

MEMORANDUM

TO: Board of Directors

FROM: Shauna Lorance, General Manager

SUBJECT: General Manager Report

DATE: March 14, 2024 Board Meeting

First Weekend of March Storm

The Soda Springs area, as well as many other areas, was hit with a strong snow storm the first weekend of March. The area lost power and received feet of snow. During the storm, Sewer Pump Station #2 lost power and the emergency generator did not turn on. A high wet well alarm was triggered. Staff was required to identify the concern, dig through the snow to get the portable generator, transport the generator through the snow and blizzard down to the pump station, connect the system, and bring the pump station back to working order. This was all done in the middle of the night. Luckily, the staff person who was on call lives in the service area and was able to conduct all of the work onsite. The second staff member was behind the scenes on the phone providing directions and assistance. The out-of-ordinary work in a blizzard at night deserves to be recognized, and the staff member who was not on call deserves to be recognized for their willingness to jump in and help. The existing budget has a line item for staff recognition. It would be appreciated if staff could include the Board's appreciation for the extra efforts made when providing the staff members with incentive awards of \$1000 and \$600 respectively.

DSPUD Water Supply Resiliency Study

Donner Summit Public Utilities District has received a draft report on their Water Supply Resiliency Study. This study evaluated multiple options for a secondary emergency water supply. The results of the study are that their only option would be an intertie with SLCWD. One of the options that was rejected was the reuse of treated wastewater. An email was sent requesting information on why this option was not considered further.

Placer County Access To District Property

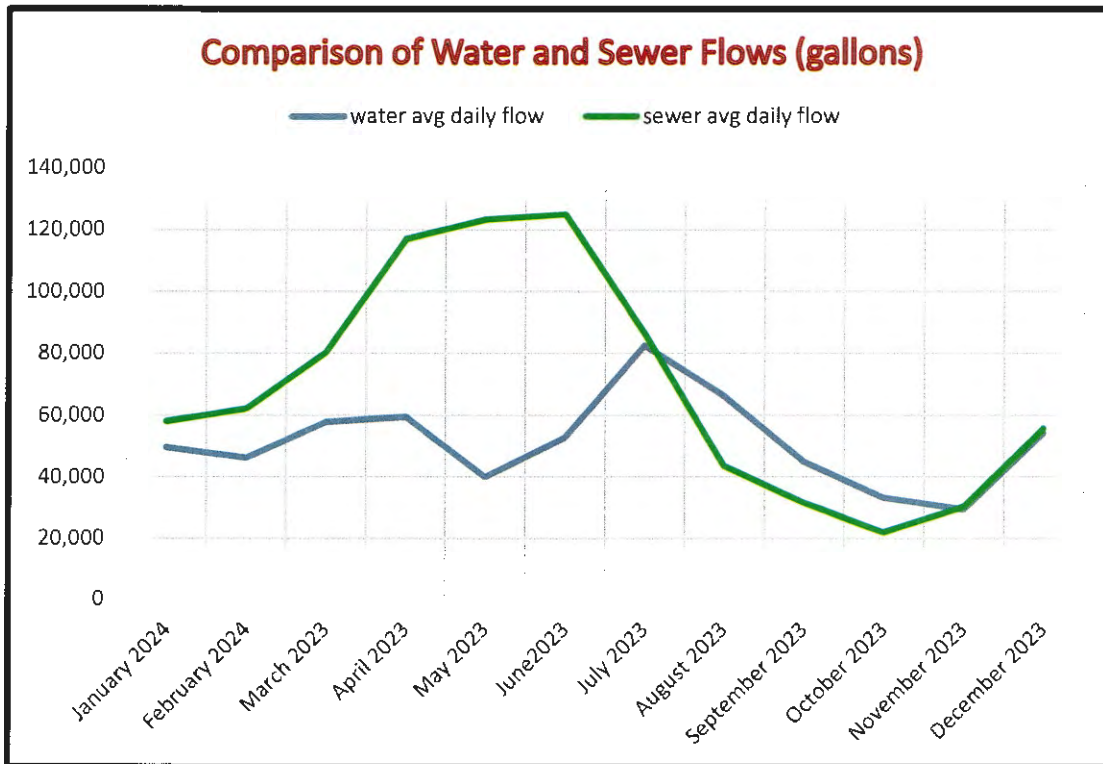
At the February Board Meeting I reported that Placer County had requested a letter providing them with permission to cross our property to evaluate the other situation. When I called to obtain what specific wording they would require, I was told they were no longer able to address the other situation so they would not need the letter.

ACWA JPIA Site Visit and Risk Assessment

ACWA JPIA provides the District liability, property and workers' compensation insurance. ACWA JPIA notified the District of their President's Special Recognition Award for a loss ratio of 20% or less in all three programs.

Request for Sewer and Water Flows on the Same Graph

At the February Board meeting, there was a request to show the last years water and sewer flows on the same graph. The graph is shown below:



As expected, it shows that during some months there is more sewer flow than water usage. This demonstrates that the District sewer collection system has an Inflow/Infiltration issue. Staff have been working systematically to address these issues during the construction season. As pipelines are replaced, the District will slowly see a reduction in the difference between water usage and sewer flows.

Verbal Report, If Needed

MEMORANDUM

To: Honorable Board of Directors, Sierra Lakes County Water District
From: Patrick Baird, Utilities Operation Manager
Subject: January 2024 Operations Report
Date: March 7, 2024

Donner Summit Public Utility District (DSPUD) Wastewater Treatment Plant:

There were no permit violations during February 2024, and the wastewater treatment plant was operating as designed.

Regulatory Issues:

Sanitary Sewer Overflows: The District reported no Sanitary Sewer Overflows (SSOs) to the Regional Water Quality Control Board for January.

Water Treatment Reporting: The District met all the drinking water requirements. The monthly SAFER (Drought & Conservation Reporting) reports were completed and updated.

Operations Report:

Monthly Water and Sewer flows:

	February 2024		January 2024	
	Water	Sewer	Water	Sewer
Daily Average Usage	46,005	61,994	49,482	57,952
2-Year Average	64,841	67,795	59,207	71,904
5-Year Average	68,951	59,550	69,251	55,822
Percent Difference	-30% / -34%	-8% / 3.5%	-12% / -28%	-20% / 3.5%

- The District treated 1,345,650 gallons of water in February 2024.
- The Backwash total contributed to 7.0% of the month’s water usage.
- The District’s share of the flow through the DSPUD wastewater treatment plant for February 2024 was 24%.

Water Treatment System:

The water temperature of the lake has been 1.5°C throughout the month of February.

Sewer Collection System:

All the sewer lift stations are operating as designed.

Attachments:

- February 2024 Daily Water/Sewer Flows

STAFF REPORT

TO: Board of Directors
FROM: Anna Nickerson, Financial Consultant
SUBJECT: March 2024 Consent Calendar Summary
DATE: March 7, 2024

STAFF RECOMMENDATION

Staff recommend adoption of the Consent Items Calendar.

ITEMS OF INTEREST

- A. Minutes for the February 8, 2024, Regular Meeting transcribed and included. Ms. Lorance's Water & Sewer Bills spreadsheets, that were presented and discussed at the meeting, have been attached.
- B. February 2024 Check Register, with Director's Payroll Detail
The check register includes the following item that was out of the ordinary:
 - Donner Summit PUD's payment included the monthly wastewater treatment fees of \$43,725.25 and the FY 6/30/23 additional costs \$29,012.57.
- C. Financial reports for month ending February 29, 2024:
The Budget to Actual report for the month ending February 29, 2024, is presented. **We continue to operate within the budget** and the Operating Projects budget continues to be monitored in the event that a budget adjustment becomes necessary.
- D. Disbursements Requiring Board Approval
The disbursements that require the Board approval includes the following items that are out of the ordinary:
 - None

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

Date: Thursday February 8, 2024 / **Time:** 5:30 p.m. / **Place:** 7305 Short Road, Serene Lakes, CA

The meeting was held in person at the District Office and teleconferenced to allow public participation.

I. Open Meeting:

Roll Call:

Directors in attendance at the Sierra Lakes County Water District Boardroom:

Director Dan Stockton
Director Jon Harvey
Director Jennifer Jackson
Director David Keatley

Director in attendance by Zoom:

Director Karen Heald

Staff in attendance at the Sierra Lakes County Water District Boardroom:

Shauna Lorance, General Manager
Patrick Baird, Utility Operations Manager
Anna Nickerson, Financial Consultant

Staff in attendance by Zoom:

Jeffrey Mitchell, District Counsel

Guests in attendance at the Sierra Lakes County Water District Boardroom:

Steve Carle Dick Simpson
Steve Shray

Guests in attendance by Zoom:

Chase Cambron

Minutes Recorder:

Anna Nickerson, Financial Consultant

II. Public Forum: An opportunity for members of the public to address the Board on items that were not on the agenda. There were no comments.

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

A motion was made by Director Jackson and seconded by Director Keatley to approve the agenda. The motion passed by a unanimous vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley.

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

VI. Operations:

A. Shauna Lorance, General Manager, presented her report to the Board for consideration and possible action. She reported the following:

- An application for PCWA Annual Grant Funding requesting \$20,000.00 to help with the costs associated with the Intake Extension was submitted. Her expectation was to apply for a higher amount, to put towards the construction, once the projects were ready to start.
- The scheduling of a public meeting to discuss the capital improvements plan would be discussed later in the meeting. She said the discussion would include pushing out the timeline of some of the projects and how the projects would be funded. SLOPA's President agreed to help disseminate information. She anticipated holding a Zoom meeting to get public input before discussion about possible rate increases. Mr. Simpson suggested that SLPOA could help get some information out before holding a public meeting to give customers time to read and understand the information. Ms. Lorance said her focus would be on the capital improvements being recommended by Dowl and how to spread the work out.
- Because most of the homes in the district had meters, water leaks could be identified from the cellular meter data. For that reason, homes with reading meters would not require a pressure test. Ms. Lorance noted that a change to the Ordinance would be required and she would bring that back to the Board for review.
- Placer County was looking for written permission to access District property to evaluate the other situation. She asked that she be notified right away if a Director objected otherwise, she would write the letter.
- Sierra Lakes previously wrote a letter supporting DSPUD's request for grant funds to study their water supply reliability and an intertie with Sierra Lakes for emergency water use. Their grant request was denied. However, she said DSPUD recently received a request from two agencies, Kingvale Water Users and PlaVada Community Association, to consider a consolidation. With the addition of a possible consolidation, DSPUD was more likely to secure grant funds. Ms. Lorance also said DSPUD wanted to confirm that Sierra Lakes still supported the use of the Letter of Support with the addition of the two consolidations. She said she thought continued support was a good idea but noted that she had a concern that if the State agreed to the consolidations and required DSPUD to connect with

Sierra Lakes, Sierra Lakes might lose some individual decision making. The Board agreed to the continued support.

- Dowl completed the Utility Master Plan. She said there would be more discussions coming but noted that although Dowl was great with larger projects, she suggested that it would be more cost effective to use a smaller agency for the smaller projects. She said she would bring back a recommendation for the use of a smaller agency in certain circumstances.

B. Patrick Baird, Utility Operations Manager, presented his report to the Board for consideration and possible action. He reported the following:

- Both the water and sewer systems were operating well.
- DSPUD had no violations in January.
- Water usage continued to drop even with the new snow. The District was about 12% below the two-year average and 30% below the five-year average.
- Sewer was about 20% below the two-year average but up 3.5-4% above the five-year average. He attributed the higher percentage to storms.
- Sewer flows through the DSPUD plant for January 2024 were at 24%, below the District's average.
- The water temperature of the lake dropped to 1.5°C.
- Water production was still normal at 150 gallons/minutes. Director Jackson asked if a combined water and sewer flow chart could be presented.

VII. Consent Items Calendar: The Consent Items Calendar was presented to the Board for action. The Consent Items Calendar included the minutes from the January 15, 2024, Special Meeting; January 2024 Check Register; financial reports for the month ending January 31, 2024; Disbursements for Board Approval.

Director Stockton noted a couple of typos. He would provide the information to Mrs. Nickerson for correction before posting.

A motion was made by Director Harvey and seconded by Director Keatley to approve the Consent Items Calendar as amended. The motion passed by a unanimous vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley.

VIII. Old Business:

A. The Water and Sewer Utilities Master Plans: Ms. Lorange presented information about the projects included in the Utilities Master Plans for discussion and possible action.

Ms. Lorange began the discussion by asking that the Board accept or receive, not adopt, the Utility Master Plans.

A motion was made by Director Keatley and seconded by Director Harvey to receive the Utility Master Plan report from Dowl. The motion passed by a unanimous vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley.

Ms. Lorance noted that there were a few changes, like clarifying that the District does not treat sewage, the District only operates the sewage collection system, needed to be made to the opening paragraph. She said there were no substantial changes and she would work on getting them corrected.

1. Water Capital Improvement Plan (CIP) Options: As part of the Water and Sewer Utility Master Plan, Dowl completed a Recommended 10-Year CIP. She said with the 10-Year CIP, the Board would need to do a 5-Year Financial Plan with a reevaluation after three years. She also said the CIP in the Master Plan was a plan of what the District should do but, in the beginning of pipe replacement, most agencies were not able to follow a recommended plan. Ms. Lorance said the District's Master Plan did not have a lot of large infrastructure improvements, it consisted of an extended amount of pipe replacements. She also said most of the pipes to be replaced currently have not had a lot of leaks, making it reasonable to spread the projects out. However, if a leak did occur that staff was not able to fix, an emergency repair could be costly.

Ms. Lorance said she first looked at what the District could accomplish without borrowing money and what could be accomplish with borrowing money. She said, in general, large projects like pump stations or water treatment would often be debt funded and annual projects like pipeline replacements could be done within operating funds. She said the current recommendation was a starting point and probably less than what the Board might have been anticipating. She also said her focus was to keeping costs below the affordability limit because there were owners that were significantly higher than and significantly lower than the District's affordability limit.

Ms. Lorance said she started by looking at what water projects could be done with a \$600.00 (\$50.00/month/customer) annual CIP Charge, a \$300.00 (\$25.00/month/customer) annual CIP Charge paying cash for all projects, then considered the same CIP charges with the addition of using debt funding for the larger projects. She provided tables showing the costs of the projects, spread out over 20 years, and the timing of the projects based on the different annual CIP charges. Director Keatley asked which of the major projects would not be accomplished in the first 10 year? Ms. Lorance said the proposal was to do the major projects and slightly over 10% of the mainline replacement. She also said, there was only so much work that could be done in an average construction season on the summit due to the winter weather.

Ms. Lorance said, regarding the water, she would like the Board to consider doing the \$300.00 annual CIP charge with the debt. Director Stockton said it bothered him that most of the money would go to mainline replacement over the next 20 years at an insane amount. Ms. Lorance said, depending on the size of the pipe, it would be about \$440.00/foot for an 8" line.

Director Jackson said she felt the financing was important because extending the lake intake could have cascading positive effects. Extending the intake could help make decisions about the well and the THMs could be taken care of, due to reduced sediment and organic matter in the lake water. She said delaying the lake intake, due to the lack of debt financing, would delay answers.

Mr. Simpson said it might be helpful to update the one-page explanation about how the water system worked to have at the public meeting.

2. Sewer CIP Options: Ms. Lorance said, like the water CIP, the District could not reasonably fund the projects as recommended. She said for the sewer CIP, she was recommending the \$600.00 annual CIP charge with debt funding. She shared the sewer project tables showing the projects that could be accomplished with a \$600.00 annual CIP charge, a \$300.00 annual CIP charge while paying cash and with the addition of debt financing. Ms. Lorance said, due to the condition of the sewer pump stations, she would not recommend anything less than the \$600.00 annual CIP charge combined with debt funding. She said the pump station projects could be completed by 2032 with cash and no borrowing, but didn't recommend that approach. If the District went with the debt and \$300.00, the pump stations could be done right away but the \$300.00 CIP charge would only cover the debt service cost. She said with the debt and \$600.00, the pump stations could be done right away and approximately \$2.7 million of pipeline replacement in 10 years.

Director Jackson asked that the tables that were being used to show the detail on the project be emailed out to the Board Members.

IX. New Business:

A. None

B. Administration:

A. There were no Follow-up/Action items from the January 15, 2024, Special Meeting.

B. The Board was polled to determine availability to meet in person at the March 14, 2024 Regular Meeting:

Available to meet in person: Directors Stockton, Harvey, and Jackson.

Available to meet by Zoom: Directors Heald and Keatley.

Director Keatley said he could meet in person if the meeting was held on that Friday.

VI. Adjournment

A motion was made by Director Keatley and seconded by Director Jackson to adjourn the meeting. The motion passed by a unanimous vote: Ayes: Directors Stockton, Harvey, Heald, Jackson and Keatley.

The minutes were approved at the Regular Meeting held on March 14, 2024, as part of the Consent Items Calendar. A motion was made by Director _____ and seconded by Director _____ to approve the Consent Items Calendar as presented. The motion passed by a unanimous rollcall vote: Directors Stockton, Harvey, Jackson and Keatley.

ASSUMING CASH BASIS, WITH \$300 ANNUAL CIP CHARGE ADDED TO WATER BILLS

(currently \$1247) 24% rate increase
 840 connections, \$300 additional cost (\$25/month); \$250,000 per year total
 3% CPI increase in annual CIP charge

Changes:

1. deleted water main replacement PER as can be done inhouse if funding on cash basis
2. Water Age analysis delayed until identify if the Intake Pipe Extension solves issue
3. Spread intake pipe extension out to allow time for design, etc.
- 4.0 spread well 01 treatment relocation and discharge line out over two years to stay below CIP budget

Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Water Main Replacement PER											
Intake Pipe Extension	\$150,000	\$182,000									
Utility Rate Study	\$26,000										
System GIS	\$9,000										
Water Main Replacement Phase 1											
Water Age and WTP Process Analysis											
Water Main Replacement Phase 2											
Well 01 Treatment Relocation & Discharge Line		\$75,500	\$209,225	\$215,182	\$194,093						
Raw Water Line Leak Detection & Investigation			\$56,000								
Water Main Replacement Phase 3											
WTP SCADA Improvements				\$29,000							
KMNO4 Titration Unit Replacement				\$29,000							
Hill Tank Flow Meter					\$87,284						
Water Main Replacement Phase 4											
Water Main Replacement Phase 5						\$289,819					
Water Main Replacement Phase 6							\$298,513				
Water Main Replacement Phase 7								\$307,468			
Water Main Replacement Phase 8									\$316,693		
Water Main Replacement Phase 9										\$36,193	
Water System Master Plan Update											\$290,000
Annual CIP costs	\$185,000	\$257,500	\$265,225	\$273,182	\$281,377	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193	\$2,800,970
Annual Charge increased by CPI	\$250,000	\$257,500	\$265,225	\$273,182	\$281,377	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193	
Annual Water Rate CIP Charge per Customer	\$300	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391	

TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS \$1,248,686

ASSUMING CASH BASIS, WITH \$600 ANNUAL CIP CHARGE ADDED TO WATER BILLS

(currently \$1247) 48% rate increase
 840 connections, \$600 additional cost (\$50/month); \$500,000 per year total
 3% CPI increase in annual CIP charge

Changes:

1. deleted water main replacement PER as can be done inhouse if funding on cash basis
2. Water Age analysis delayed until identify if the Intake Pipe Extension solves issue
3. Spread intake pipe extension out to allow time for design, etc.
- 4.0 spread well 01 treatment relocation and discharge line out over two years to stay below CIP budget

Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Water Main Replacement PER											
Intake Pipe Extension	\$150,000	\$182,000									
Utility Rate Study	\$26,000										
System GIS	\$9,000										
Water Main Replacement Phase 1											
Water Age and WTP Process Analysis											
Water Main Replacement Phase 2		\$113,450									
Well 01 Treatment Relocation & Discharge Line		\$219,550	\$474,450								
Raw Water Line Leak Detection & Investigation			\$56,000								
Water Main Replacement Phase 3				\$249,364							
WTP SCADA Improvements				\$29,000							
KMNO4 Titration Unit Replacement				\$29,000							
Hill Tank Flow Meter				\$239,000							
Water Main Replacement Phase 4					\$562,754						
Water Main Replacement Phase 5						\$579,637					
Water Main Replacement Phase 6							\$597,026				
Water Main Replacement Phase 7								\$614,937			
Water Main Replacement Phase 8									\$633,385		
Water Main Replacement Phase 9										\$362,387	
Water System Master Plan Update											\$290,000
Annual CIP costs	\$185,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	\$5,416,940
Annual Charge increased by CPI	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	
Annual Water Rate CIP Charge per Customer	\$600	\$618	\$637	\$656	\$675	\$696	\$716	\$738	\$760	\$783	

TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS \$3,712,940

SRF LOAN FOR PROJECTS AND CASH FOR REPAYMENT OF LOAN AND MAIN REPLACEMENT
 \$300 ANNUAL CIP CHARGE = \$25 per month charge

Assumptions:

1. 3% SRF loan (1/2 of state bond rate) over 30 years
2. assuming 3% annual increase in CIP charge
3. loan total 1,321,000 plus \$27,000 closing costs (same as mortgage) - total loan of \$1,348,000 = annual payments of \$5700x12 = \$68,500
4. Increases in operations not included

Changes to MP

1. removed water age study until results from intake pipe extension available

Projects Included in SRF Loan	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Intake Pipe Extension		\$332,000									
Well 01 Treatment Relocation & Discharge Line			\$694,000								
Hill Tank Flow Meter				\$239,000							
Raw Water Line Leak Detection & Investigation			\$56,000								
Total	\$0	\$332,000	\$750,000	\$239,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,321,000
Project Total for Loan	\$1,321,000										

Cash Projects	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Water Main Replacement PER	\$104,000										
Utility Rate Study	\$26,000										
System GIS	\$9,000										
Water Main Replacement Phase 1		\$189,000									
Water Age and WTP Process Analysis											
Water Main Replacement Phase 2			\$196,725								
Water Main Replacement Phase 3				\$146,682							
WTP SCADA Improvements				\$29,000							
KMNO4 Titration Unit Replacement				\$29,000							
Water Main Replacement Phase 4					\$212,877						
Water Main Replacement Phase 5						\$221,319					
Water Main Replacement Phase 6							\$230,013				
Water Main Replacement Phase 7								\$238,968			
Water Main Replacement Phase 8									\$248,193		
Water Main Replacement Phase 9										\$0	
Water System Master Plan Update										\$290,000	
Loan repayments		\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$616,500
Total Annual Capital Cost	\$141,024	\$259,525	\$267,251	\$275,209	\$283,405	\$291,848	\$300,543	\$309,499	\$318,725	\$326,533	\$2,807,562
Annual charge increased by CPI	\$250,000	\$257,500	\$265,225	\$273,182	\$281,377	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193	
Annual Water Rate CIP Charge per Customer	\$300	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391	

TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS \$1,683,777 cash funded \$2,191,062

SRF LOAN FOR PROJECTS AND CASH FOR REPAYMENT OF LOAN AND MAIN REPLACEMENT
 \$600 ANNUAL CIP CHARGE

Assumptions:

- 3% SRF loan (1/2 of state bond rate) over 30 years
- assuming 3% annual increase in CIP charge
- loan total 1,321,000 plus \$27,000 closing costs (same as mortgage) - total loan of \$1,348,000 = annual payments of \$5700x12 = \$68,500

Changes to MP

- removed watr age study until results from intake pipe extension available

Projects Included in SRF Loan	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Intake Pipe Extension		\$332,000										
Well 01 Treatment Relocation & Discharge Line			\$694,000									
Hill Tank Flow Meter				\$239,000								
Raw Water Line Leak Detection & Investigation			\$56,000									
Total:	\$0	\$332,000	\$750,000	\$239,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,321,000
Project Total for Loan		\$1,321,000										

Cash Projects	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Water Main Replacement PER	\$104,000											
Utility Rate Study	\$26,000											
System GIS	\$9,000											
Water Main Replacement Phase 1		\$446,500										
Water Age and WTP Process Analysis												
Water Main Replacement Phase 2			\$461,950									
Water Main Replacement Phase 3				\$419,864								
WTP SCADA Improvements				\$29,000								
KMNO4 Titration Unit Replacement				\$29,000								
Water Main Replacement Phase 4					\$494,254							
Water Main Replacement Phase 5						\$511,137						
Water Main Replacement Phase 6							\$528,526					
Water Main Replacement Phase 7								\$546,437				
Water Main Replacement Phase 8									\$564,885			
Water Main Replacement Phase 9											\$293,887	
Water System Master Plan Update											\$290,000	
Loan repayments		\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$68,500	\$616,500
Total Annual Capital Cost	\$141,024	\$517,025	\$532,476	\$548,391	\$564,782	\$581,666	\$599,056	\$616,968	\$635,417	\$654,420	\$654,420	\$5,391,225
Annual charge increased by CPI	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	\$652,387	
Annual Water Rate CIP Charge per Customer	\$600	\$618	\$637	\$656	\$675	\$696	\$716	\$738	\$760	\$783	\$783	

TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS \$4,267,440 cash funded \$4,774,725

ASSUMING CASH BASIS, WITH \$300 ANNUAL CIP CHARGE ADDED TO SEWER BILLS

(current rate \$1518)

20% rate increase

840 connections, \$300 additional cost (\$25/month); \$250,000 per year total

3% CPI increase in annual CIP charge

Changes:

1. Deleted Sewer Main Replacement PER done by staff if using Cash Basis
2. Reduced System Condition Assessment to only Pump Stations (estimated ~50% of cost)
3. Spread out PS2 rehabilitation across more years
4. spread sewer replacement over many more years
5. delayed and spread out PS3 rehab
6. staff can do SPS-4 SCADA connect

Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Sewer Main Replacement PER											
SPS-4 Flow Meter SCADA Connect											
Utility Rate Study	\$26,000										
Sewer System GIS	\$9,000										
System Condition Assessment	\$40,000										
Sewer Main Replacement Phase 1											
Sewer Main Replacement Phase 2											
SPS-2 Rehabilitation											
6-inch sewer forcemain											\$319,072
creek crossing (horizontal drill)						\$289,819	\$298,513	\$307,468	\$114,595		\$1,010,395
pump station 2 improvements	\$175,000	\$257,500	\$219,080								\$728,745
sewer infrastructure abandonment											\$13,787
Sewer Main Replacement Phase 3											
SPS-3 Rehabilitation											
6-inch sewer forcemain											\$172,544
creek crossing (horiz dir drill)									\$202,097	\$326,193	\$838,070
pump station 3 improvements			\$46,145	\$273,182	\$272,253						\$591,579
sewer infrastructure abandonment											\$12,325
Emergency Storage Building											\$616,228
WWTP Site Work											\$176,065
Sewer Main Replacement Phase 4											
Sewer Main Replacement Phase 5											
Sewer Main Replacement Phase 6											
Sewer Main Replacement Phase 7											
Sewer Main Replacement Phase 8											
Sewer Main Replacement Phase 9											
Sewer System Master Plan Update											
Annual CIP costs	\$250,000	\$257,500	\$265,225	\$273,182	\$272,253	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193	\$2,856,846
Annual Charge increased by CPI	\$250,000	\$257,500	\$265,225	\$273,182	\$281,377	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193	
Annual Water Rate CIP Charge per Customer	\$298	\$307	\$316	\$325	\$324	\$345	\$355	\$366	\$377	\$388	
Total Sewer Line Replacement over ten years		0									

ASSUMING CASH BASIS, WITH \$600 ANNUAL CIP CHARGE ADDED TO SEWER BILLS

(current rate \$1518) 40% rate increase
 840 connections, \$600 additional cost (\$50/month); \$500,000 per year total
 3% CPI increase in annual CIP charge

Changes:

1. Deleted Sewer Main Replacement PER done by staff if using Cash Basis
2. Reduced System Condition Assessment to only Pump Stations (estimated ~50% of cost)
3. Spread out PS2 rehabilitation across more years
4. spread sewer replacement over many more years
5. delayed and spread out PS3 rehab
6. staff can do SPS-4 SCADA connect

Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Sewer Main Replacement PER											
SPS-4 Flow Meter SCADA Connect											
Utility Rate Study	\$26,000										
Sewer System GIS	\$9,000										
System Condition Assessment	\$40,000										
Sewer Main Replacement Phase 1									457320.0407		
Sewer Main Replacement Phase 2										\$362,386.59	
SPS-2 Rehabilitation											
6-inch sewer forcemain							\$319,072				\$319,072
creek crossing (horizontal drill)					\$236,305	\$579,637	\$194,453				\$1,010,395
pump station 2 improvements	\$425,000	\$303,745									\$728,745
sewer infrastructure abandonment							\$13,787				\$13,787
Sewer Main Replacement Phase 3											
SPS-3 Rehabilitation											
6-inch sewer forcemain					\$172,544						\$172,544
creek crossing (horiz dir drill)			\$150,126	\$546,364	\$141,581						\$838,070
pump station 3 improvements		\$211,255	\$380,324								\$591,579
sewer infrastructure abandonment					\$12,325						\$12,325
Emergency Storage Building								\$616,228			\$616,228
WWTP Site Work									\$176,065		\$176,065
Sewer Main Replacement Phase 4											
Sewer Main Replacement Phase 5											
Sewer Main Replacement Phase 6											
Sewer Main Replacement Phase 7											
Sewer Main Replacement Phase 8											
Sewer Main Replacement Phase 9											
Sewer System Master Plan Update										\$290,000	
Annual CIP costs	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$527,312	\$616,228	\$633,385	\$652,387	\$5,663,517
Annual Charge increased by CPI	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387	
Annual Water Rate CIP Charge per Customer	\$595	\$613	\$631	\$650	\$670	\$690	\$628	\$734	\$754	\$777	
Total Sewer Line Replacement over ten years		\$819,707									

SRF loan for projects and cash for repayment of loan and main replacements

\$300 annual CIP charge = \$25/month

Assumptions:

1. 3% SRF loan (1/2 of state bond rate) over 30 years
2. assuming 3% annual increase in CIP charge
3. loan total \$4,867,000 plus \$98,000 closing costs (same as mortgage) - total loan of \$1,348,000 = annual payments of \$21,000x12 = \$252,000

Changes to MP

1. removed watr age study until results from intake pipe extension available

252000

Projects Included in SRF Loan	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
SPS-2 Rehabilitation			\$2,072,000							
SPS-3 Rehabilitation				\$2,795,000						
Total	0	0	\$2,072,000	\$2,795,000	0	0	0	0	0	0
Project total for Loan	4867000									

\$4,867,000

Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Sewer Main Replacement PER	\$104,000									
SPS-4 Flow Meter SCADA Connect	\$26,000									
Utility Rate Study	\$26,000									
Sewer System GIS	\$9,000									
System Condition Assessment	\$78,000									
Sewer Main Replacement Phase 1										
Sewer Main Replacement Phase 2										
Sewer Main Replacement Phase 3										
Sewer Main Replacement Phase 4										
Sewer Main Replacement Phase 5						\$37,819				
Sewer Main Replacement Phase 6							\$46,513			
Sewer Main Replacement Phase 7								\$55,468		
Sewer Main Replacement Phase 8									\$64,693	
Sewer Main Replacement Phase 9										\$74,193
Sewer System Master Plan Update										
Loan repayments		\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000
Total Annual Capital Cost	\$243,000	\$252,000	\$252,000	\$252,000	\$252,000	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193
Annual charge increased by CPI	\$250,000	\$257,500	\$265,225	\$273,182	\$281,377	\$289,819	\$298,513	\$307,468	\$316,693	\$326,193
Annual Water Rate CIP Charge per Customer	\$300	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	\$391

\$2,268,000

\$2,789,686

TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS

\$278,686

cash funded

\$521,686

SRF loan for projects and cash for repayment of loan and main replacements

\$600 annual CIP charge = \$50/month

Assumptions:

1. 3% SRF loan (1/2 of state bond rate) over 30 years
2. assuming 3% annual increase in CIP charge
3. loan total \$4,867,000 plus \$98,000 closing costs (same as mortgage) - total loan of \$1,348,000 = annual payments of \$21,000x12 = \$252,000

Changes to MP

1. removed water age study until results from intake pipe extension available

252000

Projects Included in SRF Loan	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
SPS-2 Rehabilitation			\$2,072,000							
SPS-3 Rehabilitation				\$2,795,000						
Total	0	0	\$2,072,000	\$2,795,000	0	0	0	0	0	0
Project total for Loan	\$4,867,000									

\$4,867,000

Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Sewer Main Replacement PER	\$104,000									
SPS-4 Flow Meter SCADA Connect	\$26,000									
Utility Rate Study	\$26,000									
Sewer System GIS	\$9,000									
System Condition Assessment	\$78,000									
Sewer Main Replacement Phase 1		\$263,000								
Sewer Main Replacement Phase 2			\$278,450							
Sewer Main Replacement Phase 3				\$294,364						
Sewer Main Replacement Phase 4					\$310,754					
Sewer Main Replacement Phase 5						\$327,637				
Sewer Main Replacement Phase 6							\$345,026			
Sewer Main Replacement Phase 7								\$362,937		
Sewer Main Replacement Phase 8									\$381,385	
Sewer Main Replacement Phase 9										\$110,387
Sewer System Master Plan Update										\$290,000
Loan repayments		\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000	\$252,000
Total Annual Capital Cost	\$243,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387
Annual charge increased by CPI	\$500,000	\$515,000	\$530,450	\$546,364	\$562,754	\$579,637	\$597,026	\$614,937	\$633,385	\$652,387
Annual Water Rate CIP Charge per Customer	\$600	\$618	\$637	\$656	\$675	\$696	\$716	\$738	\$760	\$783

\$2,268,000

\$5,231,940

TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS \$2,673,940

cash funded \$2,963,940

Sierra Lakes County Water District
Check Registers
February 2024

Page 19 of 71

<u>1002 - DEMAND Account</u>		
<u>RECONCILIATION:</u>		
2/1/2024	Beginning Cash Balance	634,248.45
	Deposits	252,649.08
	Assessments Received - to be transferred	
	Property Taxes Received	
	Deposit - Interest	50.54
	Assessments transferred to Assessment District	
	Transfer to OPEB LAIF Account	-
	<u>DEMAND ACCOUNT DISBURSEMENTS:</u>	<u>(224,188.75)</u>
2/29/2024	Ending Cash Balance	<u><u>662,759.32</u></u>
<u>1031 - GASB 45-OPEB Account - Flow through account to LAIF</u>		
<u>RECONCILIATION:</u>		
2/1/2024	Beginning Cash Balance	163.32
	Deposit - Interest	0.01
	Funds Transferred To/From Investment Account	
2/29/2024	Ending Cash Balance	<u><u>163.33</u></u>
<u>Placer County Treasurer's Fund - for Capital Projects</u>		
<u>RECONCILIATION:</u>		
2/1/2024	Beginning Cash Balance	947,913.27
	Deposit - Interest	2,753.16
	Funds Transferred To/From Investment Account	
2/29/2024	Ending Cash Balance	<u><u>950,666.43</u></u>
<u>Local Area Investment Fund (LAIF) - for Unfunded OPEB Liabilities</u>		
<u>RECONCILIATION:</u>		
2/1/2024	Beginning Cash Balance	951,264.34
	Deposit - Interest	-
	Funds Transferred To/From Investment Account - Annual OPEB Funding	
2/29/2024	Ending Cash Balance	<u><u>951,264.34</u></u>
<u>Assessment District 2011-01</u>		
<u>RECONCILIATION:</u>		
2/1/2024	Beginning Cash Balance	663,990.41
	Assessments Received	
	Deposit - Interest	52.61
	Placers County Collection Fee	
2/29/2024	Ending Cash Balance	<u><u>664,043.02</u></u>

**Sierra Lakes County Water District
Check Registers
February 2024**

1002 · US Bank - Demand

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	02/05/2024	8676	Donner Summit Public Utility District	Feb WWT Fees & 2023 Add'l Fees	(72,737.82)
Bill Pmt -Check	02/05/2024	8677	Dowl	Utility Master Plan	(12,211.25)
Bill Pmt -Check	02/12/2024		Shauna Lorance	Professional Fee Jan 2024	(11,200.00)
Bill Pmt -Check	02/22/2024	8697-8703	Pacific Gas & Electric	Electricity	(10,286.29)
Bill Pmt -Check	02/05/2024	MED0224	Public Employees' Retirement System (Med)	Medical - 1347	(9,739.47)
Liability Check	02/01/2024		QuickBooks Payroll Service	Created by Payroll Service on 01/31/2024	(9,722.51)
Liability Check	02/16/2024		QuickBooks Payroll Service	Created by Payroll Service on 02/15/2024	(9,287.84)
Bill Pmt -Check	02/05/2024	020524	Anna M Nickerson LLC	Jan 2024 Professional Fees	(8,880.00)
Bill Pmt -Check	02/05/2024	8686	Truckee Overhead Door, Inc.	New Steel Insulated Door	(8,775.00)
Liability Check	02/29/2024		QuickBooks Payroll Service	Created by Payroll Service on 02/28/2024	(8,729.82)
Bill Pmt -Check	02/22/2024	8692	Dowl	Utility Master Plan	(7,375.00)
Bill Pmt -Check	02/22/2024	022224	Anna M Nickerson LLC	Professional Fees 2/1/24 to 2/15/24	(5,856.00)
Bill Pmt -Check	02/05/2024	8687	U.S. Bank (CC)	Copier Supplies, Training, Vehicle parts, Membership & Gas \$625.02	(5,688.90)
Liability Check	02/15/2024	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # 1406868602	(4,834.26)
Bill Pmt -Check	02/01/2024	21774	Bruce MacKay Pump & Well Service, Inc.	230V 56 amp Yasawa drive for Well	(4,530.99)
Liability Check	02/28/2024	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # 1940026602	(4,407.44)
Liability Check	02/05/2024	RET012024	Public Employees' Retirement System (Ret)	Retirement - 1347	(4,366.44)
Bill Pmt -Check	02/05/2024	8680	Kronick Moskovitz Tiedemann & Girard	Dec 2023 Legal fees	(2,574.05)
Bill Pmt -Check	02/22/2024	8695	Logically	Cyber security monitoring	(2,450.47)
Bill Pmt -Check	02/05/2024	8688	Western Environmental Testing Laboratory	Filter plant testing	(2,068.65)
Bill Pmt -Check	02/08/2024	21778	Ken Hall	Reimbursement: District sewer issue	(1,953.28)
Bill Pmt -Check	02/22/2024	8694	Kronick Moskovitz Tiedemann & Girard	Jan 2024 Legal fees	(1,669.50)
Bill Pmt -Check	02/22/2024	8693	Great Basin Control Systems	Office Tank	(1,568.53)
Bill Pmt -Check	02/05/2024	8683	Pacific Gas & Electric	Electricity	(1,545.31)
Bill Pmt -Check	02/12/2024		Paul A. Schultz, P.E. (Corp)	Jan 2024 Professional Fees	(1,400.00)
Liability Check	02/15/2024	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # 1406841602	(1,166.65)
Liability Check	02/13/2024		QuickBooks Payroll Service	Created by Payroll Service on 02/12/2024	(1,048.76)
Liability Check	02/28/2024	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # 1939995602	(1,044.04)
Deposit	02/21/2024			CC Deposit	(973.00)
Check	02/06/2024		BluePay	Merchant Fees	(940.88)
Bill Pmt -Check	02/22/2024	8704	Robert W. Johnson Accountancy Corp	State Controller's Report	(750.00)
Bill Pmt -Check	02/05/2024	8689	Western Nevada Supply Co.	Well Project	(590.20)
Bill Pmt -Check	02/05/2024	8684	Placer County Human Resources	Jan & Feb 2024 Dental/Vision Premiums	(570.22)
Bill Pmt -Check	02/05/2024	8678	E and M Electric & Machinery, Inc.	SCADA Service Agreement	(570.00)
Bill Pmt -Check	02/05/2024	8681	New Leaders	Website updates	(568.75)
Bill Pmt -Check	02/22/2024	8706	Tahoe Truckee Sierra Disposal Co., Inc.	Garbage	(346.48)
Bill Pmt -Check	02/22/2024	8691	AT&T	Telephone	(322.48)
Liability Check	02/12/2024	E-pay	Internal Revenue Service	P/R Taxes: 94-1619513 QB Tracking # 1166613406	(308.43)
Bill Pmt -Check	02/22/2024	8690	Anna Nickerson (Expense)	Office supplies & postage	(257.96)
Bill Pmt -Check	02/05/2024	8679	Helix Laboratories, Inc.	Bucket harness & Waterproof box	(187.69)
Bill Pmt -Check	02/22/2024	8708	Wienhoff Drug Testing	Annual Membership	(170.00)
Bill Pmt -Check	02/22/2024	8705	Tahoe Forest Health System	Marriner DMV Physical	(125.00)
Bill Pmt -Check	02/05/2024	8675	AT&T	Telephone	(119.41)
Bill Pmt -Check	02/22/2024	8707	Verizon Wireless	Cell phone & iPad	(96.08)
Liability Check	02/12/2024	E-pay	Employment Development Department	P/R Taxes: 499-0546-6 QB Tracking # 1166582406	(67.50)

**Sierra Lakes County Water District
Check Registers
February 2024**

Bill Pmt -Check	02/05/2024	8682	O'Reilly	Backhoe parts	(59.53)
Bill Pmt -Check	02/05/2024	8685	Real Graphics	Mapping Copies	(33.29)
Bill Pmt -Check	02/22/2024	8696	Mountain Hardware	2x4's	(5.88)
Check	02/02/2024		QuickBooks Payroll Service	Created by Direct Deposit Service on 02/01/2024	(1.75)
Check	02/09/2024		QuickBooks Payroll Service	Created by Direct Deposit Service on 02/08/2024	(1.75)
Check	02/09/2024		QuickBooks Payroll Service	Created by Direct Deposit Service on 02/08/2024	(1.75)
Check	02/21/2024		QuickBooks Payroll Service	Created by Direct Deposit Service on 02/20/2024	(1.75)
Check	02/06/2024		BluePay	Merchant Fees	(0.70)
Paycheck	02/02/2024	DD1207	Brian Lundgren	Direct Deposit: Pay Period Ending 1/31/24	-
Paycheck	02/02/2024	DD1208	Matthew M Marriner	Direct Deposit: Pay Period Ending 1/31/24	-
Paycheck	02/02/2024	DD1209	Patrick J Baird	Direct Deposit: Pay Period Ending 1/31/24	-
Paycheck	02/14/2024	DD1214	Karen Heald	Direct Deposit: 2/15/24 Regular Meeting	-
Paycheck	02/14/2024	DD1210	Cynthia J Jackson	Direct Deposit: 2/15/24 Regular Meeting	-
Paycheck	02/14/2024	DD1211	Dan Stockton	Direct Deposit: 2/15/24 Regular Meeting	-
Paycheck	02/14/2024	DD1212	David M Keatley	Direct Deposit: 2/15/24 Regular Meeting	-
Paycheck	02/14/2024	DD1213	Jon Harvey	Direct Deposit: 2/15/24 Regular Meeting	-
Paycheck	02/20/2024	DD1215	Brian Lundgren	Direct Deposit: Pay Period Ending 2/15/24	-
Paycheck	02/20/2024	DD1216	Matthew M Marriner	Direct Deposit: Pay Period Ending 2/15/24	-
Paycheck	02/20/2024	DD1217	Patrick J Baird	Direct Deposit: Pay Period Ending 2/15/24	-
					<u>(224,188.75)</u>

Sierra Lakes County Water District
Director's Payroll Summary
February 2024

	<u>Cynthia J Jack...</u>	<u>Dan Stockton</u>	<u>David M Keatley</u>	<u>Jon Harvey</u>	<u>Karen Heald</u>	<u>TOTAL</u>
Employee Wages, Taxes and Adjus...						
Gross Pay						
Salary Director	180.00	180.00	180.00	180.00	180.00	900.00
Total Gross Pay	180.00	180.00	180.00	180.00	180.00	900.00
Adjusted Gross Pay	180.00	180.00	180.00	180.00	180.00	900.00
Taxes Withheld						
Federal Withholding	0.00	-36.00	0.00	0.00	-134.73	-170.73
Medicare (Employee)	-2.61	-2.61	-2.61	-2.61	-2.61	-13.05
Social Security (Employee)	-11.16	-11.16	-11.16	-11.16	-11.16	-55.80
State Withholding	0.00	-36.00	0.00	0.00	-31.50	-67.50
Medicare Employee Addl Tax	0.00	0.00	0.00	0.00	0.00	0.00
Total Taxes Withheld	-13.77	-85.77	-13.77	-13.77	-180.00	-307.08
Additions to Net Pay						
Director Mileage Reimburse...	0.00	201.00	235.84	0.00	0.00	436.84
Mileage Reimbursement	0.00	0.00	0.00	0.00	0.00	0.00
Total Additions to Net Pay	0.00	201.00	235.84	0.00	0.00	436.84
Net Pay	166.23	295.23	402.07	166.23	0.00	1,029.76
Employer Taxes and Contributions						
Medicare (District)	2.61	2.61	2.61	2.61	2.61	13.05
Social Security (District)	11.16	11.16	11.16	11.16	11.16	55.80
Total Employer Taxes and Contrib...	13.77	13.77	13.77	13.77	13.77	68.85

Sierra Lakes County Water District
Operating Budget-to-Actual
Fiscal Year July 1, 2022 to June 30, 2023

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Month End 2/29/24	Budget	Favorable / (Unfavorable)	% of Budget	YEAR TO DATE	Budget	Favorable / (Unfavorable)	% of Budget	FY 23-24 Budget	% of Budget
<u>Water Sewer Revenues</u>										
8000-01 - Annual Water Fees	87,532	87,532	-	100%	587,424	587,424	-	100%	881,136	67%
Approved Water Fees Increase					112,828	112,828			169,242	
8000-02 - Annual Sewer Fees	106,710	106,710	-	100%	814,741	814,741	-	100%	1,222,112	67%
Approved Sewer Fees Increase					38,937	38,937			58,405	
8030 - Property Taxes	2,150	-	2,150	100%	368,806	350,000	18,806	105%	550,000	67%
8050 - Customer Late Fees	-	-	-	0%	4,137	3,250	887	127%	6,500	64%
8005 - Primary Facilities Fees - Sewer	-	-	-	0%	7,800	7,800	-	100%	23,400	33%
8006 - Primary Facilities Fees - Water	-	-	-	0%	1,825	1,825	-	100%	5,475	33%
8052 - GAPVAX Services	-	-	-	0%	-	-	-	0%	-	0%
8020 - Other Income	2,804	1,667	1,137	168%	37,513	13,334	24,179	281%	20,000	188%
Total Revenues Received:	199,195	195,908	3,287	102%	1,974,011	1,930,139	43,872	102%	2,936,270	67%
<u>Controllable Expenses:</u>										
<u>Salaries:</u>										
9001 - Director Salaries	900	1,800	900	50%	7,200	14,400	7,200	50%	21,600	33%
9003 - Maintenance Salaries										
9003-01 - Maint Hourly Regular	26,943	29,439	2,496	92%	218,715	235,517	16,802	93%	353,275	62%
9003-02 - Maint Overtime	99	1,250	1,151	8%	3,563	10,000	6,437	36%	15,000	24%
9003-03 - Maint Standby	2,100	2,197	97	96%	17,760	17,574	(186)	101%	26,360	67%
9003-00 - Maint Salaries - Other	-	-	-	0%	-	-	-	0%	5,000	0%
9003-04 - Labor Allocated to Projects	-	-	-	0%	(9,542)	-	9,542	100%	-	-
Total 9000 - Salaries	30,042	34,686	4,644	87%	237,697	277,491	39,794	86%	421,235	56%
<u>Payroll Expense</u>										
9005 - Payroll Expense - SS & Medicare	2,298	2,654	356	87%	18,914	21,232	2,318	89%	31,848	59%
9007 - Payroll Expense- SUI & ETT	-	329	329	0%	336	2,633	2,297	13%	3,950	9%
9008 - Payroll Expense - Retirement	2,069	2,612	543	79%	17,334	20,897	3,563	83%	31,345	55%
9009 - Payroll Expense - Medical & D/V	10,025	9,708	(317)	103%	75,577	77,666	2,089	97%	116,500	65%
9010 - Payroll Expense - Workers' Comp	-	-	-	0%	5,054	10,250	5,196	49%	20,500	25%
Total 9004 - Payroll Expense	14,392	15,303	911	94%	117,215	132,678	15,463	88%	204,143	57%
<u>Indirect & G&A</u>										
9012 - Legal Expense:	1,670	2,500	831	67%	15,868	20,000	4,132	79%	30,000	53%
9013 - Audit Expense	750	-	(750)	100%	16,650	18,400	1,750	90%	18,400	90%
9014 - Fees & Penalties	71	165	94	43%	437	1,320	883	33%	1,980	22%
9016 - Directors' Expense	437	417	(20)	105%	3,695	3,334	(361)	111%	5,000	74%
9017 - Professional Fees - Operations	12,775	22,083	9,308	58%	107,800	176,666	68,866	61%	265,000	41%
9018 - Professional Fees - Office	10,512	11,440	928	92%	80,208	91,520	11,312	88%	137,280	58%
9019 - Staff Travel/Training	1,712	750	(962)	228%	9,961	6,000	(3,961)	166%	9,000	111%
9022 - Election Expense	-	-	-	0%	-	-	-	0%	-	0%
9023 - Insurance Expense	-	-	-	0%	32,006	30,277	(1,729)	106%	30,277	106%
9024 - Membership Expense	-	-	-	0%	11,704	18,054	6,350	65%	19,162	61%
9026 - Outside Services	-	992	992	0%	1,800	2,408	608	75%	3,400	53%
9028 - Telephone Expense	635	845	210	75%	4,359	6,762	2,403	64%	10,144	43%
9029 - Garbage/Hazmat Expense	346	458	112	76%	2,624	3,666	1,042	72%	5,500	48%
9030 - Uniform Expense	-	195	195	0%	1,606	2,223	617	72%	3,000	54%

Sierra Lakes County Water District
Operating Budget-to-Actual
Fiscal Year July 1, 2022 to June 30, 2023

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Month End 2/29/24	Budget	Favorable / (Unfavorable)	% of Budget	YEAR TO DATE	Budget	Favorable / (Unfavorable)	% of Budget	FY 23-24 Budget	% of Budget
9034 · Propane Expense	521	2,500	1,979	21%	928	9,792	8,864	9%	15,500	6%
9036 · SCADA System Expense	-	-	-	0%	3,215	3,400	185	95%	4,000	80%
9037 · M&O Asset Mgmt Sys (Lucity)	-	-	-	0%	3,843	3,000	(843)	128%	3,000	128%
9040 · Office Expense	626	250	(376)	250%	1,664	2,000	336	83%	3,000	55%
9041 · Postage Expense	10	-	(10)	100%	110	-	(110)	100%	2,000	5%
9042 · Postage Meter Expense	262	325	63	81%	786	975	189	81%	1,300	60%
9043 · Copier & Fax Expense	-	79	79	0%	733	633	(100)	116%	950	77%
9044 · Computer Equipment & Service										
9044-01 · General Expense	2,676	2,177	(499)	123%	11,760	17,414	5,654	68%	26,120	45%
9044-02 · Website Design	-	-	-	0%	569	1,500	931	38%	3,000	19%
9044-03 · Merchant Fees	942	3,004	2,062	31%	26,960	24,030	(2,930)	112%	36,043	75%
Total 9011 · Indirect & G&A	33,943	48,180	14,237	70%	339,286	443,374	104,088	77%	633,056	54%
<u>MAINTENANCE & OPERATIONS</u>										
<u>Water Treatment & Filter Plant</u>										
9101 · Filter Plant Operations & Maint	1,569	667	(902)	235%	4,475	5,334	859	84%	8,000	56%
9102 · Filter Plant-Chems, Lab & Equip	894	3,750	2,856	24%	16,182	30,000	13,818	54%	45,000	36%
9103 · Filter -Water Pumping Plant M&O	-	167	167	0%	-	1,334	1,334	0%	2,000	0%
9104 · Well Pump Station Expense	-	-	-	0%	-	7,500	7,500	0%	15,000	0%
Total 9100 · Water Treatment & Filter Plant	2,463	4,584	2,121	54%	20,657	44,168	23,511	47%	70,000	30%
<u>Water Distribution</u>										
9201 · Water Dist - General Maint	-	833	833	0%	632	6,666	6,034	9%	10,000	6%
9202 · Water Dist - Pipes & Fittings	-	208	208	0%	1,370	1,666	296	82%	2,500	55%
9203 · Water Dist - Hydrant Maint	-	208	208	0%	-	1,666	1,666	0%	2,500	0%
9204 · Fees - Water	-	4,000	4,000	0%	11,196	16,500	5,304	68%	17,870	63%
9205 · Water Dist - Electricity	7,963	3,846	(4,117)	207%	31,308	30,767	(541)	102%	46,150	68%
9600 · Water Dist - Meters/Parts	-	167	167	0%	1,253	1,334	81	94%	2,000	63%
9601 · Water Conservation	-	-	-	0%	-	500	500	0%	1,000	0%
Total 9200 · Water Distribution	7,963	9,262	1,299	86%	45,760	59,099	13,339	77%	82,020	56%
<u>Wastewater Collection System</u>										
9301 · Wastewater - General Maint	1,953	1,167	(786)	167%	5,598	9,334	3,736	60%	14,000	40%
9302 · Wastewater - Pipes/Fittings	-	83	83	0%	-	666	666	0%	1,000	0%
9303 · Wastewater- Enzymes/Lab Testing	-	-	-	0%	4,472	4,000	(472)	112%	4,000	112%
9304 · Wastewater - Manholes	-	-	-	0%	-	500	500	0%	500	0%
9305 · Fees - Sewer	-	833	833	0%	6,084	6,666	582	91%	10,000	61%
9306 · Wastewater - Electricity	4,513	2,083	(2,430)	217%	19,603	16,666	(2,937)	118%	25,000	78%
9700-01 · Wastewater Export Service Exp/(Refund)	-	-	-	0%	29,013	32,000	2,987	91%	32,000	0%
9700 · Wastewater- Export Service Exp	43,725	43,750	25	100%	349,802	350,000	198	100%	525,000	67%
Total 9300 · Wastewater Collection System	50,192	47,916	(2,276)	105%	414,571	419,832	5,261	99%	611,500	68%
<u>Vehicle Expense</u>										
9501 · Gasoline/Diesel	1,114	2,083	969	53%	10,225	16,666	6,441	61%	25,000	41%
9502 · Pickups	435	1,000	565	43%	3,865	4,000	135	97%	4,000	97%
9503 · Gapvac	-	2,000	2,000	0%	126	5,000	4,874	3%	5,000	3%
9504 · Backhoe	-	-	-	0%	10,263	1,500	(8,763)	684%	3,000	342%

Sierra Lakes County Water District
Operating Budget-to-Actual
Fiscal Year July 1, 2022 to June 30, 2023

	MONTH TO DATE				YEAR TO DATE				ANNUAL BUDGET	
	Month End 2/29/24	Budget	Favorable / (Unfavorable)	% of Budget	YEAR TO DATE	Budget	Favorable / (Unfavorable)	% of Budget	FY 23-24 Budget	% of Budget
9505 · Vehicle Maint Supplies	-	250	250	0%	1,890	2,500	610	76%	3,500	54%
Total 9500 · Vehicle Expense	1,549	5,333	3,784	29%	26,369	29,666	3,297	89%	40,500	65%
Project Expenses										
9811 · Replace Sewer Mainline	-	-	-	0%	-	-	-	0%	-	0%
9812 · Spot Repairs of Sewer Mainline & Laterals	-	-	-	0%	35,684	6,000	(29,684)	595%	10,000	0%
9813 · Repair of Sewer Manholes at Various Locations	-	-	-	0%	24,651	23,000	(1,651)	107%	50,000	0%
9814 · Adj Sewer Manholes to Grade	-	-	-	0%	823	3,000	2,177	27%	3,000	0%
9815 · Misc Sewer Pump Station Upgrade	-	-	-	0%	-	2,000	2,000	0%	5,000	0%
9817 · TV Gravity Sewer System	-	-	-	0%	10,408	20,000	9,593	52%	20,000	52%
9818 · Misc Water System Improvements	4,531	-	(4,531)	100%	98,993	5,000	(93,993)	1,980%	5,000	1980%
9819 · Adj Water Valve Boxes to Street Grade	-	-	-	0%	220	2,000	1,780	11%	5,000	0%
9820 · Misc Upgrades Water Pump Stations	-	-	-	0%	590	-	(590)	100%	-	0%
9821 · Automatic Meter Read System	1,672	1,667	(5)	100%	14,411	13,334	(1,077)	108%	20,000	72%
9822 · Misc Jobs - Safety Tools Bldgs	518	5,292	4,774	10%	25,314	42,334	17,020	60%	63,500	40%
9824 · Lake Management	-	1,300	1,300	0%	2,384	10,600	8,216	22%	16,000	0%
9825 · HOTFaP	-	-	-	0%	-	-	-	0%	2,500	0%
9826 · Contemporary Water Quality	9,377	-	(9,377)	100%	9,741	32,400	22,659	30%	64,785	15%
9827 · District Engineer Services	-	-	-	0%	23,401	62,500	39,099	37%	150,000	16%
9915 · Misc. Projects	76	1,250	1,174	6%	2,137	10,000	7,863	21%	15,000	14%
Total 9800 · Project Expenses	16,174	9,509	(6,665)	170%	248,758	232,168	(16,590)	107%	429,785	58%
Total Controllable Expenses	156,718	174,773	18,055	90%	1,450,312	1,638,476	188,164	89%	2,492,239	58%
Non-Controllable Income/Expenses:										
									444,031	
Other Expenses										
9900 · Debt - Interest										
9906 · USDA Revenue Bonds	-	-	-	0%	54,343	54,500	157	100%	109,000	50%
9908 · Assmnt Int -Palisade/Serene	-	-	-	0%	677	500	(177)	135%	500	135%
Total 9900 · Debt - Interest	-	-	-	0%	55,020	55,000	(20)	100%	109,500	50%
9920 · Depreciation										
9921 · Depreciation - Water	14,916	12,500	(2,416)	119%	119,128	100,000	(19,128)	119%	150,000	79%
9922 · Depreciation - Sewer	13,153	10,000	(3,153)	132%	105,025	80,000	(25,025)	131%	120,000	88%
Total 9920 · Depreciation	28,069	22,500	(5,569)	125%	224,152	180,000	(44,152)	125%	270,000	83%
9950 · SLCWD Share - DSPUD Capital Costs	-	-	-	0%	-	-	-	0%	40,000	0%
9999 · Clearing Account	-	-	-		-	-	-			
Total Non-Controllable Expenses	28,069	22,500	(5,569)	125%	279,172	235,000	(44,172)	119%	419,500	67%
TOTAL DISTRICT EXPENSES:	184,787	197,273	12,486	94%	1,729,484	1,873,476	143,992	92%	2,911,739	59%
EARNED OPERATING REVENUE LESS EXPENSES:	14,408	(1,365)	15,773		244,526	56,663	187,863		24,531	

SIERRA LAKES COUNTY WATER DISTRICT
CAPITAL EXPENDITURES SUMMARY
FISCAL YEAR JULY 1, 2023 TO JUNE 30, 2024

Fiscal Year 2023-24 Capital Expenditures:

	<u>Budget:</u>	<u>Incurred:</u>
3002 - New SCADA Computer/Programming	21,500.00	-
3004 - Bales Generator Replacement	55,000.00	-
3028 - Vehicles: Truck Replacement	100,000.00	-
3105 - Fire Hydrant Replacement (2 ea.)	24,000.00	-
3027/3011 Filter Plant Modification - Service Bay Furnace Replacement	15,000.00	10,260.95
3027/3011 Filter Plant Modification - Emergency Generator Wiring	20,000.00	10,163.35
Filter Room Grating and Tank Railing	30,000.00	1,000.00
Utility Master Plan	195,477.25	182,458.40
Total Capital Projects	<u>460,977.25</u>	<u>203,882.70</u>

Placer County Treasury Fund

2/1/2024	Beginning Balance	\$ 947,913.27
	Interest	\$ 2,753.16
	<i>Transfers to Operating Account:</i>	
2/29/2024	Available Funds	<u>\$ 950,666.43</u>

Sierra Lakes County Water District
Cash Source and Application of Funds
Operating Budget
in \$000's

	ACTUAL Feb-24	Forecast Feb-24	Forecast Mar-24	Forecast Apr-24	Forecast May-24	Forecast Jun-24	Forecast Jul-24	Forecast Aug-24	Forecast Sep-24	Forecast Oct-24	Forecast Nov-24	Forecast Dec-24	Forecast Jan-25
Beginning Cash Balance:	634	634	663	402	240	355	83	85	367	273	110	172	61
Cash Provided/(Used) by Operations:													
Revenues:													
Sewer & Water Service Fees	253	100	175	200	200	119	254	502	113	71	267	99	78
Placer County Taxes	-	10	-	-	187	-	-	30	-	11	-	-	300
Primary Facilities Fees	-	-	-	10	10	9	-	-	-	-	-	-	-
Misc Other Income	-	-	12	-	-	12	12	-	3	-	-	-	-
Expenses:													
Operating Expenses	(224)	(214)	(232)	(232)	(232)	(239)	(185)	(185)	(185)	(185)	(185)	(185)	(185)
Sierra Plant - Capital Projects	-	-	-	(140)	(50)	(79)	(79)	(65)	(25)	(60)	(20)	(25)	(50)
Net Cash Provided/(Used) by Operations:	29	(104)	(45)	(162)	115	(178)	2	282	(94)	(163)	62	(111)	143
Cash Provided/(Used) for Financing Activities													
USDA \$5.2 million Revenue Bond			(216)	-	-	-	-	-	-	-	-	-	-
DSPUD Cost Sharing	-	-	-	-	-	(40)	-	-	-	-	-	-	-
Total Cash Provided/(Used) by Financing Activities:	-	-	(216)	-	-	(40)	-	-	-	-	-	-	-
Cash Provided/(Used) by Investment Activities													
Moved/From Placer Co. Treasurer's Fund	-	-	-	-	-	-	-	-	-	-	-	-	-
GASB 45 - OPEB Annual Funding	-	-	-	-	-	(54)	-	-	-	-	-	-	-
Total Cash Provided(Used) by Investment Activities:	-	-	-	-	-	(54)	-	-	-	-	-	-	-
Ending OPERATING ACCOUNT Cash Balance:	663	530	402	240	355	83	85	367	273	110	172	61	204

Placer County Treasurer Account	
1/31/2024	\$ 947,913.27
Scheduled Transfers & Interest Received:	2,753.16
Interest	
Transferred to Deman Account	-
Ending Balance	\$ 950,666.43

SIERRA LAKES COUNTY WATER DISTRICT - FIVE YEAR CASH FLOW PROJECTION
2021/2022 - 2025/2026
in \$000's

	ACTUAL 2022/2023	FORECAST 2023/2024	Forecast 2024/2025	Forecast 2025/2026	Forecast 2026/2027
Beginning <u>OPERATING</u> Cash Balance:	629	517	84	369	423
<u>Cash Provided/(Used) by Operations:</u>					
Revenues:					
Water/Sewer Service Fees	2,092	2,101	2,306	2,306	2,306
Proposed Rate Increase	-	230			
Placer County Tax	571	550	550	550	550
Primary Facilities Fees	39	29	29	29	29
Misc Other Income: Int & Fees	289	27	20	20	20
Expenses:					
Operating Expenses	(2,236)	(2,492)	(2,617)	(2,748)	(2,885)
Sierra Plant - Capital Projects	(2,510)	(460)	(150)	(150)	(150)
Net Cash Provided/(Used) by Operations:	(1,755)	(15)	138	7	(130)
<u>Cash Provided/(Used) for Financing Activities</u>					
CA Bank & Trust Loan Principal & Interest	-	-	-	-	-
USDA Revenue Bond Loan	(269)	(270)	(269)	(270)	(270)
Additional WWTP Costs - Prior Years	(134)	-	-	-	-
DSPUD Cost Sharing		(40)	(30)	(30)	(30)
Total Cash Provided/(Used) by Financing Activities:	(403)	(310)	(299)	(300)	(300)
<u>Cash Provided(Used) by Investment Activities</u>					
Total Cash Provided(Used) by Investment Activities:	-	-	-	-	-
Moved to Placer Co. Treasurer's Fund	2,100		500	400	-
Annual GASB 45 Funding - OPEB - Moved to LAIF	(54)	(108)	(54)	(53)	-
Total Cash Provided(Used) by Investment Activities:	2,046	(108)	446	347	-
Ending <u>OPERATING</u> Cash Balance:	517	84	369	423	(8)

amn
 3/7/2024
 8:49 AM

SIERRA LAKES COUNTY WATER DISTRICT
 LIST OF DISBURSEMENTS REQUIRING BOARD APPROVAL
 March 2024

Vendor	Inv # / Inv Date	Invoice Amount
<u>Shuana Lorange, P.E</u>	Invoice # 240229 Date 2/29/2024 For: <u>Feb 2024 Professional Fees & Reimbursements</u>	12,775.00
<u>Anna M Nickerson LLC</u>	Inv# 21524 Date 2/15/2024 For: <u>Professional Fees 2/1 to 2/15/24</u> Inv# 22824 Date 2/28/2024 For: <u>Professional Fees 2/16 to 2/28/2024</u>	5,856.00 4,656.00
TOTAL ANNA NICKERSON LLC		10,512.00
<u>Kronick Moskovitz Tiedemann & Girard</u>	Inv# 30905718 Date 2/7/2024 For: <u>Jan 2024 Legal Fees</u>	1,669.50
TOTAL Kronick Moskovitz Tiedemann & Girard		1,669.50
<u>Dowl (Farr West Engineering)</u>	Inv# R4653.2502-14 Date 2/5/2024 For: <u>Utility Master Plan</u> Inv# R4653.2507-9 Date 3/1/2024 For: <u>General Services</u> For: <u>General Services & Utility Master Plan</u>	7,375.00 5,650.00
TOTAL Dowl (Farr West Engineering)		13,025.00
TOTAL INVOICES FOR APPROVAL		37,981.50

SHAUNA LORANCE, P.E.
Civil Engineering and Management

RECEIVED MAR - 5 2024

February 29, 2024

INVOICE No. 240229

Bill To:
Sierra Lakes County Water District
PO Box 1039
Soda Springs, CA 95728

Hours	Description	Rate	Total
73	Professional Services December 1-31, 2023	\$175	\$12,775.00

Payment due within 45 days after receipt

Shauna Lorance
10200 Hillview Road
Newcastle, CA 95658

ACCOUNT NO 9017 \$ 12,775.00
CHECK NO.
CK DATE
APPROVED

SIERRA LAKES COUNTY WATER DISTRICT
 Shauna Lorange, PE
 February 2024 Invoice Detail

DATE	DESCRIPTION	HOURS
2/5	Admin and catch-up from vacation (2 hours offsite)	2
2/6	Admin; DSPUD study; agenda review; (4 hours offsite)	4
2/7	Sample water bills; PCWA FAP; auditor engagement letter; call w board member; (4 hours offsite)	4
2/8	Email from board member; admin; (2 hours offsite) prep Board meeting; (7 hours onsite)	9
2/9	After board meeting tasks; (2 hours offsite)	2
2/12	Admin; water system overview; (3 hours offsite)	3
2/13	Coordination; email responses; engineering discussions; photo tour (3 hours onsite)	3
2/14	Water system overview; DOWL phone call (5 hours offsite)	5
2/15	Sewer overview; Call with P. Shultz (5 hours offsite)	5
2/16	Admin; misc tasks (2 hours offsite)	2
2/19	Ops & cap budget 24/25 (3 hours offsite)	3
2/20	Billing software; budget (4 hours offsite)	4
2/21	PCWA call; budget (4 hours offsite)	4
2/22	Coordination; budget (2 hours onsite, 1 hour offsite)	3
2/23	Auditor contract; DSPUD audited statement; 2025 budget (4 hours offsite)	4
2/25	Admin (1 hour offsite)	1
2/26	Admin; Budget call w/Pat; Water and sewer CIP staff reports (4 hours offsite)	4
2/27	Budget; compensation review; presentations; staff reports (3 hours offsite)	3
2/28	System operations; DSPUD reliability study; staff reports (4 hours offsite)	4
2/29	Admin; board mtg prep; budget; staff reports (4 hours offsite)	4
	TOTAL	73

**ANNA M NICKERSON, LLC
FINANCIAL CONSULTANT**

INVOICE

ACCOUNT NO: 9018 \$ 5,856.00

CHECK NO: _____

CHECK DATE: _____

APPROVAL: _____

1880 Morgan Pointe Ct.
Reno, NV 89523
530-330-2724

INVOICE NO: 021523
DATE: February 15, 2023

nickerson.annam@gmail.com

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

DATE	DESCRIPTION	HOURS	UNIT PRICE	TOTAL	Admin	Escrow & Public Requests	FS / Recs / PR / HR / Tax / Budget / Audit	Assmnt District	M&O Support	A/R - Banking	A/P	Mail / email	IT	Board Agenda / Mtg Min / Packets	Total
2/1/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Month end, board packet reports, board packets & record assessments received. Mont End, board packets & record assessments	10.0	\$96.00	\$ 960.00			5	1		0.5	1	0.5		2	10
2/2/2024	Weather	0.0	\$96.00	\$ -											0
2/5/2024	Weather	0.0	\$96.00	\$ -											0
2/6/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Closed an escrow, reconcile account & record assessments	5.0	\$96.00	\$ 480.00		0.5	1	1		1.5	0.5	0.5			5
2/7/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Delinquent notices & record assessments	5.0	\$96.00	\$ 480.00				2		2	0.5	0.5			5
2/8/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	11.0	\$96.00	\$ 1,056.00	9.5					0.5	0.5	0.5			11
2/8/2024	Board Meeting	2.0	\$96.00	\$ 192.00										2	2
2/9/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Project schedule for ACWA/JPIA. Updated website	4.0	\$96.00	\$ 384.00			0.5			1	0.5	0.5	1.5		4
2/12/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Updated an escrow, worked on ACWA/JPIA Property Report & fixed QB issues.	5.0	\$96.00	\$ 480.00		0.5	1			1	0.5	0.5	1.5		5
2/13/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	9.0	\$96.00	\$ 864.00	7.5					0.5	0.5	0.5			9
2/14/2024	Off	0.0	\$96.00	\$ -											0
2/15/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Processed quarterly autopayments and payroll.	10.0	\$96.00	\$ 960.00			1.5			7	1	0.5			10
		61.0	TOTALS	\$ 5,856.00	17.0	1.0	9.0	4.0	0.0	14.0	5.0	4.0	3.0	4.0	61.0
					28%	2%	15%	7%	0%	23%	8%	7%	5%	7%	

**ANNA M NICKERSON, LLC
FINANCIAL CONSULTANT**

INVOICE

1880 Morgan Pointe Ct.
Reno, NV 89523
530-330-2724

INVOICE NO: 022924
DATE: February 29, 2024

ACCOUNT NO: 9018 \$ 4,656.00
CHECK NO: _____
CHECK DATE: 3-7-24
APPROVAL: _____

nickerson.annam@gmail.com

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

DATE	DESCRIPTION	HOURS	UNIT PRICE	TOTAL	Admin	Escrow & Public Requests	FS / Recs / PR / HR / Tax / Budget / Audit	Assmnt District	M&O Support	A/R - Banking	A/P	Mail / email	IT	Board Agenda / Mtg Min / Packets	Total
2/16/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Payroll and updated website	5.0	\$96.00	\$ 480.00			1.5			1	0.5	0.5	1.5		5
2/19/2024	Holiday	0.0	\$96.00	\$ -											0
2/20/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Followed up on declined autopays, processed check run and started budget.	5.0	\$96.00	\$ 480.00			0.5			2	2	0.5			5
2/21/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Closed escrow, budget & backflow testing updates.	5.0	\$96.00	\$ 480.00		0.5	2		1	0.5	0.5	0.5			5
2/22/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Worked on budget, processed backflow tests and started annual EAR report information.	5.5	\$96.00	\$ 528.00			2		2	0.5	0.5	0.5			5.5
2/23/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Preelection setup, filed and finished EAR report information.	4.5	\$96.00	\$ 432.00	1		1.5			1	0.5	0.5			4.5
2/26/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	5.0	\$96.00	\$ 480.00			0.5		3	0.5	0.5	0.5			5
2/27/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails.	5.0	\$96.00	\$ 480.00	1.5		2			0.5	0.5	0.5			5
2/28/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Processed payroll and transcribed minutes	9.0	\$96.00	\$ 864.00			3			1	0.5	0.5		4	9
2/29/2024	Picked up and processed mail, processed accounts receivables & accounts payables, read and answered emails. Started month end and updated 2024/2025 budget	4.5	\$96.00	\$ 432.00			2			1	1	0.5			4.5
	TOTALS	48.5		\$ 4,656.00	2.5	0.5	15.0	0.0	6.0	8.0	6.5	4.5	1.5	4.0	48.5
					5%	1%	31%	0%	12%	16%	13%	9%	3%	8%	

Page 33 of 71



1331 Garden Highway, 2nd Floor
 Sacramento, CA 95833
 T | 916.321.4500
 F | 916.321.4555

PRIVILEGED AND CONFIDENTIAL
 ATTORNEY-CLIENT COMMUNICATION

Federal Tax I.D. No.: 94-2174974

RECEIVED FEB 12 2024

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

Attention: Shauna Lorange, General Manager

February 07, 2024
 Client: 004210
 Matter: 000001
 Invoice #: 30905718
 Resp. Atty: JAM
 Page: 1

RE: General

For Professional Services Rendered Through January 31, 2024

Total Services
 Total Current Charges
 Previous Balance
NET AMOUNT DUE

\$1,669.50
\$1,669.50
 \$2,574.05
\$4,243.55 2/5/24

ACCOUNT NO. 9012 \$1669.50
 CHECK NO. 894
 CK DATE 2-22-24
 APPROVED

Remittance Advice

Payment is due upon receipt. If paying by check, please reference the invoice number when remitting payment or return this remittance page.

Check Payable To:
 Kronick, Moskovitz, Tiedemann & Girard
 Attn.: Accounts Receivable

1331 Garden Highway, 2nd Floor
 Sacramento, CA 95833

eCheck & Credit Card:

Payments can be made by eCheck, Discover, MasterCard & VISA. To make a secure payment online, please [click here.](#)
 or type the following information into your browser: www.kmtg.com/invoicepayments



RECEIVED FEB - 6 2024

SHAUNA LORANCE
 SIERRA LAKES COUNTY WATER DISTRICT
 7305 SHORT ROAD
 SODA SPRINGS, CA 95728

February 2, 2024
 Invoice No: R4653.2502 - 14

Invoice Total \$7,375.00

Project R4653.2502 SLCWD - Utility Master Plan
 Task Order 5

Description of Services: Work completed this billing period includes project management related tasks, work on final master plan drafts, review of SLCWD staff comments on final master plans, submittal of finished plans, review and comment on staff plan presentations, and attendance at SLCWD staff meeting.

Period January 1, 2024 to January 27, 2024

Phase 001 Project Management

Professional Personnel

	Hours	Rate	Amount
Engineer III			
Stodtmeister, Alex	4.00	155.00	620.00
Totals	4.00		620.00
Total Labor			620.00

Phase 007 Final Master Plans

Professional Personnel

	Hours	Rate	Amount
Senior Manager II			
Tipton, Lucas	.50	245.00	122.50
Engineer III			
Stodtmeister, Alex	37.75	155.00	5,851.25
Engineer I			
Jones, Dallas	6.25	125.00	781.25
Totals	44.50		6,755.00
Total Labor			6,755.00

INVOICE TOTAL \$7,375.00

Outstanding Invoices

Number	Date	Balance
13	1/5/2024	12,211.25
Total		12,211.25

ACCOUNT NO 3121 \$ 7,375.00
 CHECK NO. 8692
 CK DATE 2-27-24

APPROVED



SHAUNA LORANCE
SIERRA LAKES COUNTY WATER DISTRICT
7305 SHORT ROAD
SODA SPRINGS, CA 95728

March 1, 2024
Invoice No: R4653.2307 - 9

Invoice Total \$5,650.00

Project R4653.2307 SLCWD - General Services

General Services - Per the General Manager's email to Farr West Engineering on April 12, 2022, all directed work is approved to begin work prior to compilation and approval of individual task orders under the Master Services Agreement and Farr West is not working at risk.

Description of Services: Phase 5 - GIS Utility Mapping
Coordination with SLCWD; Development of utility GIS; Preparation of draft utility runbooks; QC
Period January 28, 2024 to February 24, 2024

Phase 005 GIS Utility Mapping

Professional Personnel

	Hours	Rate	Amount	
Engineer V				
Stodtmeister, Alex	1.00	190.00	190.00	
GIS Specialist				
Baker, Travys	45.50	120.00	5,460.00	
Totals	46.50		5,650.00	
Total Labor				5,650.00
		INVOICE TOTAL		\$5,650.00

ACCOUNT NO 9827 \$5,650.00
CHECK NO.
CK DATE

APPROVED

STAFF REPORT

TO: Board of Directors
FROM: Shauna Lorance, General Manager
SUBJECT: Water CIP Options – Continued
DATE: March 14, 2024 Board Meeting

Staff Recommendation

Staff recommend proceeding with the Proposition 218 mailer with a not to exceed annual Water CIP Charge of at least \$300, with the intent to take out debt to fund high priority projects and pay cash for continuing pipeline replacement projects.

Background

DOWL Engineers has completed the Water Master Plan and provided a recommended Capital Improvement Plan (CIP) for completing the rehabilitation and replacements required to maintain the District's facilities. The recommended schedule for completing the CIP would result in a very large CIP charge on all water bills.

The Board was presented with four options to fund the recommended water CIP projects. Two options include funding with cash Water CIP Charge only, and two options were to take out debt and fund debt service and ongoing replacement projects with a cash Water CIP Charge.

The Board was provided with a presentation that discussed the cash and debt approaches to funding the recommended Water CIP.

Current Status

The Board requested a copy of the detailed spreadsheet that was provided on screen at the February Board meeting, which was emailed to all board members.

The Board may also be considering a Consumer Price Index (CPI) increase on the water operations and maintenance budget. For efficiency and cost effectiveness, any potential increase should be included in the same Proposition 218 mailer. The draft schedule for adoption of any CIP Charge and/or any CPI rate increases is listed below.

SCHEDULE FOR DEVELOPMENT OF 2024/25 WATER AND SEWER RATES

- January 2024 – District to receive Final Master Plans and will present to the Board of Directors at January Board Meeting
- February 2024 – Presentation to the Board of Directors on the impact of the recommended Capital Improvement Plan (CIP), presented in the Master

Plans, to water and sewer rates. Staff will provide optional CIP schedules to reduce rate impacts.

- March/April 2024 – Board of Directors to select water (and sewer) rates and CIP Charges to include in Proposition 218 notice
- May/June 2024 – District will hold a public hearing on water (and sewer) rates and charges
- June 2024 – Board will consider adoption of 2024/25 budget and adoption of any CIP increases and/or Capital Charges

STAFF REPORT

TO: Board of Directors
FROM: Shauna Lorange, General Manager
SUBJECT: Sewer CIP Options - Continued
DATE: March 14, 2024 Board Meeting

Staff Recommendation

Staff recommend proceeding with the Proposition 218 mailer with a not to exceed annual Sewer CIP Charge of at least \$600, with the intent to take out debt to fund high priority projects and pay cash for continuing pipeline replacement projects.

Background

DOWL Engineers has completed the Sewer Master Plan and provided a recommended Capital Improvement Plan (CIP) for completing the rehabilitation and replacements required to maintain the District's facilities. The recommended schedule for completing the sewer CIP would result in a very large CIP charge on all sewer bills.

The Board was presented with four options to fund the recommended sewer CIP projects. Two options were cash Sewer CIP Charge funding only, and two options were to take out debt and fund debt service and ongoing replacement projects with a cash Sewer CIP Charge.

The Board was provided with a presentation that discussed the cash and debt approaches to funding the recommended Sewer CIP.

Current Status

The Board requested a copy of the detailed spreadsheet that was provided on screen at the February Board meeting, which was emailed to all board members.

The Board may also be considering a Consumer Price Index (CPI) increase on the Sewer operations and maintenance budget. For efficiency and cost effectiveness, any potential increase should be included in the same Proposition 218 mailer. The draft schedule for adoption of any CIP Charge and/or any CPI rate increases is listed below.

SCHEDULE FOR DEVELOPMENT OF 2024/25 WATER AND SEWER RATES

- January 2024 – District to receive Final Master Plans and will present to the Board of Directors at January Board Meeting
- February 2024 – Presentation to the Board of Directors on the impact of the recommended Capital Improvement Plan (CIP), presented in the Master

Plans, to water and sewer rates. Staff will provide optional CIP schedules to reduce rate impacts.

- March/April 2024 – Board of Directors to select water (and sewer) rates and CIP Charges to include in Proposition 218 notice
- May/June 2024 – District will hold a public hearing on water (and sewer) rates and charges
- June 2024 – Board will consider adoption of 2024/25 budget and adoption of any CIP increases and/or Capital Charges

STAFF REPORT

TO: Board of Directors
FROM: Shauna Lorance, General Manager
SUBJECT: Water System Operations and CIP
DATE: March 14, 2024 Board Meeting

Staff Recommendation

This item is for information only, so there is no staff recommendation.

Background

The Board heard a presentation at the February Board Meeting on some potential options for their consideration for scheduling the implementation and funding the recommendations in the Water Master Plan. An overview on the water system operation is being provided to assist in the discussion on this topic later in the agenda.

Presentation

This presentation (attached to this staff report) is to provide an overview of the existing water system operations, CIP program and proposed funding options. The presentation will include a description of the following:

- Water System Operations
 - Raw water intake
 - Raw water pump station
 - Water treatment plant
 - Office tank
 - Hill tank
 - Well
 - System Distribution
- Water System CIP
 - Raw water intake
 - Well #1 Treatment Relocation & Discharge Line
 - Hill Tank Flow Meter
 - Raw Water Line Leak Detection
 - Annual Water Pipeline Replacements
- Water System CIP Funding
 - Master Plan Recommendations
 - District Proposed CIP Schedule

Discussion

The District’s water system is relatively simple. The system uses surface water from Lake Serena, pumped up to the water treatment plant, then delivered to storage tanks.

The water then flows by gravity (no pumping required) to all the households in the District.

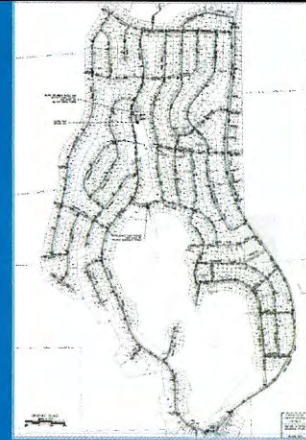
SLCWD WATER SYSTEM OVERVIEW AND CIP

March 5, 2024

1

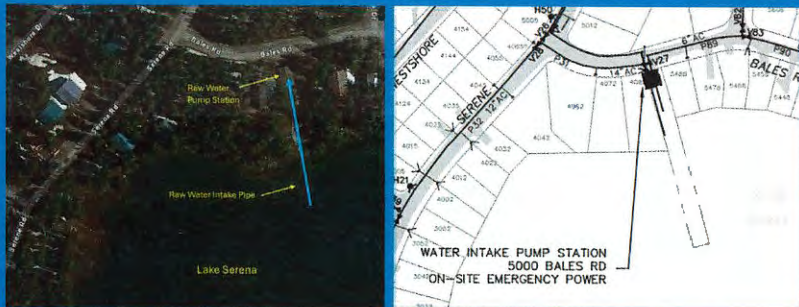
OVERALL WATER SYSTEM

- Raw water intake
- Raw water pump station
- Water treatment plant
- Office tank
- Hill tank
- Well
- System Distribution



2

RAW WATER INTAKE



3

RAW WATER PUMP STATION



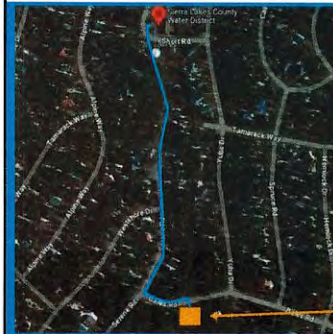
4

RAW WATER PUMP STATION FACILITIES



5

RAW WATER PIPELINE



- 12-inch raw water pipeline
- Dedicated pipeline from Pump Station to WTP
- Pumped under pressure from raw water pump station to Water Treatment Plant (WTP)

Raw Water Pump Station

6

WATER TREATMENT PLANT



Raw water comes from Intake PS into Clarifier

A standby generator for power outages



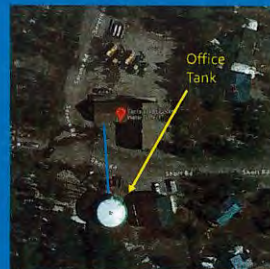
From the Clarifier to the Filters



WTP controls

7

OFFICE TANK



PS from Office Tank to Hill Tank (located at WTP)

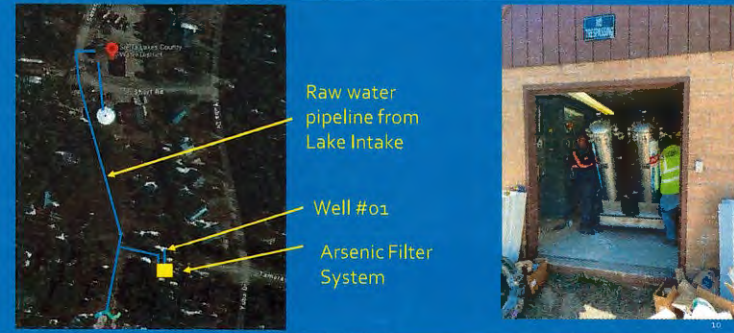
8

OFFICE TANK TO HILL TANK



9

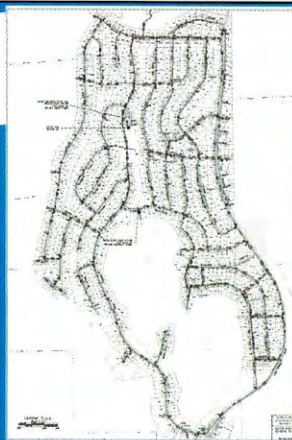
GROUNDWATER WELL



10

SYSTEM DELIVERY

- Water flows out of Hill Tank
- Delivered by gravity to entire water system
- The south points longest travel time



11

WATER CIP PROJECTS

- Raw Water Intake
- Well #1 Treatment Relocation & Discharge Line
- Hill Tank Flow Meter
- Raw Water Line Leak Detection
- Annual Water Pipeline Replacements

12

RAW WATER INTAKE EXTENSION



NOTES:
 1) Location of proposed intake line is approximate. Verify location to achieve 17' of water depth prior to design.
 2) Material of existing intake pipe and tank to be verified. Optimum material of new intake pipe will be determined during pipe design.

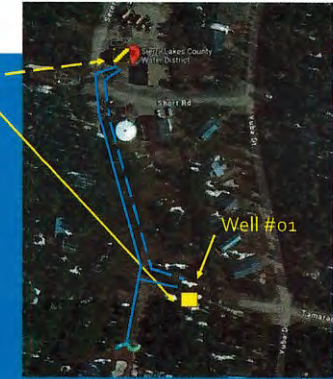
NOT FOR CONSTRUCTION

NOT TO SCALE

13

WELL #1 TREATMENT RELOCATION & DISCHARGE LINE

- Move Arsenic Filter System from existing location To WTP
- Determine if Well #1 can use raw water pipeline if treatment moved to WTP, if not, construct dedicated pipeline from Well #1 to WTP chlorination system
- If treatment not moved to WTP, dedicated pipeline from Well #1 to WTP chlorination system required

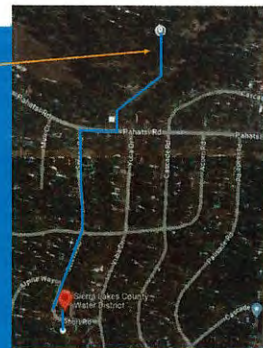


14

14

HILL TANK FLOW METER

- Construct a flow meter to monitor amount of water used by system

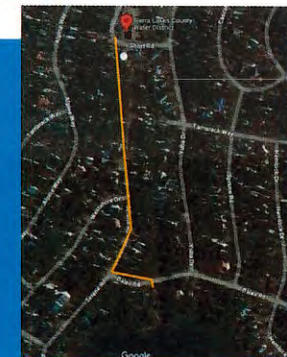


15

15

RAW WATER LINE LEAK DETECTION

- Raw water pumped from the Lake flows under pressure to the WTP
- This pipeline has leaks, but where and what size are unknown
- Leak detection on this line is planned



16

16

ANNUAL WATER PIPELINE REPLACEMENTS

- 13 miles of pipelines (over 68,000 feet)
- Majority from original construction in 1960s and 1970s
- 52,852 feet of AC pipe
- 3,842 of unknown material

Pipe Material	Total Length (ft)
Aluminum Cast Iron, AC	52,852
Unknown PVC	11,314
Unknown	2,842



17

MASTER PLAN RECOMMENDED CIP SCHEDULE

Project	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Water Main Replacement P&I	\$104,000										
Trunk Pipe Extension	\$200,000										
Utility Rate Study	\$200,000										
System O&M	\$0										
Water Main Replacement Phase 1		\$2,997,000									
Water Age and WTP Efficiency Improvements		\$78,000									
Water Main Replacement Phase 2			\$3,169,000								
Water UT Treatment Reservoir & Discharge Line			\$894,000								
Flow Water Line Leak Detection & Investigation			\$90,000								
Water Main Replacement Phase 3				\$1,215,000							
WTP SCADA Improvements				\$70,000							
AFM04 Treatment Line Replacement				\$39,000							
110 Tank Plant Modernization				\$139,000							
Water Main Replacement Phase 4					\$1,347,000						
Water Main Replacement Phase 5						\$3,468,000					
Water Main Replacement Phase 6							\$1,599,000				
Water Main Replacement Phase 7								\$3,738,000			
Water Main Replacement Phase 8									\$3,878,000		
Water Main Replacement Phase 9										\$2,828,000	
Water Main Replacement Phase 10											\$4,628,000
Water Main Replacement Phase 11											\$282,000
Water Main Replacement Phase 12											\$4,628,000
Water Main Replacement Phase 13											\$4,628,000
Water Main Replacement Phase 14											\$4,628,000
Water Main Replacement Phase 15											\$4,628,000
Water Main Replacement Phase 16											\$4,628,000
Water Main Replacement Phase 17											\$4,628,000
Water Main Replacement Phase 18											\$4,628,000
Water Main Replacement Phase 19											\$4,628,000
Water Main Replacement Phase 20											\$4,628,000
Water Main Replacement Phase 21											\$4,628,000
Water Main Replacement Phase 22											\$4,628,000
Water Main Replacement Phase 23											\$4,628,000
Water Main Replacement Phase 24											\$4,628,000
Water Main Replacement Phase 25											\$4,628,000
Water Main Replacement Phase 26											\$4,628,000
Water Main Replacement Phase 27											\$4,628,000
Water Main Replacement Phase 28											\$4,628,000
Water Main Replacement Phase 29											\$4,628,000
Water Main Replacement Phase 30											\$4,628,000
Water Main Replacement Phase 31											\$4,628,000
Water Main Replacement Phase 32											\$4,628,000
Water Main Replacement Phase 33											\$4,628,000
Water Main Replacement Phase 34											\$4,628,000
Water Main Replacement Phase 35											\$4,628,000
Water Main Replacement Phase 36											\$4,628,000
Water Main Replacement Phase 37											\$4,628,000
Water Main Replacement Phase 38											\$4,628,000
Water Main Replacement Phase 39											\$4,628,000
Water Main Replacement Phase 40											\$4,628,000
Water Main Replacement Phase 41											\$4,628,000
Water Main Replacement Phase 42											\$4,628,000
Water Main Replacement Phase 43											\$4,628,000
Water Main Replacement Phase 44											\$4,628,000
Water Main Replacement Phase 45											\$4,628,000
Water Main Replacement Phase 46											\$4,628,000
Water Main Replacement Phase 47											\$4,628,000
Water Main Replacement Phase 48											\$4,628,000
Water Main Replacement Phase 49											\$4,628,000
Water Main Replacement Phase 50											\$4,628,000
Water Main Replacement Phase 51											\$4,628,000
Water Main Replacement Phase 52											\$4,628,000
Water Main Replacement Phase 53											\$4,628,000
Water Main Replacement Phase 54											\$4,628,000
Water Main Replacement Phase 55											\$4,628,000
Water Main Replacement Phase 56											\$4,628,000
Water Main Replacement Phase 57											\$4,628,000
Water Main Replacement Phase 58											\$4,628,000
Water Main Replacement Phase 59											\$4,628,000
Water Main Replacement Phase 60											\$4,628,000
Water Main Replacement Phase 61											\$4,628,000
Water Main Replacement Phase 62											\$4,628,000
Water Main Replacement Phase 63											\$4,628,000
Water Main Replacement Phase 64											\$4,628,000
Water Main Replacement Phase 65											\$4,628,000
Water Main Replacement Phase 66											\$4,628,000
Water Main Replacement Phase 67											\$4,628,000
Water Main Replacement Phase 68											\$4,628,000
Water Main Replacement Phase 69											\$4,628,000
Water Main Replacement Phase 70											\$4,628,000
Water Main Replacement Phase 71											\$4,628,000
Water Main Replacement Phase 72											\$4,628,000
Water Main Replacement Phase 73											\$4,628,000
Water Main Replacement Phase 74											\$4,628,000
Water Main Replacement Phase 75											\$4,628,000
Water Main Replacement Phase 76											\$4,628,000
Water Main Replacement Phase 77											\$4,628,000
Water Main Replacement Phase 78											\$4,628,000
Water Main Replacement Phase 79											\$4,628,000
Water Main Replacement Phase 80											\$4,628,000
Water Main Replacement Phase 81											\$4,628,000
Water Main Replacement Phase 82											\$4,628,000
Water Main Replacement Phase 83											\$4,628,000
Water Main Replacement Phase 84											\$4,628,000
Water Main Replacement Phase 85											\$4,628,000
Water Main Replacement Phase 86											\$4,628,000
Water Main Replacement Phase 87											\$4,628,000
Water Main Replacement Phase 88											\$4,628,000
Water Main Replacement Phase 89											\$4,628,000
Water Main Replacement Phase 90											\$4,628,000
Water Main Replacement Phase 91											\$4,628,000
Water Main Replacement Phase 92											\$4,628,000
Water Main Replacement Phase 93											\$4,628,000
Water Main Replacement Phase 94											\$4,628,000
Water Main Replacement Phase 95											\$4,628,000
Water Main Replacement Phase 96											\$4,628,000
Water Main Replacement Phase 97											\$4,628,000
Water Main Replacement Phase 98											\$4,628,000
Water Main Replacement Phase 99											\$4,628,000
Water Main Replacement Phase 100											\$4,628,000
Total Annual Capital Cost	\$473,000	\$5,668,000	\$5,668,000	\$7,977,000	\$1,343,000	\$1,470,000	\$3,800,000	\$3,728,000	\$3,895,000	\$4,218,000	\$4,628,000
Annual Water Rate CIP Charge per Customer	\$582	\$3,849	\$4,587	\$4,187	\$1,980	\$4,131	\$4,287	\$4,409	\$4,619	\$5,141	
TOTAL WATER MAIN REPLACEMENT OVER 10 YEARS											\$31,354,000

18

17

18

DISTRICT PROPOSED CIP SCHEDULE

To be added when decided.....

19

19

QUESTIONS?

20

20

STAFF REPORT

TO: Board of Directors

FROM: Shauna Lorance, General Manager

SUBJECT: Sewer System Operations

DATE: March 14, 2024 Board Meeting

Staff Recommendation

This item is for information only, so there is no staff recommendation.

Background

The Board heard a presentation at the February Board Meeting on some potential options for their consideration for scheduling the implementation and funding the recommendations in the Sewer Master Plan. An overview of the sewer system operation is being provided to assist in the discussion on this topic later in the agenda.

Presentation

This presentation is to provide an overview of the existing sewer system operations. The presentation will include a description of the following (Slide 2):

- Sewer Operations Overview
 - Overall Collection System
 - Collection Areas
 - Sewer Pump Station Wet Well
 - Sewer Pump Station Building Layout
 - Sewer Pump Station Electrical/Controls
- Sewer CIP Projects
 - Sewer Pump Station (SPS) #2 Rehabilitation
 - SPS #3 Rehabilitation
 - Annual Sewer Mainlines Replacements
- Sewer CIP Project Funding
 - Sewer Master Plan recommended CIP schedule and necessary Sewer CIP Charge to fund schedule
 - District recommended CIP schedule and necessary Sewer CIP Charge to fund schedule

Discussion

The District's sanitary sewer system is relatively complicated, so I have provided a summary below.

Collection System

The collection system (Slide 3) collects sewage from customers within a collection area that flows by gravity into a pump station. The pump station then pumps the sewage

through a force main (a pipe under pressure from the pump station) up to an elevation where the sewage can gravity flow to the next pump station. This is done for all four areas of the service area. Once all the flow has arrived at Sewer Pump Station #1, all of the sewage is pumped to Donner Summit Public Utilities Department (DSPUD) for treatment and disposal.

Sewer Pump Station #4 Collection area

Slide 4 shows the area that flows by gravity into SPS#4 (the area inside the yellow circle). SPS#4 then pumps this collected sewage through a force main into an area of SPS#3 collection area that can flow by gravity to SPS#3.

Sewer Pump Station #3 Collection area

Slide 5 shows the area that flows by gravity into SPS#4 (the area inside the yellow circle). SPS#4 then pumps this collected sewage through a force main to SPS#3.

Sewer Pump Station #2 Collection area

Slide 6 shows the area that flows by gravity into SPS#2 (the area inside the yellow circle). SPS#2 then pumps this collected sewage through a force main into an area of SPS#1 collection area that can flow by gravity to SPS#1.

Sewer Pump Station #1 Collection area

Slide 7 shows the area that flows by gravity into SPS#1 (the area inside the yellow circle). SPS#1 then pumps this collected sewage through a force main to the interconnection with DSPUD Sewage collection system for ultimate treatment and disposal by DSPUD.

Sewer Pump Station Wet Well

It is difficult to obtain a good picture of a sewer pump station wet well as it is all enclosed and is a confined space that is difficult to enter. The picture on the left is a drawing of a sample SLCWD wet well. The picture on the right is a picture from the top of the wet well.

Sewer Pump Station Building Layout

Slide 9 shows a sample layout of a sewer pump station building at SLCWD.

Sewer Pump Station Electrical and Controls

Slide 10 shows a sample drawing of the electrical and controls layout, and a picture of sample controls at a SLCWD sewer pump station.

Recommended Sewer CIP Projects

Slides 11 through 14 describe the main CIP projects that were recommended in the Sewer Master Plan.

Sewer Master Plan Recommended Sewer CIP Funding

Slide 15 shows the Sewer Master Plan recommended schedule for the Sewer CIP projects and necessary annual Sewer CIP Charges to meet that schedule.

District Recommended Sewer CIP Funding

Slide 16 will show the District recommended schedule for the Sewer CIP and necessary annual Sewer CIP Charges to meet that schedule, once the schedule and funding plan have been agreed upon by the Board of Directors.

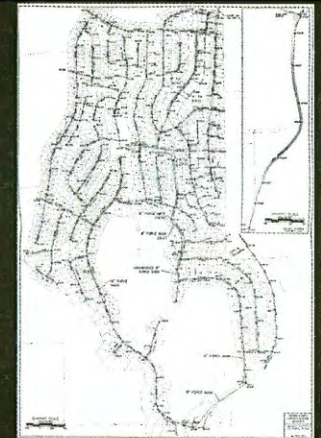
SLCWD SEWER SYSTEM OVERVIEW AND CIP

March 5, 2024

1

SANITARY SEWER SYSTEM

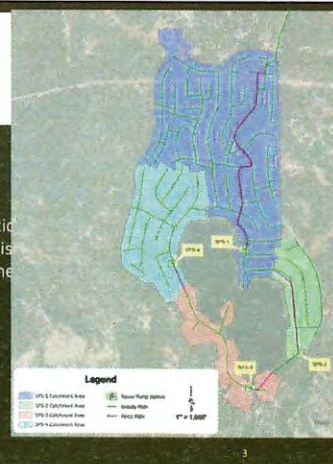
- Overall Collection System
- Collection Areas
- Sewer Pump Station Wet Well
- Sewer Pump Station Building Layout
- Sewer Pump Station Electrical/Controls



2

COLLECTION SYSTEM

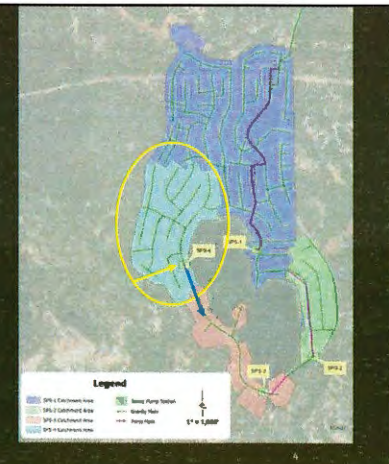
- Consists of gravity sections that flow to pump stations
- Pump stations pump sewage through force mains to an elevation where they can gravity to next pump station
- The collection system generally flows in a counterclockwise direction around the lakes, starting on the west side of the lakes
- The northern portion of the service area flows down to the east of the lakes.
- Ultimately, all of the sewage is pumped over the hill to be treated by DSPUD



3

SPS#4 COLLECTION AREA

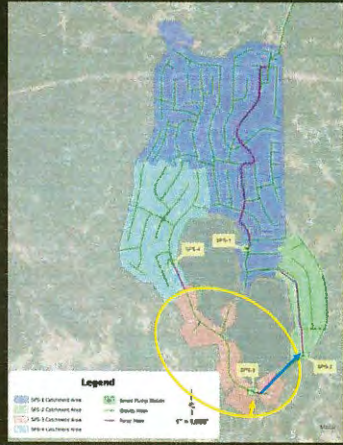
- The area in the yellow circle (green area) flows into SPS#4
- SPS#4 pumps the collected sewage through a force main into the area that flows by gravity to SPS#3, as shown by the blue arrow



4

SPS#3 COLLECTION AREA

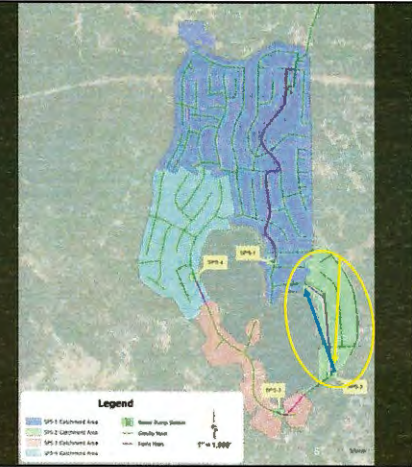
- The area in the yellow circle (orange area) flows into SPS#3
- SPS#3 pumps the collected sewage through a force main into SPS#2, as shown by the blue arrow (this includes both the green area and orange area sewage)



5

SPS#2 COLLECTION AREA

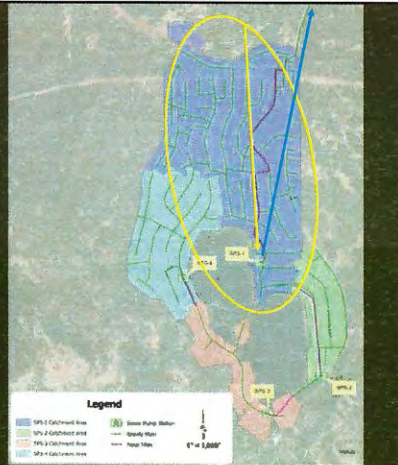
- The area in the yellow circle (green area) flows into SPS#2
- SPS#2 pumps the collected sewage through a force main into the area that flows by gravity into SPS#1, as shown by the blue arrow (this includes sewage from both green areas and the orange area)



6

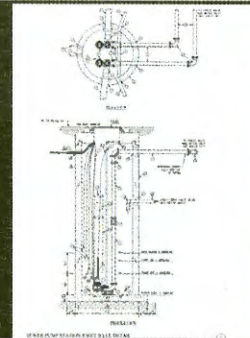
SPS#1 COLLECTION AREA

- The area in the yellow circle (purple area) flows into SPS#1
- SPS#1 pumps the sewage collected from the whole system through a force main over the hill to DSPUD for treatment.



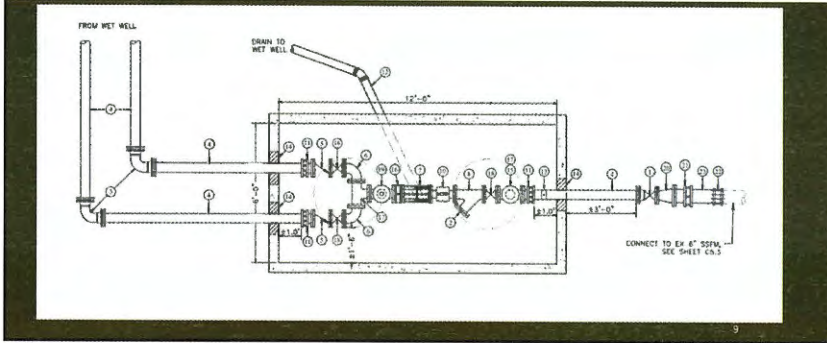
7

SEWER PUMP STATIONS (USING SPS#4) – WET WELL



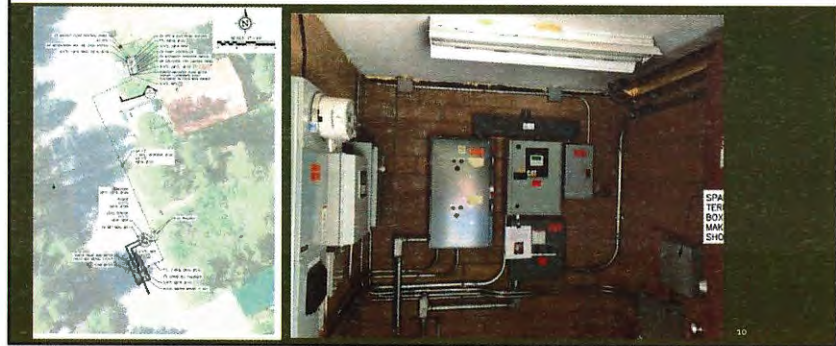
8

SEWER PUMP STATION – BUILDING LAYOUT



9

SEWER PUMP STATION – ELECTRICAL/CONTROLS



10

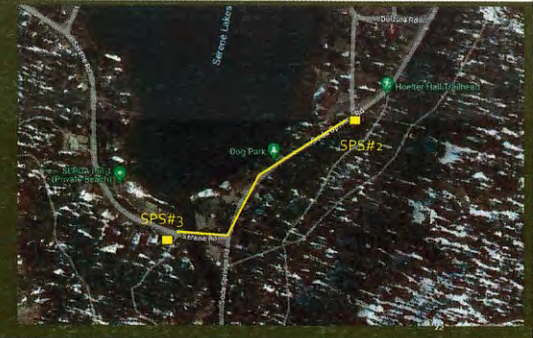
SEWER CIP PROJECTS

- Sewer Pump Station (SPS) #2 Rehabilitation
- SPS #3 Rehabilitation
- Annual Sewer Mainlines Replacements

11

SEWER PUMP STATION #3 REHABILITATION

- Rehabilitate SPS #3
- Replace force main to SPS#2
- Old WWTP storage at SPS#3 to be rehabilitated (emergency overflow)
- construction of a new housing building for the emergency storage basin
- construction of a small building to house the SPS-3 pump controls.



12

SEWER PUMP STATION #2 REHABILITATION

- Rehabilitate SPS #2
- Replace force main to SPS#1 drainage area for gravity flow

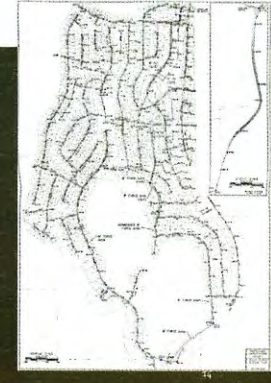


13

ANNUAL SEWER PIPELINE REPLACEMENTS

- 11.5 miles of gravity pipelines (60,420 feet)
- 1.5 miles of force mains (7,163 feet)
- Significant amount of Infiltration and Inflow
- Replacing all ACP and VCP is \$58,485,850
- Recommend 20 year schedule

Pipe Material	Length (ft)
ACP	23,827
PVC	758
VCP	29,288
Unknown	6,537
Total	60,420



14

MASTER PLAN RECOMMENDED CIP SCHEDULE

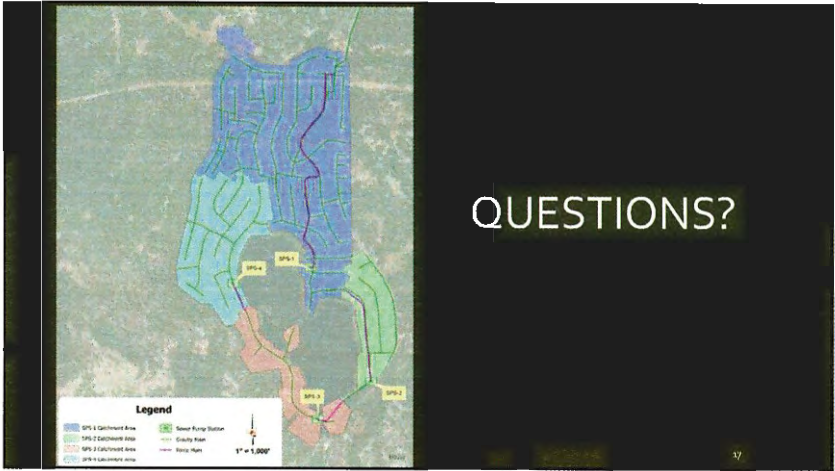
Project	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Sewer Main Replacement PER	\$104,000									
SPS-1 Flow Meter SGAOA Connect	856,000									
Utility Rate Study	\$28,000									
Sewer System GIS	\$9,000									
System Condition Assessment	\$78,000									
Sewer Main Replacement Phase 1		\$3,101,000								
Sewer Main Replacement Phase 2			\$1,271,000							
SPS-2 Rehabilitation			\$2,072,000							
Sewer Main Replacement Phase 3				\$3,395,000						
SPS-3 Rehabilitation				\$2,785,000						
Sewer Main Replacement Phase 4					\$3,026,000					
Sewer Main Replacement Phase 5						\$3,668,000				
Sewer Main Replacement Phase 6							\$3,797,000			
Sewer Main Replacement Phase 7								\$3,941,000		
Sewer Main Replacement Phase 8									\$4,091,000	
Sewer Main Replacement Phase 9										\$4,247,000
Sewer System Master Plan Update										\$200,000
Total Annual Capital Cost	\$243,000	\$3,151,000	\$5,343,000	\$6,190,000	\$3,624,000	\$3,809,000	\$3,797,000	\$3,941,000	\$4,091,000	\$4,537,000
Annual Sewer Charge per Customer	\$289	\$3,751	\$6,361	\$7,369	\$4,195	\$4,355	\$4,520	\$4,692	\$4,870	\$5,401
Total Sewer Line Replacement over ten years		\$33,075,000								

15

DISTRICT PROPOSED CIP SCHEDULE

To be added when decided.....

16



17

STAFF REPORT

TO: Board of Directors

FROM: Shauna Lorance, General Manager

SUBJECT: Draft 2024/2025 Budget

DATE: March 14, 2024 Board Meeting

Staff Recommendation

This report is for information and starting discussions; there are not recommendations this month.

Background

The Board of Directors approved the first water and sewer operations rate increases in over 10 years last year. These rate increases were necessary to cover the expected costs of operations for the 2023/2024 budget year. These rate increases did not cover any budgeted funds for capital improvements (repair and replacement of existing facilities), and included a very tight operation budget.

Current Status

Expenses for the 2023/2024 operations budget have remained within the budgeted amount overall. The additional expense due to a couple of water main breaks has so far been absorbed within the budgeted expenses overall. The expenses for contracted staff have remained below the authorization amount.

Staff has initiated the development of the 2024/2025 budget process. Where information is available, staff will use a zero-based budgeting approach to evaluate each item and calculate the anticipated expenses. Where costs cannot be determined at this time, staff will use the CPI to estimate increases over previous years' trends. The consumer price index (CPI) has increased over the past year by approximately 3.5%.

Staff is focusing on keeping the operational budgets for both water and sewer within the CPI (currently 3.5%). The biggest increase in costs for 2024/2025 is in the capital projects budget to fund the implementation of the Water and Sewer Master Plans. Staff is recommending implementing a Capital Improvement Project Charge as a separate increase on both the water and sewer billings.

For cost efficiency, staff is planning on including any operational and capital funding increases in the same proposition 218 process. The current schedule is shown below for adopting any rate or charges increases. This schedule can be revised if necessary.

SCHEDULE FOR DEVELOPMENT OF 2024/25 WATER AND SEWER RATES

- January 2024 – District to receive Final Master Plans and will present to the Board of Directors at January Board Meeting
- February 2024 – Presentation to the Board of Directors on the impact of the recommended Capital Improvement Plan (CIP), presented in the Master Plans, on water and sewer rates. Staff will provide optional CIP schedules to reduce rate impacts.
- March/April 2024 – Board of Directors to select water (and sewer) rates to include in Proposition 218 notice
- May/June 2024 – District will hold a public hearing on water (and sewer) rates
- June 2024 – Board will consider adoption of 2024/25 budget

STAFF REPORT

TO: Board of Directors
FROM: Shauna Lorance, General Manager
SUBJECT: Quarterly Water and Sewer Service Billing Option
DATE: March 14, 2024 Board Meeting

Staff Recommendation

Staff recommends the Board of Directors consider adopting a quarterly billing schedule.

Background

The District currently bills for water and sewer on an annual basis, allowing customers to choose to spread out their payment on a quarterly basis if so desired.

Current Status

With the required conversion to metered billing, the District will be required to adopt at least quarterly billing by the date of metered rates implementation. Based on the District schedule, this will be during the 2025/2026 fiscal year.

The District will likely be showing comparison billing (metered rates and charges compared to flat rates and charges) at the start of the 2025/2026 fiscal year. If the District starts quarterly billing this coming fiscal year (2024/2025) it will give customers time to get used to quarterly billing prior to adding metered water rates to their bills.

STAFF REPORT

TO: Board of Directors

FROM: Shauna Lorance, General Manager

SUBJECT: Fechter & Company Certified Public Accountants

DATE: March 14, 2024 Board Meeting

Staff Recommendation

Staff recommends approval of Fechter & Company Engagement Letter and authorize signature by Board President for auditing services starting with the 2023/2024 fiscal year.

Background

Per the Boards decision to rotate auditors, the District issues a Request for Proposals from multiple auditing companies. The District received one proposal from Fechter & Company. Due to the unique nature of their work, Fechter & Company would prefer to use their engagement letter rather than the District's standard Contract. Legal has reviewed the engagement letter. The engagement letter and the insurance certificates are attached to this staff report.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11-29-2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER CAMICO Mutual Insurance Company 1800 Gateway Drive, Suite 200 San Mateo, CA 94404	CONTACT NAME: Daniella Ochoa PHONE (A/C, No, Ext): 800-652-1772 E-MAIL ADDRESS: dochoa@camico.com	FAX (A/C, No): 800-227-2090
	INSURER(S) AFFORDING COVERAGE	
	INSURER A : CAMICO Mutual Insurance Company	NAIC # 36340
INSURED Fetcher & Company CPAs 3445 American River Drive, Suite A Sacramento, CA 95864	INSURER B :	
	INSURER C :	
	INSURER D :	
	INSURER E :	
	INSURER F :	

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$	
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$	
A	Professional Liability			CAL113917	12/31/2023	12/31/2024	Per Claim / Aggregate	\$1,000,000/ \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Should any of the above described policies be canceled before the expiration date thereof, CAMICO will mail 30 days written notice to the certificate holder.

CERTIFICATE HOLDER**CANCELLATION**

Mono County Special Districts
 Office of the Auditor -Controller
 PO Box 556
 Bridgeport CA 93517-0556

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserved.

February 21, 2024

To the Board of Directors
Sierra Lakes County Water District
7305 Short Road
Soda Springs, California 95728

Fechter and Company, Certified Public Accountants (the Firm, or we) are pleased to confirm our understanding of the services we are to provide Sierra Lakes County Water District (the District, or you) for the year ended June 30, 2024, by way of this Engagement Letter. This Engagement Letter will conform to the January 11, 2024 Proposal for Financial Audit Services, and a new Engagement Letter shall be issued for each annual audit to include all updated and current language as required by professional standards.

Audit Scope and Objectives

We will audit the financial statements of the business-type activities, fiduciary fund, and the disclosures, which collectively comprise the basic financial statements of Sierra Lakes County Water District as of and for the years ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAS) provide for certain required supplementary information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement Sierra Lakes County Water District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Sierra Lakes County Water District's RSI in accordance with GAAS. These limited procedures will consist of inquiries of District Management regarding the methods of preparing the information and comparing the information for consistency with District Management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis (if presented)
- 2) Pension information
- 3) Other Postemployment Benefits information

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor’s Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by District Management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by District Management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of District Management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of District Management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government’s ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving the District’s account. We may share confidential information about the District with these service providers but remain committed to maintaining the confidentiality and security of the District’s information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of the District’s personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of the District’s information and we will take reasonable precautions to determine that those service providers have appropriate procedures in place to prevent the unauthorized release of the District’s confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider.

Auditor’s Responsibilities for the Audit of the Financial Statements - continued

The Firm shall be responsible for establishing and maintaining an information security program in accordance with our professional standards that is designed to ensure the security and confidentiality of District Data, protect against any anticipated threats or hazards to the security or integrity of District Data, and protect against unauthorized access to or use of District Data that could result in substantial harm or inconvenience to the District or any end users. The Firm asserts that audit documentation is assembled for retention for at least five years in accordance with firm policy and applicable professional, regulatory, and legal requirements, after which it will be disposed of securely and in accordance with those same applicable professional, regulatory, and legal requirements.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to District Management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

We have identified the following significant risk of material misstatement as part of our audit planning:

- According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks.
- This is a first-year engagement and additional planning procedures will be required to appropriately assess the risks of material misstatement.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Sierra Lakes County Water District’s compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services (Nonattest Services)

We will also prepare the financial statements of Sierra Lakes County Water District in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

Additionally, we will prepare the annual Financial Transactions Report and assist District Management in its submission to the State Controller’s Office.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement and reporting services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of District Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.

District Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole. You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Electronic Communication, Client Portal Agreement and File Exchange Processes

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that email communication from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

As part of our commitment to protecting your sensitive information, Fechter & Company works with Thomson Reuters to provide secure, encrypted, file transfer portals (Firm's Client Portal). All documents you prepare for our use in completing the services outlined in this engagement letter (Word, Excel and PDF files) should be transmitted to Fechter & Company through this portal system and all sensitive files will be transmitted through this system. In addition, we will publish all issued financial statements to this portal area for your use as long as you remain a client with Fechter & Company or as required by the terms of our engagement letters.

By using any features of the Firm's Client Portal, the District consents to the following terms and conditions and acknowledges that the Firm is relying on your consent in allowing you to use the Firm's Client Portal. Your continued use of the Firm's Client Portal after the posting of any mutually agreed-upon amended terms and conditions shall constitute your agreement to be bound by any such changes. The Firm may modify, suspend, discontinue, or restrict the use of any portion of the Firm's Client Portal, including the availability of any portion of the content at any time.

The Firm will use its best reasonable efforts to provide availability of the Client Portal Service 24X7. The Firm shall not be responsible for any error, omission, interruption, deletion, defect, delay in operation or transmission, communications line failure, theft or destruction, or unauthorized access to the Client Portal. The Firm is not responsible for any problems or technical malfunctions of any telephone or fiber network or lines, computer online systems, servers or providers, computer equipment, software, failure of any email to be received by the Firm on account of technical problems or traffic congestion on the Internet or any website, or any combination thereof, including any injury or damage to the District's computers or peripherals related to downloading any materials from the Client Portal.

Documents are encrypted before being passed over the Internet and while being stored on the Portal and a username and password are required to access files. In addition, documents added to the Portal are scanned for viruses before being uploaded. All files are maintained behind firewalls to protect against outside intruders. *The Firm will use its best efforts to make the Client Portal secure from unauthorized access. However, the District recognizes that no completely secure system for electronic data transfer has yet been devised.*

Electronic Communication, Client Portal Agreement and File Exchange Processes - continued

Logon Accounts and Their Security.

- a. The Firm will set up individual logon accounts for those of the District's employees who need access to the Client Portal. Each account will have access only to those document areas requested by Client. (The Firm strongly recommends that Client establish a policy that logon information not be shared with others.) In order to maintain security, the District agrees to designate a single individual as the authorized person to contact the Firm to request employee logons. The initial designee is listed below. Your username will be your email address, all passwords will be established by the user at the time of initial logon.

- b. You acknowledge that the use of username and password is an adequate form of security; you will also be provided the option for additional dual authentication security. You are solely responsible for (1) authorizing, monitoring, controlling access to, and maintaining the strict confidentiality of your username and password; (2) not allowing another person to use your username or password; (3) any charges or damages that may be incurred as a result of your neglect to maintain the strict confidentiality of your username and password; and (4) promptly informing the Firm in writing of any need to deactivate a username due to security concerns or otherwise. The Firm is not liable for any harm related to the misuse or theft of usernames or passwords, disclosure of usernames or passwords, or your authorization to allow another person or entity to access and use the Firm's Client Portal using your username or password, as evidence of negligence or willful misconduct of the District, its personnel or contractors. You shall notify the Firm of any unauthorized use of your username or password and any breach of confidentiality, immediately upon discovery. The firm will not be held liable for any harm ensuing from the use of your username on the Firm's Client Portal during any delay of notice.

Termination of Logon Account. The District agrees to notify the Firm via email at support@fechtercpa.com in writing when an individual logon account is to be terminated. The Firm will make every effort to confirm and terminate access within 3 business days. However, the District cannot be assured that access has been terminated until the requester receives an email confirmation of termination.

No Unlawful or Prohibited Use. As a condition of your use of the Client Portal website, you warrant to the Firm that you or your approved users will not use the Firm's Client Portal website for any purpose that is unlawful or prohibited by these terms, conditions, and notices. You may not use the Firm's Client Portal website in any manner that could damage, disable, overburden, or impair the Firm's website or interfere with any other party's use of the Client Portal website. You may not obtain or attempt to obtain any materials or information through any means not intentionally made available or provided for through the Client Portal website.

Information Disclosure. Subject to the above confidentiality and data protection provisions above, the Firm reserves the right at all times to disclose any information as necessary to satisfy any applicable law, regulation, legal process, or governmental request, or to edit, refuse to post, or to remove any information or materials, in whole or in part, in the Firm's sole discretion.

Client's Responsibility. You must at your own cost (a) provide for your own access to the Internet and pay any services fees, connection charges, and online services usage associated with such access and (b) provide all equipment necessary for you to make such connection to the Client Portal, including a computer and modem.

Electronic Communication, Client Portal Agreement and File Exchange Processes - continued

Dispute Resolution. The parties agree that any dispute between the District and the Firm relating to this Agreement, or the breach of it, shall, if good faith negotiations and other discussions fail, be first submitted to mediation in accordance with the applicable rules for resolving professional accounting and related services disputes of the America Arbitration Association. If the parties are unable to resolve the dispute through mediation within 60 days from the date notice is first given from one party to the other as to the existence of such a dispute and the demand to mediate, then they may proceed to resolve the matter by arbitration if this agreement provides that the particular dispute is subject to arbitration, or by whatever other lawful means are available to them if this agreement does not provide for arbitration of the particular dispute. Costs of any mediation proceeding shall be shared equally by all parties.

WARRANTIES. THE FIRM MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING THE EFFICACY OF THE SECURITY OF THE CLIENT PORTAL. THE CONTENT AND SERVICES ARE PROVIDED ON AN “AS IS” BASIS AND THE FIRM SPECIFICALLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES OF MERCHANTABILITY, OR WARRANTIES AGAINST INFRINGEMENT. THE FIRM, ITS AFFILIATES, EMPLOYEES, AND AGENTS SHALL NOT BE LIABLE FOR ANY DAMAGES OR LOSSES, INCLUDING, WITHOUT LIMITATION, INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, OR PUNITIVE DAMAGES, RESULTING FROM OR CAUSED BY THE PORTAL, ITS CONTENT, OR SECURITY SERVICES PROVIDED HEREIN. THE FIRM DOES NOT WARRANT THAT THE CLIENT PORTAL’S FUNCTIONS WILL BE UNINTERRUPTED OR ERROR-FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT THE FIRM’S CLIENT PORTAL OR THE SERVER THAT MAKES IT AVAILABLE ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS.

IF YOU ARE DISSATISFIED WITH ANY PORTION OF THE PORTAL, INFORMATION, DOCUMENTS, OR COMMUNICATIONS ON THE PORTAL, OR WITH ANY OF THESE TERMS AND CONDITIONS OF USE, YOU ARREE TO CEASE USING THE PORTAL AND THE INFORMATION, DOCUMENTS, OR COMMUNICATIONS YOU OBTAINED FROM THE PORTAL.

Term and Termination. This Agreement and the services contemplated by it may be terminated by either the Firm or Client with or without cause and with or without notice at any time. The Firm may at any time terminate in whole or in part the Firm’s Client Portal without notice or liability.

Authorized person to contact the Firm to request employee logon User IDs:

Name: _____

Title: _____

Email: _____

Should you desire to use alternate methods of transmission for sensitive documents and choose not to use the Firm’s Client Portal System, you may opt out by signing the following release (NOTE: DO NOT SIGN THIS PAGE IF THE DISTRICT IS NOT OPTING OUT OF USING THE SECURE PORTAL)

We acknowledge that we have opted out of using the Firm’s Client Portal System and therefore we agree to release Fechter and Company from all liability as a result any interception of, or loss of data as a result of using alternate document transmittal methods.

District Management signature:

District Governance signature:

Title: _____
 Date: _____

Title: _____
 Date: _____

Engagement Administration, Fees, and Other Provisions

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

Michael Fink, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit between July and September 2024.

Pursuant to our January 11, 2024 proposal, our total fees for the 2024 audit will not exceed \$19,000. Our standard hourly rates, should any unexpected hourly fees be incurred, vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit.

The fee above includes \$1,000 for the preparation of the annual Financial Transactions Report (FTR) with the State Controller’s Office, if prepared by our office, along with the allowance for out-of-pocket expenses.

The fees and expenses will be billed as follows and are due and payable upon presentation:

Due with the executed engagement letter	\$ 2,000
Due following completion of fieldwork	15,000
Due upon issuance of the final audited financial statements	<u>1,000</u>
Total base audit fees	18,000
Due upon submission of the Financial Transactions Report	<u>1,000</u>
Total engagement fees	<u>\$ 19,000</u>

The above fee schedule is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly. Our invoices for these fees will be rendered as noted above and are payable on presentation, and we will commit to notifying District Management and Governance in writing in advance of any such events.

COVID -19 Considerations

The safety and health of both your staff and our staff is of utmost importance to us, therefore, we will work with you to develop a plan to perform the audit work that complies with the current local restrictions and your concerns.

Amendments

This Engagement Letter may only be amended by a written instrument signed by an authorized representative of the Firm and the District.

Assignment

No assignment of this Engagement Letter or of the rights and obligations hereunder shall be valid without the prior written consent of the other party.

Waiver

No delay or failure to require performance of any provision of this Engagement Letter shall constitute a waiver of that provision as to that or any other instance. Any waiver granted by a party shall be in writing and shall apply to the specific instance expressly stated.

Third Party Beneficiaries

This agreement does not, and is not intended to, confer any rights or remedies upon any person or entity other than the Firm and the District.

Contract Execution

Unless otherwise prohibited by law, the Firm and the District agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with an original ink signature. The term “electronic copy of a signed contract” refers to a transmission by facsimile, electronic mail, or other electronic means of a copy of an original signed contract in a portable document format. The term “electronically signed contract” means a contract that is executed by applying an electronic signature using technology approved by the District.

Governing Law

This Agreement has been executed and delivered in, and shall be construed and enforced in accordance with, the laws of the State of California.

Insurance

The firm shall maintain in force at all times, all requisite insurance to provide professional services. The firm shall furnish the District with certificates of insurance and copies of endorsements providing evidence of coverage for all policies.

Reporting

We will issue a written report upon completion of our audit of Sierra Lakes County Water District’s financial statements. Our report will be addressed to the Board of Directors of Sierra Lakes County Water District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor’s report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to Sierra Lakes County Water District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

We remind you that we are licensed by the California Board of Accountancy and will alert you in writing should any change in our license status during the term of this engagement.

Very truly yours,

Fechter & Company
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of Sierra Lakes County Water District.

District Governance signature: _____

Title: _____

Date: _____

District Management signature: _____

Title: _____

Date: _____