it would be repaired in the Spring or when conditions allow. Director Overmier suggested contacting PG&E regarding the issue with the hydro unit at Schaads; the Manager would follow up.

11. DIRECTORS COMMENTS

a. Annual Form 700 and Required Training (Due April 2, 2020): The Board received information regarding the filing of Form 700 and required training for sexual harassment and ethics. Other training opportunities were also presented to the Board.

b. LAFCO – Meeting Reminder 1/27/20 – Director Lavaroni will attend.

c. UMRWA – Meeting Reminder 1/24/20 – Director Blood will attend.

The Manager informed the Board of the ACWA Region 3 Board vacancy and further information would be emailed if any Director was interested.

12. CLOSED SESSION

a. Appointment of District labor negotiator and conference concerning commencement of negotiations with SEIU Local 1021 (Government Code § 54957.6)

Agency Designated Representative: Donna Leatherman

At 8:38pm the Board convened to a closed session. The Board reconvened at 9:04pm. Chairperson Dell'Orto stated that the Board appointed the District Manager as the negotiator concerning commencement of negotiations with SEIU Local 1021.

13. ADJOURNMENT (Next Regular Meeting February 11, 2020): As there was no further business to come before the Board, a motion was made by Director Speer, seconded by Director Overmier, to adjourn the meeting at 9:05 p.m. Motion carried 5-0.

Respectfully submitted,

Kate Jesus, Administrative Account Assistant

Directors Report

Calaveras P.U.D.

Water Sold This Month

14,154,158 Gallons

	Amount (\$)	# Of Accounts
Total Water	149,879.99	1,898
Total Late Charge	1,860.00	62
Total Adjustments	-234.47	15
Total New Acct Fee	455.00	13
Total Service Call Out	245.00	7
Total Current Charges	152,205.52	1,900
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Amount Past Due 1-30 Days	10,217.02	159
Amount Past Due 31-60 Days	303.05	9
Amount Past Due Over 60 Days	5,323.03	5
Amount Of Overpayments/Prepayments	-30,266.15	438
Total Receivables	137,782.47	1,722
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Total Receipts On Account	161,507.66	1,664
Net Change in Memberships	0.00	0
Amount of All Memberships	0.00	
Turned Off Accounts (Amount Owed)	5,261.38	158
Collection Accounts (Amount Owed)	5,261.38	158
Number Of Unread (Turned On) Meters		5
Average Usage For Active Meters	7,430	1,905
Average Water Charge For Active Meters	78.97	1,898

Usage Groups	Gallons	# Of Accounts	Usage Gallons	% Of Usage	% Of Sales
Over 50,000		30	4,878,219	34.47	14.61
40,001-50,000		10	451,725	3.19	1.44
30,001-40,000		16	536,600	3.79	2.54
20,001-30,000		30	752,670	5.32	3.34
10,001-20,000		138	1,820,463	12.86	9.07
8,001-10,000		96	857,059	6.06	4.84
6,001-8,000		167	1,141,984	8.07	7.49
4,001-6,000		343	1,669,611	11.80	13.85
2,001-4,000		546	1,589,569	11.23	21.71
1-2,000		470	456,259	3.22	18.71
Zero Usage		59	0	0.00	2.41
<hr style="border-top: 1px dashed black;"/>					
Total Meters		1,905	14,154,159	100.00	100.00

Monthly Maintenance Report

January 2020

LOCATION	DESCRIPTION OF WORK	Status
Jeff Davis WTP	Monthly operation and maintenance	Complete
	Routine water sampling and State reporting, WTP in compliance	Complete
	Treated Water - 17,976,016 gallons	
	Monthly backup Generator check	Complete
	Vegetation clearing and fire clearance (Cal Fire)	In Progress
	Annual sampling	Complete
Warehouse Shop	Investigate hot water heater replacement	Pending
South Fork Pump Station	Weekly routine checks - Pumping as of 1/27/20	Complete
Schaads Reservoir	Weekly checks	Complete
	Hydro maintenance required - not operational	Pending
	CTC Penstock repair	Complete
	Annual EAP seminar with EBMUD/CPUD/JVID	Complete
Glencoe Pump Station	Weekly checks - routine monitoring	Complete
Ponderosa PRV Hydro	Weekly checks - routine monitoring	Complete
	Repair faulty transformer wiring	
MCV PRV Hydro	Weekly checks - routine monitoring	Complete
Garamendi's PRV Hydro	Weekly checks - routine monitoring	Complete
	6" valve repair	Complete
San Andreas Distribution	Routine operations, sampling	Complete
	Repair 10" steel main under Main St. Bridge	Pending
	Meter flange repair at 3836 McKeany Ct.	Complete
	2" check valve replacement at Golden Hills tank's fill line	Complete
	Repair valve at San Andreas	Complete
Moke Hill Distribution	Routine operations, sampling	Complete
	4" steel line repair at 8237 Main St.	Complete
Glencoe Distribution	Routine operations	Complete
Paloma Distribution	Routine operations, sampling	Complete
Rail Road Flat Distribution	Routine operations, sampling	Complete
Safety	How to Conduct a Safety Tailboard, Climbing Elevated Tanks: The Height of Safety, Understanding Safety Data Sheets, and Powerful Protection from PPE	Complete
Training	Safety Center: Lockout Tagout Training, Asbestos Awareness, and PPE Training	Complete
	Safety Center: Heat Prevention, Ladder, and Confined Space Awareness	Complete
Spray Program	JC - Pre Emergent all sites	In Progress
Vehicle Maintenance	Power steering maintenance on 2011 F-350 Ford	Complete
	Wheel bearing maintenance on 2009 Toyota Tacoma	Complete
	Brakes and routine maintenance on 2007 Toyota Tacoma	Complete

Monthly Maintenance Report

January 2020

Other Maintenance	23 USA tags completed	Complete
	52 Customer service/work orders	Ongoing
	Monthly meter reading	Complete
Information	Update tank inspection - JHA	In Progress
	District SOP review	Ongoing
	Revision of Operations Plan	Pending

Financial Business

- a. Approval of Claim Summary #736

Discussion

The Claim Summary #736 submitted of \$155,639.35 reflects payments with descriptions showing on the Bill Payments for All Vendors report.

Recommended Action: Approval of Claim Summary #736: \$155,639.35

Motion 1st _____, 2nd _____, Carried _____

CALAVERAS PUBLIC UTILITY DISTRICT

CLAIM SUMMARY # 736

DATE: January 2020

The claims listed on the schedules attached to this summary have been examined and found to be correct and proper demands against the Calaveras Public Utility District.

Claims Submitted	\$106,609.42
Payroll Submitted	\$32,164.71
P/R Tax Deposits	\$16,856.22
Sub-total	\$155,639.35

Net Additions	
Net Deductions	
Claim Summary Approved for	\$155,639.35



Admin Acct Assistant, Calaveras Public Utility District

Calaveras Public Utility District
Summary Balance Sheet
As of January 31, 2020

	<u>Jan 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	162,217.10
Other Current Assets	4,305,576.45
Total Current Assets	4,467,793.55
Fixed Assets	
Fixed Assets	8,137,475.84
Other Assets	598,555.02
TOTAL ASSETS	<u>13203824.41</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	51,308.76
Other Current Liabiliti...	1,722,628.40
Total Current Liabilities	1,773,937.16
Long Term Liabilities	82,098.31
Total Liabilities	1,856,035.47
Equity	11347788.94
TOTAL LIABILITIES & EQU...	<u>13203824.41</u>

Calaveras Public Utility District
Bill Payments for All Vendors
 January 2020

Name	Num	Date	Amount	GL #	Amount
ACWA-Health	22046	01/02/2020	1,235.52	5643	Dental & vision
American Fidelity Assurance	22047	01/02/2020	256.90	5646	125 Cafeteria Plan (December)
American Fidelity Assurance	22111	01/31/2020	228.82	5646	125 Cafeteria Plan (January)
American Fidelity Assurance Co.(Flex)	22112	01/31/2020	287.50	5646	125 Cafeteria Flex Plan (January)
Amsterdam Printing & Litho	22048	01/02/2020	249.50	5621	Office materials & supplies (mini calendars)
AT & T	22131	01/31/2020	650.03	5432/5621	Utilities
AT & T	22049	01/02/2020	91.23	5432/5621	Utilities
AT & T	22132	01/31/2020	64.09	5432/5621	Utilities
Blood, Richard	22133	01/31/2020	106.00	5680/5681	Director compensation
Brawner Automotive Repair	22113	01/31/2020	811.23	5424	Vehicle maintenance (Truck # 005 & 002)
Brawner Automotive Repair	22134	01/31/2020	1,000.00	5424	Vehicle maintenance (Truck #005)
Buy & Sell Press	22135	01/31/2020	128.40	5620	Office materials & supplies (WUW II job posting)
Cal PERS	EFT	01/07/2020	12,605.91	5643	Health insurance (January)
Calaveras Auto Supply	22136	01/31/2020	35.15	5322/5424	TP materials & supplies / Vehicle maintenance
Calaveras County Public Works Dept.	22050	01/02/2020	299.85	5426	2020 County Encroachment Permit
Calaveras Enterprise	22137	01/31/2020	62.28	5620	Office materials & supplies (WUW II job posting)
Calaveras Public Power Agency	22138	01/31/2020	14,370.47	5432/5621/5230	Utilities
Carbon Copy Inc.	22139	01/31/2020	139.52	5623	Printer/copier contact
Care Free Lawns	22101	01/16/2020	150.00	5623	Landscaping contract (December)
Care Free Lawns	22140	01/31/2020	150.00	5623	Landscaping contract (January)
CD & Power	22065	01/02/2020	199.50	5424	Equipment maintenance (replace ck #22030)
CDK Supply	22051	01/02/2020	46.65	5322	TP materials & supplies
Comcast	22052	01/02/2020	302.34	5621	Office utilities (December)
Comcast	22102	01/16/2020	317.04	5621	Office utilities (January)
CSDA - Gold Country Chapter	22114	01/31/2020	25.00	5429	January workshop
De Lage Landen Financial Services Inc.	22053	01/02/2020	83.66	5623	Printer/copier contact (December)
De Lage Landen Financial Services Inc.	22115	01/31/2020	87.85	5623	Printer/copier contract (January)
Dell'Orto, J.W.	22141	01/31/2020	34.00	5680/5681	Director compensation
Fischer, Merle	22054	01/02/2020	371.07	5647	Post retirement health reimbursement (January)
Fischer, Merle	22116	01/31/2020	371.07	5647	Post retirement health reimbursement (February)
Golden State Flow Measurement/WFM	22142	01/31/2020	627.41	5421	Meter restock
Grainger	22055	01/02/2020	87.62	5322	TP materials & supplies
Grainger	22117	01/31/2020	807.71	5322/5421	Materials & supplies (CPPA rebate)
Grainger	22143	01/31/2020	56.51	5421	Materials & supplies
Hach Chemical	22103	01/16/2020	2,293.52	5322	TP materials & supplies
Henwood Associates, Inc.	22104	01/16/2020	838.46	5200	Hydro maintenance/repair
Herd's Machine Shop	22105	01/16/2020	53.63	5421	Materials & supplies
Hill Rivkins Brown & Associates	22118	01/31/2020	3,569.50	5682	Legal services
Hobgood's Cleaning Service	22056	01/02/2020	160.00	5623	Janitorial services (December)
Hobgood's Cleaning Service	22119	01/31/2020	160.00	5623	Janitorial services (January)
Hunt & Sons Inc.	22057	01/02/2020	1,144.70	5424	Fuel
Hunt & Sons Inc.	22120	01/31/2020	1,563.51	5424	Fuel
Kelly M. Duke	22130	01/31/2020	1,066.80	5510	Meter wages
Larry Bain, CPA	22106	01/16/2020	7,600.00	5682	Audit services
Lavaroni, John	22144	01/31/2020	25.00	5680	Director compensation
Lehigh Hanson	22058	01/02/2020	117.80	5421	Materials & supplies
Lehigh Hanson	22121	01/31/2020	809.54	5421	Materials & supplies
McMaster-Carr	22059	01/02/2020	12.11	5421	Materials & supplies
Motherlode Answering Service	22145	01/31/2020	203.00	5623	Answering service contract (January)
North Bay Pensions	22146	01/31/2020	2,000.00	5682	GASB 75 Actuarial Study
Overmier, Clifford	22147	01/31/2020	50.00	5680	Director compensation
Pace Supply	22148	01/31/2020	7,092.38	5421	Materials & supplies (quarterly inventory)
Pacific Gas & Electric	22060	01/02/2020	449.59	5200/5201	Utilities
Pacific Gas & Electric	22107	01/16/2020	433.03	5200/5201	Utilities

Calaveras Public Utility District
Bill Payments for All Vendors
 January 2020

Name	Num	Date	Amount	GL #	Amount
Pacific Gas & Electric	22149	01/31/2020	289.98	5201/5432	Utilities
Pickle Patch Garden & Deli	22122	01/31/2020	572.00	5620	Annual EAP catering (shared cost)
Pollard Water	22150	01/31/2020	1,263.04	5421	Materials & supplies
Postmaster	22151	01/31/2020	700.00	5622	Postage
Process Solutions, Inc.	22061	01/02/2020	1,754.96	5322	TP materials & supplies (OSG unit)
Progressive Print Solutions	22152	01/31/2020	100.80	5620	Office materials & supplies
Public Employees Retirement System	EFT	01/07/2020	11,019.04	5645/5647	Retirement (January)
Roberts, Mathew A.	22066	01/06/2020	108.27	5412	Overtime wages
Safety Center, Inc	22153	01/31/2020	1,450.00	5429	Training (LOTO, asbestos, PPE)
Sam Berri Towing	22123	01/31/2020	250.00	5424	Vehicle maintenance (Truck #006)
San Andreas Sanitary District	22154	01/31/2020	377.04	5621/5432	Utilities
Signal Service	22124	01/31/2020	183.00	5623	Office alarm contract
Speer, Scott	22155	01/31/2020	25.00	5680	Director compensation
Staples Credit Plan	22156	01/31/2020	366.53	5620	Office materials & supplies
TD Ameritrade Trust Company	22062	01/02/2020	500.00	2317	457 Plan (December)
TD Ameritrade Trust Company	22108	01/16/2020	500.00	2317	457 Plan (January)
TD Ameritrade Trust Company	22125	01/31/2020	500.00	2317	457 Plan (January)
Technical Systems Inc.	22109	01/16/2020	10,620.18	1190	SCADA Project
Treat's General Store	22157	01/31/2020	98.94	5421/5322	Materials & supplies
USA Blue Book	22158	01/31/2020	392.45	5322/5421	Materials & supplies
VALIC	22063	01/02/2020	75.00	2317	457 Plan (December)
Verizon Wireless	22064	01/02/2020	176.16	5432	Utilities (December)
Verizon Wireless	22159	01/31/2020	174.70	5432	Utilities (January)
Volcano Telephone	22160	01/31/2020	516.50	5322/5201/5230/5200	Utilities
Water Education Foundation	22161	01/31/2020	765.00	5683	Annual dues (2020)
Weber, Ghio & Associates	22162	01/31/2020	6,323.76	5684/1117/1190	Engineering costs
Wells Fargo Bank	22110	01/16/2020	1,524.67	5620/5424/5623	Office materials & supplies/Fuel/Contract services
			<u>106,609.42</u>		

PAYROLL JOURNAL

0085 A850-4915 Calaveras Public Utility District

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				REIMB & OTHER PAYMENTS	WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS				
*** 10 MAINTENANCE Cunningham, John L 1	Salary	40:9500	3:00	2,365:76		Social Security Medicare	457 EE Pretax	Direct Deposit # 20811 Check Amt Chkg 0017
	Overtime			122:85		Fed Income Tax		0.00
	CPUD Ins		M4:00	76:86		CA Income Tax		1,955:93
	Vacation					CA Disability		
	EMPLOYEE TOTAL		7:00	2,565:47				Net Pay 1,955:93
Moe, James G 8	Salary	41:2200	15:00	2,381:60		Social Security Medicare		Direct Deposit # 20812 Check Amt Chkg 5056
	Overtime			618:30		Fed Income Tax		0.00
	CPUD Ins			24:12		CA Income Tax		2,355:20
		EMPLOYEE TOTAL		15:00	3,024:02		CA Disability	
Roberts, Mathew A 10	Overtime	39:5100	3:00	118:53		Social Security Medicare CA Disability		EA Check # Unknown Check Amt Manual
		EMPLOYEE TOTAL	3:00	118:53				Net Pay 108:27
	Salary	35:8650	11:00	2,072:20		Social Security Medicare	Retirement	Direct Deposit # 20813 Check Amt Chkg 9965
	Overtime			394:52		Fed Income Tax		0.00
Rovera, Wyatt N 13	CPUD Ins		M4:50	587:74		CA Income Tax		2,117:32
	EMPLOYEE TOTAL		11:00	3,054:46		CA Disability		Net Pay 2,117:32
*** 20 MANAGER Leatherman, Donna M 7	Salary		12:50	4,708:21		Social Security Medicare	457 EE Pretax	Direct Deposit # 20814 Check Amt Chkg 2134
	CPUD Ins			323:77		Fed Income Tax		0.00
	Sick		M4:50			CA Income Tax		1,000:00
	Vacation		M8:00			CA Disability		2,177:36
	EMPLOYEE TOTAL		24:00	5,031:98				Net Pay 3,177:36
*** 30 METERS Duke, Kelly 9	Hourly	26:4000	24:00	633:60		Social Security Medicare		Readychex # 1939800114 Check Amt
		EMPLOYEE TOTAL	24:00	633:60		Fed Income Tax		424:25
		EMPLOYEE TOTAL	24:00	633:60		CA Income Tax		Net Pay 424:25
		EMPLOYEE TOTAL	24:00	633:60		CA Disability		

PAYROLL JOURNAL

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS	
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS
**** 40 SECRETARY Jesus, Kate E 5	Salary	29.8500	4.00	1,724.77		117.46	50.00	Direct Deposit # 20815
	Overtime			119.40		27.47	111.92	Check Amt 0.00
	CPUD Ins			50.30		180.68		Chkg 0650 1,362.12
	Sick		M12:00			25.88		
	EMPLOYEE TOTAL		16.00	1,894.47		370.43	161.92	Net Pay 1,362.12
**** 60 EXTRA CLERICAL Bear, Carissa C 12	Salary			1,404.08		135.90	90.28	Direct Deposit # 20816
	CPUD Ins			787.83		31.78		Check Amt 0.00
	Sick		M10:50			176.24		Chkg 6990 1,462.82
						72.97		Savg 3547 200.00
	EMPLOYEE TOTAL		10.50	2,191.91		438.81	90.28	Net Pay 1,662.82
**** 70 SUPERINTENDENT Beaudreau, Bret A 11	Salary			4,502.53		329.31	100.00	Direct Deposit # 20817
	CPUD Ins			808.86		77.02		Check Amt 0.00
	Vacation		M40:00			966.05		Chkg 0608 3,401.90
						384.00		
	EMPLOYEE TOTAL		40.00	5,311.39		1,809.49	100.00	Net Pay 3,401.90
COMPANY TOTALS 9 Person(s) 9 Transaction(s)	Hourly		24.00	633.60		1,477.21	550.00	Check Amt 424.25
	Salary			19,159.15		345.48	337.57	Dir Dep 16,032.45
	Overtime		36.00	1,373.60		3,139.53		Manual 108.27
	CPUD Ins			2,659.48		1,172.82		
	Sick		27.00			238.25		
	Vacation		52.00					
	COMPANY TOTAL		139.00	23,825.83		6,373.29	887.57	Net Pay 16,564.97
					Employer Liabilities			
					Social Security 1,477.21			
					Medicare 345.48			
					CA Unemploy 405.04			
					CA Emp Train 23.81			
					TOTAL EMPLOYER LIABILITY 2,251.54			
					TOTAL TAX LIABILITY 8,624.83			
(IC) = Independent Contractor								

PAYROLL JOURNAL

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS	
*** 10 MAINTENANCE Cunningham, John L 1	Salary			2,365.76		Social Security	202.22		
	Overtime	40.9500	20:00	819.00		Medicare	47.29	100.00	Direct Deposit # 20818
	CPUD Ins			76.86		Fed Income Tax	406.47		Check Amt Chkg 0017
	Sick		M3:00			CA Income Tax	65.75		2,407.27
	EMPLOYEE TOTAL		23:00	3,261.62		CA Disability	32.62		
							754.35	100.00	Net Pay
							152.99		Direct Deposit # 20819
Moe, James G 8	Salary			2,381.60		Social Security	35.78		0.00
	Overtime	41.2200	1:50	61.83		Medicare	240.15		1,940.06
	CPUD Ins			24.12		Fed Income Tax	73.89		
						CA Income Tax	24.68		
	EMPLOYEE TOTAL		1:50	2,467.55		CA Disability	527.49		1,940.06
							186.04	120.24	Direct Deposit # 20820
							43.51	135.37	Check Amt
Rovera, Wyatt N 13	Salary			2,072.20		Social Security	380.70		0.00
	Overtime	35.8650	9:50	340.72		Medicare	139.73		1,965.06
	CPUD Ins			587.74		Fed Income Tax	30.01		
						CA Income Tax	779.99		
	EMPLOYEE TOTAL		9:50	3,000.66		CA Disability		255.61	1,965.06
									Net Pay
*** 20 MANAGER Leatherman, Donna M 7	Salary			4,708.21		Social Security	311.99		0.00
	CPUD Ins			323.77		Medicare	764.99		1,000.00
						Fed Income Tax	354.37		2,177.34
						CA Income Tax	50.32		
	EMPLOYEE TOTAL		9:50	5,031.98		CA Disability	1,554.64		3,177.34
									Net Pay
*** 40 SECRETARY Jesus, Kate E 5	Salary			1,724.77		Social Security	110.98		0.00
	Overtime	29.8500	0:50	14.93		Medicare	25.95		1,225.25
	CPUD Ins			50.30		Fed Income Tax	125.14		
	Sick		M2:00			CA Income Tax	23.58		
	EMPLOYEE TOTAL		2:50	1,790.00		CA Disability	17.90		
							303.55	261.20	Net Pay
*** 60 EXTRA CLERICAL Bear, Carissa C 12	Hourly	24.3000	0:50	12.15		Social Security	136.65		0.00
	Salary			1,404.08		Medicare	31.96		1,391.11
	CPUD Ins			787.83		Fed Income Tax	177.70		200.00
	Sick		M3:50			CA Income Tax	74.04		
	EMPLOYEE TOTAL		3:50	2,274.06		CA Disability	22.04		
							136.65	80.28	Direct Deposit # 20823
							31.96	90.28	Check Amt

PAYROLL JOURNAL

40004 (R-9)
 0085 A850-4915 Calaveras Public Utility District
 Payrolls by Paychex, Inc.

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS REIMB & OTHER PAYMENTS			
*** 60 EXTRA CLERICAL (cont.) Bear, Carissa C (cont.) 12			4.00	2,204.06	442.39		1,591.11 Net Pay
*** 70 SUPERINTENDENT Beaudreau, Bret A 11			M16:00	4,502.53 808.86	329.30 77.01 966.05 384.00 53.11	457 EE Pretax	100.00 Direct Deposit # 20824 Check Amt Chkg 0608 3,401.92
	EMPLOYEE TOTAL		16.00	5,311.39	1,809.47		100.00 Net Pay 3,401.92
COMPANY TOTALS							
7 Person(s) 7 Transaction(s)	Hourly Salary Overtime CPUD Ins Sick		0.50 31.50 24.50 56.50	12.15 19,159.15 1,236.48 2,659.48 23,067.26	1,430.17 334.47 3,061.20 1,115.36 230.68	457 EE Pretax Misc Deduction Retirement	550.00 299.80 337.57 Check Amt Dir Dep 15,708.01
	COMPANY TOTAL				6,171.88		1,187.37 Net Pay 15,708.01
					<i>Employer Liabilities</i>		
					1,430.17 334.48 278.48 16.38	Social Security Medicare CA Unemploy CA Emp Train	
					2,059.51 8,231.39	EMPLOYER LIABILITY TOTAL TAX LIABILITY	
(IC) = Independent Contractor							

Financial Business

b. 2nd Quarter Investment Report

Discussion

The 2nd Quarter Investment report reflects investment balances through December 31, 2019. Quarterly interest earning from LAIF was \$16,852.35 at an interest rate of 2.29%. A transfer of \$100,000.00. from LAIF to Wells Fargo Bank occurred in December 2019.

Two (2) Certificate of Deposits with El Dorado Savings Bank earned a total of \$1,346.01 interest for the quarter. The maturity dates for the EDSB CD's are 2021 and 2022.

UBS investments recap shows pending interest payments of \$20,894.50 and a balance of the five (5) investment of \$783,883.00.

The balance of District Investment at Quarter ending December 31, 2019 and shown on the Investment Recap is **\$4,222,418.26**.

Recommended Action: Approval of 2nd Quarter Investment Report

Motion 1st _____, 2nd _____, Carried _____

INVESTMENT RECAP
as of December 31, 2019

Investments	9/30/2019	Interest Paid	Transfers	Ending Balance	Rate
LAIIF	2,955,296.34	16,852.35	<100,000.00>	2,872,148.69	2.29
El Dorado Savings CD #1	287,762.67	548.51		288,311.18	2.08
El Dorado Savings CD #2	277,277.89	797.50		278,075.39	1.14
	3,520,336.90	18,198.36		3,438,535.26	

UBS Financial CD (x5)	751,020.10	19,278.58	Interest Pending	Annual Fee
			1,840.14	
Total interest paid	19,278.58	772,138.82		Balance as of 9/30/19

UBS Financial CD's (x5)	758,035.50	20,894.50	4,953.00	
Total interest paid		20,894.50		783,883.00
Total Investments				4,222,418.26
				Balance as of 12/31/19

We have had no maturities or purchases this past quarter, so Calaveras Public Utility District's investment account with UBS still consists of five securities: \$200,000 Ally Bank FDIC insured CD with a maturity of 3/01/21 and an interest rate of 2.60%, interest paid semi-annually; \$50,000 Goldman Sachs Bank FDIC insured CD with a maturity date of 6/21/22 and an interest rate of 2.35%, interest paid semi-annually; \$200,000 Comenity Bank FDIC insured CD with a maturity date of 6/21/22 and an interest rate of 2.40%, interest paid monthly; \$195,000 Goldman Sachs FDIC insured CD with a maturity of 2/28/23 and in interest rate of 2.80%, interest paid semi-annually; and, \$100,000 Sallie Mae Bank FDIC insured CD with a maturity of 2/28/23 and an interest rate of 2.80%, interest paid semi-annually.

In the fourth quarter of 2019 interest paid for \$50,000 Goldman Sachs Bank CD was \$589.11
 In the fourth quarter of 2019 interest paid for Comenity Bank CD was \$1,196.71
 In the fourth quarter of 2019 interest paid for Ally Bank was \$0
 In the fourth quarter of 2019 interest paid for Sallie Mae Bank was \$0
 In the fourth quarter of 2019 interest paid for \$195,000 Goldman Sachs Bank CD was \$0
 In the fourth quarter of 2019 money market interest paid was \$5.10
 In the fourth quarter of 2019 annual account maintenance fee deducted was \$175.00

Throughout the year your account value will vary slightly from month to month depending upon interest that has accrued in a CDs but has not yet paid, interest that has paid into your account and has not yet been sent to you, and the value of the CDs which will vary somewhat as interest rates move up or down. The value of the CDs will increase a little if rates fall and will decrease a little if rates rise, but these changes in price are not of consequence because the District will receive the full value at maturity. The fluctuations in price would be of consequence only if the CDs were sold prior to maturity.

On October 1, 2019, the total account value was \$772,138.82. this is the sum of \$751,020.10 value of our five CDs, plus \$19,278.58 interest paid into the account and not yet sent to the district, plus \$1,840.14 accrued interest and not yet paid into the account.

On January 1, 2020, the total value of the account was 783,883.00. This is the sum of \$758,035.50 value of our five CDs, plus \$20,894.50 interest paid into the account, plus \$4,953.00 accrued interest not yet paid into the account.



BETTY T. YEE
California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

CALAVERAS PUBLIC UTILITY DIST

Agency Name

Account Number

85-05-001

As of 01/15/2020, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 12/31/2019.

Earnings Ratio		.00006250085778970
Interest Rate		2.29%
Dollar Day Total	\$	269,633,877.14
Quarter End Principal Balance	\$	2,855,296.34
Quarterly Interest Earned	\$	16,852.35



California State Treasurer
Fiona Ma, CPA

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 23, 2020

LAIF Home
PMIA Average Monthly Yields

CALAVERAS PUBLIC UTILITY DISTRICT

MANAGER
P.O. BOX 666
SAN ANDREAS, CA 95249

Tran Type Definitions

Account Number: 85-05-001

December 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
12/12/2019	12/11/2019	RW	1625394	DONNA LEATHERMAN	-100,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	2,955,296.34
Total Withdrawal:	-100,000.00	Ending Balance:	2,855,296.34



California State Treasurer
Fiona Ma, CPA

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 23, 2020

LAIIF Home
PMIA Average Monthly Yields

CALAVERAS PUBLIC UTILITY DISTRICT

MANAGER
P.O. BOX 666
SAN ANDREAS, CA 95249

Tran Type Definitions

Account Number: 85-05-001

November 2019 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	2,955,296.34
Total Withdrawal:	0.00	Ending Balance:	2,955,296.34

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

January 23, 2020

LAIF Home
PMIA Average Monthly Yields

CALAVERAS PUBLIC UTILITY DISTRICT

MANAGER
P.O. BOX 666
SAN ANDREAS, CA 95249

Tran Type Definitions

Account Number: 85-05-001

October 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/15/2019	10/15/2019	QRD	1620745	SYSTEM	18,099.01

Account Summary

Total Deposit:	18,099.01	Beginning Balance:	2,937,197.33
Total Withdrawal:	0.00	Ending Balance:	2,955,296.34



EL DORADO SAVINGS BANK

CALAVERAS PUBLIC UTILITY DISTRICT
DONNA M LEATHERMAN
PO BOX 666
SAN ANDREAS CA 95249-0666

Last statement: September 30, 2019
This statement: December 30, 2019
Total days in statement period: 91

Page 1 of 1
0003701101
(0)

Direct Inquiries to:
1-800-874-9779

El Dorado Savings Bank
4040 El Dorado Road
Placerville, CA 95667

THANK YOU FOR BANKING WITH US!

Certificate Of Deposit

Account number	0003701101
Total principal	\$277,407.06
Total current balance	\$288,311.18
Total interest year to date	\$2,990.58

DAILY ACTIVITY

Date	Description	Additions	Subtractions	Balance
09-30	Beginning balance			\$287,762.87
10-31	Interest Credit	278.81		288,041.28
11-30	Interest Credit	269.90		288,311.18
12-30	Ending totals	548.51	.00	\$288,311.18

Thank you for banking with El Dorado Savings Bank



CALAVERAS PUBLIC UTILITY DISTRICT
 PO BOX 666
 SAN ANDREAS CA 95249-0666

Last statement: September 30, 2019
 This statement: December 31, 2019
 Total days in statement period: 92

Page 1 of 1
 0003701144
 (0)

Direct inquiries to:
 1-800-874-9779

El Dorado Savings Bank
 4040 El Dorado Road
 Placerville, CA 95667

THANK YOU FOR BANKING WITH US!

Certificate Of Deposit

Account number	0003701144
Total principal	\$268,335.04
Total current balance	\$278,075.39
Total interest year to date	\$3,150.57

DAILY ACTIVITY

Date	Description	Additions	Subtractions	Balance
09-30	Beginning balance			\$277,277.89
10-31	Interest Credit	268.47		277,546.36
11-30	Interest Credit	260.06		277,806.42
12-31	Interest Credit	268.97		278,075.39
12-31	Ending totals	797.50	.00	\$278,075.39

Thank you for banking with El Dorado Savings Bank



UBS Financial Services Inc.
1780 Hughes Landing Blvd
3 Hughes Landing, Suite 200
The Woodlands TX 77380-4021

Business Services Account

October 2019

APZ3001468985 1019 EM 0

0022381 02 AB 0.409 02 TR 00106 B301B033 000000 edg
CALAVERAS PUBLIC UTILITY DIST.
ATTN: DONNA LEATHERMAN
P O BOX 666
SAN ANDREAS CA 95249-0666



Account name: CALAVERAS PUBLIC UTILITY DIST.

ATTN: DONNA LEATHERMAN

Account number: EM 16958 70



Your Financial Advisor:

EBERT, RICHARD
Phone: 281-362-6360/866-215-5651

Questions about your statement?

Call your Financial Advisor or the ResourceLine at 800-762-1000, account 735016958.

Visit our website:

www.ubs.com/financialservices

Items for your attention

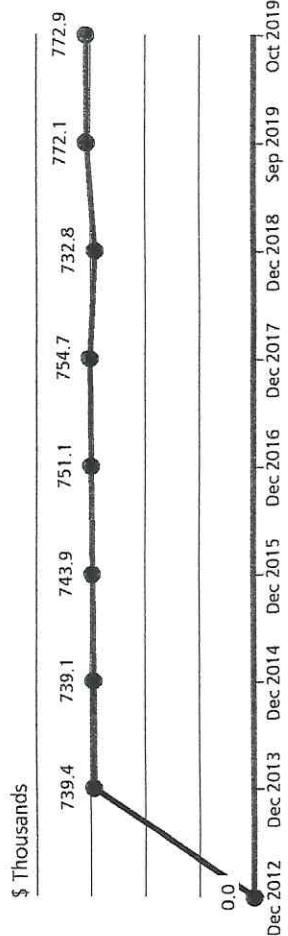
- ▶ Help protect yourself from fraud and review bank, credit card, and brokerage statements regularly. Also, get your free credit report annually from www.annualcreditreport.com.

Value of your account

Your assets	772,138.82	on September 30 (\$)	772,872.02	on October 31 (\$)
Your liabilities	0.00		0.00	
Value of your account	\$772,138.82		\$772,872.02	
Accrued interest in value above	\$1,840.14		\$3,096.28	

As a service to you, your portfolio value of \$772,872.02 includes accrued interest.

Tracking the value of your account



Sources of your account growth during 2019

Value of your account at year end 2018	\$732,759.29
Your investment return:	
Dividend and interest income	\$18,062.35
Change in value of accrued interest	-\$1,856.72
Change in market value	\$23,907.10
Value of your account on Oct 31, 2019	\$772,872.02



UBS Financial Services Inc.
1780 Hughes Landing Blvd
3 Hughes Landing, Suite 200
The Woodlands TX 77380-4021



Business Services Account

November 2019

APZ3001536575 1119 EM 0

RECEIVED DEC - 0 2019

0004582 02 AB 0.409 02 TR 00019 B301B041 0000000 edg
CALAVERAS PUBLIC UTILITY DIST.
ATTN: DONNA LEATHERMAN
P O BOX 666
SAN ANDREAS CA 95249-0666

Account name: CALAVERAS PUBLIC UTILITY DIST.

ATTN: DONNA LEATHERMAN

Account number: EM 16958 70

Your Financial Advisor:

EBERT, RICHARD

Phone: 281-362-6360/866-215-5651

Questions about your statement?

Call your Financial Advisor or the
ResourceLine at 800-762-1000,
account 735016958.

Visit our website:

www.ubs.com/financialservices

Items for your attention

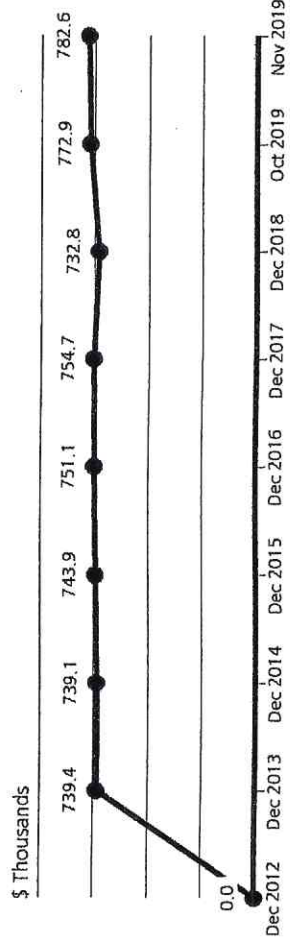
- ▶ Help protect yourself from fraud and review bank, credit card, and brokerage statements regularly. Also, get your free credit report annually from www.annualcreditreport.com.

Value of your account

	on October 31 (\$)	on November 29 (\$)
Your assets	772,872.02	782,617.62
Your liabilities	0.00	0.00
Value of your account	\$772,872.02	\$782,617.62
Accrued interest in value above	\$3,096.28	\$4,232.73

As a service to you, your portfolio value of \$782,617.62 includes accrued interest.

Tracking the value of your account



Sources of your account growth during 2019

Value of your account at year end 2018	\$732,759.29
Your investment return:	
Dividend and interest income	\$18,471.80
Change in value of accrued interest	-\$720.27
Change in market value	\$32,106.80
Value of your account on Nov 29, 2019	\$782,617.62





UBS Financial Services Inc.
1780 Hughes Landing Blvd
3 Hughes Landing, Suite 200
The Woodlands TX 77380-4021

Business Services Account

December 2019

APZ3001514963 1219 X13 EM 0

RECEIVED JAN - 7 2020

0004947 02 AB 0.409 02 TR 00024 B301B041 101000 edg
CALAVERAS PUBLIC UTILITY DIST.
ATTN: DONNA LEATHERMAN
P O BOX 666
SAN ANDREAS CA 95249-0666

Account name: CALAVERAS PUBLIC UTILITY DIST.
ATTN: DONNA LEATHERMAN

Account number: EM 16958 70

Your Financial Advisor:
EBERT, RICHARD
Phone: 281-362-6360/866-215-5651

Questions about your statement?
Call your Financial Advisor or the
ResourceLine at 800-762-1000,
account 735016958.

Visit our website:
www.ubs.com/financialservices

Items for your attention

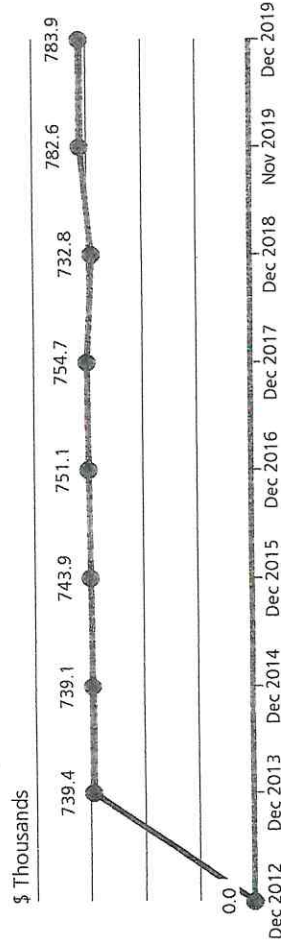
- ▶ Help protect yourself from fraud and review bank, credit card, and brokerage statements regularly. Also, get your free credit report annually from www.annualcreditreport.com.

Value of your account

	on November 29 (\$)	on December 31 (\$)
Your assets	782,617.62	783,883.00
Your liabilities	0.00	0.00
Value of your account	\$782,617.62	\$783,883.00
Accrued interest in value above	\$4,232.73	\$4,953.00

As a service to you, your portfolio value of \$783,883.00 includes accrued interest.

Tracking the value of your account



Sources of your account growth during 2019

Value of your account at year end 2018	\$732,759.29
Net deposits and withdrawals	-\$175.00
Your investment return:	
Dividend and interest income	\$19,456.51
Change in market value	\$31,842.20
Value of your account on Dec 31, 2019	\$783,883.00



Financial Business

c. 2nd Quarter Budget Report

Discussion

The 2nd Quarter Budget Report reflect income and expenses through December 31, 2019.

Income - 2nd Quarter revenues are on target at 49% of budget amount. Water revenues are slightly below average at 47% which is normal for current water season and still better than reported in FY 2018 and 2019. Bulk water sales (fill stations) are low due the season and less bulk hauler could be reflective of changes to emission laws. The next quarter usage and anticipated fee increase will also support balancing revenues by year end.

4970 Other Income – T&D Project Income - Funds reimburse from CalOES -February 2019 Storm Damage related to Category B and F, which are items that were completed by District staff during the storm event.

Expenses are on target noting slightly higher expenses in the following categories:

5230 Utility Pumping Power - the District pumped through October 2019 which is later than normal. Staff started pumping in mid-January for the current season and will pump as weather conditions allow.

5412 T&D overtime – Staff overtime was due to abnormal operations reflective abnormal due to plant operation related to SCADA transition and PSPS events occurring in October. Overtime for the remainder should reflect normal operations depending on unforeseen conditions and present staffing level.

5623 Contract Services - Expenses are routine with the exception of the annual RVS billing software maintenance fee per agreement. Previous quarter expenses reflect the cost of the MHI Study which was completed in September.

5683 Dues, Subscriptions and Fees – Membership fees paid this quarter include AWWA, ACWA, and CSDA, and renewal of newspaper subscription. All membership with the exception of Water Education Foundation (WEF) and California Rural Water Association (CRWA) have been paid for FY 2019/20.

Capital Outlay Projects

The second quarter reflects payment to the completion of the SCADA project at the water treatment plant. Carryover payment from FY 2018/19 for the rebuild of the So. Fork Pumps station motor/pump #2. The SF Pump/Motor #1 project will start in March and be completed by the end of this fiscal year. The Court Street line replacement project will go out to bid in March and completed by the end of FY 2020.

Recommended Action: Approval of 2nd Quarter Budget Report

Motion 1st _____, 2nd _____, Carried _____

2nd Quarter Budget Report
RECAP
July 2019 - Dec 2019

REVENUE	Budget	Jul- Dec	+/- of Budget	% of Budget
OPERATING INCOME				
WATER SALES	1,986,600	1,027,067	959,533	52%
Water Sales - Temp Water Program	15,750	3,538	12,212	22%
FEES	10,500	0	10,500	0%
OTHER OPERATING INCOME	31,750	67,842	-36,092	214%
OPERATING INCOME SUB-TOTAL	2,044,600	1,098,447	946,153	54%
NON-OPERATING INCOME				
HYDRO REVENUE	73,000	30,722	42,278	42%
TAXES (M&O)	117,000	5,822	111,178	5%
INTEREST	70,000	34,951	35,049	50%
CELL TOWER LEASES	17,900	14,690	3,210	82%
MHSD REVENUE	10,200	5,100	5,100	50%
NON-OPERATING INCOME SUBTOTAL	288,100	91,285	196,815	32%
TOTAL OPERATING REVENUE	2,332,700	1,189,732	1,142,968	51%
OTHER INCOME				
RESERVES - CAPITAL OUTLAY	450,000	160,000	290,000	36%
TOTAL REVENUE	2,782,700	1,349,732	1,432,968	49%
EXPENSES	Budget	Jul - Dec	+/- of Budget	% of Budget
MAINTENANCE & OPERATION	1,144,700	508,233	636,467	44%
ADMINISTRATION & GENERAL	1,033,000	477,110	555,890	46%
CAPITAL OUTLAY	500,000	284,680	215,320	57%
TOTAL EXPENSES	2,677,700	1,270,023	1,407,677	47%

2nd Quarter Budget Report
INCOME
July 2019 - Dec 2019

INCOME	Budget	Jul - Dec	+/- of Budget	% of Budget	Comments
Operating					
4110 · Water Sales-Residential	1,629,000	819,319	809,681	50%	
4112 · Water Sales-Commercial	347,600	204,492	143,108	59%	
4170 · Water Sales-Agriculture	10,000	3,256	6,744	33%	
4180 · Water Sales (Bulk Water Prog.)	15,750	3,538	12,212	22%	Fill stations
4230 · Installation Fees	10,500	0	10,500	0%	
4970 · Other Income- T&D Proj. Income	5,250	37,808	-32,558	720%	CalOES Storm Damage
4995 · Miscellaneous	15,000	26,550	-11,550	177%	Notaries, refunds
4996 · Work Done for Others	11,500	3,484	8,016	30%	34951.35MH Ebbett project, call outs
Operating Sub-total	2,044,600	1,098,448	946,152	54%	
Non-Operating					
4200 · Pipeline Hydro Revenue	63,000	28,395	34,605	45%	
4210 · Schaads Hydro Revenue	10,000	2,327	7,673	23%	Out of service
4240 · Cellular Site Leases	17,900	14,690	3,210	82%	
4923 · Interest from LAIF	70,000	34,951	35,049	50%	
4932 · County Taxes	117,000	5,822	111,179	5%	
4975 · MHSD Revenue	10,200	5,100	5,100	50%	
Non-Operating Sub-total	288,100	91,285	196,815	32%	
Total Operating / Non-Operating Income	2,332,700	1,189,733	1,142,967	51%	
Other Income					
Reserves for Capital Outlay	450,000	160,000	290,000	36%	
TOTAL INCOME	2,782,700	1,349,733	1,432,967	49%	

2nd Quarter Budget Report
EXPENSE
July 2019 - Dec 2019

EXPENSES	Budget	Jul - Dec	+/- of Budget	% of Budget	Comments
Operation & Maintenance					
5230 · Utilitites Pumping Power	125,000	74,186	50,814	59%	
5231 · Pump Station Supplies	20,000	545	19,455	3%	
5320 · Water System Superintendent	112,000	54,030	57,970	48%	
5321 · Water Treatment Wages	67,500	39,992	27,508	59%	Chief TP Operator
5322 · Water Treatment Supplies	85,000	25,485	59,515	30%	
5323 · Lab Fees	7,000	3,592	3,408	51%	
5411 · T & D Spec. Maintenance Labor	230,000	114,790	115,210	50%	Water Utility Worker (x 4)
5412 · T & D - Overtime Labor	50,000	31,207	18,793	62%	SCADA, PSPS
5421 · T & D Maint. Mat. & Supp.	85,000	25,706	59,294	30%	
5422 · T & D Contract Services	10,000	7,699	2,301	77%	
5424 · T & D Equip. Repair & Oper.	45,000	27,841	17,159	62%	Generator maint, fuel, vehicle maint
5425 · T & D Equipment Rental	15,000	0	15,000	0%	
5426 · T & D Fees & Permits	8,000	1,999	6,001	25%	
5427 · T & D Taxes	1,200	988	212	82%	
5428 · T & D Insurance	53,000	47,121	5,879	89%	
5429 · T & D Safety & Education	20,000	4,543	15,457	23%	
5430 · T & D Engineering	80,000	17,326	62,674	22%	Court St LRP
5431 · T & D State Dam Fees	70,000	0	70,000	0%	
5432 · T & D Misc. Maint. Utilities	25,000	12,762	12,238	51%	
5434 · T & D State Fees	10,000	4,059	5,941	41%	
5510 · Meter Wages	26,000	14,362	11,638	55%	Part-time staff
O&M Sub-total	1,144,700	508,233	636,467	44%	
Administration & General					
5611 · Manager	120,000	56,499	63,501	47%	
5612 · Customer Service Rep.	35,000	16,860	18,140	48%	
5614 · Admin Account Assistant	44,000	20,697	23,303	47%	
5615 · O/T Office	3,500	1221	2,279	35%	
5620 · Materials & Supplies	25,000	9,966	15,034	40%	
5621 · Office Utilities	9,000	3,781	5,219	42%	
5622 · Postage & Box Rent	10,000	5,106	4,894	51%	
5623 · Contract Services	40,000	33,785	6,215	84%	Copier, banking, PR, landscaper, MHI survey, monthly contracts
5641 · FICA	60,000	29,475	30,525	49%	
5642 · Unemployment	2,500	0	2,500	0%	
5643 · Medical Insurance	230,000	100,960	129,040	44%	Medical, dental, vision
5645 · Retirement-PERS (Admin)	200,000	87,625	112,375	44%	
5647 · OPEB - Retirement	100,000	20,065	79,935	20%	
5680 · Director's Fees	2,500	1,000	1,500	40%	
5681 · Director's Mileage	1,000	164	836	16%	
5682 · Audit & Legal	50,000	16,833	33,167	34%	
5683 · Dues, Subscriptions, Fees	40,000	36,478	3,522	91%	UMRWA, MCWRA, AWWA, etc.
5684 · Engineering-Admin.	60,000	36,596	23,404	61%	FEMA storm damage, gen. eng. svcs
5685 · Election Expense	500	0	500	0%	
Administrantion Sub-total	1,033,000	477,110	555,890	46%	
TOTAL EXPENSES	2,177,700	985,342	1,192,358	45%	

**2nd Quarter Budget Report
CAPITAL OUTLAY
July 2019 - Dec 2019**

	Budget	Jul - Dec	Comments
<u>Treatment Plant Improvements</u>			
S. Fork Pump Station	70,000	31,351	Carryover from FY 2018/19
Water Treatment Plant Improvements (SRF)	80,000	199,095	SCADA
	150,000	230,445	
<u>Pipeline / Schaads Hydros</u>			
Schaads	30,000	0	
Pipeline Hydros (Ponderosa / Main Control Valve / Garamendi)	40,000	0	
	70,000	0	
<u>Transmission & Distribution</u>			
Vehicle Replacement	50,000	29,985	2020 Ford F150 XL
Tank Evaluation	30,000	24,250	Carryover from FY 2018/19
	80,000	54,235	
<u>Line Replacement / System Improvements</u>			
In house / Commercial Meter Replacement	30,000	0	
System Line Replacement (Evaluate/Prioritize) Outsourced Project (Over 700')	110,000	0	
<i>Pool Station Road, SA - Fire flow, pressure, line size, age (Industrial area)</i>	25,000		
<i>Center Street, MH - Fire flow, pressure, leaks, line size, condition</i>	25,000		
<i>Russell Road, SA - Aging condition, leaks, fire flow (project to include hydrants/customer meters)</i>	60,000		
Water Loss Program	30,000		Working w/CRWA for possible funding
	170,000	0	
<u>General & Administration</u>			
Billing / Accounting Software Upgrade	30,000	0	
	30,000	0	
TOTAL CAPITAL OUTLAY	500,000	284,680	

AGENDA ITEM 5

Ad Hoc Committee Report – Policies and Procedures (Directors Overmier and Blood)

Discussion

The policies that were reviewed at the January and February Ad Hoc Committee meeting will be presented to the Board for approval at the March Board meeting.

Accept GASB 75 Actuarial Valuation Report of June 30, 2019

Discussion

On February 7, 2020 the District received the Report of GASB 75 Actuarial Valuation as of June 30, 2019. GASB statement 75 was issued to provide standards for governmental employers to record expenses for Other Post-Employment Benefits (OPEB). The District currently provides retiree health benefits which is considered OPEB. GASB 75 requires that a full actuarial valuation be completed every 2 years with the last report was complete as of June 30, 2017.

As of the June 30, 2019 the plan covers and used the assumption of the 9 current and 5 retirees for the projected benefit payments. Changes made by Resolution 2017-11, relating to the employer contribution under Government Code Section 22893 effect of reducing the project benefit payment by \$155,314. The District total OPEB liability (TOL) is \$1,267,694. The Net OPEB Liability (NOL) recorded as of June 30, 2019 is \$521,153. The net position of as a percentage of the Total OPEB Liability is 59.66%.

The District will use the actuarial valuation to determine future OPEB expenses.

Recommendation: Accept Government Account Standards Board (GASB 75) Actuarial Valuation Report of June 30, 2019

Motion 1st _____, 2nd _____, Carried _____

DRAFT

CALAVERAS PUBLIC UTILITY DISTRICT

VALUATION OF RETIREE HEALTH BENEFITS

**REPORT OF GASB 75 ACTUARIAL VALUATION AS OF
JUNE 30, 2019**

**Prepared by: North Bay Pensions LLC
February 7, 2020**

DRAFT

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Actuarial Certification

This report presents the determination of benefit obligations under **Statement No. 75 of the Governmental Accounting Standards Board (GASB 75)** as of June 30, 2019 for the retiree health and welfare benefits provided by the Calaveras Public Utility District. I was retained by the District to perform these calculations.

GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", was issued to provide standards for governmental employers to record expense for **Other Postemployment Benefits (OPEB)**.

The information contained in this report was based on a participant census as of June 30, 2019 provided to me by the District. The actuarial assumptions and methods used in this valuation were selected by the District after consultation with me. I believe the assumptions and methods are reasonable and appropriate for purposes of actuarial computations under GASB 75.

Actuarial computations under GASB 75 are for purposes of fulfilling employer accounting requirements. The calculations reported herein have been made on a basis consistent with my understanding of GASB 75. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results reported herein. Due to the limited scope of my assignment, I did not perform an analysis of the potential range of future measurements.

To the best of my knowledge, this report is complete and accurate. This valuation has been conducted in accordance with generally accepted actuarial principles and practices. The undersigned is a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries, and a Member of the American Academy of Actuaries, and meets their continuing education requirements and qualification standards for public statements of actuarial opinion relating to retirement plans. In my opinion, I am qualified to perform this valuation.

Nick Franceschine, F.S.A.

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Summary of Results

Background

The District maintains a program which pays part or all of monthly medical insurance premiums on behalf of retired former employees, provided that the employee has satisfied certain requirements. As of June 30, 2019, the District has accumulated \$882,859 in the CalPERS CERBT (California Employers' Retirement Benefit Trust) toward the cost of future benefits.

In June 2015, the Governmental Accounting Standards Board (GASB) released Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement, often referred to as **GASB 75**, requires governmental entities to (1) record annual expense for their OPEB and (2) disclose certain information in their year-end financial statements.

The District has requested this actuarial valuation to determine what its OPEB obligations under the program are, and what the impact of GASB 75 will be for the 2019-2020 year. This report also includes GASB 75 results that were accrued and disclosed by the District during the 2018-2019 year.

Actuarial Present Value of Projected Benefit Payments

The Actuarial Present Value of Projected Benefit Payments (APVPBP) for all current and former employees, as of June 30, 2019, is **\$1,584,146**. This is the amount the District would theoretically need to set aside at this time to fully fund all those future benefits.

The total value of \$1,584,146 is the sum of these amounts:

Future benefits of current employees	\$ 973,895
Future benefits of current retirees	<u>610,251</u>
APVPBP	\$ 1,584,146

This figure may be compared to the APVPBP of \$1,667,943 that was shown in the 2017 valuation report. We would have expected the APVPBP to increase to approximately \$1,801,000 by 2019 as employees continue working. The difference between the 2017 figure of \$1,667,943 and this year's figure of \$1,584,146 is due to:

• Expected increase in the APVPBP since 2017	\$ 133,266
• Medical premiums in 2019 lower than anticipated	(107,814)
• Changes in assumptions	35,925
• Change in promised benefits	(155,314)
• Miscellaneous experience gains and losses	<u>10,140</u>
Total of changes	\$ (83,797)

The assumption changes are explained below under “Actuarial Assumptions”. The change in benefits is described below under “Change in Benefits”. The experience loss of \$10,140 is due to demographic changes (retirements, terminations, deaths) which are different than those expected.

These figures are computed by (1) estimating the OPEB benefits that will be paid to each current and former employee and their beneficiaries (if applicable), upon the employee’s retirement from the District, (2) estimating the likelihood that each payment will be made, taking into consideration the likelihood of remaining employed until retirement age and the likelihood of survival after retirement, and (3) discounting each expected future payment back to the present date at an assumed rate of investment return.

Net OPEB Liability

The **Total OPEB Liability** (TOL) is the portion of the APVPBP which has been “earned” by employees based on past years of service (i.e. benefits allocated to past years of service).

The **Plan Fiduciary Net Position** (FNP) is equal to the value of assets that have been accumulated in an irrevocable trust for these benefits.

The **Net OPEB Liability or Asset** (NOL) is the excess of the Total OPEB Liability over the Plan Fiduciary Net Position. At the end of each fiscal year, the District must show a liability equal to the NOL.

At June 30, 2018 and June 30, 2019, these amounts are:

	<u>June 30, 2018</u>	<u>June 30, 2019</u>
Present value of benefits for employees	\$ 609,188	\$ 657,443
Present value of benefits for retirees	<u>682,710</u>	<u>610,251</u>
Total OPEB Liability	\$ 1,291,898	\$ 1,267,694
Accumulated assets in the CERBT trust	<u>\$ 770,745</u>	<u>\$ 882,859</u>
Plan Fiduciary Net Position	\$ 770,745	\$ 882,859
Total OPEB Liability	\$ 1,291,898	\$ 1,267,694
Plan Fiduciary Net Position	<u>(770,745)</u>	<u>(882,859)</u>
Net OPEB Liability	\$ 521,153	\$ 384,835

OPEB Expense under GASB 75

GASB 75 requires that the annual change in the NOL be recognized as OPEB expense, except for certain specific changes which are to be recognized over different periods of time. Changes in actuarial assumptions, and experience gains and losses, are to be

recognized over the average of the expected remaining service lives of all employees. As of June 30, 2018, this average for the District employees is 10.9 years. As of June 30, 2019, this average is 11.8 years. Differences between actual and expected investment earnings are to be recognized over 5 years. The unrecognized remaining amounts of assumption changes, experience gains/losses and investment earnings differences are called “deferred outflows and inflows of resources relating to OPEB” (see Exhibit 5).

The OPEB Expense for the fiscal year ending June 30, 2020 is **\$78,177**. For the year ending June 30, 2019, the OPEB Expense was **\$34,773**. Derivations of these amounts are shown in Exhibit 4.

Disclosure Information as of June 30, 2019 and June 30, 2020

Amounts to be disclosed in the footnotes to the District audited financial statements as of June 30, 2019 and as of June 30, 2020 are shown in Exhibits 2 through 6 of this report. Numbers labelled as “June 30, 2018” are to be disclosed at June 30, 2019. Numbers labelled as “June 30, 2019” are to be disclosed at June 30, 2020.

Exhibit 7 shows estimated retiree benefits and OPEB expense for the next nine years after that.

Actuarial Assumptions

All actuarial assumptions are unchanged from the July 1, 2017 valuation, except as described below. The assumptions are described in detail in Exhibit 9.

The probabilities of retirement, termination and mortality have been changed from the 2014 CalPERS assumptions to the 2017 CalPERS assumptions. This change had the effect of increasing the APVPBP by \$35,925.

Change in Benefits

The maximum monthly amount payable by the District has been reduced from the PERS Choice premium amount to the weighted average of the four most commonly selected CalPERS health plans, as further described in Exhibit 8. This change was made by Resolution 2017-11, relating to the employer contribution under Government Code Section 22893. This change had the effect of reducing the APVPBP by \$155,314, and was fully recognized in the 2018-2019 year.

Exhibit 1 - Actuarial Values as of June 30, 2019

The Actuarial Present Value of Projected Benefit Payments (APVPBP) as of June 30, 2019 of all future employer-paid benefits from the program, for all current and former employees, is as follows:

	<u>Actuarial Present Values</u>	<u>Number of Persons</u>
Current Employees	\$ 973,895	9
Retired Employees	<u>610,251</u>	<u>5</u>
	\$ 1,584,146	14

As of June 30, 2019, the District has accumulated \$882,859 in an irrevocable trust toward this liability.

The Total OPEB Liability (TOL) as of June 30, 2019 is the portion of the APVPBP which has been "earned" to date by current and former employees, based on the years of service already completed:

Current employees	\$ 657,443
Retired former employees	<u>610,251</u>
Totals	\$ 1,267,694

Summary of Participating Employees as of June 30, 2019

Active Employees

Number	9 employees
Average Age	43.7 years
Average Service	8.0 years

Retired Former Employees and Surviving Spouses

Number	5 persons
Average Age	68.4 years

Exhibit 2 - Net OPEB Liability

The Net OPEB Liability (NOL) is the excess of the Total OPEB Liability (TOL) over the Plan Fiduciary Net Position (FNP). As of June 30, 2017, June 30, 2018 and June 30, 2019 these are:

	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>
Total OPEB Liability			
Value of benefits for employees	\$ 570,765	\$ 609,188	\$ 657,443
Value of benefits for retirees	<u>681,891</u>	<u>682,710</u>	<u>610,251</u>
Total OPEB Liability	\$ 1,252,656	\$ 1,291,898	\$ 1,267,694
Plan Fiduciary Net Position			
Fair value of assets in CERBT	<u>\$ 632,703</u>	<u>\$ 770,745</u>	<u>\$ 882,859</u>
Plan Fiduciary Net Position	\$ 632,703	\$ 770,745	\$ 882,859
Net OPEB Liability	\$ 619,953	\$ 521,153	\$ 384,835

The Net OPEB Liability has changed from June 30, 2017 to June 30, 2018 in this way:

	<u>TOL</u>	<u>FNP</u>	<u>NOL</u>
Values at June 30, 2017	\$ 1,252,656	\$ 632,703	\$ 619,953
Service cost	66,092		66,092
Interest	80,053		80,053
Differences between actual and expected experience	0		0
Benefit changes	(64,768)		(64,768)
Employer contributions		130,394	(130,394)
Net investment income		50,121	(50,121)
Benefits paid to retirees	(42,135)	(42,135)	0
Administrative expense		(338)	338
Net changes	\$ 39,242	\$ 138,042	\$ (98,800)
Values at June 30, 2018	\$ 1,291,898	\$ 770,745	\$ 521,153

The Net OPEB Liability has changed from June 30, 2018 to June 30, 2019 in this way:

	<u>TOL</u>	<u>FNP</u>	<u>NOL</u>
Values at June 30, 2018	\$ 1,291,898	\$ 770,745	\$ 521,153
Service cost	61,515		61,515
Interest	82,578		82,578
Differences between actual and expected experience	(127,847)		(127,847)
Assumption changes	2,481		2,481
Employer contributions		107,431	(107,431)
Net investment income		47,779	(47,779)
Benefits paid to retirees	(42,931)	(42,931)	0
Administrative expense		(165)	165
Net changes	\$ (24,204)	\$ 112,114	\$ (136,318)
Values at June 30, 2019	\$ 1,267,694	\$ 882,859	\$ 384,835

Exhibit 3 - Sensitivity of the Net OPEB Liability

The following presents the Net OPEB Liability (NOL) as well as what the NOL would be if it were calculated using a discount rate that is 1-percentage-point higher or lower than the current discount rate, as of June 30, 2018 and June 30, 2019:

	<u>1% Decrease</u> 5.50 %	<u>Discount Rate</u> 6.50 %	<u>1% Increase</u> 7.50 %
Net OPEB Liability 6-30-2018	\$ 673,422	\$ 521,153	\$ 394,804
Net OPEB Liability 6-30-2019	\$ 548,537	\$ 384,835	\$ 249,007

The following presents the Net OPEB Liability (NOL) as well as what the NOL would be if it were calculated using healthcare cost trend rates that are 1-percentage-point higher or lower than the current healthcare cost trend rates, as of June 30, 2018 and June 30, 2019:

	<u>1% Decrease</u> 4.5 %	<u>Trend Rate</u> 5.5 %	<u>1% Increase</u> 6.5 %
Net OPEB Liability 6-30-2018	\$ 397,248	\$ 521,153	\$ 664,456
Net OPEB Liability 6-30-2019	\$ 279,223	\$ 384,835	\$ 506,663

Exhibit 4 - OPEB Expense for the Fiscal Year Ending June 30, 2020

For the year ending June 30, 2019, the District recognized OPEB expense of **\$34,773**, computed as follows:

Service cost	\$ 66,092
Interest	80,053
Expected investment return	(41,115)
Administrative expense	338
Change in NOL due to changes in benefits	(64,768)
Recognition of difference between actual and expected experience	0
Recognition of changes in assumptions	0
Recognition of difference between projected and actual earnings on investments	<u>(5,827)</u>
Total	\$ 34,773

For the year ending June 30, 2020, the District recognized OPEB expense of **\$78,177**, computed as follows:

Service cost	\$ 61,515
Interest	82,578
Expected investment return	(50,093)
Administrative expense	165
Change in NOL due to changes in benefits	0
Recognition of difference between actual and expected experience	(10,834)
Recognition of changes in assumptions	210
Recognition of difference between projected and actual earnings on investments	<u>(5,364)</u>
Total	\$ 78,177

Exhibit 5 - Deferred Outflows and Inflows of Resources

The values of deferred outflows and inflows of resources related to OPEB as of June 30, 2018, **to be reported as of June 30, 2019**, are:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions	0	0
Net difference between projected and actual earnings on OPEB plan investments	0	19,284
District contributions subsequent to the measurement date	<u>107,431</u>	<u>0</u>
Total	\$ 107,431	\$ 19,284

Amounts reported as deferred outflows and inflows of resources related to OPEB as of June 30 2018, **to be reported as of June 30, 2019**, will be recognized in OPEB expense as follows:

Year Ended June 30	
2020	\$ (5,827)
2021	(5,827)
2022	(5,828)
2023	(1,802)
2024	0
Thereafter	0

The values of deferred outflows and inflows of resources related to OPEB as of June 30, 2019, to be reported as of June 30, 2020, are:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 0	\$ 117,013
Changes of assumptions	2,271	0
Net difference between projected and actual earnings on OPEB plan investments	1,851	13,457
District contributions subsequent to the measurement date	<u>UNKNOWN</u>	<u>0</u>
Total	\$	\$ 130,470

“UNKNOWN” is the total of amounts contributed by the District to retirees’ benefits and to the CERBT trust during the 12 months ending June 30, 2020. This is the sum of (1) the total contributions to CERBT, (2) the actual benefits paid to retirees during the 12 months ending June 30, 2020, and (3) the total of subsidized premiums for the 12 months ending June 30, 2020 (which is \$9,839).

Amounts reported as deferred outflows and inflows of resources related to OPEB as of June 30 2019, to be reported as of June 30, 2020, will be recognized in OPEB expense as follows:

Year Ended June 30	
2021	\$ (15,988)
2022	(15,989)
2023	(11,963)
2024	(10,162)
2025	(10,624)
Thereafter	(61,622)

Exhibit 6 - Schedule of Changes in the Net OPEB Liability

Reporting date	<u>6/30/2019</u>	<u>6/30/2020</u>
Total OPEB liability		
Service cost	\$ 66,092	\$ 61,515
Interest	80,053	82,578
Changes of benefit terms	(64,768)	0
Differences between actual and expected experience	0	(127,847)
Changes of assumptions	0	2,481
Benefits paid to retirees	<u>(42,135)</u>	<u>(42,931)</u>
Net change in Total OPEB liability	39,242	(24,204)
Total OPEB liability – beginning	<u>1,252,656</u>	<u>1,291,898</u>
Total OPEB liability – ending	\$ 1,291,898	\$ 1,267,694
Plan fiduciary net position		
Contributions – employer	\$ 130,394	\$ 107,431
Net investment income	50,121	47,779
Benefits paid to retirees	(42,135)	(42,931)
Administrative expense	<u>(338)</u>	<u>(165)</u>
Net change in plan fiduciary net position	138,042	112,114
Plan fiduciary net position - beginning	<u>632,703</u>	<u>770,745</u>
Plan fiduciary net position - ending	\$ 770,745	\$ 882,859
Net OPEB Liability – ending	\$ 521,153	\$ 384,835
Plan fiduciary net position as a percentage of the Total OPEB liability	59.66 %	69.64 %
Covered-employee payroll	\$ 661,238	\$ 702,715
Net OPEB liability as a percentage of covered-employee payroll	78.81 %	54.76 %

Exhibit 7 - Ten-Year Projection of Costs

Shown below are estimates of (a) the benefits expected to be paid to retirees, and (b) the amounts the District is expected to accrue as GASB 75 OPEB expense, for the next ten years. For these estimates, it is assumed that all actuarial assumptions and the size of the workforce will remain unchanged, that the promised benefits will remain the same, that the District will pay all benefits to retirees each year and contribute an additional \$30,000 to CERBT each year, and that there are no significant experience gains or losses.

Fiscal Year Ending:	Employer-Paid Retiree Payments	Projected Implicit Rate Subsidy Payments	GASB 75 OPEB Expense
2020	\$ 35,000	\$ 9,839	\$ 78,177
2021	39,000	15,328	71,000
2022	43,000	20,000	73,000
2023	47,000	25,000	79,000
2024	51,000	29,000	83,000
2025	56,000	33,000	84,000
2026	61,000	37,000	85,000
2027	60,000	30,000	85,000
2028	65,000	33,000	85,000
2029	72,000	32,000	86,000

Exhibit 8 - Summary of Benefit Provisions

The District contributes toward post-retirement benefits for employees who retire with at least 10 years of service. The District will pay the full monthly premiums for medical coverage for the retired employee and eligible dependents, but no more than the weighted average of the four most commonly selected CalPERS health plans. That average is \$734 in 2019 and \$767 in 2020 (for single coverage), and \$1,398 in 2019 and \$1,461 in 2020 (for two-party coverage). Payments are made for the lives of the retired employee and spouse. Medical coverage is provided under plans offered by CalPERS.

The monthly premium paid by the District is pro-rated if the employee has less than 20 years of service at retirement, as follows:

<u>Years of Service at Retirement</u>	<u>Percentage Payable</u>
Less than 10 Years	0 %
10 Years	50 %
11 Years	55 %
12 Years	60 %
13 Years	65 %
14 Years	70 %
15 Years	75 %
16 Years	80 %
17 Years	85 %
18 Years	90 %
19 Years	95 %
20 or More Years	100 %

Prior to 2018, the maximum amount payable by the District was the PERS Choice (other Northern California) premium.

Exhibit 9 - Summary of Actuarial Assumptions

Actuarial Assumptions: The following assumptions as of June 30, 2019 were selected by the District in accordance with the requirements of GASB 75. These assumptions, in my opinion, are reasonable and appropriate for purposes of determining OPEB costs under GASB 75.

Long-Term Expected Rate of Return on Investments: The long-term expected rate of return on investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. The asset class percentages are taken from the current composition of the CERBT trust, and the expected yields are taken from a CalPERS publication for the Pension Fund:

	<u>% of Fund</u>	<u>Real return, next 10 years</u>
Global equity	57 %	5.25 %
Fixed income	27 %	0.99 %
Treasury securities	5 %	0.45 %
Real estate trusts	8 %	4.50 %
Commodities	3 %	3.90 %
	<u>100 %</u>	

The estimated yield of 3.9% for commodities was obtained from various sources. Using these figures, the weighted-average real rate of return is estimated to be 3.73%. Adding estimated inflation of 2.75%, we obtain 6.48% as an estimate of the expected rate of return, which is rounded to: **6.5%**.

Discount rate: 6.50% per year. The cash flows of the OPEB plan were projected to future years, assuming that the District will contribute an amount at least equal to retirees' benefits. Under that projection, the plan assets are projected to be adequate to pay all benefits to retirees in all future years, so the discount rate has been set equal to the long-term expected rate of return on investments, 6.50%.

Medical Cost Increases (Trend): Medical premium amounts are assumed to increase 5.5% per year.

Payroll Growth: Total payroll is assumed to increase 3.0% per year in the future.

Coverage Elections: 100% of eligible employees are assumed to elect coverage upon retirement, and to remain covered under District plans for life. All employees are assumed to keep their current medical plan after retirement.

Mortality: Mortality rates are taken from the 2017 CalPERS valuation. In the 2017 valuation, mortality was taken from the 2014 CalPERS OPEB Assumptions Model.

Funding Method: The Entry Age actuarial cost method has been used, with normal costs calculated as a level percentage of payroll, as required by GASB 75.

Retirement: Retirement rates are taken from the 2017 CalPERS pension valuation for "public agency miscellaneous 2.7% at 55". Sample rates are:

	<u>10 Years Service</u>	<u>20 Years Service</u>	<u>30 Years Service</u>
Age 55	5.5 %	11.3 %	23.4 %
Age 58	6.6 %	12.4 %	20.1 %
Age 61	9.4 %	15.3 %	24.1 %
Age 64	14.7 %	22.1 %	30.8 %

In the 2017 valuation, rates were taken from the 2014 CalPERS OPEB Assumptions Model for "public agency miscellaneous 2.7% at 55".

Disability: Incidence of disability is considered to be included in the termination and retirement rates here, so no explicit recognition of disablement has been included.

Turnover (withdrawal): Likelihood of termination within the next year is taken from the 2017 CalPERS valuation. Sample rates are:

	<u>5 Years Service</u>	<u>10 Years Service</u>	<u>15 Years Service</u>
Age 20	6.54 %		
Age 30	6.15 %	4.16 %	2.62 %
Age 40	5.19 %	3.75 %	2.43 %
Age 50	4.41 %	2.86 %	1.88 %

In the 2017 valuation, turnover rates were taken from the 2014 CalPERS OPEB Assumptions Model.

Inflation: Long-term inflation is assumed to be 2.75% per year.

Age-Specific Medical Claims: The estimated per person medical claims (true costs of coverage) during the 2019-2020 fiscal year are as follows (rates are shown for certain ages only):

<u>Age</u>	<u>Annual Claims</u>
40	\$ 7,930
45	9,590
50	11,850
55	14,613
60	17,032
64	18,273

These age-specific rates were developed so as to reproduce in the aggregate the same total premiums that would be paid to the carriers for all current employees and all current retirees.

Report: Temporary Water Service Fees Public Hearing – March 10, 2020

Discussion

At the January 14, 2020 Board meeting, the Board authorized the Manager to set a Public Hearing for March 10, 2020 to update the Temporary Water Service Fees. Attached is the notice and draft resolution for review.

Recommended Action: No action.

**CALAVERAS PUBLIC UTILITY DISTRICT
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that the Calaveras Public Utility District will hold a Public Hearing on March 10, 2020 at 7:00 p.m. in the CPUD Board Room located at 506 W. St. Charles St, San Andreas. At the meeting the Board will solicit public views on the update of the temporary water service fees for the Bulk Water Fee.

Anyone wishing to be heard on the above matter may appear before the Board of Directors at the time of the Public Hearing and/or may file a written opinion with the District Manager, Calaveras Public Utility District, P.O. Box 666, San Andreas, CA 95249, prior to the Public Hearing.

If you challenge the above proposed action in court you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the District Manager at or prior to the Public Hearing.

Dated: February 12, 2020

Signed: Donna Leatherman

Donna Leatherman, District Manager

RESOLUTION 2020-__

UPDATE TEMPORARY WATER SERVICE FEES FOR BULK WATER FEE

WHEREAS, Calaveras Public Utility District passed Ordinance 2017-1 Establishing Rules and Regulations for Temporary Water Use; and

WHEREAS, the Board of Directors adopted Resolution 2017-2: Establishing Temporary Water Service Fees on April 11, 2017; and

WHEREAS, the Board of Directors has reviewed the proposed Temporary Water Service Fees and has determined that the cost of the Bulk Water Fee now exceeds those established in accordance with Resolution 2017-2; and

WHEREAS, the Board of Directors has further determined that the reasonable cost to the District of providing water pursuant to the Bulk Water Fee is as set forth below; and

WHEREAS, upon the effective date of this Resolution, the following Temporary Water Service Fees for the Bulk Water Fee shall be and hereby are adopted;

WHEREAS, the Bulk Water Fee will further adjust annually, according to the current Water Rate Schedule usage charge previously adopted by the Board of Directors, effective July 1 annually, beginning July 1, 2021 and ending July 1, 2023; and

NOW THEREFORE, the Board of Directors of the Calaveras Public Utility District hereby updates and establishes the Bulk Water Fee in the District as follows:

Description	Approved Fee
Bulk Water Fee	\$11.20 per 1,000 gallons

BE IT FURTHER RESOLVED, that the foregoing Resolution was duly passed and adopted by the Board of Directors of the CALAVERAS PUBLIC UTILITY DISTRICT at the regular meeting on March 10, 2020 by the following vote:

AYES: Directors:

NOES: Directors:

ABSTAIN: Directors:

ABSENT: Directors:

PRESIDENT, CALAVERAS PUBLIC UTILITY DISTRICT

ATTEST:

Kate Jesus, Secretary

I hereby certify that the foregoing is a true and correct copy of a Resolution passed and Adopted by the Board of Directors of the Calaveras Public Utility District.

Kate Jesus, Secretary

Date

Update Status on Establishing District Mission Statement

Discussion

The Manager and staff began working on wording for a District mission statement in October 2018. At the time input was requested however no response from the Board. In early 2019 the District committed to achieving the Transparency Certificate of Excellence through the Special District Leadership Foundation (SDLF) which one of the requirements is to have a District established Mission Statement.

There are several requirements to be considered for the Certificate and the SDLF states that “earning the certificate is a tangible acknowledgement of transparency efforts. Demonstrate to your constituents and other stakeholders your district’s commitment to being open and accessible to them.”

After the November 2019 meeting Director Blood expressed interest in working with the Manager on draft Mission Statement language. At the January 2020 Board meeting further input from the Board was requested. The Board was to provide input as to “What does CPUD mean to them?”

It was requested that the verbiage from the drafted statements be disbursed to the Board for review and feedback at the February Board meeting. The staff emailed the requested information to Board for input. As of the requested deadline of January 31, 2020 there were no responses from the Board.

The drafts of possible mission statement are attached for further input and consideration.

Recommended Action: Board member input to be provided for direction in final language to be considered for adopting a District Mission Statement.

Background - MISSION STATEMENT

Upon adoption the 2015 Board of Directors handbook The District is in need developing a mission statement and a requirement to achieving the SDLF Transparency Certificate of Excellence.

The District Manager worked with staff on drafting verbiage during a staff meeting and have the following draft to proposed for consideration by the Board. Also included are some key words that could also be considered for inclusion.

During the discussion the staff was asked what is the purpose of CPUD in forming a mission statement?

Use one word to describe the District - other Key words suggested

Vast * Dependable * Reliable * safe * personable
High quality * consistent * friendly * immense ground to cover
Customer service * compliance *

What is the mission of the District?

Together striving to maintain high standard quality drinking water while efficiently producing and delivering dependable customer service to our public.

Options to consider:

1. Always striving to maintain a high standard in quality drinking water while efficiently producing and delivering customer service to our community and public.
2. Achieve to maintain quality and reliable drinking water and efficiently producing and delivering dependable customer service to our public.
3. Maintaining dependable quality drinking water to our public and providing and delivering high quality of customer service.

Further discussed at the December 2019 board meeting Director Blood mention his research on development of a mission statement. Contacted Director Blood to discuss working on this to come up with options. Received via email suggested language and suggested that we can get together.

Draft Mission Statement Calaveras Public Utility District

The Calaveras Public Utility District (CPUD) is committed to providing an adequate and reliable supply of drinking water at a reasonable price to our public while carefully, efficiently and effectively managing and maintaining our local water resources for the public benefit. To accomplish this mission the District will:

- Ensure that sound, responsible financial management practices are implemented in the conduct of district business.
- Ensure fair and open processes to facilitate the public's access and involvement in the matters of the district.
- Provide prompt, courteous, and responsive service to the public.
- Ensure ethical behavior in the conduct of district affairs.

Discussion w/ Richard on December 20, 2019. Draft developed.

Committed to providing and maintaining and delivering an adequate and reliable drinking water supply at an efficient cost to effectively maintaining our local water resources while continuing to commit to public transparency and customer service.

Committed to providing and maintaining an adequate and reliable drinking water supply that is in manner which is open, accountable and cost effective for the benefit of our public.

Monthly Water Report

- a. Monthly Water report: A revised report reflects treated and sold water. Water production for January was 17,976,016 gallons from the Water Treatment Plant. With a daily average of 579,871 gallons.

September is beginning of Rainfall reporting year (see attached graph)

September – 0.79”

October – 0”

November – 6.10”

December – 6.19”

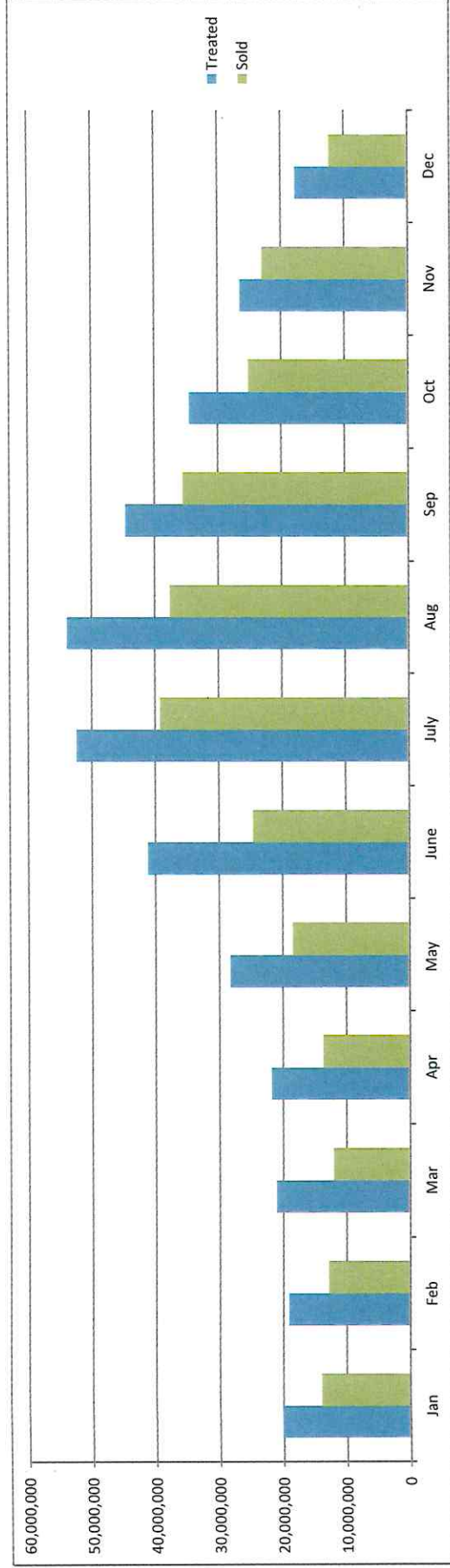
January – 2.90”

YTD total – 15.98”

Calaveras Public Utility District (2019)

Water Treated and Water Sold Comparison

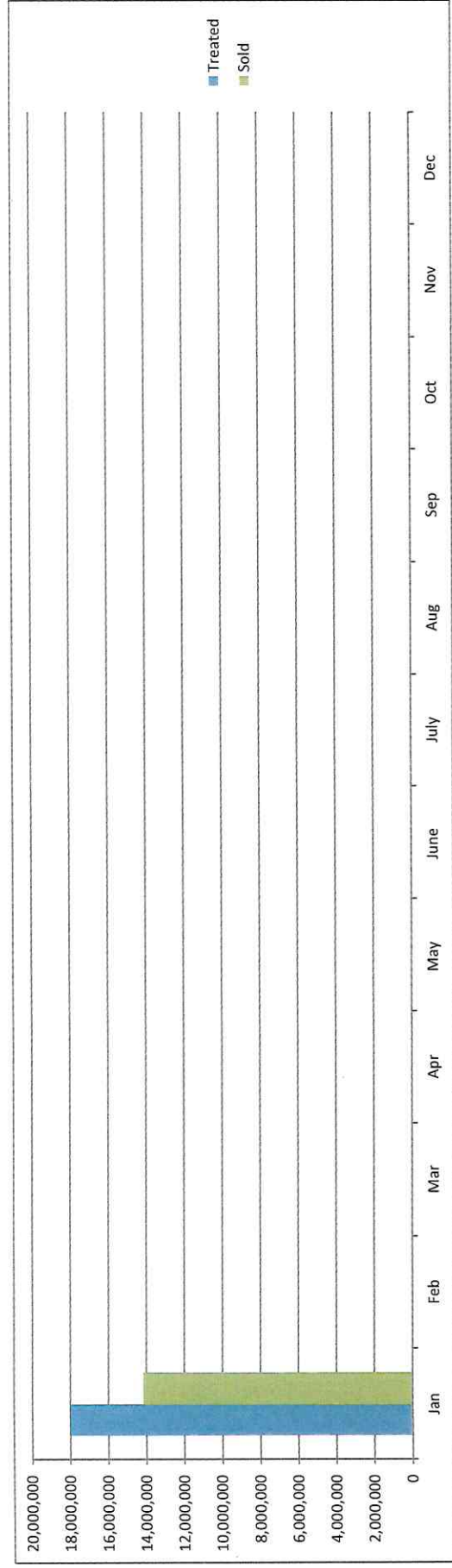
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	TOTAL
Treated	20,141,357	19,112,339	21,010,138	21,734,882	28,179,029	41,146,184	52,329,642	53,797,842	44,533,970	34,393,402	26,394,918	17,684,888	380,458,591
Sold	13,980,373	12,824,948	12,048,278	13,661,162	18,410,340	24,600,023	39,182,588	37,555,123	35,518,308	25,124,925	22,974,483	12,314,803	268,195,354
% difference	-30.59%	-32.90%	-42.65%	-37.15%	-34.67%	-40.21%	-25.12%	-30.19%	-20.24%	-26.95%	-12.96%	-30.37%	-29.51%



Calaveras Public Utility District (2020)

Water Treated and Water Sold Comparison

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	TOTAL
Treated	17,976,016	0	0	0	0	0	0	0	0	0	0	0	17,976,016
Sold	14,154,158	0	0	0	0	0	0	0	0	0	0	0	14,154,158
% difference	-21.26%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	-21.26%



		2019						2020					
		Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug
1													
2							0.10						
3													
4			0.50										
5													
6													
7													
8													
9			3.00		0.40								
10													
11													
12													
13													
14													
15													
16													
17		0.50			1.59								
18													
19		0.14											
20													
21													
22						1.45							
23			1.10										
24													
25													
26													
27						1.05							
28													
29													
30		0.15		6.10									
31													
Per Month		0.79		6.10	6.19	2.90	0.10						16.08
		YTD Total											

INSTRUCTIONS: Enter the rain total on the day you check rain guage.

Staff Reports

a. Manager's Report

Items listed below are in progress and not Agenized however open for comments or discussion.

February 2020

1. **So. Fork Pump Station Motor/Pump #1** - District received the quote from RF McDonald for the rebuild of motor/pump #1 at the So. Fork Pump station. This is the sister unit to pump #2 which was rebuild as part of the 2019/20 capital improvement projects. The quote is within the budgeted CIP amount has been approved to proceed with estimated completion date of June 1. An addition, a quote was provided and accepted to replace the 10" check valve at a cost of \$7331.42.
2. **CCWD meeting** - Met with CCWD to discuss updates to the water agreement for West Point system, future projects to discuss and consider for inclusion to the next update to of MAC plan projects.
3. **CSDA Gold Country Chapter Workshop** – On January 22, 2020 the chapter hosted a workshop in San Andreas, there were 28 attendees and professional parliamentarian, Lorenzo Cuesta provided the training on meeting conduct review of brown act.
4. **Mt. Ranch Rd/Pope St. realignment** – District informed that County is preparing plans for the realignment of the intersection of Mt. Ranch Rd./Pope St. Staff has received a preliminary drawing and will conduct a site visit to assess any district infrastructure that may be impacted.
5. **Mokelumne Hill Fire District – Paloma Fire house** – the District was contact by MH Fire regarding the new fire house in Paloma. Request for additional services was made and reported that a written request is required include preliminary drawing showing requested improvements to be evaluated by the District.
6. **State Water Resources Control Board-Dept. of Water Resources (SWRCB-DWR)** – On January 24 SWRCB-DWR notified community water systems regarding a draft report entitled *Small Water Suppliers and Rural Communities at Risk of Drought and Water shortage Vulnerability and Recommendation and Guidance to Address the Planning Needs of these Communities*. Included in the draft report is the methodology for developing relative risk assessment scores that show where small water systems rank on an index of drought and water storage vulnerability and recommendation to the Governor and Legislature for small water systems. CPUD received a drought and water shortage risk score of **97.21**. The District will review the report and web tool used for methodology to develop risk assessment scores and verify service area boundaries are provided. There is a 30-day public comment period for review of the report and comments to the State.
7. **California Rural Water Association (CRWA) – Leak Detection Program - Prop. 1 Funds** – District submitted requested data to CRWA to seek approval from the State for Prop. 1 funds supporting a District leak detection evaluation. If state approves the funds the project will support future recommendation to support future capital improvement projects. In addition to seeking options for District AMI metering upgrades or master meter installation for leak detection and water losses.

8. **2019 February Storms Damages (FEMA 4431-DR-CA)** – The District continues to work with FEMA and our engineer WGA on completing the required documentation and submittals. Category X related to administrative cost are being prepared for consideration of reimbursement. As previously reported, we have received funds totaling \$37,808 related to work efforts already completed by the District. Projects scopes are being prepare by the engineer for bid, advertisement and award to complete repairs.
9. **EAP - Jeff Davis Reservoir** – In response to CalOES review of the Jeff Davis EAP recommendations have been reviewed and update for submittal to CalOES. The District will continue to work with Mead and Hunt. Once the EAP is accepted and approved next steps for the District would be to conduct staff training and informational meetings for emergency responders and public awareness.
10. **EAP - Middle Fork (FERC)** – January 16, 2020 Event was well attended approximately 65 participants. The agencies presented brief overviews of their FERC projects. Updates to inundation maps were discussed, roles and responses were reviewed by emergency and other responders. Next steps will be to provide update to CPUD EAP holders and report to FERC per the annual requirements.
11. **EAP Middle Fork (CalOES and DSOD)** – DSOD has accepted the inundation maps. Staff is working with Mead and Hunt to complete updates to the EAP requested by CalOES. The EAP updates will include revisions required by CalOES and FERC to prepare for the 2020 annual event. DSOD approved the inundation maps and will be submitted to FERC with the 2019 updates for review and comments.
12. **Schaads Large unit** – Staff is working on coordination with vendors to assess the condition and determine repairs that will be required.
13. **District Mapping and Modeling** – The District hydraulic model is outdated and will need recalibration and updates. The will also assist will providing the District with a useful and accurate assessment tool for evaluation of system impacts for current conditions and future improvement projects system impacts. The Manager has reached out to requested cost to complete these updates to be considered.
14. **Billing and Account Software Updates** – The current billing and accounting software system was purchased and installed in 1999, and not keeping up with current technology. In addition, the handheld meter reading units are not being supported and will have need to include in the software updates. Information and vendors are being contacted to evaluate information in preparing an RFP to update billing and accounting software systems. This update is part of the Capital Improvement Plan.

Staff Report

- b. Legal Counsel Report*

Discussion

- c. Engineer's Report

Discussion

See attached.

Project Status Update

February 6, 2020

The following is a status update of all projects WGA is currently working on:

General Engineering #2528

- Mountain Ranch Rd and Pope St Realignment: County is proposing to realign the intersection of Mountain Ranch Rd and Pope St. We have been tasked with looking into what District facilities may potentially be impacted with the County's project.
- Jail/Courthouse Waterline Dedication: County has not been responsive to requests to dedicate the waterline over to the District. District Manager is going to try and reach out again to Mr. Pachinger.

Court Street Waterline Replacement #2744

- Plans and specifications are prepared and ready for advertisement pending acceptance to proceed from the Board. It is suggested to align construction dates during Calaveras High School spring break or summer break to minimize impacts on traffic and bus routing. A new opinion of probable cost has been prepared to reflect changes in the project scope.

Jeff Davis Water Treatment Plant SCADA Project #2756

- The Notice of Completion was delivered at the last board meeting on January 14, 2020. Attached is a letter to Director Blood addressing his questions and concerns at the last Board Meeting.

2019 FEMA Storm Damage Projects #2789

- The District has been obligated funds for 2 of the 6 total damage categories. FEMA is still processing the remaining categories. Total project costs are \$434,888.05. Next steps are to continue preparing plans and specifications for all outstanding projects with the expectation to advertise Spring of 2020. Additionally, staff is in the process of preparing items for submittal for Category Z (administrative reimbursement).

Drinking Water State Revolving Fund (DWSRF) Application #2798

- The Median Housing Income Study has been approved by the State and the planning application is in the process of being updated. Next steps include identifying the Water Treatment Plant (WTP) project scope and preparing a project description to include with the application.

Water Loss Control Program #2813

- Data collection has begun to further develop the Water Loss Control Program that will help identify and categorize non-revenue water. The combined data will:
 - Improve insight for tracking water loss
 - Assist in prioritizing future projects
 - Assist in the pursuit of funding for projects

Next step is to collect additional data from District staff.

Calaveras Public Utility District

MEMORANDUM

TO: Donna Leatherman, District Manager

FROM: Matt Ospital, City Engineer

RE: Billing Summary for December 2019

DATE: January 10, 2020

2528	General Engineering Services Inspection of 10" main leak on Main Street, coordinate with staff.	\$191.00
2744	Court Street Waterline Extension Coordinate with staff, County, Caltrans, prepare specifications, plans and locate monuments, etc.	\$2,634.01
2756	Water Treatment Plant SCADA Project Coordinate with staff, State, Contractor, closeout documents, O&M documents, etc.	\$1,671.50
2789	2019 Storm Damage Coordinate with FEMA, staff, project scoping, etc.	\$1,197.00
2798	SRLF Application and Project Planning Coordinate with State, staff, application, forms, etc.	\$630.25
	TOTAL	<u><u>\$6,323.76</u></u>

CALAVERAS PUBLIC UTILITY DISTRICT

MEMORANDUM

TO: Donna Leatherman, District Manager

FROM: Matt Ospital PE, District Engineer *MSO*

RE: CPUD Jeff Davis Water Treatment Plant SCADA Project

DATE: January 27, 2020

Donna, I wanted to follow up and provide some information to assist in clarifying the questions from the Board at the January 14, 2020 board meeting regarding the process of developing the preliminary cost estimate of \$100,000 for the SCADA project. Below I have summarized events in the project development that led to the acceptance of the TSI contract of \$185,978:

- In January 2019, WGA presented the Board with a memo outlining the urgent need for the SCADA improvement project. This memo was drafted based upon preliminary discussions with staff and SCADA contractors on types of SCADA systems that could potentially replace the existing Eurotherm System. A preliminary cost estimate based upon conversations and the research reflecting the immediate known needs of the District at that time was developed at \$100,000. The preliminary cost estimate only accounted for the replacement of the Eurotherm and the integration of alarms and the backwash system only.
- In February 2019 upon request, a draft scope was provided to the Board to portray how the project development was progressing. Several other components in need of integration with the SCADA system had been identified by the project team at this time. The level of design, programming, commissioning, and cost was unknown for these additional components as further evaluation of the existing system was still being done. The project team decided that using the best value contracting method would provide the best value for the successful delivery of this project.
- On February 28th, 2019 the Request for Proposals was advertised to procure a “turn-key” SCADA system.
- On March 14th, 2019 the District hosted the mandatory pre-bid meeting and site visit of the Jeff Davis Water Treatment Plant. As specified in the RFP, all proposers were required to attend this meeting in order to submit a proposal.

There were 12 contractors that attended. Questions were taken at the walk-through and addressed in Addendum #1 released March 23, 2019.

- In April 2019 the project team received two proposals that provided costs larger than the preliminary cost estimate of \$100,000. Upon reviewing the proposals, it was identified that although the costs exceeded the preliminary cost estimate there was substantial value provided through these proposals that satisfied the RFP scope and would provide the best value for the District. At this time, the project team moved forward with the best value procurement method of scoring. The project team decided instead of readvertising the project that they would present a recommendation to the board to select TSI as they were the highest scored contractor. This was described in the Board Memo dated April 11, 2019 with the understanding that the board would make the final approval for acceptance of a contract. At the Board Meeting on April 16, 2019, the Board authorized staff to award the contract to TSI at a cost not to exceed \$200k.

I hope this information provides additional insight into how the project team progressed through the project development and procurement stages. In the future we will use these requests to improve our memos to the Board, providing a more detailed project description summarizing all the key components and details of the project. It is of the utmost importance to effectively serve and communicate with our clients to achieve successful projects, if you or the Board have any questions or would like to talk further on this topic please contact me directly at 754-1824.

AGENDA ITEM 11

Board Members Report

Board Members Report are comments by Directors concerning District business, which may be of interest to the Board. This is placed on the agenda to enable individual Board members to convey information to the Board and to the public. There is to be no discussion or action taken by the Board of Directors unless the item is noticed as part of the meeting agenda

- a. Director Lavaroni – LAFCO Meeting Report (1/27/20)
- b. Director Blood – UMRWA Meeting Report (1/24/20)

Directors Comments

AGENDA ITEM 12

Closed Session:

- a. Personnel Matters
 - Update on Negotiations with SEIU Local 1021(Government Code § 54957.6)
 - Agency designated representatives: Donna Leatherman

Convened: _____

Reconvened: _____

Report to Secretary

AGENDA ITEM 13

Adjournment (Public Hearing and Regular Meeting on March 10, 2020 at 7:00 pm)

Action: Adjourn meeting

Motion 1st _____, **2nd** _____, **Carried** _____