

**Donner Summit Public Utility District  
Board of Directors Regular Meeting  
Agenda  
Tuesday, June 21, 2022 - 6:00 P.M.  
DSPUD Office, 53823 Sherritt Lane, Soda Springs California**

For the Regular Meeting (Section 54954), June 21, 2022 at 6:00 P.M., the meeting will be conducted via Zoom due to the COVID-19 pandemic and in accordance with Governor Newsom's Executive Order N-29-20 and Assembly Bill 361. **The Zoom Webinar ID 861 2043 0978 Password 962584 If your computer does not have audio or visual capabilities, you may participate in the meeting by phone 1 669-900-6833.**

Any member of the public desiring to address the Board on any matter within the Jurisdictional Authority of the District or on a matter on the Agenda before or during the Boards consideration of that item may do so **by logging into Zoom and using the meeting ID and password or dial in only number referenced above.** After receiving recognition from the Board President, please give your Name and Address (City) and your comments or questions.

Unless specifically noted, the Board of Directors may act upon all items on the agenda.

**1. Call to Order**

**2. Roll Call**

**3. Clear the Agenda**

**4. Public Participation** – *This is time set aside for the public to address the Board on any matter not on the agenda. Comments related to any item already on the agenda should be addressed at the time that that item is considered. Each speaker will be limited to five minutes, but speaker time may be reduced at the discretion of the Board President if there are a large number of speakers on any given subject.*

**5. Consent Calendar**

*All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.*

**A. Approve Finance Report for June 21, 2022**

- 1. Cash Disbursements–General, Month of May**
- 2. Cash Disbursements–Payroll, Month of May**
- 3. Schedule of Cash and Reserves, April**
- 4. Accountants Financial Statements, April**

**B. Approve Regular Meeting Minutes May 17, 2022**

**C. Approve Monthly Safety Meeting Minutes – May 18, 2022**

**6. Department Reports**

- A. Administration - Steven Palmer, General Manager**
- B. Operations and Maintenance Summary, May**

**7. Action Items**

- A. Cast Ballot for One of the Four Nominees for Placer County LAFCO Special District Representative**
- B. Approve Agreement with Placer County Water Agency for a Grant in the Amount of \$15,000 for a Water Supply Resilience Study**
- C. Adopt a Resolution Opposing Ballot Initiative 21-0042A1**
- D. Approve Five Year Capital Improvement Plan and Fiscal Year 2022/23 Budget**
- E. Adopt a Resolution to Continue Remote Board Meetings in Accordance with Assembly Bill 361**

- 8. Director Reports:** *In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification make a referral to staff or take action to have staff place a matter of business on a future agenda.*

**9. Adjournment**

Schedule of Upcoming Meetings

- Regular Meeting – July 19, 2022
- Regular Meeting – August 16, 2022
- Regular Meeting – September 20, 2022

We certify that on June 17, 2022, a copy of this agenda was posted in public view at 53823 Sherritt Lane Soda Springs, California, and the Soda Springs/Norden Post Office.



Deleane Mehler  
Administrative Assistant

Steven Palmer  
General Manager

**June 21, 2022**  
**Agenda Item: 5A.1**

**Donner Summit Public Utility District**

**June 21, 2022  
Agenda Item: 5A.1**

**Check List**

All Bank Accounts  
May 1, 2022 - May 31, 2022

<b>Check Number</b>	<b>Check Date</b>	<b>Payee</b>	<b>Amount</b>
<b>Vendor Checks</b>			
10847	05/11/22	49ER WATER SERVICES	10,525.00
10848	05/11/22	ALL ELECTRIC MOTORS, INC.	3,206.97
10849	05/11/22	ALSCO	593.78
10850	05/11/22	CATHERINE HANSFORD	676.25
10851	05/11/22	CWEA - SIERRA SECTION	210.00
10852	05/11/22	ENVIROKEM Engineering Services	1,798.91
10853	05/11/22	HERC RENTALS	2,652.49
10854	05/11/22	HOLT OF CALIFORNIA	933.37
10855	05/11/22	JAMES KING	200.00
10856	05/11/22	MAPCOMMUNICATIONS	118.82
10857	05/11/22	NATIONAL LIFE INSURANCE CO.	62.17
10858	05/11/22	NH HICKS	95.00
10859	05/11/22	O'REILLY AUTOMOTIVE, INC.	18.90
10860	05/11/22	PARAGON PEST CONTROL	130.00
10861	05/11/22	PAUL SCHOTT	60.00
10863	05/11/22	PITNEY BOWES PURCHASE POWER	113.46
10864	05/11/22	SIERRA MOUNTAIN PIPE & SUPPLY	26.56
10865	05/11/22	SMALL POND MARKETING ARTS & DESIGN	250.00
10866	05/11/22	SUBURBAN PROPANE	4,379.74
10867	05/11/22	SUMMIT HOME CARE	200.00
10868	05/11/22	TRANSAMERICA LIFE INSURANCE	194.19
10869	05/11/22	TUCKER SNO-CAT CORP	86.39
10870	05/11/22	WESTERN NEVADA SUPPLY COMPANY	5,902.48
10871	05/11/22	49ER WATER SERVICES	12,230.00
10872	05/11/22	ENVIROKEM Engineering Services	1,898.93
10873	05/11/22	49ER WATER SERVICES	600.00
10874	05/11/22	ENVIROKEM Engineering Services	1,898.93
10875	05/11/22	ENVIROKEM Engineering Services	1,919.79
10876	05/11/22	PG&E COMPANY	6,001.94
10877	05/11/22	PG&E COMPANY	24,052.79
10878	05/11/22	PG&E COMPANY	2,219.82
10879	05/25/22	ALHAMBRA & SIERRA SPRINGS	35.00
10880	05/25/22	ALSCO	199.98
10881	05/25/22	AT&T	46.23
10882	05/25/22	BARNARD, VOGLER & CO.	5,053.55
10884	05/25/22	CONTROLPOINT ENGINEERING, INC.	8,705.30
10885	05/25/22	CORBIN WILLITS SYSTEMS, INC.	431.36
10886	05/25/22	EMPLOYER DRIVEN SOLUTIONS	10,168.00
10887	05/25/22	ENVIROKEM Engineering Services	1,919.29
10888	05/25/22	EVERS LAW GROUP	1,628.00
10889	05/25/22	FED-EX	63.52
10890	05/25/22	HACH COMPANY	1,343.23
10891	05/25/22	HERC RENTALS	569.76
10892	05/25/22	HUMANA DENTAL INS. CO.	1,211.61
10893	05/25/22	HUNT & SONS, INC.	7,846.88
10894	05/25/22	MOUNTAIN HARDWARE & SPORTS	18.39
10895	05/25/22	NATIONAL LIFE INSURANCE CO.	62.17
10896	05/25/22	NEVADA COUNTY PUBLIC WORKS	13,600.00
10897	05/25/22	PG&E COMPANY	103.05
10898	05/25/22	PRINCIPAL LIFE INSURANCE COMPANY	740.38
10899	05/25/22	STEVEN PALMER	162.48
10900	05/25/22	SUBURBAN PROPANE	6,884.53
10901	05/25/22	THATCHER COMPANY OF NEVADA, INC.	1,809.41
10902	05/25/22	TRANSAMERICA LIFE INSURANCE	194.19
10903	05/25/22	USA BLUEBOOK	98.07
10904	05/25/22	WELLS FARGO VENDOR FINANCIAL SRVCS	226.83
10905	05/25/22	AT&T	345.57

**Donner Summit Public Utility District**

**June 21, 2022**

**Check List**

**Agenda Item: 5A.1**

All Bank Accounts

May 1, 2022 - May 31, 2022

<b>Check Number</b>	<b>Check Date</b>	<b>Payee</b>	<b>Amount</b>
10906	05/25/22	PG&E COMPANY	6,231.62
10907	05/25/22	PG&E COMPANY	24,418.85
10908	05/25/22	BLUE SHIELD OF CALIFORNIA	8,790.53
<b>Vendor Check Total</b>			<u>186,164.46</u>
<b>Check List Total</b>			<u>186,164.46</u>

Check count = 60

**June 21, 2022**  
**Agenda Item: 5A.2**

# PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS	
**** 30 WATER SEWER King, James R 49	Regular			5,910:40	Social Security	372:64	457	150:00	Direct Deposit # 4254
	Life Ins Reimb Txble			100:00	Medicare	87:15	Garnishment	1,292:31	Check Amt 0.00
	Sick Accr-Memo				M1:85 Fed Income Tax	732:32			Chkg 730 2,910.66
	Vacation -Memo				M4:62 CA Income Tax	399:21			
					CA Disability	66:11			
	EMPLOYEE TOTAL			6,010:40		1,657:43		1,442:31	Net Pay 2,910.66
Patrick, Sean M 59	Regular	44:7800	76:50	3,425:67	Social Security	274:26	457	275:00	Direct Deposit # 4255
	Standby			315:00	Medicare	64:14	Life Ins EE Post Tax	37:41	Check Amt 0.00
	Overtime	67:1700	7:50	503:78	Fed Income Tax	465:53			Chkg 717 2,979.90
	Double Time	89:5600	0:25	22:39	CA Income Tax	278:67			
	Sick	44:7800	3:50	156:73	CA Disability	48:66			
	EMPLOYEE TOTAL		87:75	4,423:57		1,131:26		312:41	Net Pay 2,979.90
Schott, Paul A 14	Regular	48:8000	40:00	1,952:00	Social Security	256:61	457	850:00	Direct Deposit # 4256
	Standby			135:00	Medicare	60:01	Credit Un 2	150:00	Check Amt 0.00
	Life Ins Reimb Txble			100:00	Fed Income Tax	518:20			Chkg 019 2,067.91
	Vacation	48:8000	40:00	1,952:00	CA Income Tax	190:74			
	Sick Accr-Memo				M1:85 CA Disability	45:53			
	Vacation -Memo				M6:15				
EMPLOYEE TOTAL		80:00	4,139:00		1,071:09		1,000:00	Net Pay 2,067.91	
Shelton, Joshua M... 64	Regular	31:5700	79:50	2,509:82	Social Security	162:79			Direct Deposit # 4257
	Life Ins Reimb Txble			100:00	Medicare	38:07			Check Amt 0.00
	Vacation	31:5700	0:50	15:79	Fed Income Tax	220:11			Chkg 722 2,052.88
					CA Income Tax	122:88			
					CA Disability	28:88			
	EMPLOYEE TOTAL		80:00	2,625:61		572:73			Net Pay 2,052.88
Vosburgh, Justin E 57	Regular	47:2300	65:75	3,105:37	Social Security	259:79	457	200:00	Direct Deposit # 4258
	Standby			270:00	Medicare	60:75	Life Ins EE Post Tax	35:00	Check Amt 0.00
	Overtime	70:8450	2:00	141:69	Fed Income Tax	343:47	Loan 2	171:34	Chkg 400 2,935.41
	Holiday	47:2300	10:00	472:30	CA Income Tax	138:24			
	Vacation	47:2300	4:25	200:73	CA Disability	46:09			
	EMPLOYEE TOTAL		82:00	4,190:09		848:34		406:34	Net Pay 2,935.41
**** 40 BOARD MEMBER Gamick, Phillip 28	Regular			250:00	Social Security	67:13			Direct Deposit # 4259
	Health Stipend			832:76	Medicare	15:70			Check Amt 0.00
					Fed Income Tax	58:66			Chkg 486 917.49
					CA Income Tax	11:87			
					CA Disability	11:91			
	EMPLOYEE TOTAL			1,082:76		165:27			Net Pay 917.49

# PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS
	DESCRIPTION	RATE	HOURS	EARNINGS REIMB & OTHER PAYMENTS			
**** 40 BOARD MEMBER (cont.) Kaufman, Joan B 67	Board Meet			280.00	Social Security	80.23	Direct Deposit # 4260
	Health Stipend			1,014.06	Medicare	18.77	Check Amt 0.00
					Fed Income Tax	87.61	Chkg 974 1,067.06
					CA Income Tax	26.16	
					CA Disability	14.23	
	EMPLOYEE TOTAL			1,294.06		227.00	Net Pay 1,067.06
Medveczky, Alexan... 58	Regular			250.00	Social Security	52.93	Direct Deposit # 4261
	Health Stipend			603.71	Medicare	12.38	Check Amt 0.00
					Fed Income Tax	35.56	Chkg 111 743.45
					CA Disability	9.39	
	EMPLOYEE TOTAL			853.71		110.26	Net Pay 743.45
Parkhurst, Dawn E 66	Board Meet			250.00	Social Security	54.58	Direct Deposit # 4262
	Health Stipend			630.41	Medicare	12.77	Check Amt 0.00
					Fed Income Tax	13.43	Chkg 495 778.59
					CA Income Tax	11.36	
					CA Disability	9.68	
	EMPLOYEE TOTAL			880.41		101.82	Net Pay 778.59
Preis, Cathy 44	Board Meet			300.00	Social Security	54.36	Direct Deposit # 4263
	Health Stipend			576.66	Medicare	12.71	Check Amt 0.00
					Fed Income Tax	57.37	Chkg 011 736.76
					CA Income Tax	5.82	
					CA Disability	9.64	
	EMPLOYEE TOTAL			876.66		139.90	Net Pay 736.76
**** 50 ADMIN Mehler, Deleane 51	Regular	39.9600	80.00	3,196.80	Social Security	198.20	Direct Deposit # 4264
					Medicare	46.35	Check Amt 0.00
					Fed Income Tax	475.91	Chkg 963 2,170.10
					CA Income Tax	171.08	
					CA Disability	35.16	
	EMPLOYEE TOTAL		80.00	3,196.80		926.70	Net Pay 2,170.10
Palmer, Steven V 65	Regular			6,731.00	Social Security	417.32	Direct Deposit # 4265
					Medicare	97.59	Check Amt 0.00
					Fed Income Tax	1,406.94	Chkg 779 3,410.98
					CA Income Tax	522.20	Savg 330 600.00
					CA Disability	74.04	
	EMPLOYEE TOTAL			6,731.00		2,518.09	Net Pay 4,010.98





# CASH REQUIREMENTS

**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 05/27/22: \$39,212.83**

**IMPORTANT COVID-19 INFORMATION:** If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

**TRANSACTION SUMMARY**

<b>SUMMARY BY TRANSACTION TYPE -</b>	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	39,212.83
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	<b>39,212.83</b>
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	2,170.68
	CASH REQUIRED FOR CHECK DATE 05/27/22	41,383.51

**TRANSACTION DETAIL**

**ELECTRONIC FUNDS TRANSFER -** Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<b>BANK DRAFT AMOUNTS &amp; OTHER TOTALS</b>
05/26/22	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Direct Deposit	Net Pay Allocations	23,371.19	<b>23,371.19</b>
05/26/22	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Readychex®	Check Amounts	3,390.58	<b>3,390.58</b>
				<b>EFT FOR 05/26/22</b>		<b>26,761.77</b>
05/27/22	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Taxpay®	Employee Withholdings		
				Social Security	2,250.84	
				Medicare	526.39	
				Fed Income Tax	4,415.11	
				CA Income Tax	1,878.23	
				CA Disability	399.32	
				<b>Total Withholdings</b>	<b>9,469.89</b>	
				Employer Liabilities		
				Social Security	2,250.85	
				Medicare	526.41	
				Fed Unemploy	24.47	
				CA Unemploy	175.37	
				CA Emp Train	4.07	
				<b>Total Liabilities</b>	<b>2,981.17</b>	<b>12,451.06</b>
				<b>EFT FOR 05/27/22</b>		<b>12,451.06</b>
				<b>TOTAL EFT</b>		<b>39,212.83</b>

# PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS			
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS		
**** 30 WATER SEWER King, James R 49	Regular			5,910.40	Social Security	366.45	457	150.00	Direct Deposit # 4247	
	Holiday		M8:00		Medicare	85.70	Garnishment	1,292.31	Check Amt	0.00
	Sick		M10:00		Fed Income Tax	708.32			Chkg 730	2,853.63
	Vacation		M6:00		CA Income Tax	388.98				
	Sick Accr-Memo				CA Disability	65.01				
	Vacation -Memo				M1:85					
					M4:62					
EMPLOYEE TOTAL		24.00		5,910.40		1,614.46		1,442.31	Net Pay	2,853.63
Patrick, Sean M 59	Regular	44:7800	63:75	2,854.73	Social Security	238.85	457	275.00	Direct Deposit # 4248	
	Standby			270.00	Medicare	55.86			Check Amt	0.00
	Sick	44:7800	6:25	279.88	Fed Income Tax	353.48			Chkg 717	2,666.59
	Vacation	44:7800	10:00	447.80	CA Income Tax	220.25				
					CA Disability	42.38				
EMPLOYEE TOTAL		80.00		3,852.41		910.82		275.00	Net Pay	2,666.59
Schott, Paul A 14	Regular	48:8000	78:00	3,806.40	Social Security	276.95	457	850.00	Direct Deposit # 4249	
	Standby			270.00	Medicare	64.77	Credit Un 2	150.00	Check Amt	0.00
	Overtime	73:2000	4:00	292.80	Fed Income Tax	590.78			Chkg 019	2,260.90
	Sick	48:8000	2:00	97.60	CA Income Tax	224.27				
	Sick Accr-Memo				CA Disability	49.13				
	Vacation -Memo				M1:85					
				M6:15						
EMPLOYEE TOTAL		84.00		4,466.80		1,205.90		1,000.00	Net Pay	2,260.90
Shelton, Joshua M... 64	Regular	31:5700	70:00	2,209.90	Social Security	156.59			Direct Deposit # 4250	
	Sick	31:5700	10:00	315.70	Medicare	36.62			Check Amt	0.00
					Fed Income Tax	208.11			Chkg 722	1,983.66
EMPLOYEE TOTAL		80.00		2,525.60		541.94			Net Pay	1,983.66
Vosburgh, Justin E 57	Regular	47:2300	79:00	3,731.17	Social Security	249.81	457	200.00	Direct Deposit # 4251	
	Standby			180.00	Medicare	58.43			Check Amt	0.00
	Overtime	70:8450	1:00	70.85	Fed Income Tax	324.16			Chkg 400	3,024.90
	Vacation	47:2300	1:00	47.23	CA Income Tax	127.63				
					CA Disability	44.32				
EMPLOYEE TOTAL		81.00		4,029.25		804.35		200.00	Net Pay	3,024.90
**** 50 ADMIN Mehler, Deleane 51	Regular	39:9600	76:50	3,056.94	Social Security	198.21	457	100.00	Direct Deposit # 4252	
	Vacation	39:9600	3:50	139.86	Medicare	46.36			Check Amt	0.00
					Fed Income Tax	475.91			Chkg 963	2,170.08
					CA Income Tax	171.08				
EMPLOYEE TOTAL		80.00		3,196.80		926.72		100.00	Net Pay	2,170.08

# PAYROLL JOURNAL

0085 0085-T591 Donner Summit Public Utility

EMPLOYEE NAME ID	HOURS, EARNINGS, REIMBURSEMENTS & OTHER PAYMENTS				WITHHOLDINGS	DEDUCTIONS	NET PAY ALLOCATIONS		
	DESCRIPTION	RATE	HOURS	EARNINGS				REIMB & OTHER PAYMENTS	
**** 50 ADMIN (cont.) Palmer, Steven V 65	Regular			6,731.00					
	Sick		M16:00						
					Social Security	417.32	457	201.93	
					Medicare	97.60			
				Fed Income Tax	1,406.94				
				CA Income Tax	522.20				
				CA Disability	74.04				
	EMPLOYEE TOTAL		16.00	6,731.00		2,518.10	201.93	Net Pay 4,010.97	
<b>COMPANY TOTALS</b>									
7 Person(s)	Regular		367.25	28,300.54	Social Security	1,904.18	457	1,776.93	Check Amt 0.00
7 Transaction(s)	Standby			720.00	Medicare	445.34		Credit Un 2 150.00	Dir Dep 18,970.73
	Overtime		5.00	363.65	Fed Income Tax	4,067.70		Garnishment 1,292.31	
	Holiday		8.00		CA Income Tax	1,767.25			
	Sick		44.25	693.18	CA Disability	337.82			
	Vacation		20.50	634.89					
	Sick Accr-Memo								
	Vacation -Memo				3.70				
					10.77				
	COMPANY TOTAL		445.00	30,712.26		8,522.29		3,219.24	Net Pay 18,970.73
					<i>Employer Liabilities</i>				
					Social Security	1,904.15			
					Medicare	445.32			
					TOTAL EMPLOYER LIABILITY	2,349.47			
					TOTAL TAX LIABILITY	10,871.76			
(IC) = Independent Contractor									

OK  
*[Signature]*  
p/w

# CASH REQUIREMENTS

**CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR ELECTRONIC FUNDS TRANSFERS (EFT) FOR CHECK DATE 05/13/22: \$33,061.73**

**IMPORTANT COVID-19 INFORMATION:** If you filed IRS Form 7200, please notify your Paychex representative to avoid owing a balance at the end of the quarter and ensure your Form 941 is accurate.

**TRANSACTION SUMMARY**

<b>SUMMARY BY TRANSACTION TYPE -</b>	TOTAL ELECTRONIC FUNDS TRANSFER (EFT)	33,061.73	
	CASH REQUIRED FOR NEGOTIABLE CHECKS &/OR EFT	33,061.73	
	TOTAL REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES	1,926.93	
	CASH REQUIRED FOR CHECK DATE 05/13/22	34,988.66	

**TRANSACTION DETAIL**

**ELECTRONIC FUNDS TRANSFER** - Your financial institution will initiate transfer to Paychex at or after 12:01 A.M. on transaction date.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<b>BANK DRAFT AMOUNTS &amp; OTHER TOTALS</b>
05/12/22	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Direct Deposit	Net Pay Allocations	18,970.73	18,970.73
05/12/22	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Readychex®	Check Amounts	3,219.24	3,219.24
<b>EFT FOR 05/12/22</b>						<b>22,189.97</b>
05/13/22	WELLS FARGO BANK, NA	xxxxxxxxxxxx393	Taxpay®	Employee Withholdings		
				Social Security	1,904.18	
				Medicare	445.34	
				Fed Income Tax	4,067.70	
				CA Income Tax	1,767.25	
				CA Disability	337.82	
				<b>Total Withholdings</b>	<b>8,522.29</b>	
				Employer Liabilities		
				Social Security	1,904.15	
				Medicare	445.32	
				<b>Total Liabilities</b>	<b>2,349.47</b>	<b>10,871.76</b>
<b>EFT FOR 05/13/22</b>						<b>10,871.76</b>
<b>TOTAL EFT</b>						<b>33,061.73</b>

**REMAINING DEDUCTIONS / WITHHOLDINGS / LIABILITIES** - Paychex does not remit these funds. You must ensure accurate and timely payment of applicable items.

<u>TRANS. DATE</u>	<u>BANK NAME</u>	<u>ACCOUNT NUMBER</u>	<u>PRODUCT</u>	<u>DESCRIPTION</u>		<u>TOTAL</u>
05/13/22	Refer to your records for account	Information	Payroll	Employee Deductions		
				457	1,776.93	

**June 21, 2022**  
**Agenda Item: 5A.3**

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
SCHEDULE OF CASH AND DEBT RESTRICTED RESERVES  
APRIL 30, 2022

<b>Bank Account</b>	<b>Reserve</b>	<b>Book Balance</b>	<b>Reserves Restricted</b>
Wells Fargo - Checking		\$ (132,185.65)	
Wells Fargo - Deposit		634,676.64	
Wells Fargo - Savings		304,606.24	
Wells Fargo - Payroll		-	
LAIF		3,389.75	
	SWRCB Loan Construction		719,191.03
	WTP Loan Construction		18,187.00
	Big Bend Water Loan Reserve 1		9,019.98
	Big Bend Water Loan Reserve 2		3,704.63
	Big Bend Assessment		20,771.52
<b>Totals</b>		810,486.98	770,874.16
Unrestricted Cash Available			\$ 39,612.82

**June 21, 2022**  
**Agenda Item: 5A.4**



DONNER SUMMIT PUBLIC UTILITY DISTRICT  
FINANCIAL STATEMENTS  
AND  
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT  
APRIL 30, 2022

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
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APRIL 30, 2022

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**BARNARD VOGLER & CO.**

Certified Public Accountants

**June 21, 2022**  
**Agenda Item: 5A.4**

100 West Liberty St.  
Suite 1100  
Reno, NV 89501

775.786.6141  
775.323.6211  
bvccpas.com

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of Directors  
Donner Summit Public Utility District

Management is responsible for the accompanying financial statements of the business-type activities of Donner Summit Public Utility District (the District) which comprise the statements of activities and changes in net position – budgetary basis for the ten months ended April 30, 2022 in accordance with the budgetary basis of accounting, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The financial statements have been prepared on the budgetary basis of accounting, which includes expensing capital outlay purchases and principal payments on long-term debt. The budgetary basis of accounting is a basis of accounting other than accounting principles generally accepted in the United States of America.

### Supplementary Information

The accompanying supplementary information contained on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

A handwritten signature in black ink that reads "Barnard Vogler &amp; Co".

Reno, Nevada  
May 26, 2022

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
 STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS  
 COMBINED BUSINESS-TYPE ACTIVITIES  
 FOR THE TEN MONTHS ENDED APRIL 30, 2022

	Water	Sewer	Treatment	Admin	Total
<b>Program Revenue</b>					
Water fees	\$ 541,444.15	\$ -	\$ -	\$ -	\$ 541,444.15
Sewer fees	-	448,072.27	1,344,216.83	-	1,792,289.10
Connection fees	1,700.00	-	-	-	1,700.00
CFD revenue for WWTP loan	-	-	151,665.52	-	151,665.52
Non-CFD revenue for WWTP loan	-	-	278,095.57	-	278,095.57
Big Bend service fees	29,734.88	-	-	-	29,734.88
Big Bend assessment	20,771.52	-	-	-	20,771.52
Total Program Revenue	<u>593,650.55</u>	<u>448,072.27</u>	<u>1,773,977.92</u>	<u>-</u>	<u>2,815,700.74</u>
<b>Expenses</b>					
Salaries-Operations	103,864.76	87,340.74	280,906.74	255,331.06	727,443.30
Employee benefits	45,148.76	34,280.55	116,097.30	54,011.80	249,538.41
Board expense	-	-	-	58,135.52	58,135.52
Professional fees	1,102.00	266.19	36,240.43	88,283.73	125,892.35
Dues and subscriptions	671.16	-	3,135.62	6,028.90	9,835.68
Fees, permits, certifications, leases	14,679.08	2,914.53	18,694.39	8,681.81	44,969.81
Training, education, travel	310.00	-	1,075.01	114.74	1,499.75
Insurance	25,806.62	21,701.02	69,795.20	13,033.68	130,336.52
Office supplies and miscellaneous	-	352.03	612.56	6,696.70	7,661.29
Utilities, communications, telemetry	38,596.66	24,073.17	349,174.84	22,946.11	434,790.78
Chemicals and lab supplies	18,968.67	313.75	131,076.91	-	150,359.33
Laboratory testing	560.00	-	21,415.00	-	21,975.00
Equipment maintenance and repair	4,197.68	1,167.23	44,302.33	-	49,667.24
Small equipment and rental	2,347.70	-	5,604.32	676.80	8,628.82
Operating supplies	3,034.90	2,874.60	752.68	1,905.59	8,567.77
Sludge removal	-	-	12,092.82	-	12,092.82
Vehicle maintenance, repair, fuel	6,592.50	8,530.38	8,053.48	-	23,176.36
Facility maintenance and repair	20,416.21	1,572.50	32,047.99	2,525.06	56,561.76
Amortization of land lease	-	-	16,875.00	-	16,875.00
Debt service	19,517.51	-	786,801.45	-	806,318.96
Capital outlay	56,616.63	53,755.38	32,585.07	-	142,957.08
Capital projects	-	110,536.79	-	-	110,536.79
2021 Winter Emergency	-	44,399.88	-	-	44,399.88
Total Expenses	<u>362,430.84</u>	<u>394,078.74</u>	<u>1,967,339.14</u>	<u>518,371.50</u>	<u>3,242,220.22</u>
<b>Excess (Deficiency) of Program</b>					
Revenues Over Expenses	<u>231,219.71</u>	<u>53,993.53</u>	<u>(193,361.22)</u>	<u>(518,371.50)</u>	<u>(426,519.48)</u>
<b>General Revenues</b>					
Interest revenue	-	-	-	212.18	212.18
Sierra Lakes	-	-	340,427.60	-	340,427.60
Property tax	17,496.41	11,841.41	52,166.20	-	81,504.02
Other income	-	-	-	3,467.06	3,467.06
Grants	22,642.38	-	-	-	22,642.38
Total General Revenues	<u>40,138.79</u>	<u>11,841.41</u>	<u>392,593.80</u>	<u>3,679.24</u>	<u>448,253.24</u>
Increase (Decrease) in Net Position	<u>\$ 271,358.50</u>	<u>\$ 65,834.94</u>	<u>\$ 199,232.58</u>	<u>\$ (514,692.26)</u>	<u>\$ 21,733.76</u>
Net Position, Beginning of Year					<u>12,720,079.34</u>
Net Position, End of Period					<u>\$ 12,741,813.10</u>

See independent accountants' compilation report

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS  
BUDGET AND ACTUAL  
BUSINESS-TYPE ACTIVITY - WATER  
FOR THE TEN MONTHS ENDED APRIL 30, 2022

	Actual Year to Date 4/30/22	Budget Total Fiscal Year 2022	Budget Percent Complete 4/30/22	Remaining Budget 4/30/22
<b>Program Revenue</b>				
Water fees	\$ 541,444.15	\$ 547,511.00	98.89%	\$ 6,066.85
Connection fees	1,700.00	-	0.00%	(1,700.00)
Big Bend service fees	29,734.88	29,732.00	100.01%	(2.88)
Big Bend assessment	20,771.52	20,772.00	100.00%	0.48
Total Program Revenue	<u>593,650.55</u>	<u>598,015.00</u>	<u>99.27%</u>	<u>4,364.45</u>
<b>Expenses</b>				
Salaries-Operations	103,864.76	123,535.00	84.08%	19,670.24
Employee benefits	45,148.76	57,658.00	78.30%	12,509.24
Professional fees	1,102.00	15,000.00	7.35%	13,898.00
Dues and subscriptions	671.16	379.00	177.09%	(292.16)
Fees, permits, certifications, leases	14,679.08	11,743.00	125.00%	(2,936.08)
Training, education, travel	310.00	942.00	32.91%	632.00
Insurance	25,806.62	31,281.00	82.50%	5,474.38
Office supplies and miscellaneous	-	549.00	0.00%	549.00
Utilities, communications, telemetry	38,596.66	27,593.00	139.88%	(11,003.66)
Chemicals and lab supplies	18,968.67	26,379.00	71.91%	7,410.33
Laboratory testing	560.00	5,000.00	11.20%	4,440.00
Equipment maintenance and repair	4,197.68	8,000.00	52.47%	3,802.32
Small equipment and rental	2,347.70	6,750.00	34.78%	4,402.30
Operating supplies	3,034.90	5,000.00	60.70%	1,965.10
Vehicle maintenance, repair, fuel	6,592.50	2,524.00	261.19%	(4,068.50)
Facility maintenance and repair	20,416.21	5,000.00	408.32%	(15,416.21)
Angela WTP debt service	9,093.64	9,350.00	97.26%	256.36
Big Bend debt service	10,423.87	21,655.00	48.14%	11,231.13
Capital equipment	56,616.63	71,880.00	78.77%	15,263.37
Total Expenses	<u>362,430.84</u>	<u>430,218.00</u>	<u>84.24%</u>	<u>67,787.16</u>
<b>Excess of Program</b>				
Revenues Over Expenses	<u>231,219.71</u>	<u>167,797.00</u>	<u>137.80%</u>	<u>(63,422.71)</u>
<b>General Revenues</b>				
Property tax	17,496.41	29,700.00	58.91%	12,203.59
Grants	22,642.38	-	100.00%	(22,642.38)
Total General Revenues	<u>40,138.79</u>	<u>29,700.00</u>	<u>158.91%</u>	<u>(10,438.79)</u>
Increase in Net Position	<u>\$ 271,358.50</u>	<u>\$ 197,497.00</u>	<u>137.40%</u>	<u>\$ (73,861.50)</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS  
BUDGET AND ACTUAL  
BUSINESS-TYPE ACTIVITY - SEWER  
FOR THE TEN MONTHS ENDED APRIL 30, 2022

	Actual Year to Date 4/30/22	Budget Total Fiscal Year 2022	Budget Percent Complete 4/30/22	Remaining Budget 4/30/22
<b>Program Revenue</b>				
Sewer fees	\$ 448,072.27	\$ 450,919.00	99.37%	\$ 2,846.73
Total Program Revenue	<u>448,072.27</u>	<u>450,919.00</u>	<u>99.37%</u>	<u>2,846.73</u>
<b>Expenses</b>				
Salaries-Operations	87,340.74	103,882.00	84.08%	16,541.26
Employee benefits	34,280.55	52,453.00	65.35%	18,172.45
Professional fees	266.19	7,000.00	3.80%	6,733.81
Fees, permits, certifications, leases	2,914.53	3,376.00	86.33%	461.47
Training, education and travel	-	273.00	0.00%	273.00
Insurance	21,701.02	31,281.00	69.37%	9,579.98
Office supplies and miscellaneous	352.03	563.00	62.53%	210.97
Utilities, communications, telemetry	24,073.17	29,149.00	82.59%	5,075.83
Chemicals and lab supplies	313.75	565.00	55.53%	251.25
Small equipment and rental	-	2,400.00	0.00%	2,400.00
Operating supplies	2,874.60	1,000.00	287.46%	(1,874.60)
Sludge removal	-	1,200.00	0.00%	1,200.00
Infiltration - inflow	-	26,000.00	0.00%	26,000.00
Equipment maintenance and repair	1,167.23	10,178.00	11.47%	9,010.77
Vehicle maintenance, repair, fuel	8,530.38	3,794.00	224.84%	(4,736.38)
Facility maintenance and repair	1,572.50	8,000.00	19.66%	6,427.50
Capital equipment	53,755.38	133,423.00	40.29%	79,667.62
Capital projects - sewer extension	110,536.79	105,000.00	105.27%	(5,536.79)
2021 Winter Emergency	44,399.88	-	0.00%	(44,399.88)
Total Expenses	<u>394,078.74</u>	<u>519,537.00</u>	<u>75.85%</u>	<u>125,458.26</u>
<b>Excess (Deficiency) of Program</b>				
Revenues Over Expenses	<u>53,993.53</u>	<u>(68,618.00)</u>	<u>-78.69%</u>	<u>(122,611.53)</u>
<b>General Revenues</b>				
Property tax	<u>11,841.41</u>	<u>19,481.00</u>	<u>60.78%</u>	<u>7,639.59</u>
Total General Revenues	<u>11,841.41</u>	<u>19,481.00</u>	<u>60.78%</u>	<u>7,639.59</u>
Increase (Decrease) in Net Position	<u>\$ 65,834.94</u>	<u>\$ (49,137.00)</u>	<u>-133.98%</u>	<u>\$ (114,971.94)</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS  
BUDGET AND ACTUAL  
BUSINESS-TYPE ACTIVITY - WASTEWATER TREATMENT  
FOR THE TEN MONTHS ENDED APRIL 30, 2022

	Actual Year to Date 4/30/22	Budget Total Fiscal Year 2022	Budget Percent Complete 4/30/22	Remaining Budget 4/30/22
<b>Program Revenue</b>				
Sewer fees	\$ 1,344,216.83	\$ 1,352,757.00	99.37%	\$ 8,540.17
Recycled water sales	-	50,000.00	0.00%	50,000.00
CFD revenue for WWTP loan	151,665.52	282,392.00	53.71%	130,726.48
Non-CFD revenue for WWTP loan	278,095.57	281,044.00	98.95%	2,948.43
<b>Total Program Revenue</b>	<u>1,773,977.92</u>	<u>1,966,193.00</u>	<u>90.22%</u>	<u>192,215.08</u>
<b>Expenses</b>				
Salaries-operations	280,906.74	334,107.00	84.08%	53,200.26
Employee benefits	116,097.30	165,653.00	70.08%	49,555.70
Professional fees	36,240.43	81,250.00	44.60%	45,009.57
Dues and subscriptions	3,135.62	1,200.00	261.30%	(1,935.62)
Fees, permits, certifications, leases	18,694.39	17,623.00	106.08%	(1,071.39)
Training, education and travel	1,075.01	2,745.00	39.16%	1,669.99
Insurance	69,795.20	86,022.00	81.14%	16,226.80
Office supplies and miscellaneous	612.56	823.00	74.43%	210.44
Utilities, communications, telemetry	349,174.84	285,896.00	122.13%	(63,278.84)
Chemicals and lab supplies	131,076.91	175,497.00	74.69%	44,420.09
Laboratory testing	21,415.00	41,910.00	51.10%	20,495.00
Small equipment and rental	5,604.32	7,200.00	77.84%	1,595.68
Operating supplies	752.68	7,632.00	9.86%	6,879.32
Equipment maintenance and repair	44,302.33	34,240.00	129.39%	(10,062.33)
Vehicle maintenance, repair, fuel	8,053.48	12,325.00	65.34%	4,271.52
Sludge removal	12,092.82	43,000.00	28.12%	30,907.18
Facility maintenance and repair	32,047.99	20,000.00	160.24%	(12,047.99)
Amortization of land lease	16,875.00	20,250.00	83.33%	3,375.00
Debt service	786,801.45	719,191.00	109.40%	(67,610.45)
Capital outlay	32,585.07	-	0.00%	(32,585.07)
<b>Total Expenses</b>	<u>1,967,339.14</u>	<u>2,056,564.00</u>	<u>95.66%</u>	<u>89,224.86</u>
<b>Excess (Deficiency) of Program</b>				
Revenues Over Expenses	<u>(193,361.22)</u>	<u>(90,371.00)</u>	<u>213.96%</u>	<u>102,990.22</u>
<b>General Revenues</b>				
Sierra Lakes	340,427.60	381,152.00	89.32%	40,724.40
Property tax	52,166.20	85,820.00	60.79%	33,653.80
<b>Total General Revenues</b>	<u>392,593.80</u>	<u>466,972.00</u>	<u>84.07%</u>	<u>74,378.20</u>
<b>Increase (Decrease) in Net Position</b>	<u>\$ 199,232.58</u>	<u>\$ 376,601.00</u>	<u>52.90%</u>	<u>\$ 177,368.42</u>

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION - BUDGETARY BASIS  
BUDGET AND ACTUAL  
BUSINESS-TYPE ACTIVITY - ADMIN  
FOR THE TEN MONTHS ENDED APRIL 30, 2022

	Actual Year to Date 4/30/22	Budget Total Fiscal Year 2022	Budget Percent Complete 4/30/22	Remaining Budget 4/30/22
<b>Program Revenue</b>				
Service Fees	-	-	0.00%	-
<b>Total Program Revenue</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
<b>Expenses</b>				
Salaries-operations	255,331.06	324,358.00	78.72%	69,026.94
Employee benefits	54,011.80	105,724.00	51.09%	51,712.20
Board expense	58,135.52	61,846.00	94.00%	3,710.48
Professional fees	88,283.73	73,800.00	119.63%	(14,483.73)
Dues and subscriptions	6,028.90	7,062.00	85.37%	1,033.10
Fees, permits, certifications, leases	8,681.81	20,593.00	42.16%	11,911.19
Training, education and travel	114.74	1,500.00	7.65%	1,385.26
Insurance	13,033.68	7,820.00	166.67%	(5,213.68)
Office supplies and miscellaneous	6,696.70	7,000.00	95.67%	303.30
Utilities, communications, telemetry	22,946.11	28,420.00	80.74%	5,473.89
Equipment maintenance and repair	-	6,552.00	0.00%	6,552.00
Small equipment and rental	676.80	-	0.00%	(676.80)
Operating supplies	1,905.59	-	0.00%	(1,905.59)
Facility maintenance and repair	2,525.06	2,600.00	97.12%	74.94
<b>Total Expenses</b>	<b>518,371.50</b>	<b>647,275.00</b>	<b>80.09%</b>	<b>128,903.50</b>
<b>Deficiency of Program Revenues Over Expenses</b>	<b>(518,371.50)</b>	<b>(647,275.00)</b>	<b>80.09%</b>	<b>(128,903.50)</b>
<b>General Revenues</b>				
Interest revenue	212.18	-	0.00%	(212.18)
Other income	3,467.06	14,500.00	23.91%	11,032.94
<b>Total General Revenues</b>	<b>3,679.24</b>	<b>14,500.00</b>	<b>25.37%</b>	<b>10,820.76</b>
<b>Decrease in Net Position</b>	<b>\$ (514,692.26)</b>	<b>\$ (632,775.00)</b>	<b>81.34%</b>	<b>\$ (118,082.74)</b>



SUPPLEMENTARY INFORMATION

DONNER SUMMIT PUBLIC UTILITY DISTRICT  
SCHEDULE OF BIG BEND TRANSACTIONS  
FOR THE TEN MONTHS ENDED APRIL 30, 2022

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Revenue	\$	50,506.40
Expenses		
Fees and permits		3,332.00
Electricity		538.47
Repairs and maintenance		<u>6,447.12</u>
Total expenses		<u>10,317.59</u>
Excess of revenue over expenses	\$	<u><u>40,188.81</u></u>

**June 21, 2022**  
**Agenda Item: 5B**

**Donner Summit Public Utility District  
Board of Directors Regular Meeting  
Minutes  
Tuesday, May 17, 2022 - 6:00 P.M.  
DSPUD Office, 53823 Sherritt Lane, Soda Springs California**

**STAFF PRESENT:** Steven Palmer, General Manager; Jim King, Plant Manager  
Deleane Mehler, Office Assistant

**OTHERS PRESENT:** Geoffrey O. Evers, General Counsel

**1. Call to Order**

For the Regular Meeting (Section 54954), May 17, 2022 at 6:00 P.M., the meeting was conducted via Zoom due to the COVID-19 pandemic and in accordance with Governor Newsom's Executive Order N-29-20 and Assembly Bill 361.

The Regular Meeting of May 17, 2022 of the Donner Summit Public Utility District Board of Directors was called to order at 6:07 p.m. by President Cathy Preis.

**2. Roll Call**

Cathy Preis, President	- Present
Philip Gamick, Director	- Present
Alex Medveczky, Secretary	- Present
Joni Kaufman, Director	- Present
Dawn Parkhurst, Director	- Absent- Excused

**3. Clear the Agenda- None**

**4. Public Participation –** *This is time set aside for the public to address the Board on any matter not on the agenda. Comments related to any item already on the agenda should be addressed at the time that that item is considered. Each speaker will be limited to five minutes, but speaker time may be reduced at the discretion of the Board President if there are a large number of speakers on any given subject.* None.

**5. Consent Calendar**

*All items listed under the Consent Calendar are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board requests an item to be removed from the Consent Calendar for a separate action. Any items removed will be considered after the motion to approve the Consent Calendar.*

**A. Approve Finance Report for May 17, 2022**

- 1. Cash Disbursements–General, Month of April**
- 2. Cash Disbursements–Payroll, Month of April**
- 3. Schedule of Cash and Reserves, March**
- 4. Accountants Financial Statements, March**

**B. Approve Regular Meeting Minutes April 19, 2022**

**C. Approve Annual Engagement Letter with Barnard Vogler & Co. for Professional Accounting Services for an Amount Not to Exceed \$30,000**

- D. **Adopt Resolutions 2022-16 and 2022-17 Fixing and Placing the Annual Special Tax Levy for Community Facilities District No. 1**
- E. **Adopt Resolutions 2022-18 and 2022-19 Requesting Collection of Unpaid Charges on the Nevada and Placer County Tax Rolls**
- F. **Approve Appropriations Limit for Fiscal Year 2022/23**

**Motion: Approve Consent Calendar Items**

By: Alex Medveczky

Second: Phil Gamick

Roll Call Vote

Joni Kaufman	-	Aye
Phil Gamick	-	Aye
Cathy Preis	-	Aye
Alex Medveczky	-	Aye
Dawn Parkhurst	-	Absent

**Motion Carries**

## 6. Department Reports

- A. **Administration - Steven Palmer, General Manager-** The General Manager summarized the written report and highlighted two items. One, the online GIS map of the District infrastructure will be complete by the end of June. This tool will make it easier for staff to locate facilities in the field, and for the General Manager to prepare grant applications and Capital improvement project descriptions.

Two, Office Assistant Deleane Mehler is implementing an online bill payment system that will link from the District website. This will be active by the end of June.

- B. **Sewer and Water Department**
  - 1. **Waste Water Flow Data, April**
  - 2. **Fresh Water Flow Data, April**
  - 3. **Operations and Maintenance Summary**

## 7. Information Items

- A. **Third Quarter Budget Update for Fiscal Year 2021/2022**

The General Manager presented a report comparing expenses to budget for the third quarter of this fiscal year.

**8. Action Items**

**A. Adopt Resolutions 2022-21 and 2022-22 Declaring an Election and Requesting that the Boards of Supervisors of Nevada and Placer Counties Consolidate the Election with Other Elections Conducted on November 8, 2022**

**Motion: Adopt Resolution 2022-21 of the Donner Summit Public Utility District Declaring an Election Be Held in its Jurisdiction; Requesting the Board of Supervisors of Nevada County to Consolidate This Election With Any Other Election Conducted on Said Date; and Requesting Election Services By the County Clerk.**

By: Phil Gamick  
Second: Alex Medveczky

Roll Call Vote

Joni Kaufman	-	Aye
Phil Gamick	-	Aye
Cathy Preis	-	Aye
Alex Medveczky	-	Aye
Dawn Parkhurst	-	Absent

**Motion Carries**

**Motion: Adopt Resolution 2022-22 of the Donner Summit Public Utility District Declaring an Election Be Held in its Jurisdiction; Requesting the Board of Supervisors of Placer County to Consolidate This Election With Any Other Election Conducted on Said Date; and Requesting Election Services By the County Clerk**

By: Joni Kaufman  
Second: Alex Medveczky

Roll Call Vote

Joni Kaufman	-	Aye
Phil Gamick	-	Aye
Cathy Preis	-	Aye
Alex Medveczky	-	Aye
Dawn Parkhurst	-	Absent

**Motion Carries**

**B. Review Draft Five Year Capital Improvement Plan and Draft Fiscal Year 2022/23 Budget.**

The General Manager presented the Draft Five Year Capital Improvement Plan and Draft Fiscal Year 2022/23 Budget. No action was taken by the Board.

**C. Adopt a Resolution to Continue Remote Board Meetings in Accordance with Assembly Bill 361**

**Motion: Adopt Resolution 2022-23 to Continue Remote Board Meetings in Accordance with Assembly Bill 361**

By Alex Medveczky

Second: Phil Gamick

Roll Call Vote

Cathy Preis - Aye

Phil Gamick - Aye

Alex Medveczky - Aye

Joni Kaufman - Aye

Dawn Parkhurst - Absent

**Motion Carries**

- 9. Director Reports:** *In accordance with Government Code Section 54954.2(a), Directors may make brief announcements or brief reports on their own activities (concerning the District). They may ask questions for clarification make a referral to staff or take action to have staff place a matter of business on a future agenda.*

**10. Adjournment**

**Motion: Adjourn Meeting at 6:49 p.m.**

By: Alex Medveczky

Second: Joni Kaufman

Vote: 4 Ayes, 0 Noes, 1 Absent, 0 Abstain, 0 Vacancy

**Motion Carries**

Schedule of Upcoming Meetings

Regular Meeting – June 21, 2022

Regular Meeting – July 19, 2022

Regular Meeting – August 16, 2022

Respectfully Submitted,

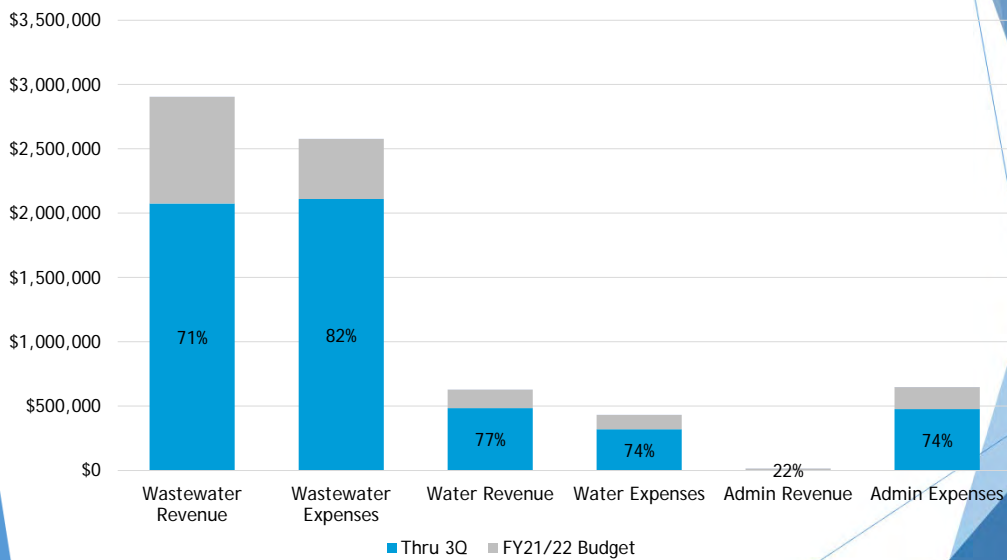
Deleane Mehler  
Administrative Assistant

# THIRD QUARTER FY2021-2022 BUDGET COMPARISON

Steven Palmer, General Manager  
Donner Summit Public Utility District  
May 17, 2022

1

## Budget to Actual



2

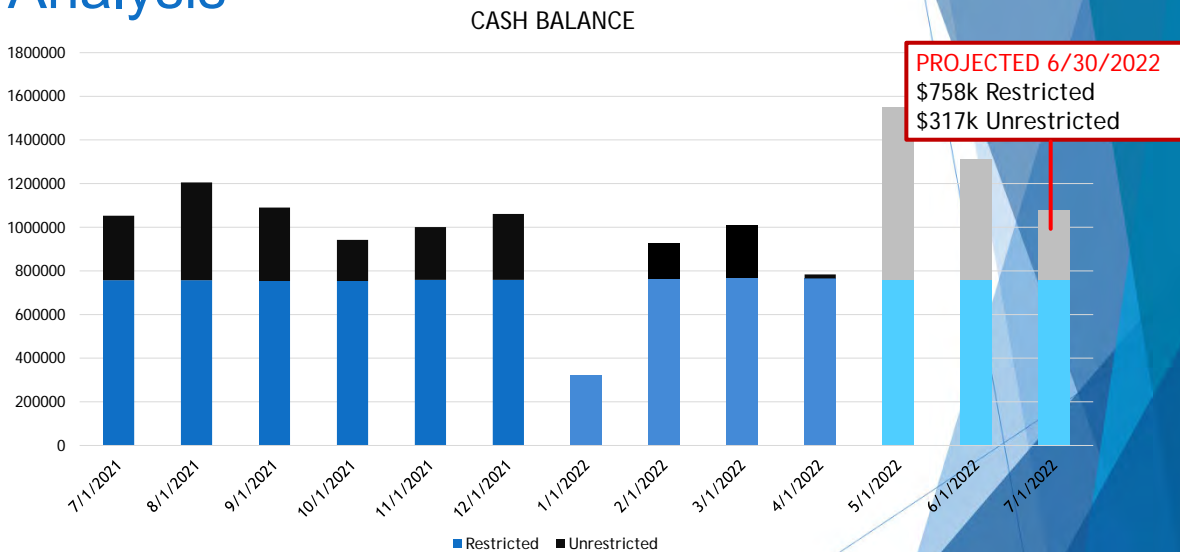


## Budget to Actual

- Inline with Expectations
  - Total Revenue is 72% of annual budget
  - Total Expenses are 80% of annual budget
    - Reasons
      - Timing of wastewater treatment plant loan payment
      - Winter utility costs
      - Loan payoff to Sierra Lakes County Water
      - Delay in capital expenditures (e.g. radio upgrades)

3

## Analysis



4

## Analysis

- Risks to Cash Balance
  - Wastewater Chemical Expenses
    - Expect additional increases to cost of Micro C
  - Parking Lot Resurfacing – July 2021
    - \$ 12,925
  - Nevada County Bridge Reconstruction
    - \$ 13,600
  - December 2021 Storm Damage
    - \$102,595
    - CalOES, PG&E, District Insurance (SDRMA)

# DRAFT CIP AND OPERATING BUDGET

Steven Palmer, General Manager  
Donner Summit Public Utility District  
May 17, 2022

1

## Background – CIP

- Capital Improvement Plan (CIP)
- Multi-Year (Five) Planning Tool
- New Facilities
- Expansion, Rehabilitation, Replacement
- Regular Updates (Annual)
- Programmed Into Operating Budget
- Financially Constrained

2

# Draft CIP

PROJECT	FY22/23
Sewer Lift Station Rehabilitation (3, 4, 7)	\$ -
Snow Lab / Bunny Hill Road Rehabilitation	\$ 20,000
WWTPP Reactor 1 & 2 Wasting Upgrades	\$ 50,000
WWTPP Reactor 1 Coating	\$ -
<i>Subtotal Wastewater</i>	<i>\$ 70,000</i>
Lake Angela Water Level Gauge	\$ -
Boreal Pump Station Building Repairs	\$ 20,000
Big Bend Water System Rehabilitation	\$ -
<i>Subtotal Water</i>	<i>\$ 20,000</i>
<i>GRAND TOTAL</i>	<i>\$ 90,000</i>

3

# Draft CIP

PROJECT	5 Year Total
Sewer Lift Station Rehabilitation (3, 4, 7)	\$ 350,000
Sewer Lift Stations Norden 1, Norden 2, and No 8 Upgrades	\$ 300,000
Snow Lab / Bunny Hill Road Rehabilitation	\$ 150,000
Sewer Line Rehabilitation	\$ -
Sewer Manhole Sealing	\$ -
Sewer Lift Station 2 Upgrade	\$ 82,500
WWTP Membrane Replacement	\$ 87,000
WWTPP Reactor 1 & 2 Wasting Upgrades	\$ 50,000
WWTPP Reactor 1 Coating	\$ -
<i>Subtotal Wastewater</i>	<i>\$ 882,500</i>
Lake Angela Water Level Gauge	\$ 30,000
Tank Recoating Program	\$ 400,000
Boreal Pump Station Building Repairs	\$ 20,000
Water Main Rehabilitation Program	\$ -
Big Bend Tank Repair / Coating	\$ -
Big Bend Water System Rehabilitation	\$ -
Big Bend Water Source Line Replacement	\$ -
<i>Subtotal Water</i>	<i>\$ 450,000</i>
<i>GRAND TOTAL</i>	<i>\$ 1,469,500</i>

4

## Unfunded Projects

UNFUNDED PROJECT	FUNDING NEED
Sugar Bowl Sewer Extension	\$ 2,168,091
Big Bend Tank Repair/Coating	\$ 100,000
Big Bend Water System Rehabilitation	\$ 1,319,800
Big Bend Water Source Line Replacement	\$ 292,700
<i>GRAND TOTAL</i>	<i>\$ 3,880,591</i>

5

## Background – Operating Budget

- Annual Budget
- Revenue Projections from 2021 Utility Rates Study
- Planned Expenditures for Normal Operations
- One-Time Expenditures to Improve Operations
  - Billing Software Upgrade
  - Water Supply Resiliency Study
  - Concrete Repairs at Lake Angela Dam

6

# Background - Operating Budget

- Inflation (COLA) Wage Adjustment of 5.2%
  - Historic Benchmark
    - CPI-U for San Francisco, All Items, Not Seasonally Adjusted, February 12-Month Change
- Added funding for seasonal part time position
- CIP funding \$90,000
- Reserve funding \$108,000

7

# Revenue

	FY21-22 Projected	FY22-23 Budget	
<b>Water Revenue</b>			
Water Program Revenue	\$ 577,243	\$ 653,505	← RATES
Big Bend Assessment	20,772	20,772	
Water General Revenue	29,700	30,213	← PROP TAX
<i>Total Water Revenue</i>	<i>\$ 627,715</i>	<i>\$ 704,490</i>	
<b>Wastewater Revenue</b>			
Wastewater Program Revenue	\$ 1,853,676	\$ 1,966,018	← RATES
CFD Revenue for WWTP Loan	282,392	282,392	
Non CFD Revenue for WWTP Loan	281,044	281,044	
Wastewater General Revenue	486,453	488,272	← PROP TAX SIERRA LAKES
<i>Total Wastewater Revenue</i>	<i>\$ 2,903,565</i>	<i>\$ 3,017,726</i>	
<b>Administration Revenue</b>			
Admin Program Revenue	\$ -	\$ -	
Admin General Revenue	14,500	6,500	
<i>Total Administration Revenue</i>	<i>\$ 14,500</i>	<i>\$ 6,500</i>	
<b>Total Revenues</b>	<b>\$ 3,545,780</b>	<b>\$ 3,728,716</b>	← 5% INCREASE

8

## Expense

	FY21-22 Projected	FY22-23 Budget
<b>Water Expenses</b>		
Salaries and Benefits	\$ 175,972	\$ 192,429
Operating Expenses	165,984	243,919
Debt Service	31,005	31,005
Capital Equipment	7,156	8,760
Capital Projects	-	20,000
<i>Total Water Expenses</i>	\$ 380,117	\$ 496,113
<b>Wastewater Expenses</b>		
Salaries and Benefits	\$ 626,643	\$ 682,248
Operating Expenses	948,180	960,869
Debt Service	807,052	739,441
Capital Equipment	105,458	5,740
Capital Projects	118,410	70,000
<i>Total Wastewater Expenses</i>	\$ 2,605,743	\$ 2,458,299
<b>Admin Expenses</b>		
Salaries and Benefits	\$ 374,280	\$ 388,637
Board Expenses	61,846	61,836
Operating Expenses	125,426	216,084
Debt Service	-	-
Capital Equipment	-	-
Capital Projects	-	-
<i>Total Admin Expenses</i>	\$ 566,696	\$ 666,557
<b>Total Expenses</b>	<b>\$ 3,638,923</b>	<b>\$ 3,620,968</b>

← FLAT

9

- ## Analysis
- Revenues Exceed Expenses by ~\$198,000
    - Available for Reserves or Capital Projects
  - Unrestricted Fund Balance
    - June 30, 2022 Projection = ~\$305,000
    - Minimum = \$875,000
    - Target = \$1,312,000
    - June 30, 2023 Projection = \$430,000

10

Fund Summary				
Fiscal Year 2022-2023				
Description	Beginning Balance	Revenues	Expenses	Ending Balance
<b>OPERATING FUND</b>				
<i>Revenue</i>				
Water Revenue		\$ 674,277		
Sewer Revenue		459,844		
Wastewater Treatment Plant Revenue		2,450,762		
Administrative Revenue		6,500		
Property Tax Revenue		137,333		
		<b>Total revenue</b>		
		\$ 3,728,716		
<i>Expenses</i>				
Water			\$ 496,113	
Sewer			281,382	
Wastewater Treatment Plant			2,176,917	
Administration			666,557	
			<b>Total expenses</b>	
			\$ 3,620,968	
		<b>TOTAL OPERATING FUND</b>		
	\$ 322,636	\$ 3,728,716	\$ 3,620,967	\$ 430,384
<b>RESERVE FUNDS</b>				
WWTP (SRF) Construction Loan Reserve	\$ 719,191			\$ 719,191
WTP Construction Loan Reserve	18,187			18,187
Big Bend Water Loan Reserve 1	7,604			7,604
Big Bend Water Loan Reserve 2	3,123			3,123
Big Bend Assessment	5,193			5,193
		<b>TOTAL RESERVE FUNDS</b>		
	\$ 753,298	\$ -	\$ -	\$ 753,298

11

- ## Next Steps
- Carryover deferred capital expenditures
  - Receive and Incorporate Board Comments
  - June 21 Board Meeting
    - Final CIP and Budget

12



**June 21, 2022**  
**Agenda Item: 5C**

# Safety / Plant Training

## Donner Summit PUD WWTP

- **Safety Topics** : May 2022
  - Wastewater Epidemiology

- **Training Notes** :
  - Safety Day

### **Attendance :**

1. Justin Vosburgh
2. Sean Patrick
3. Josh Shelton

**June 21, 2022**  
**Agenda Item: 6A**



## STAFF REPORT

**TO:** Board of Directors

**PREPARED BY:** Steven Palmer, PE, General Manager

**SUBJECT:** General Manager Report

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### **Project Updates**

Online GIS map of District infrastructure will be complete by end of June. This tool will make it easier for staff to locate facilities in the field, and for the General Manager to prepare grant applications and capital improvement project descriptions.

Online bill payment system is now live.

The attached postcard announcing the availability of online bill payment, and encouraging water conservation will be mailed to our customers within the next two weeks.

### **Winter Storm Update**

The storms in mid to late December caused damage to lift stations 4 and 8. Multiple pumps and the control panel at lift station 8 were damaged due loss of power and the re-energization process. Placer County and Nevada County both declared local emergencies and have submitted initial damage estimates (IDEs) to California Office of Emergency Services (CalOES) in the hopes that disaster relief funding will become available from the State. We submitted IDEs totaling \$102,595 and are updating as more accurate costs become available.

CalOES has approved California Disaster Assistance Act (CDAA) funding for the 2021 Winter Storms and is holding an Applicants' Briefing on June 24, 2022. The briefing will discuss cost eligibility including overtime associated with the emergency response; supplies, materials, and equipment; repair, restoration, and replacement costs of permanent facilities.

### **Sugar Bowl Sewer Extension Update**

Two owners are currently working together to design and construct the portion of the sewer they need for their new home construction. I am working with them to develop a reimbursement agreement that will allow the District to pay them back over time for improvements that benefit the entire area, and on forming the assessment district to fund the entire Project.

### **Upcoming Board Items**

- Personnel Manual Update
- Sewer Connection/Capacity Fee Update



**DONNER SUMMIT**  
PUBLIC UTILITY DISTRICT

53823 Sherritt Lane  
Post Office Box 610  
Soda Springs, CA 95728

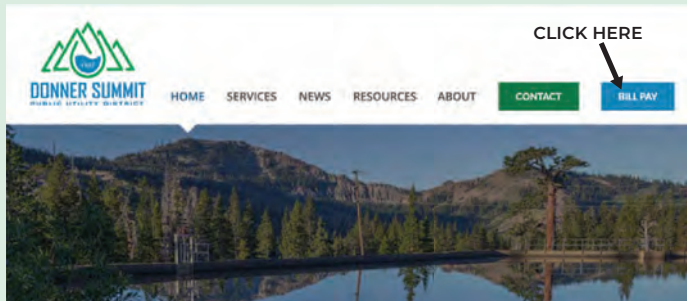
## Important News About Paying Your Utility Bill

### IMPORTANT NEWS ABOUT PAYING YOUR UTILITY BILL

Donner Summit Public Utility District (District) has launched a new program to make paying utility bills quick and efficient. The new payment system can be accessed by going to [DSPUD.com](http://DSPUD.com) and clicking on the blue Bill Pay button. Customers will be prompted to enter their information and credit card number. The new system also has a call-in number to make payment over the phone. Customers may call AllPaid at (888) 604-7888. **Note that there is a 2.35% surcharge per credit card transaction.**

### QUESTIONS?

Call the office at (530) 426-3456. Ready to get started?



Use your camera to scan for Bill Pay link.



### DROUGHT CONDITIONS AFFECT EVERYONE

Donner Summit is fortunate to have a reliable, plentiful water source. However, drought continues to affect most of California, and the State has mandated water-use restrictions for urban areas, including a ban on watering "non-functional" turf for commercial, industrial and institutional users. In recognition of these issues, the District asks customers to use water wisely and thoughtfully.

A few simple measures go a long way!

- Check and repair indoor and outdoor leaks
- Use a shut-off nozzle on hoses
- Reduce outdoor watering and set irrigation systems to water overnight or early morning
- Use a broom, not a hose, to keep driveways and patios free of debris
- Run full loads of laundry or full dishwashers

Visit [saveourwater.com](http://saveourwater.com) for more water conservation information.



### WATER SUPPLY RESILIENCY GRANT

The District recently received a \$15,000 grant from Placer County Water Agency to study the water supply and drought resiliency of its sole water source, Lake Angela. Lake Angela is located near the peak of Donner Summit at 7,280-foot elevation and is fed by snow melt and spring sources. The lake has a maximum storage of 310-acre feet and provides water supply to 364 District connections.

**June 21, 2022**  
**Agenda Item: 6B**

**DONNER SUMMIT**  
**PUBLIC UTILITY DISTRICT**  
**WASTEWATER AND FRESH WATER**  
**TREATMENT PLANTS**  
**END OF MONTH OPERATIONS AND MAINTENANCE**  
**SUMMARY**

**May 2022**

# Donner Summit Public Utility District Waste Water Flow Data

June 21, 2022  
Agenda Item: 6B

MONTH OF May 2022		DSPUD Influent	SLCWD Influent	Total Plant Influent	Total Plant Influent	Total Plant EFF River	Total Plant EFF Irr Storage	Total Plant EFF Irr Delivery	DSPUD Fresh Water Treated	SLCWD Fresh Water Treated	Emergency Storage Return	Weather	Comments
DATE	DAY	MGD	MGD	MGD	Totalizer	MGD	MGD	MGD	MGD	MGD	MGD	Cond	
05/01/22	SUN	0.1560	0.0890	0.24500	1.6030230	0.256	0.0000	0.0000	0.171	0.0000	0.0000	Clear	1" Snow
05/02/22	MON	0.1318	0.0812	0.21300		0.248	0.0000	0.0000	0.140	0.0996	0.0000	Clear	
05/03/22	TUE	0.1203	0.0787	0.19900		0.221	0.0000	0.0000	0.174	0.0584	0.0000	Clear	
05/04/22	WED	0.1923	0.0857	0.27800		0.211	0.0000	0.0000	0.157	0.0520	0.0000	Clear	
05/05/22	THU	0.1714	0.0926	0.26400		0.000	0.2900	0.0000	0.133	0.0602	0.0000	Pt Cloudy	
05/06/22	FRI	0.1652	0.1018	0.26700		0.000	0.2790	0.0000	0.179	0.0379	0.0000	Pt Cloudy	
05/07/22	SAT	0.1398	0.0972	0.23700		0.000	0.2620	0.0000	0.194	0.0000	0.0000	Pt Cloudy	
05/08/22	SUN	0.1431	0.0839	0.22700		0.000	0.2970	0.0000	0.153	0.0000	0.0000	Cloudy	
05/09/22	MON	0.1134	0.0816	0.19500		0.171	0.0000	0.0000	0.189	0.1093	0.0000	Lt Snow	
05/10/22	TUE	0.0896	0.0854	0.17500		0.193	0.0000	0.0000	0.175	0.0000	0.0000	Cloudy	
05/11/22	WED	0.1844	0.0456	0.23000		0.221	0.0000	0.0000	0.210	0.0000	0.0000	Clear	
05/12/22	THU	0.1028	0.0812	0.18400		0.203	0.0000	0.0000	0.215	0.0560	0.0000	Clear	
05/13/22	FRI	0.1244	0.0716	0.19600		0.189	0.0000	0.0000	0.112	0.0831	0.0000	Clear	
05/14/22	SAT	0.1251	0.0759	0.20100		0.197	0.0000	0.0000	0.154	0.0000	0.0000	Clear	
05/15/22	SUN	0.1468	0.0902	0.23700		0.201	0.0000	0.0000	0.174	0.0000	0.0000	Clear	
05/16/22	MON	0.1464	0.0946	0.24100		0.258	0.0000	0.0000	0.222	0.0683	0.0000	Clear	
05/17/22	TUE	0.1712	0.0958	0.26700		0.255	0.0000	0.0000	0.160	0.0759	0.0000	Clear	
05/18/22	WED	0.1757	0.0963	0.27200		0.306	0.0000	0.0000	0.181	0.0643	0.0000	Clear	
05/19/22	THU	0.1243	0.1007	0.22500		0.295	0.0000	0.0000	0.178	0.0657	0.0000	Clear	
05/20/22	FRI	0.1175	0.0995	0.21700		0.291	0.0000	0.0000	0.205	0.0596	0.0000	Clear	
05/21/22	SAT	0.0971	0.0829	0.18000		0.221	0.0000	0.0000	0.134	0.0000	0.0000	Clear	
05/22/22	SUN	0.1236	0.0844	0.20800		0.209	0.0000	0.0000	0.148	0.0000	0.0000	Clear	
05/23/22	MON	0.1127	0.0833	0.19600		0.206	0.0000	0.0000	0.212	0.0825	0.0000	Clear	
05/24/22	TUE	0.1267	0.0823	0.20900		0.185	0.0000	0.0000	0.137	0.0672	0.0000	Clear	
05/25/22	WED	0.1329	0.0861	0.21900		0.239	0.0000	0.0000	0.144	0.0364	0.0000	Clear	
05/26/22	THU	0.0965	0.0865	0.18300		0.248	0.0000	0.0000	0.198	0.0898	0.0000	Clear	
05/27/22	FRI	0.1093	0.0917	0.20100		0.229	0.0000	0.0000	0.139	0.0264	0.0000	Clear	
05/28/22	SAT	0.0979	0.1021	0.20000		0.207	0.0000	0.0000	0.121	0.0000	0.0000	Clear	
05/29/22	SUN	0.1771	0.1059	0.28300		0.261	0.0000	0.0000	0.184	0.0000	0.0000	Clear	
05/30/22	MON	0.1295	0.1065	0.23600		0.239	0.0000	0.0000	0.201	0.1172	0.0000	Clear	
05/31/22	TUE	0.0951	0.0779	0.17300		0.200	0.0000	0.0000	0.219	0.1432	0.0000	Clear	
					1.6711120								
5/2022 Daily Totals		<b>4.14009</b>	<b>2.71791</b>	<b>6.85800</b>	<b>N/A</b>	<b>6.1600</b>	<b>1.1280</b>	<b>0.0000</b>	<b>5.3130</b>	<b>1.4530</b>	<b>0.0000</b>		1" Snow
5/2022 Totalizer Total		<b>4.09099</b>	<b>2.71791</b>	<b>6.80890</b>	<b>6.80890</b>	<b>6.1600</b>	<b>1.1280</b>	<b>0.0000</b>	<b>5.3130</b>	<b>1.4460</b>	<b>0.0000</b>		0" Snow
Difference		<b>-0.04910</b>	<b>0.00000</b>	<b>-0.04910</b>	<b>N/A</b>	<b>0.0000</b>	<b>0.0000</b>	<b>N/A</b>	<b>0.0000</b>	<b>-0.0070</b>	<b>0.0000</b>		
Percentage Difference		<b>-1.20%</b>	<b>0.000%</b>	<b>-0.721%</b>	<b>N/A</b>	<b>0.000%</b>	<b>0.000%</b>	<b>N/A</b>	<b>0.000%</b>	<b>-0.485%</b>	<b>0.000%</b>		
5/2022 AVG/DAY		<b>131,967</b>	<b>87,675</b>	<b>219,642</b>	<b>219,642</b>	<b>198,710</b>	<b>36,387</b>	<b>0</b>	<b>171,387</b>	<b>46,645</b>	<b>0</b>		
5/2021 Totalizer Total		<b>3.61200</b>	<b>2.47500</b>	<b>6.0870</b>	<b>6.0875</b>	<b>4.960</b>	<b>1.091</b>	<b>0.000</b>	<b>5.3810</b>	<b>1.4440</b>	<b>0.0000</b>		
5/2021 AVG/DAY		<b>116,516</b>	<b>79,839</b>	<b>196,355</b>	<b>196,371</b>	<b>160,000</b>	<b>35,194</b>	<b>0</b>	<b>173,581</b>	<b>46,581</b>	<b>0</b>		



# Donner Summit Public Utility District WWTP & WTP End of Month Operations and Maintenance Summary

Prepared for: Steve Palmer, General Manager

Prepared by: Jim King, Plant Manager

Date: May 2022

## Operations WWTP

- ◆ Flows to the South Yuba River 7.2 MG.
- ◆ Located sewer hookup out at Sugar Bowl.
- ◆ Began storing and delivering water for use as dust control for the Old Hwy 40 project.



- ◆ Received a bulk load of soda ash.



- ◆ Began prepping the spray irrigation hill for use.



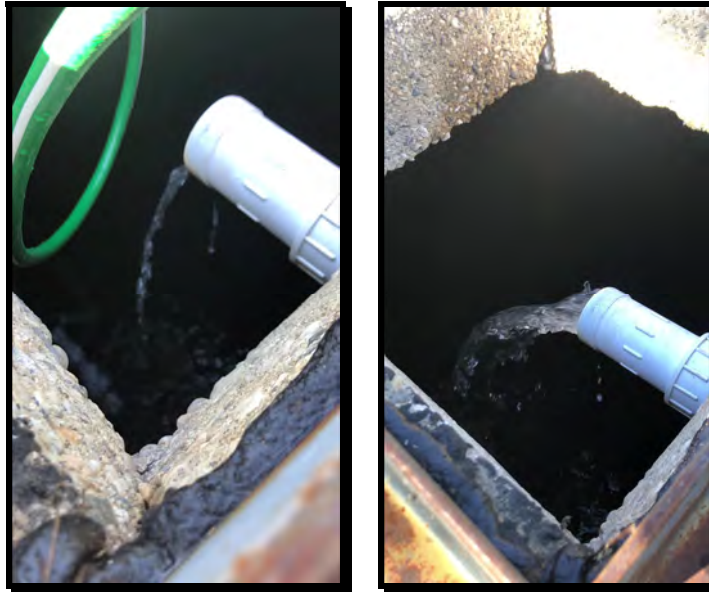
- ◆ Conducted a sewer lateral test at 21667 Lota Crabtree.
- ◆ Finished getting sludge drying beds ready and began use.



- ◆ Staff processed 13 USA dig ticket.

## **Operations Water Plant**

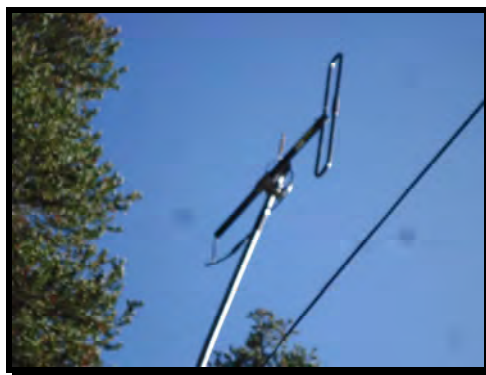
- ◆ Completed and sent out monthly potable water reports to DHS.
- ◆ Trouble shot issues with the spring supply water at Big Bend.



- ◆ Installed a hydrant meter at Judah Lodge in Sugar Bowl.
- ◆ Staff attended a fire hydrant repair course put on by Western Nevada Supply with Serene Lakes staff.
- ◆ Inspected a water line installation at 5685 Elderberry.

## **Repairs and Maintenance WWTP**

- ◆ Repaired and replaced ventilation fan in the membrane building.
- ◆ Repaired the radio antenna cable at sewer lift station #3.



- ◆ Flushed all of the sludge lines on the heat exchangers in preparation for summer storage.



### Repairs and Maintenance WTP

- ◆ Had standby generator at the water plant repaired.



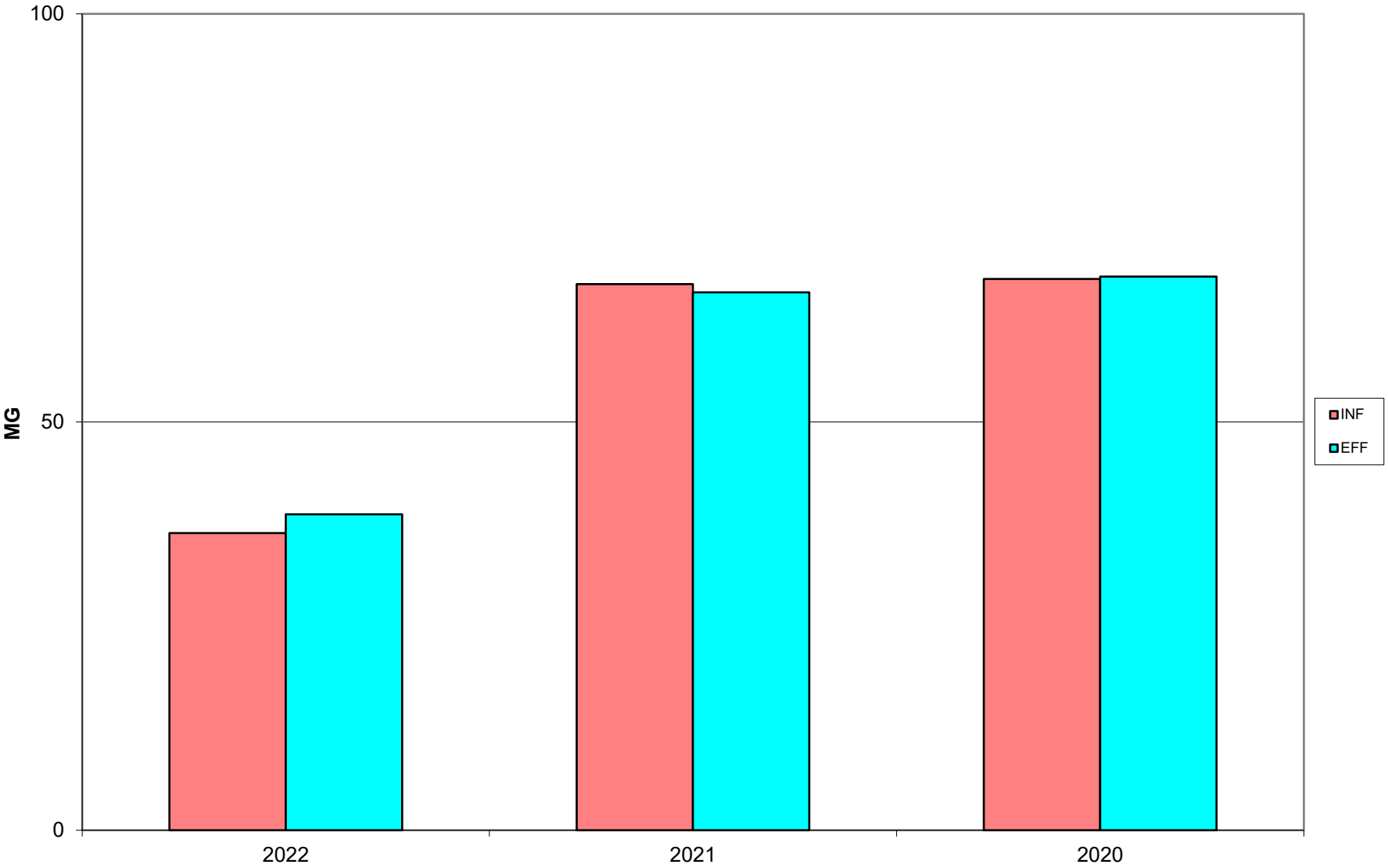
- ◆ Cleaned and calibrated the chlorine analyzer at Big Bend.



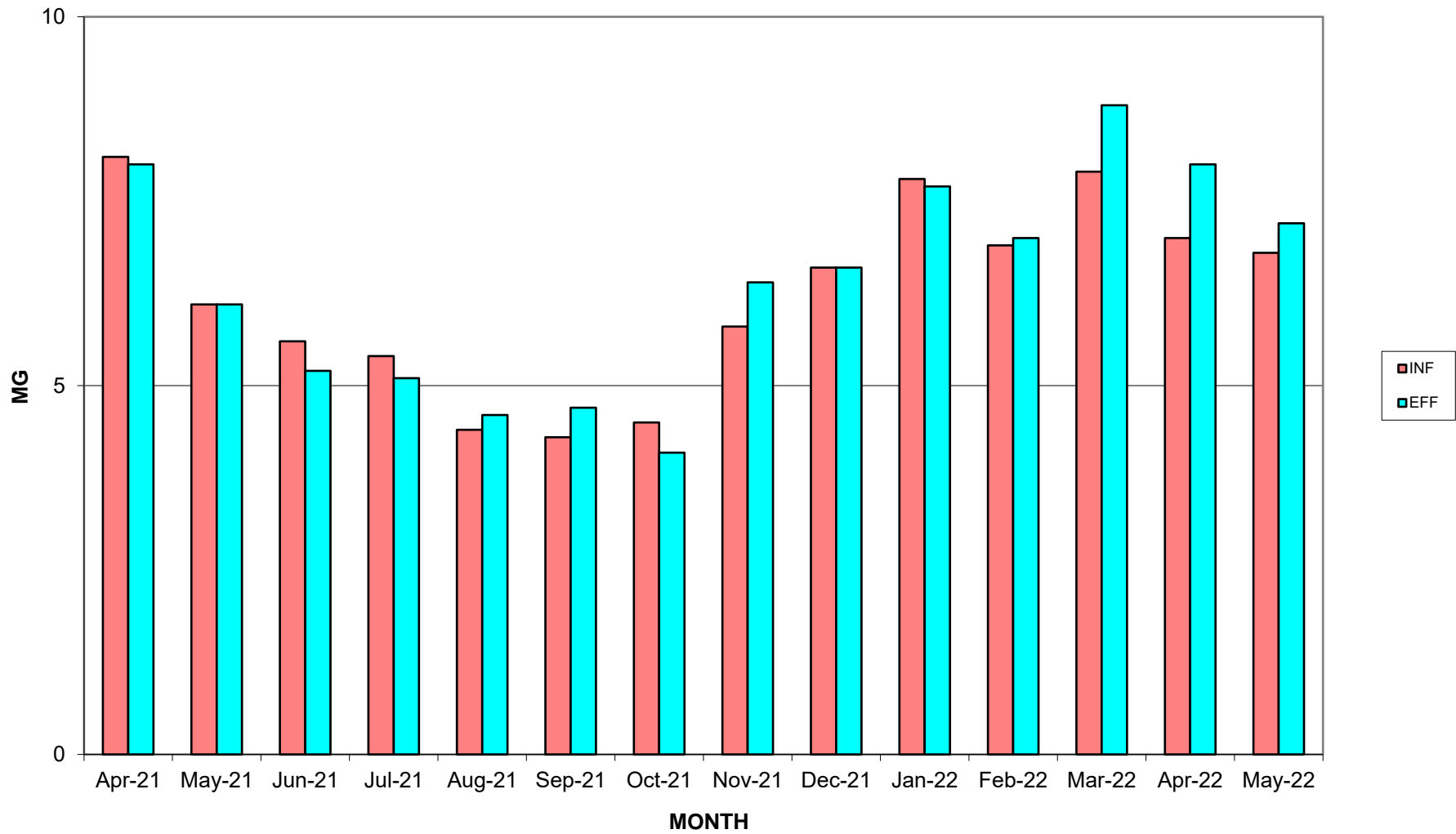
### Laboratory

- ◆ Continued basic discharge and water quality testing.

**DONNER SUMMIT PUD WWTP ANNUAL TOTAL INFLUENT FLOW TO TOTAL EFFLUENT  
FLOW  
2022 DATA THROUGH MAY**



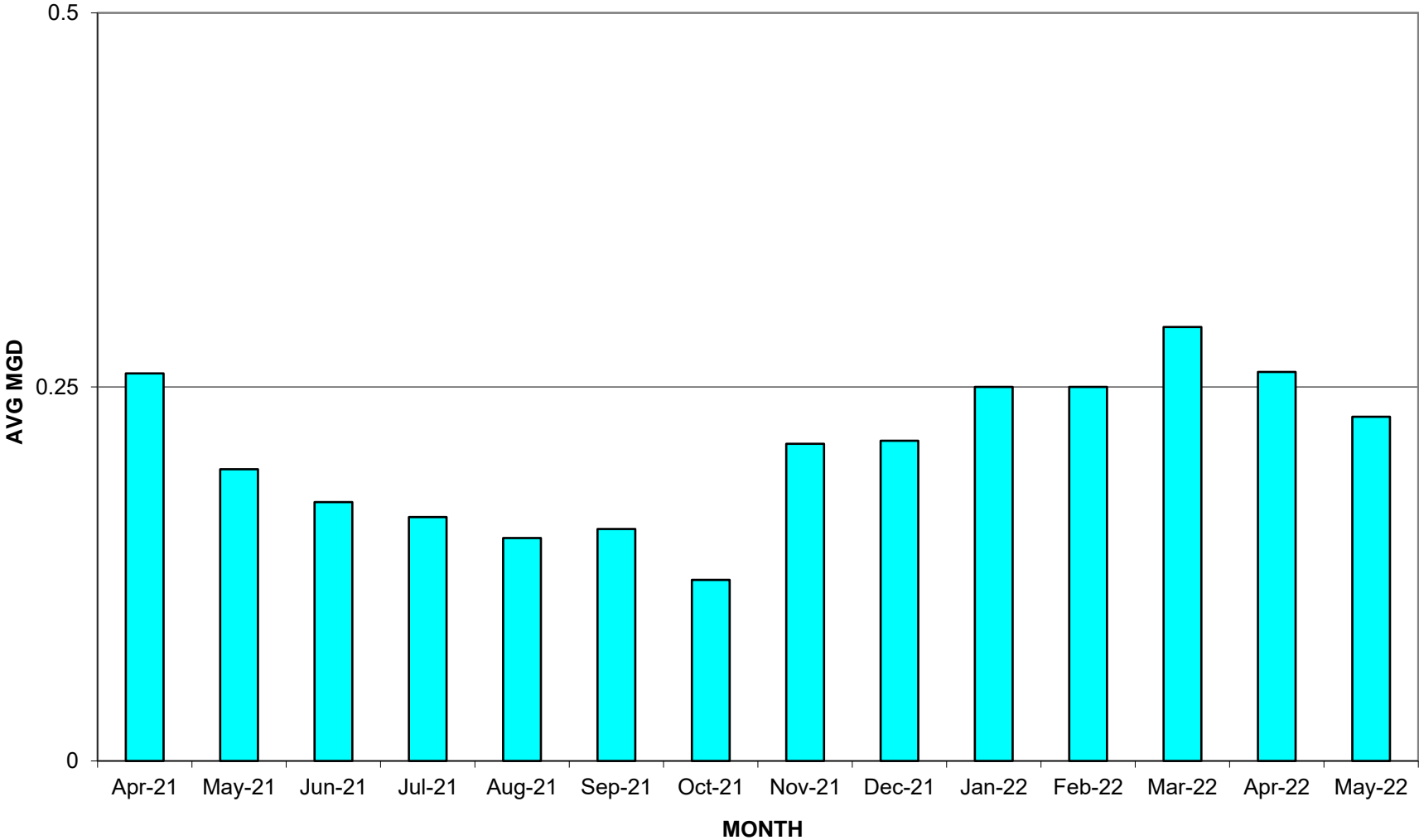
**DONNER SUMMIT PUD WWTP**                      **TOTAL INFLUENT FLOW TO TOTAL**  
**EFFLUENT FLOW YEAR 2021/2022**



**DONNER SUMMIT PUD WWTP**

**YEARS 2021/2022**

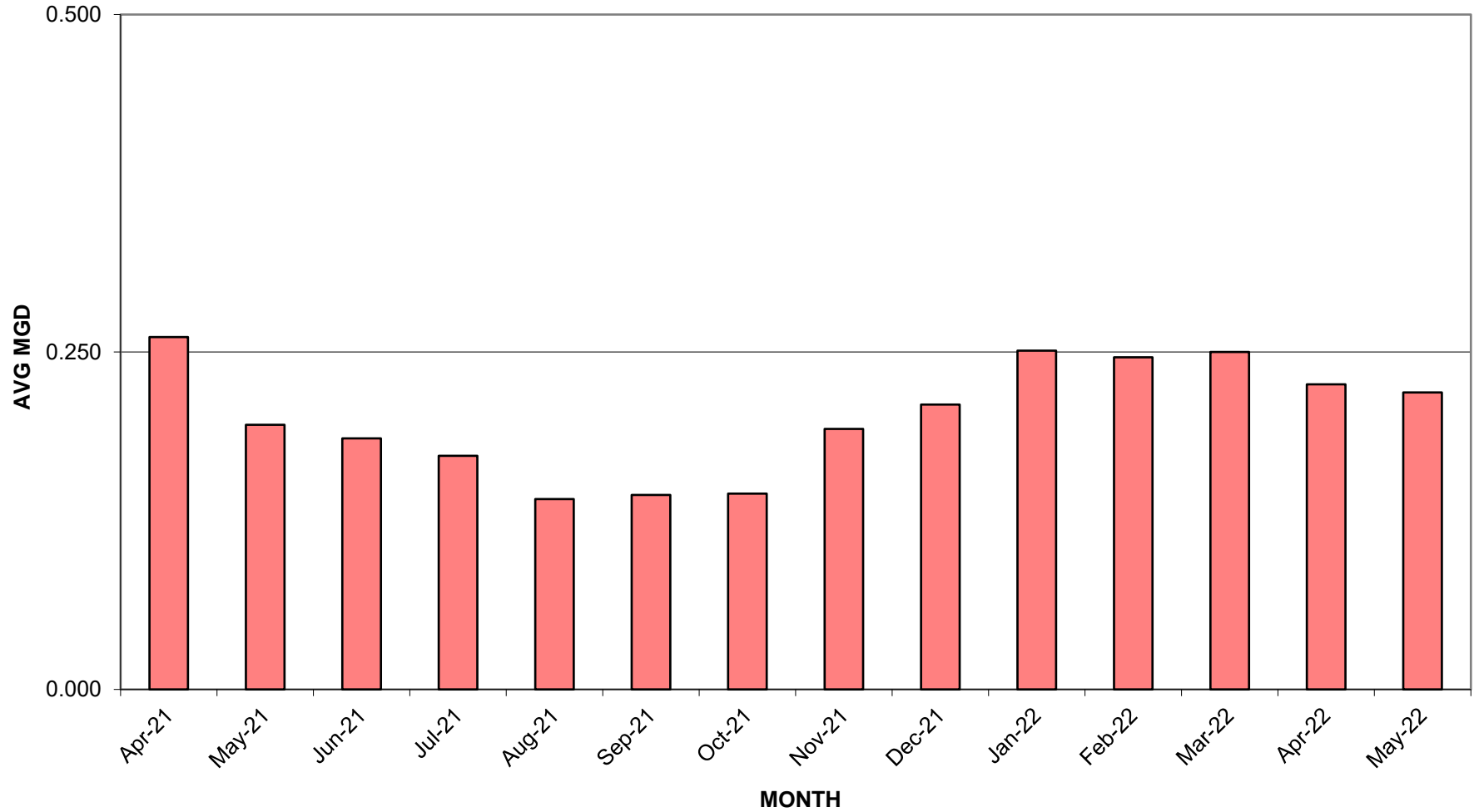
**AVG EFFLUENT FLOW YEAR**



**DONNER SUMMIT PUD WWTP**

**AVG INFLUENT**

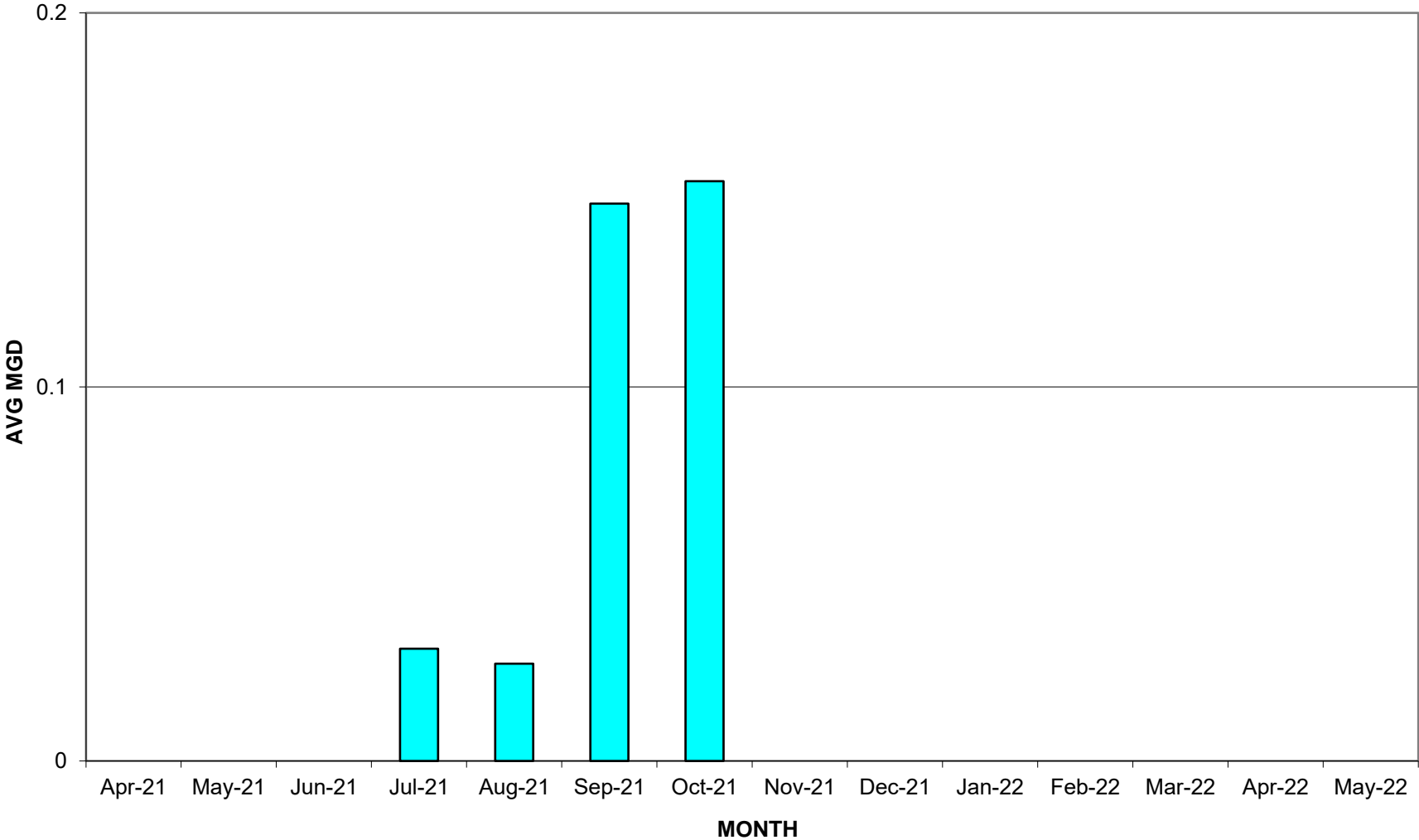
**FLOW MGD  
YEARS 2021/2022**





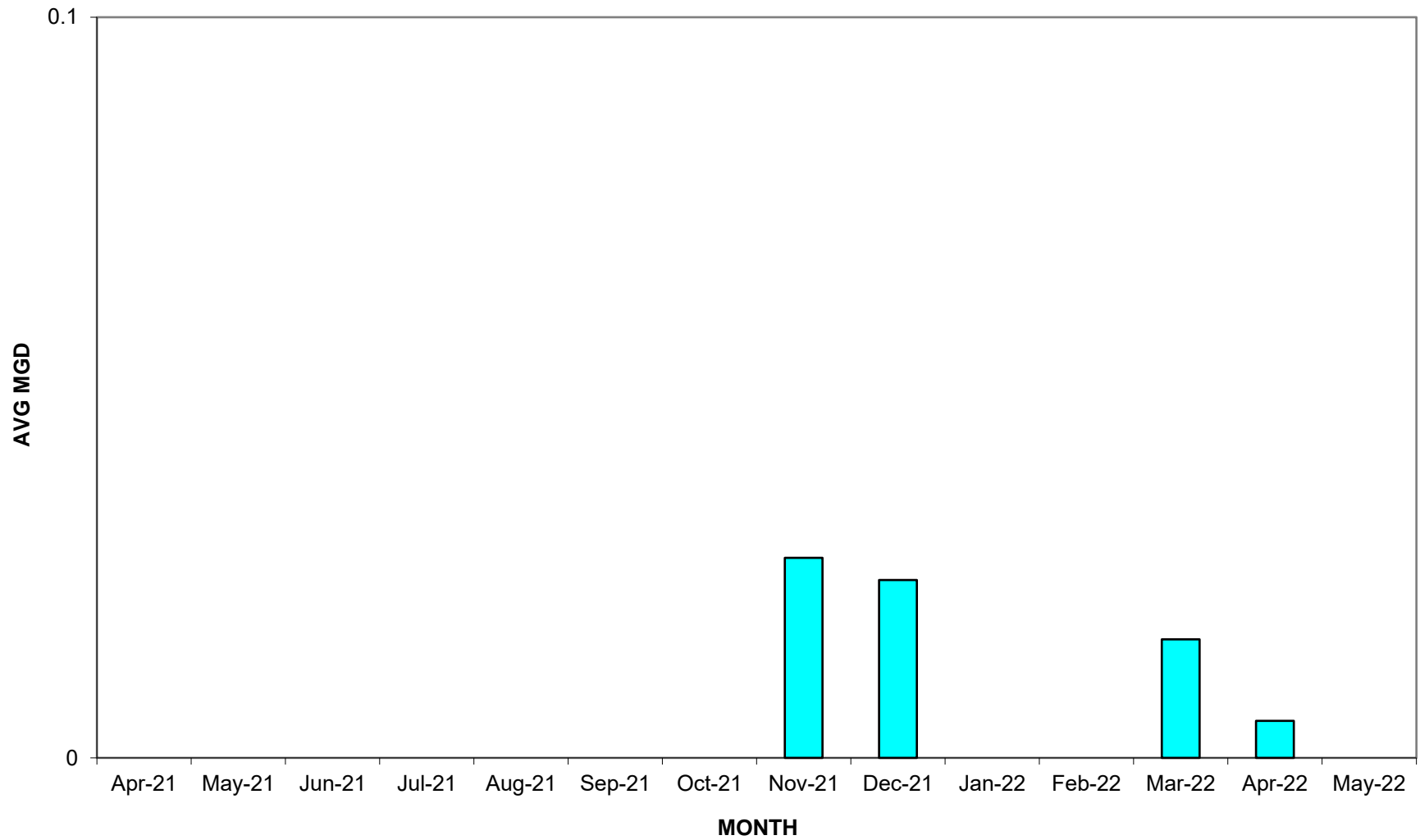
**DONNER SUMMIT PUD WWTP**

**AVG EFFLUENT FLOW TO LAND IRRIGATION  
YEARS 2021/2022**



**DONNER SUMMIT PUD WWTP  
STORAGE/PRODUCTION**

**AVG EFFLUENT FLOW TO SNOW  
YEARS 2021/2022**



**June 21, 2022**  
**Agenda Item: 7A**

PLACER COUNTY

**LOCAL AGENCY FORMATION COMMISSION**

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*Electronic Transmittal*

COMMISSIONERS:  
Joshua Alpine  
Chair (Special District)  
Trinity Burruss  
(City)

Cindy Gustafson  
(County)

William Kahl  
(Special District)

Tracy Mendonsa  
(City)

Susan Rohan  
(Public)

Robert Weygandt  
(County)

ALTERNATE  
COMMISSIONERS:

Jim Holmes  
(County)

Jenny Knisley  
(City)

Jeffrey Starsky  
(Public)

Rick Stephens  
(Special District)

STAFF:

Michelle McIntyre  
Executive Officer

Amy Engle  
Commission Clerk

William Wright  
Legal Counsel

Date: May 5, 2022  
To: Presiding Officer c/o Clerk of the District  
From: Michelle McIntyre  
Re: Selection of a Special District Representative on LAFCO

We request your agency cast a vote to select a Special District representative for the Placer Local Agency Formation Commission (LAFCO) to serve as a regular (voting) member from May 2022 to May 2026, a four-year term.

On March 22, 2022, LAFCO requested the 36 Special Districts to consider nominating a member from their boards to serve on LAFCO. The deadline to submit nominations was on May 2, 2022. LAFCO received nominations for four candidates within the deadline.

Enclosed with this memo are a ballot and a copy of each candidate's Statement of Qualifications. While a formal decision from your board is preferred, the only requirement for a valid ballot is a signed authorization by your presiding officer (board chair or president).<sup>1</sup>

We prefer your agency to return signed ballots via e-mail. A quorum of the 36 special districts must submit valid ballots by the deadline. The candidate receiving the most votes shall be elected.

The voting period is from May 5 to **Friday, July 8, 2022, at 5 pm.**

Please consult with your board chair or president and cast a ballot as soon as possible – it is crucial to LAFCO that independent special districts are duly represented.

Please contact LAFCO staff (530) 889-4097 if you have any questions. Thank you.

Enclosures: Ballot and Statement of Qualifications

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<sup>1</sup> If the presiding officer is unable to vote, the legislative body of the district may designate another board member to cast the ballot in place of the presiding officer. Board members designated by their district board to vote in place of the presiding officer should provide that authorization (in the form of a resolution or minute order) to LAFCO no later than the time the ballot is cast. District managers or other staff members **may not** substitute their signature for the presiding officer's signature.

# Ballot: Selection of Special District Representative on LAFCO

**Please choose one:**

\_\_\_\_\_ **H. Gordon Ainsleigh** Auburn Area Recreation and Park District Board Member  
*Nominated by:*  
Auburn Area Recreation and Park District

\_\_\_\_\_ **William Kahrl**, Newcastle Fire Protection District Board Chair  
*Nominated by:*  
Newcastle Fire Protection District

\_\_\_\_\_ **Luke Ragan**, North Tahoe Fire Protection District Board Chair  
*Nominated by:*  
North Tahoe Fire Protection District

\_\_\_\_\_ **Rick Stephens**, Truckee Tahoe Airport District Board Member  
*Nominated by:*  
Alpine Springs County Water District  
Truckee Tahoe Airport District

\_\_\_\_\_  
Name of Special District

\_\_\_\_\_  
Presiding Officer  
Signature

\_\_\_\_\_  
Printed Name

**Must be received by LAFCO no later than  
July 8, 2022 by 5pm .**

[LAFCO@placer.ca.gov](mailto:LAFCO@placer.ca.gov)

GOVERNING by H Gordon Ainsleigh DC: I have been blessed by being able to think the unthinkable.

In the mid-late 1980s, I was invited to join, and accepted, an appointment to the Board of Directors of Midway Heights County Water District. This had been a very uncontroversial district. However, in the later 1980s we were sued by the EPA to provide chlorinated water to all residences without wells. Although our District made it clear that this was irrigation water, many households had connected it to their homes, with no noticeable disease outbreaks. We resisted because Dr Vincent DeVito, head of the National Cancer Institute, was then bragging about documenting the causative link between chlorinated water and bowel and bladder cancer to show that the War on Cancer was producing results. We favored the ozonation model for producing potable water that was/is commonplace in Europe. Given septic standards, the only realistic risk from raw water was easily-cured giardiasis, versus frequently-fatal bowel and bladder cancer from chlorinated water, and it was illogical to switch from giardia risk to cancer risk. However, as so often occurs in dysgovernment, logic and reason did not prevail, ozonation was not permitted by the Feds, and we were forced to provide chlorinated water, with all its negatives.

While the battle with the Feds was going on, another crisis arose. Our Board President Emil Pruss had for years organized ad hoc work parties of friends and family to go out on water line breaks after they got off work, bringing a case of beer, and making a repair project a kind of guys party into the evening and sometimes night. When the problem was fixed, Emil would pay them all out of pocket, write down his expenses, and bill the District for reimbursement. This worked wonders economically for District customers, as there was no need for permanent staff; until Emil, a very attractive older divorced gentleman, caught the eye of a wealthy widow customer who decided that they were perfect for each other. She was quite persistent. Emil had exactly the opposite life plan, and made his disinterest perfectly, or more than perfectly, clear. Then, in affirmation that Solomon was correct when he wrote, "Hell hath no fury like a woman scorned", this woman had a daughter who worked for perennial Assembly Speaker Willie Brown, and soon Emil was being prosecuted by the District Attorney under the Brown Act for taking more than \$500/month from the District, albeit the water code was on his side.

With these dual crises boiling, I became President of the BoD by arriving a minute or two late. The hall had been filled with upset people for months, the Board President had abruptly resigned, telling me she couldn't take the stress, our past President was under (spurious) indictment, and the only seat open was behind the microphone. The other Board members all had their heads down, and when I asked Emil, "Aren't you going to chair the meeting, Emil?" he said, without raising his head, "You better sit down, Doc." The meetings always started at 7:00 and were always over before 9:00. Having studied sociology, psychology and social psychology at Sierra and UC Santa Barbara, I changed that. I let everyone talk for as long as they wanted to talk. That first meeting went past 11:00 and my second meeting went to about 10:30. The other Board members grumbled and griped, but by my third meeting we had an almost-empty hall, and we could get back to taking care of business.

A decade later, I got involved in the Auburn Area Recreation and Park District (ARD) by solving a problem for users at Overlook Park. Overlook was built with 158 parking slots, 14 of which are long, drive-throughs for motor homes and pickup-trailer rigs, for the public to admire Auburn Dam, doomed when Oroville Dam demonstrated reservoir-induced seismicity in 1976. It was and is a favorite place where trail runners like me park our cars (to bake the sun) while we are out running. The cars nosed up to two sidewalk-bounded long elliptical grassy areas with very few trees, only one of which grew out over the parking slots. I decided to change that by planting rows of trees as close as practical to the parking slots, which was 3 feet in from the perimeter sidewalks. I went through the administrative channels and got permission for my plan. The Bureau of Reclamation, owners of Overlook and Railhead park, at that time required only native plants, so, due to financial constraints, I planted acorns and a couple small cedar seedlings. My oaks got mowed down as they grew up, but, being seedling oaks, continued to try. So I asked the head of Fields and Grounds what his problem was with my little oaks. He said, "For one thing, the species." He said he wanted liquid amber, flowering pear, red leaf plum and crepe myrtle. When I reminded him that BoR required native species, he responded, "I'm sure they are native somewhere." I decided that an administration that hired such a mentally-limited person in such an important position had to be dysfunctional, and decided I better get involved. So I ran for the Board and was elected to start in 2005. By 2006, I figured out that the problem was the District Administrator, I provided the swing vote to say good-bye to him, and the Board launched a national search for a new administrator, with Kahl Muscott temporarily in charge.

ARD had had 4 nightmares in a row from hiring administrators who were really good at resumes and interviews. Additionally, Sierra College and Placer High School District had prospered as long as they hired good people from within, but when they decided to go big time, they got disaster. Sierra lost a \$600,000 settlement because their fabulous President had such an ego that he thought he could bully a female librarian. They got off easy. Placer's wonder administrator cost Placer HSD \$23 million in a local bond to build Foresthill High School, that could have been paid for by 1994 School Bond money, if Randy Olson had just applied. But he didn't, because he needed the passage of a local bond in his resume to ascend to, and double his salary at, Acalanes HSD (Moraga, Orinda, Lafayette, Walnut Creek), which maintains its elite status (96<sup>th</sup> percentile in university admissions) by persuading its wealthy residents to tax themselves repeatedly.

I knew Kahl Muscott to be hard-working, honest, smart, and having the right education, so for two months I advocated for making him the head guy. Each time, the other board members looked at me like I was the village idiot. "Kahl can't do it. He has no experience running a district." I saw another disaster coming, and in desperation asked our nationwide search consultant, "Isn't there some way we can keep Kahl?" He said yes, that there had been a water district on the west side of the San Joaquin Valley that wanted a promising young man to be their next administrator. So instead of hiring the outside expert to run the district, they hired the outside expert to train the young man to run the District. Our consultant presented to the Board what we had been discussing, the Board bought it, Kahl got the job, and we hired an expert who had been head of Los Angeles County Parks for 10 years to teach Kahl the ropes. As anyone in local politics knows, hiring Kahl Muscott began an ARD metamorphosis from a woefully dysfunctional special district into a model of good governance and service to the public.

And now we are facing a new crisis: the loss of our park trees. We hire the lowest bidding tree service to provide risk mitigation, and it's a lot more expensive to take a tree back to health than it is to cut it down to mitigate risk. Once again, I am thinking the unthinkable to halt this creeping disaster. It occurs to me that LAFCO may need someone who thinks the unthinkable.

**Statement of Qualifications for Re-Election to Placer LAFCO**  
**William Kahrl, Chair, Newcastle Fire Protection District**

**Our Common Task.** As one of your two representatives on Placer LAFCO, I believe that our special districts will face a very different range of challenges and opportunities in the years ahead. Reapportionment has bound the communities we serve in central Placer and the Tahoe/Truckee area more closely together than ever before. The ongoing threat of massive wildfires demands that we make common cause to bring our shared concerns more forcefully to the attention of the two mega-agencies -- CALFIRE and Pacific Gas and Electric -- whose operations most directly affect our mutual safety. And the advent of the state's new law on Accessory Dwelling Units has opened the gates for unexpected construction and expansion that could -- if we are not thoughtful -- undermine the best of our plans for the future.

All of Placer is affected by the increasing pace of new development. But it's different for special districts. The cities' and county representatives on LAFCO have resources in staffing and finance that they can draw on to meet changing needs and services. Most of us do not. We perform our public service often as volunteers, with little or no compensations. District funding is strictly limited and jealously guarded by local taxpayers. LAFCO can help, if we know how to use it..

The urban districts have a history of working together. But the distance from Auburn to Tahoe/Truckee is measured by more than just geography. With your support, I want to help bridge that gap. We need to do a better job of identifying common problems as well as the opportunities we can share to protect the things we love best about Placer. As chair of the Newcastle Fire Board, I can report we are already making progress along these lines, bringing together the leaders of other local fire districts, local, state and federal agencies, and tribal government on new programs that increase efficiency, improve public safety, and help to hold down the rising cost of insurance. Closer coordination and communication can benefit us all.

**My Background.** I have been lucky in life to be able to devote most of my career to serving California as an executive advisor on conflict resolution and natural resources policy. In state government, I've worked for the leaders of both parties in both houses of the state legislature as well as serving on the personal staff of both the Governor and the Assembly Speaker. In the private sector, I've served as a top-level advisor to several of the largest corporations in the United States and abroad, principally in the areas of forestry and water policy. Some of my proudest achievements in this connection include the creation of California's Wild and Scenic River System, the preservation of Point Reyes National Seashore and Headwaters National Forest, and launching the successful negotiations that created a permanent conservation easement for more than 80,000 acres of pristine coastal properties on the Hearst Ranch.

My clients have included all three of California's largest water districts -- Westlands, Imperial and the Metropolitan Water District of Southern California, the state Resources Agency, lumber companies, tribal governments the U.S. Geological Survey and the Army Corps of Engineers.

I am the editor of the award-winning *California Water Atlas* and the author of *Water and Power*, which the New York Times selected as one of the best books of the year. I graduated from Yale College and have subsequently received fellowships from the National Endowment for the Humanities, Coro Foundation, and the Rockefeller Foundation in Environmental Affairs. I also served as a member of the Editorial Board and Opinion Page Editor of the Sacramento Bee during its heyday. My wife Kathleen and I have lived in Newcastle for 22 years. I would appreciate your support. And if you have any questions or would like to discuss the issues your district is facing, please don't hesitate to call me at 916-663-0785.

Luke Thomas Ragan  
P.O. Box 1793  
Tahoe City, CA 96145  
530.308.5098  
ragan@ntfire.net

My name is Luke Thomas Ragan. My family is fifth generation Tahoe City. I currently serve on the North Tahoe Fire Protection District Board. I have been the Vice President on that Board for the past two years and have served on the Board since 2016. I also serve on the Boards for North Tahoe Little League and the Tahoe City Recreation Association. I am currently the President of Pacific Built, Inc. and sole owner of Ragan Snow Removal in Tahoe City. I graduated from North Tahoe High School and am currently in the process of being the assistant football coach for North Tahoe High School.

I am interested in this position to make a difference and protect the interests in Placer County. I appreciate your consideration to be nominated for a seat on the Placer County LAFCO Board.

Please feel free to contact me if you have any questions.



## **Rick Stephens**

**Rick Stephens has lived full time in Truckee since June 1, 2007. He was publicly elected to the Truckee Tahoe Airport Board in November 2016 and was re-elected in 2020. Rick was President of this Board in 2018 and 2019.**

**Stephens was elected to LAFCO in May 2021 as a Special District Alternate.**

**Rick was appointed to the Placer County Citizens Advisory Committee for allocation of a portion of TOT funds. The initial appointment was for 3 years in 2018. He was reappointed for an additional 3 year term in 2021.**

**Rick was the project manager for the TTCF Community House as a volunteer. It was a 4-year project including acquisition of the property, designing the plans to renovate the buildings, and reconstruction of the facility to serve non-profits in the Kings Beach area.**

**Rick also served on a citizens advisory group for the Truckee Fire Protection District on property tax revenue.**

**He has been President of Lahontan Community Association (5 years) and subsequently was President of Lahontan Golf Club (5 Years).**

**Rick Stephens worked in the commercial real estate business, as an Asset Manager and as an investor.**

**ZKS Real Estate Partners LLC was formed in 1996 after Zurich Insurance acquired Kemper Corporation. Its mission was to finish the orderly disposition of the remaining Kemper Corporation real estate portfolio (\$800 million) and to invest in real estate value added transactions. ZKS was closed at the end of 2013. Stephens Real Estate Partners LLC operated Stephens contracts and investments. Separate from the Zurich assets, ZKS acquired more than 5 million square feet of industrial and office properties valued at in excess of \$800 million.**

**Mr. Stephens was president of Kemper Real Estate Management Company from 1992-1996. KREMCO's sole mission was the orderly disposition of the \$5 billion Kemper real estate portfolio. In 1992 KREMCO had 700 employees, 11 million sf of buildings, 40,000 acres of land, and 2 home building companies.**

**Prior to Kemper, Mr. Stephens was president of The Koll Company's Los Angeles Division. This division was responsible for acquisition, development, property management and construction of approximately \$2 billion in real estate between 1986 and 1992.**

**Prior to Koll, Mr. Stephens was Sr. VP of Cadillac Fairview's Western Region from 1982-1985 responsible for industrial properties. This included 6 million sf of big box industrial in Torrance, Compton and Costa Mesa CA. In addition, 2,000 acres, in 5 industrial parks were developed.**

**Mr. Stephens started his real estate career at The Newhall Land and Farming Company in 1974. He was in charge of Newhall's industrial and commercial development from 1977-1982.**

**Mr. Stephens graduated from Cornell University in 1972 (BS Engineering) and received an MBA from Stanford University in 1974. He served 3 years in the US Army in the middle of his undergraduate studies, including tours of duty in Vietnam ('67-'68) and Germany ('68-'69).**

**Hiking and golf are Mr. Stephens leisure activities. Each year, Rick backpacks in the high Sierra Nevada mountains. Rick also enjoys adventure travel, 100 miles on The Camino Santiago, Patagonia, Inca Trail, Iceland, Copper Canyon in Mexico and the Haute Route in Switzerland in August 2019.**

**Rick has been married to Gail Stephens for 53 years. They have 2 children, 51 and 49 and 1 grandchild.**

**June 21, 2022**  
**Agenda Item: 7B**



## STAFF REPORT

**TO:** Board of Directors

**PREPARED BY:** Steven Palmer, PE, General Manager

**SUBJECT:** Approve Agreement with the Placer County Water Agency for \$15,000 Grant from the Financial Assistance Program for a Water Supply Resiliency Study

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### **RECOMMENDATION**

Approve the agreement and authorize the General Manager to sign the Funding Agreement with the Placer County Water Agency (PCWA) for a \$15,000 grant from the Financial Assistance Program (FAP) for a water supply resiliency study.

### **BACKGROUND**

PCWA implements a FAP to provide loans or grants to districts for the conservation and development of eligible water supplies and facilities. To be eligible, the organization must be an irrigation district, county water district, water conservation district, municipality, town, or any other district or political subdivision of the State empowered by law to appropriate water and deliver water to water users within Placer County. Projects, programs, or facilities related to the production, treatment, storage, transmission, distribution or conservation of water for beneficial use within the County of Placer are eligible for funding.

On December 28, 2021, the DSPUD Board authorized the General Manager to apply for a grant from the FAP. The General Manager applied for funding for a water supply resiliency study, which was identified in the latest inspection by the State Division of Drinking Water. The application is included as Attachment 1.

### **DISCUSSION**

PCWA awarded DSPUD \$15,000 for the water supply resiliency study at their Board meeting on May 19, 2022. To accept the grant, DSPUD must execute the Funding Agreement included as Attachment 2. The terms of the agreement include:

- Scope of work for study as described in grant application (Attachment 1).
- Must be complete prior to December 31, 2023, unless an extension is requested in writing 60 days prior to completion date.
- Reimbursement basis and requests may be submitted monthly.

### **FISCAL IMPACT**

Approving the agreement will result in \$15,000 in funding from PCWA on a reimbursement basis.

### **CEQA ASSESSMENT**

This action is not a CEQA Project.

### **ATTACHMENTS**

1. Grant Application
2. Funding Agreement



## 2022 Financial Assistance Program

**Entity Name:** Donner Summit Public Utility District

**FAP Project(s) Title included in the Project Database you wish to submit for FAP:**

- Supply/Drought Resiliency Study

**This Financial Assistance Request is for a \_\_\_\_\_ Loan or  X  Grant.**

**If requesting a Loan, please provide the source of funds for repayment:**


**As the FAP loan and grant funding resources are limited, at times the FAP requests have only been partially funded. If only a portion of the requested FAP Project amount was awarded, how would the project proceed?**

Project would likely be delayed by at least one year.

**If available online, please provide the website for the most current audited Financial Statements and Budget. If not available online, please upload the documents into the Project Database.**

FY19/20 Audit - <https://dspud.com/wp-content/uploads/2021/03/DSPUD-Audit-June-30-2020.pdf>

<b>Authorization</b>
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 _____ Signature	<u>2/18/2022</u> _____ Date
Print Name: <u>STEVEN PALMER</u>	

Electronic submissions are required and deliverable to: [PCWAFAP@pcwa.net](mailto:PCWAFAP@pcwa.net)

**Submit by 5:00 pm February 20, 2022 for current year consideration.  
Submissions received after 5:00 pm February 20, 2022 will be returned.**

Placer County Water Agency  
2022 Financial Assistance Program Funding Request Summary

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<b>1 Donner Summit Public Utility District</b>	<b>Request: \$15,000 Grant</b>
<b>Element 3, Water Supply Reliability</b>	<b>Total Project Cost: \$35,000</b>
<b>Project Title: Supply/Drought Resiliency Study</b>	

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The 2022 grant request is for:

The FAP request of \$15,000 will be used to fund a study as recommended by the State Division of Drinking Water. The study will evaluate the impact of algal blooms and drought on the water available from Lake Angela, identify potential alternative sources, and analyze the feasibility and cost implications of those alternative sources.

**Project Statement:**

The District currently receives water from only one source, Lake Angela. That source is known to experience algal blooms which affect water quality. Additionally, the source is very susceptible to reduction in available water due to climate conditions and drought.

**Project Description:**

This Project will evaluate the resiliency of the water supply at Lake Angela, including the impacts of reduced water quality and drought. The Project will evaluate potentials for alternative sources of supply in the event that water at Lake Angela is not in sufficient quality or quantity. This will include an evaluation of permanent and temporary solutions.

**Water Entity Metrics:**

- 364 Treated water connections
- 364 Treated water connections metered
- 0 Irrigation water connections
- \$533782.00 Current year water system expense budget
- \$6011563.00 Assets per most recent audit
- \$29700.00 Property tax revenue, if any
- 6 Full-time staff
- 0 Part-time/volunteers

June 21, 2022  
Agenda Item: 7B  
ATTACHMENT 2



PLACER COUNTY WATER AGENCY  
SINCE 1957  
BOARD OF DIRECTORS  
Gray Allen, District 1  
Primo Santini, District 2  
Mike Lee, District 3  
Robert Dugan, District 4  
Joshua Alpine, District 5  
Andrew Fecko, General Manager  
BUSINESS CENTER  
144 Ferguson Road  
MAIL  
P.O. Box 6570  
Auburn, CA 95604  
PHONE  
(530) 823-4850  
(800) 464-0030  
WWW.PCWA.NET

June 8, 2022

Mr. Steven Palmer  
General Manager  
Donner Summit Public Utility District  
P.O. Box 610  
Soda Springs, CA 95728

Dear Steven,

On May 19, 2022, the Placer County Water Agency Board of Directors awarded the Donner Summit Public Utility District a Grant totaling \$15,000 for the project titled "Supply/Drought Resiliency Study", under PCWA's 2022 Financial Assistance Program (FAP).

Please indicate your acceptance of the terms of this Agreement by electronically signing this document in Adobe Sign. Once countersigned by the Agency, you will receive an executed original for your files.

Thank you for your interest in the Financial Assistance Program. Should you have any questions, please do not hesitate to contact me at (530) 823-4875 or Melissa Cope at (530) 823-4850.

Sincerely,

Joseph H. Parker, CPA  
Director of Financial Services



**Placer County Water Agency**  
**2022 Financial Assistance Program**  
**Funding Agreement**

This Agreement by and between the **Placer County Water Agency**, (“PCWA”), and **Donner Summit Public Utility District**, (“District” or “DSPUD”), collectively referred to as “Parties”, for a Grant under the 2022 PCWA Financial Assistance Program, (“FAP”) is made as of the date executed by the last signatory of this Agreement, (“Effective Date”).

**RECITALS**

- A. In accordance with the provisions of the PCWA’s Financial Assistance Program, the District submitted a request for a Grant of \$15,000 to be reimbursed toward specific costs of the District’s total estimated cost of its project entitled “Supply/Drought Resiliency Study”, (“Project”).
- B. After duly considering the District’s request, PCWA’s Staff recommended and PCWA Board of Directors approved, on May 19, 2022, to Award a Grant of \$15,000 to the District, on a reimbursement basis, to cover the cost of a study to evaluate the resiliency of the water supply at Lake Angela, subject to the terms and conditions of this Grant Agreement.

**NOW THEREFORE, the Parties hereto agree as follows:**

- 1. **Amount and Purpose of Grant** PCWA hereby agrees to a grant to the District in the amount of \$15,000 to assist the District in funding the Project. The scope of the District’s Project as set forth in the application, which is attached hereto as **EXHIBIT A, Scope of Work**.
- 2. **Term of the Grant** The District hereby agrees to use the funds to be granted to it pursuant to this Agreement, solely for the purpose of completing the Project stated herein. The District agrees to complete the District’s Project on or before December 31, 2023. If the Project cannot be completed by that date, the District may request a time extension. The request for an extension shall be submitted to PCWA at least 60 days prior to the Completion Date, which at PCWA’s sole discretion, may be authorized in writing with or without supplemental conditions.
- 3. **Disbursement of Funds** Grant funding is performed on a reimbursement basis; thus, the District would pay for the Project’s cost, then submit a payment request to PCWA for reimbursement from the awarded grant funding. Payment requests may be submitted throughout the Project, no more frequently than monthly, or once upon completion of the Project. The District shall complete, sign and submit a reimbursement request in the format provided in **EXHIBIT B, Reimbursement Request**, with appropriate supporting



Placer County Water Agency  
2022 Financial Assistance Program  
Funding Agreement

documentation for the allowable actual Project costs incurred by the District under this Agreement. Upon receipt of the Reimbursement Request, PCWA will review the completed form and the provided supporting documentation and, if approved, will pay the allowable costs under this Agreement, but in no event will PCWA pay more than the grant award amount stated in Section 1 above. The District's final reimbursement shall be submitted no later than 60 days after the completion date referenced in Section 2 above. PCWA reserves the right to hold the final reimbursement amount or 10% of the grant award until a final report is completed and received.

4. Project Costs The District shall pay any and all costs connected with the Project, without limitation. If the Project Grant award amount is not sufficient to pay the Project costs in full, the District shall nonetheless complete the Project and pay all Project costs in excess of the available Project Grant award amount. The District shall not be entitled to any reimbursement from the Agency for Project costs in excess of the Grant award amount. Should the grant award be insufficient to complete the Project within the term of the Grant in **Article 2**, it will be the District's responsibility to complete the Project using other funding opportunities, or operations expenses. Any allocated grant award funds remaining unused at the end of the grant term, or extension, will be un-allocated and returned to the FAP pool of funds for use in future FAP awards.
5. Final Report Where applicable, the District agrees to furnish PCWA a copy of all final reports, studies or assessments associated with the Project and receipt of the final report may be a condition of final disbursement of funds.
6. Examination and Audit The District acknowledges that pursuant to California Government Code Section 8546.7:

Notwithstanding any other provision of law, every contract involving the expenditure of public funds in excess of ten thousand dollars (\$10,000) entered into by any state agency, board, commission, or department or by any other public entity, including a city, county, city and county, or district, shall be subject to the examination and audit of the California State Auditor, at the request of the public entity or as part of any audit of the public entity, for a period of three years after final payment under the contract.

Every contract shall contain a provision stating that the contracting parties shall be subject to that examination and audit. The failure of a contract to contain this provision shall not preclude the California State Auditor from conducting an





**Placer County Water Agency**  
**2022 Financial Assistance Program**  
**Funding Agreement**

examination and audit of the contract at the request of the public entity entering into the contract or as part of any audit of the public entity.

The examinations and audits under this section shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the contract.

In compliance with the above, the District shall maintain and make available for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant. During regular office hours, PCWA's duly authorized representatives shall have the right to inspect and make copies of any books, records, or reports of the District pertaining to this Grant, the District's Project, or matters related hereto. Failure or refusal by the District to comply with this provision shall be considered a substantial failure to comply with this Agreement and PCWA may withhold disbursements to the District or request any reimbursed funds to be refunded.

7. Indemnification The District agrees to indemnify, defend and save harmless PCWA, its Board of Directors, officers, agents, employees, and volunteers from any and all suits, actions, claims, and or losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services , materials, or supplies in conjunction with the performance of this Agreement, from any and all claims and or losses accruing or resulting to any person, firm or corporation who may be injured or damaged by District in the performance of this agreement, and from any and all claims resulting from legal challenges to the District's Project, including, but not limited to, environmental review and compliance. This indemnity shall survive the termination of this Agreement whether by completion of the Project or any other reason whatsoever.

The District (including its contractor, subcontractors, stakeholders, and sub-recipients) shall maintain liability insurance, workers compensation and property coverage sufficient to indemnify PCWA from claims for death, bodily injury, property damage, loss or other liability that could result from one or more identified activities carried out in connection with this FAP award agreement. PCWA, its Board of Directors, officers, agents, employees, and volunteers shall be specifically named as Additionally Insured under the recipient's policies.

The District agrees to promptly report and cooperate with PCWA in the investigation and defense of any claims that may be filed against PCWA arising out of the activities of the District, its agents, employees or contractors.



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In the event of damage or destruction to the project, in whole or in part, nothing herein contained shall be deemed to require PCWA to replace or repair the building(s), property, or project. The District agrees that PCWA has no obligation for salvage, demolition or repair.

8. Notices All notices that are required to be given to one party by the other under this Agreement shall have been deemed to have been given if delivered personally or enclosed in a properly addressed envelope for delivery by registered or certified mail addressed to the parties at the addresses below, unless such addresses are changed by notice to the other party.

District

Donner Summit Public Utility District  
P.O. Box 610  
Soda Springs, CA 95728

Agency

Placer County Water Agency  
P.O. Box 6570  
Auburn CA 95604-6570

9. Dispute Resolution If a dispute arises concerning any controversy or claim arising out of or relating to this Agreement or the breach thereof, or relating to its application or interpretation, the aggrieved party will notify the other party of the dispute in writing within 20 days after such dispute arises. If the Parties fail to resolve the dispute within 60 days after delivery of such notice, each party will promptly nominate a senior officer of its organization to meet at any mutually agreed time and location to resolve the dispute. The Parties shall use their best efforts to reach a just and equitable solution satisfactory to all Parties. Should the Parties be unable to resolve the dispute to their mutual satisfaction within 60 days thereafter, the dispute will be subject to mediation, pursuant to (13), below. The time periods set forth in this section are subject to extension as agreed to by the Parties.
10. Mandatory Non-binding Mediation If a dispute is not resolved pursuant to (12), above, the Parties agree to first endeavor to settle the dispute in an amicable manner, using mandatory non-binding mediation initiated and conducted under the applicable rules of the American Arbitration Association, before having recourse in a court of law. Each party shall bear its own legal expenses, and the expenses of witnesses for either side shall be paid by the party producing such witnesses. All expenses of the mediator, including required travel, and the cost of any proofs or expert advice produced at the direct request of the mediator, shall be borne equally by the parties, unless they agree otherwise. Any resultant agreements from mediation shall be documented in writing. All mediation proceedings, results, and documentation, including without limitation any materials prepared or submitted or any positions taken by or on behalf of either party, shall be inadmissible for any purpose in any



**Placer County Water Agency**  
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legal proceeding (pursuant to California Evidence Codes sections 1115 through 1128), unless such admission is otherwise agreed upon in writing by both parties. Mediators shall not be subject to any subpoena or liability, and their actions shall not be subject to discovery. The mediation shall be completed within 60 days after selection of the mediator, unless the Parties agree to extend the mediation period. Either party may thereafter pursue its available legal and equitable remedies, pursuant to the laws of the State of California. Nothing in this Agreement or provision shall constitute a waiver of any of the government claim filing requirements set forth in Title 1, Division 3.6, of the California Government Code or as otherwise set forth in local, state and federal law. In the event of any action between Parties seeking enforcement of any of the terms and conditions of this Agreement, the prevailing party in such action shall be awarded its reasonable costs and expenses, including but not limited to taxable costs, and its reasonable attorneys' fees.

11. Severability If a provision of this Agreement violates any applicable law or regulation, that provision will be stricken from the Agreement, and all other provisions of this Agreement will remain in full force.
  
12. Enforcement of Agreement This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected to this Agreement shall lie exclusively in the state trial court or Federal District Court in the Counties of Placer or Sacramento, within the Eastern District of California and Parties consent to jurisdiction over their persons and over the subject matter of such litigation in such courts, and consent to service of process issued by such courts. Each party accepts for itself, generally and unconditionally, the exclusive jurisdiction of these courts and waives any defense of forum non conveniens.

This Agreement shall not be interpreted in favor of any party by virtue of said party not having prepared this Agreement.

No right conferred on either party under this Agreement shall be deemed waived, and no breach of this Agreement excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the Agency's review, approval or acceptance of, nor disbursement of funds for, the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the District shall be and remain liable to the Agency in accordance with applicable law for all damages caused by the District's negligent performance of any of the work under this Agreement.



**Placer County Water Agency**  
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By signing below, signatory warrants and represents that they have accessed and read all Agreement documents and is fully authorized to execute this Agreement in their authorized capacity, that they have the authority to bind the entity listed below to contractual obligations and that by their signature on this Agreement, the entity on behalf of which they acted, executed this Agreement.

**PLACER COUNTY WATER AGENCY**

BY:

Date:

Name:

Title: Director of Financial Services

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

BY:

Date:

Name:

Title:



Placer County Water Agency  
2022 Financial Assistance Program  
Funding Agreement

**EXHIBIT A**

**Scope of Work**

The following is a summary of the scope of work encompassing the Project and the specific Project costs covered by this Grant Agreement.

The 2022 grant request is for \$15,000 and will be used to fund a study as recommended by the State Division of Drinking Water. The study will evaluate the impact of algal blooms and drought on the water available from Lake Angela, identify potential alternative sources, and analyze the feasibility and cost implications of those alternative sources

**Project Statement:**

The District currently receives water from only one source, Lake Angela. That source is known to experience algal blooms which affect water quality. Additionally, the source is very susceptible to reduction in available water due to climate conditions and drought.

**Project Description:**

This Project will evaluate the resiliency of the water supply at Lake Angela, including the impacts of reduced water quality and drought. The Project will evaluate potentials for alternative sources of supply in the event that water at Lake Angela is not in sufficient quality or quantity. This will include an evaluation of permanent and temporary solutions.

**Specific Project Costs covered by this Grant Agreement:** The approved Grant amount is for reimbursement to cover the cost of a study to evaluate the resiliency of the water supply at Lake Angela.



# Placer County Water Agency

## 2022 Financial Assistance Program EXHIBIT B

June 21, 2022  
Agenda Item: 7B  
ATTACHMENT 2

### Reimbursement Request

**2022-5**

Send to: Placer County Water Agency  
P.O. Box 6570, Auburn, CA 95604-6570    pcwafap@pcwa.net

<b>District Name</b>	<b>Date</b>
Donner Summit Public Utility District	
<b>Project Title</b>	<b>Vendor #</b>
Supply/Drought Resiliency Study	TBD
	<b>P.O. No.</b>
	Request # 46219

**PAYMENT REQUEST**

**Complete Summary of Reimbursement Request in Attachment 1**

(Please Round amounts to the nearest whole dollar)

- |                                                                       |        |
|-----------------------------------------------------------------------|--------|
| a. Grant Amount                                                       | 15,000 |
| b. Less Reimbursement(s) to Date                                      | _____  |
| c. Amount Available (a. minus b.)                                     | _____  |
| d. Less Amount of this Payment Request                                | _____  |
| e. Remaining Funds available after this Payment Request (c. minus d.) | _____  |
| f. Is this the final Payment Request: Yes ___ No ___                  |        |

**Payments will be sent to the District address on the application noted below:**  
(please correct if a different address is required)

Street Address: P.O. Box 610, Soda Springs, CA 95728

Attention: Mr. Steven Palmer, General Manager

**Authorized District Representative Requesting Payment:**

<b>Signature:</b>	<b>Date:</b>
<b>Name (please print):</b>	<b>Email:</b>
<b>Title (please print):</b>	<b>Phone:</b>

**PCWA APPROVAL FOR PAYMENT:**

**CWMP ELEMENT 3 - Water Supply Reliability**

CWMP Approval Signature	Name (please print)	Date:
Technical Services – Engineering Approval	Name (please print)	Date:
PO Entry Signature	Name (please print)	Date:
PO Number	PO Line	



# Placer County Water Agency

June 21, 2022  
Agenda Item: 7B  
ATTACHMENT 2

## 2022 Financial Assistance Program EXHIBIT B

### Attachment 1 Summary of Reimbursement Request

Donner Summit Public Utility District Supply/Drought Resiliency Study

ORIGINAL AWARD: \$15,000

VENDOR INVOICE DATE	VENDOR	VENDOR INVOICE TOTAL	VENDOR INVOICE NUMBER	FAP REIMBURSEMENT AMOUNT	BACK-UP ITEM
					A
					B
					C
					D
					E
					F
					G
					H
					I
					J
					K
					L
					M
					N
					O
			<b>FAP REIMBURSEMENT REQUEST TOTAL</b>		

**MAKE SURE TO IDENTIFY THE BACK-UP ITEM ON THE COPY OF THE VENDOR INVOICE.**

Add additional sheets as needed

**June 21, 2022**  
**Agenda Item: 7C**





## STAFF REPORT

**TO:** Board of Directors

**PREPARED BY:** Steven Palmer, PE, General Manager

**SUBJECT:** Consider Adopting a Resolution to Oppose Initiative 21-0042A1 Which Would Restrict the Tax and Fee Authority of Local Agencies

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### **RECOMMENDATION**

Consider Adopting a Resolution to Oppose Initiative 21-0042A1.

### **BACKGROUND**

The California Business Roundtable (CBRT) is sponsoring a statewide initiative measure to amend the California Constitution to severely limit the ability of the state and local governments to enact, modify, or expand taxes, assessments, fees, and property-related charges (Attachment 1). They have titled this initiative the "Taxpayer Protection and Government Accountability Act," and it is the most impactful proposal related to local government taxes and fees since the passage of Proposition 218 (1996) and Proposition 26 (2010). The initiative has not yet qualified for the ballot.

California Special District Association (CSDA) is asking their members to adopt a resolution opposing the initiative, and to join the No on Initiative 21-0042A1 coalition to help stop the initiative from qualifying or being approved.

### **DISCUSSION AND ANALYSIS**

#### Legislative Analyst's Office

The Legislative Analyst's Office provided a review of the initiative which is included as Attachment 2. That LAO review lists the following changes proposed by the initiative:

- Expands the definition of tax to include some charges imposed by state and local agencies. This would increase the number of revenue sources that would require voter approval.
- Increases the vote requirements for increasing state taxes. Legislatively proposed tax increases would require two-thirds approval by each legislative house and a majority vote of the statewide electorate.
- Modifies local tax approval requirements. Any tax proposed by the local governing body or an elector requires voter approval.
- Requires that state and local taxes must identify the type, amount, and duration of the tax.
- Requires the legislature and local government bodies to impose state and local fees. This would restrict the ability of the state and local governments to delegate fee changes to administrative entities of the government.
- For some categories of fees, the measure would require that the charge be both reasonable and reflect the actual costs of providing the service. If challenged, the state or local government would need to provide clear and convincing evidence that the fee

meets this threshold. State and local governments also would need to provide clear and convincing evidence that the levy is a fee and not a tax under the new proposed definition.

- Any state or local tax approved between January 1, 2022 and the effective date of the initiative would be nullified if it does not meet the proposed requirements.

The LAO concludes that the provisions of this initiative would lower state tax and fee revenue, lower local government tax and fee revenue, and potentially increase state and local administrative costs in order to change fees to comply with the new requirements. These impacts are potentially substantial, depending on how the state and local governments respond to the new requirements.

#### California Special Districts Association

CSDA analyzed the initiative, and their written analysis is included as Attachment 3.

The initiative includes the following provisions related to DSPUD that CSDA explicitly opposes:

- Establishes a new standard that fees shall not exceed the actual cost of service, which is defined as the minimum amount necessary to reimburse the local government for the cost of providing the service, less all other sources of revenue (e.g. grants). The current legal standard as required by Proposition 218 is that fees pay for the “reasonable cost of service.” This new proposed standard is nearly impossible to meet because it requires the agency to predict actual costs years into the future, and requires the agency to predict external revenues that are constantly changing and largely outside the control of the local agency. The proposed language will encourage endless litigation challenging local fees claiming they are not the “minimum amount necessary”. For instance, a lawsuit could be brought challenging whether infrastructure upgrade or replacement is a necessary cost.
- Burden of proof for cost of fees elevated from “preponderance of evidence” to “clear and convincing evidence.” Elevating the burden of proof will lead to more corporations or special interest groups litigating in an effort to overturn the fees. It will be up to the courts to decide what constitutes “clear and convincing evidence.”
- Requires that fees must be “reasonable” to the payor. This is a new requirement and the initiative does not provide a definition for “reasonable.” Therefore the initiative provides a new avenue to challenge fees by enabling a plaintiff to claim a fee is not reasonable even if the fee meets all other legal requirements.
- Retroactively void all state and local taxes or fees adopted after January 1, 2022 if they did not align with the provisions of the initiative. This could be interpreted to apply to indexed fees that adjust over time. All currently adopted fees will need to be evaluated and updated to attempt to meet the new requirements.

As described in the CSDA analysis, the measure would result in significant loss of revenue to state and local agencies thereby restricting the ability of those agencies to adequately fund service and infrastructure. CSDA further concludes that limiting revenues to the “minimum amount necessary” will result in less investment in needed areas such as technological advancement, climate adaptation and resilience, and infrastructure upgrades and replacement.

Summary

If enacted, public agencies would certainly face a drastic rise in litigation that could severely restrict their ability to meet essential services and infrastructure needs. A growing coalition of public safety, labor, local government, infrastructure advocates, and other organizations throughout the state are taking action against this initiative. Notable opponents include League of California Cities, CSDA, California Professional Firefighters, California Alliance for Jobs, and the American Federation of State, County, and Municipal Employees – California.

By adopting the resolution, DSPUD will join CSDA and a growing coalition in opposing Initiative 21-0042A1, and help to prevent the initiative from qualifying or being approved.

**FISCAL IMPACT**

There is no direct fiscal impact to this action.

**CEQA ASSESSMENT**

This is not a CEQA Project

**ATTACHMENTS**

1. Text of Initiative 21-0042A1
2. LAO Summary
3. CSDA Analysis
4. Resolution

BELL, McANDREWS & HILTACHK, LLP  
ATTORNEYS AND COUNSELORS AT LAW  
455 CAPITOL MALL, SUITE 600  
SACRAMENTO, CALIFORNIA 95814

(916) 442-7757  
FAX (916) 442-7759  
www.bmhlaw.com

21 - 0042 Amdt. # 1

January 4, 2022

RECEIVED

JAN 04 2022

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Anabel Renteria  
Initiative Coordinator  
Office of the Attorney General  
State of California  
PO Box 994255  
Sacramento, CA 94244-25550

Re: Initiative 21-0042 - Amendment Number One

Dear Initiative Coordinator:

Pursuant to subdivision (b) of Section 9002 of the Elections Code, enclosed please find Amendment #1 to Initiative No. 21-0042 "The Taxpayer Protection and Government Accountability Act." The amendments are reasonably germane to the theme, purpose or subject of the initiative measure as originally proposed.

I am the proponent of the measure and request that the Attorney General prepare a circulating title and summary of the measure as provided by law, using the amended language.

Thank you for your time and attention processing my request.

Sincerely,



Thomas W. Hiltachk

## The Taxpayer Protection and Government Accountability Act

[Deleted codified text is denoted in ~~strikeout~~. Added codified text is denoted by *italics and underline*.]

### Section 1. Title

This Act shall be known, and may be cited as, the Taxpayer Protection and Government Accountability Act.

### Section 2. Findings and Declarations

(a) Californians are overtaxed. We pay the nation's highest state income tax, sales tax, and gasoline tax. According to the U.S. Census Bureau, California's combined state and local tax burden is the highest in the nation. Despite this, and despite two consecutive years of obscene revenue surpluses, state politicians in 2021 alone introduced legislation to raise more than \$234 *billion* in new and higher taxes and fees.

(b) Taxes are only part of the reason for California's rising cost-of-living crisis. Californians pay billions more in hidden "fees" passed through to consumers in the price they pay for products, services, food, fuel, utilities and housing. Since 2010, government revenue from state and local "fees" has more than doubled.

(c) California's high cost of living not only contributes to the state's skyrocketing rates of poverty and homelessness, they are the pushing working families and job-providing businesses out of the state. The most recent Census showed that California's population dropped for the first time in history, costing us a seat in Congress. In the past four years, nearly 300 major corporations relocated to other states, not counting thousands more small businesses that were forced to move, sell or close.

(d) California voters have tried repeatedly, at great expense, to assert control over whether and how taxes and fees are raised. We have enacted a series of measures to make taxes more predictable, to limit what passes as a "fee," to require voter approval, and to guarantee transparency and accountability. These measures include Proposition 13 (1978), Proposition 62 (1986), Proposition 218 (1996), and Proposition 26 (2010).

(e) Contrary to the voters' intent, these measures that were designed to control taxes, spending and accountability, have been weakened and hamstrung by the Legislature, government lawyers, and the courts, making it necessary to pass yet another initiative to close loopholes and reverse hostile court decisions.

### Section 3. Statement of Purpose

(a) In enacting this measure, the voters reassert their right to a voice and a vote on new and higher taxes by requiring any new or higher tax to be put before voters for approval. Voters also intend that all fees and other charges are passed or rejected by the voters themselves or a governing body elected by voters and not unelected and unaccountable bureaucrats.

(b) Furthermore, the purpose and intent of the voters in enacting this measure is to increase transparency and accountability over higher taxes and charges by requiring any tax measure placed on the ballot—

either at the state or local level—to clearly state the type and rate of any tax, how long it will be in effect, and the use of the revenue generated by the tax.

(c) Furthermore, the purpose and intent of the voters in enacting this measure is to clarify that any new or increased form of state government revenue, by any name or manner of extraction paid directly or indirectly by Californians, shall be authorized only by a vote of the Legislature and signature of the Governor to ensure that the purposes for such charges are broadly supported and transparently debated.

(d) Furthermore, the purpose and intent of the voters in enacting this measure is also to ensure that taxpayers have the right and ability to effectively balance new or increased taxes and other charges with the rapidly increasing costs Californians are already paying for housing, food, childcare, gasoline, energy, healthcare, education, and other basic costs of living, and to further protect the existing constitutional limit on property taxes and ensure that the revenue from such taxes remains local, without changing or superseding existing constitutional provisions contained in Section 1(c) of Article XIII A.

(e) In enacting this measure, the voters also additionally intend to reverse loopholes in the legislative two-thirds vote and voter approval requirements for government revenue increases created by the courts including, but not limited to, *Cannabis Coalition v. City of Upland*, *Chamber of Commerce v. Air Resources Board*, *Schmeer v. Los Angeles County*, *Johnson v. County of Mendocino*, *Citizens Assn. of Sunset Beach v. Orange County Local Agency Formation Commission*, and *Wilde v. City of Dunsmuir*.

Section 4. Section 3 of Article XIII A of the California Constitution is amended to read:

Sec. 3(a) Every levy, charge, or exaction of any kind imposed by state law is either a tax or an exempt charge.

(b)(1) (a) Any change in state statute law which results in any taxpayer paying a new or higher tax must be imposed by an act passed by not less than two-thirds of all members elected to each of the two houses of the Legislature, and submitted to the electorate and approved by a majority vote, except that no new ad valorem taxes on real property, or sales or transaction taxes on the sales of real property, may be imposed. Each Act shall include:

(A) A specific duration of time that the tax will be imposed and an estimate of the annual amount expected to be derived from the tax.

(B) A specific and legally binding and enforceable limitation on how the revenue from the tax can be spent. If the revenue from the tax can be spent for unrestricted general revenue purposes, then a statement that the tax revenue can be spent for “unrestricted general revenue purposes” shall be included in a separate, stand-alone section. Any proposed change to the use of the revenue from the tax shall be adopted by a separate act that is passed by not less than two-thirds of all members elected to each of the two houses of the Legislature and submitted to the electorate and approved by a majority vote.

(2) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, including a measure proposed by an elector pursuant to Article II, include:

(A) The type and amount or rate of the tax;

(B) The duration of the tax; and

(C) The use of the revenue derived from the tax.

(c) Any change in state law which results in any taxpayer paying a new or higher exempt charge must be imposed by an act passed by each of the two houses of the Legislature. Each act shall specify the type of exempt charge as provided in subdivision (e), and the amount or rate of the exempt charge to be imposed.

(d) ~~(b)~~ As used in this section and in Section 9 of Article II, "tax" means every ~~any~~ levy, charge, or exaction of any kind imposed by ~~the State~~ state law that is not an exempt charge. ~~except the following:~~

(e) As used in this section, "exempt charge" means only the following:

~~(1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the State of conferring the benefit or granting the privilege to the payor.~~

(1) ~~(2)~~ A reasonable charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the State of providing the service or product to the payor.

(2) ~~(3)~~ A charge imposed for the reasonable regulatory costs to the State incident to issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

(3) A levy, charge, or exaction collected from local units of government, health care providers or health care service plans that is primarily used by the State of California for the purposes of increasing reimbursement rates or payments under the Medi-Cal program, and the revenues of which are primarily used to finance the non-federal portion of Medi-Cal medical assistance expenditures.

(4) A reasonable charge imposed for entrance to or use of state property, or the purchase, rental, or lease of state property, except charges governed by Section 15 of Article XI.

(5) A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or the State, as a result of a state administrative enforcement agency pursuant to adjudicatory due process, to punish a violation of law.

(6) A levy, charge, assessment, or exaction collected for the promotion of California tourism pursuant to Chapter 1 (commencing with Section 13995) of Part 4.7 of Division 3 of Title 2 of the Government Code.

(f) ~~(e)~~ Any tax or exempt charge adopted after January 1, ~~2022~~ 2010, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted by the Legislature and signed into law by the Governor in compliance with the requirements of this section.

(g) ~~(1) ~~(d)~~~~ The State bears the burden of proving by a preponderance of the clear and convincing evidence that a levy, charge, or other exaction is an exempt charge and not a tax. The State bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor. ~~that the amount is no more than necessary to cover the reasonable costs of the governmental activity and~~

~~that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity~~

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by state law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind as being voluntary, or paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be a factor in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(h) As used in this section:

(1) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(2) "Extend" includes, but is not limited to, doing any of the following with respect to a tax or exempt charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.

(3) "Impose" means adopt, enact, reenact, create, establish, collect, increase or extend.

(4) "State law" includes, but is not limited to, any state statute, state regulation, state executive order, state resolution, state ruling, state opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by the legislative or executive branches of state government. "State law" does not include actions taken by the Regents of the University of California, Trustees of the California State University, or the Board of Governors of the California Community Colleges.

Section 5. Section 1 of Article XIII C of the California Constitution is amended, to read:

Sec. 1. Definitions. As used in this article:

(a) "Actual cost" of providing a service or product means: (i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing "actual cost" the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.

(b) "Extend" includes, but is not limited to, doing any of the following with respect to a tax, exempt charge, or Article XIII D assessment, fee, or charge: lengthening its duration, delaying or eliminating its expiration, expanding its application to a new territory or class of payor, or expanding the base to which its rate is applied.



(c) (a) "General tax" means any tax imposed for general governmental purposes.

(d) "Impose" means adopt, enact, reenact, create, establish, collect, increase, or extend.

(e) (b) "Local government" means any county, city, city and county, including a charter city or county, any special district, or any other local or regional governmental entity, or an elector pursuant to Article II or the initiative power provided by a charter or statute.

(f) "Local law" includes, but is not limited to, any ordinance, resolution, regulation, ruling, opinion letter, or other legal authority or interpretation adopted, enacted, enforced, issued, or implemented by a local government.

(g) (c) "Special district" means an agency of the State, formed pursuant to general law or a special act, for the local performance of governmental or proprietary functions with limited geographic boundaries including, but not limited to, school districts and redevelopment agencies.

(h) (d) "Special tax" means any tax imposed for specific purposes, including a tax imposed for specific purposes, which is placed into a general fund.

(i) (e) As used in this article, and in Section 9 of Article II, "tax" means every any levy, charge, or exaction of any kind, imposed by a local government law that is not an exempt charge., except the following:

(i) As used in this section, "exempt charge" means only the following:

~~(1) A charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.~~

(1) (2) A reasonable charge imposed for a specific local government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable actual costs to the local government of providing the service or product.

(2) (3) A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

(3) (4) A reasonable charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property.

(4) (5) A fine, or penalty, or other monetary charge including any applicable interest for nonpayment thereof, imposed by the judicial branch of government or a local government administrative enforcement agency pursuant to adjudicatory due process, as a result of to punish a violation of law.

(5) (6) A charge imposed as a condition of property development. No levy, charge, or exaction regulating or related to vehicle miles traveled may be imposed as a condition of property development or occupancy.

(6) (7) An Assessments and property related fees assessment, fee, or charge imposed in accordance with the provisions of subject to Article XIII D, or an assessment imposed upon a business in a tourism marketing district, a parking and business improvement area, or a property and business improvement district.

(7) A charge imposed for a specific health care service provided directly to the payor and that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the health care service. As used in this paragraph, a "health care service" means a service licensed or exempt from licensure by the state pursuant to Chapters 1, 1.3, or 2 of Division 2 of the Health and Safety Code.

~~The local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.~~

Section 6. Section 2 of Article XIII C of the California Constitution is amended to read:

Sec. 2. Local Government Tax Limitation. Notwithstanding any other provision of this Constitution:

(a) Every levy, charge, or exaction of any kind imposed by local law is either a tax or an exempt charge. All taxes imposed by any local government shall be deemed to be either general taxes or special taxes. Special purpose districts or agencies, including school districts, shall have no power to levy general taxes.

(b) No local ~~law government, whether proposed by the governing body or by an elector,~~ may impose, extend, or increase any general tax unless and until that tax is submitted to the electorate and approved by a majority vote. A general tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved. The election required by this subdivision shall be consolidated with a regularly scheduled general election for members of the governing body of the local government, except in cases of emergency declared by a unanimous vote of the governing body.

(c) Any general tax imposed, extended, or increased, without voter approval, by any local government on or after January 1, 1995, and prior to the effective date of this article, shall continue to be imposed only if approved by a majority vote of the voters voting in an election on the issue of the imposition, which election shall be held within two years of the effective date of this article and in compliance with subdivision (b). ~~(d) No local law government, whether proposed by the governing body or by an elector,~~ may impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote. A special tax shall not be deemed to have been increased if it is imposed at a rate not higher than the maximum rate so approved.

(d) The title and summary and ballot label or question required for a measure pursuant to the Elections Code shall, for each measure providing for the imposition of a tax, include:

(1) The type and amount or rate of the tax;

(2) the duration of the tax; and

(3) The use of the revenue derived from the tax. If the proposed tax is a general tax, the phrase "for general government use" shall be required, and no advisory measure may appear on the same ballot that would indicate that the revenue from the general tax will, could, or should be used for a specific purpose.

(e) Only the governing body of a local government, other than an elector pursuant to Article II or the initiative power provided by a charter or statute, shall have the authority to impose any exempt charge. The governing body shall impose an exempt charge by an ordinance specifying the type of exempt charge

as provided in Section 1(j) and the amount or rate of the exempt charge to be imposed, and passed by the governing body. This subdivision shall not apply to charges specified in paragraph (7) of subdivision (j) of Section 1.

(f) No amendment to a Charter which provides for the imposition, extension, or increase of a tax or exempt charge shall be submitted to or approved by the electors, nor shall any such amendment to a Charter hereafter submitted to or approved by the electors become effective for any purpose.

(g) Any tax or exempt charge adopted after January 1, 2022, but prior to the effective date of this act, that was not adopted in compliance with the requirements of this section is void 12 months after the effective date of this act unless the tax or exempt charge is reenacted in compliance with the requirements of this section.

(h)(1) The local government bears the burden of proving by clear and convincing evidence that a levy, charge or exaction is an exempt charge and not a tax. The local government bears the burden of proving by clear and convincing evidence that the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor.

(2) The retention of revenue by, or the payment to, a non-governmental entity of a levy, charge, or exaction of any kind imposed by a local law, shall not be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

(3) The characterization of a levy, charge, or exaction of any kind imposed by a local law as being paid in exchange for a benefit, privilege, allowance, authorization, or asset, shall not be factors in determining whether the levy, charge, or exaction is a tax or an exempt charge.

(4) The use of revenue derived from the levy, charge or exaction shall be a factor in determining whether the levy, charge, or exaction is a tax or exempt charge.

Section 7. Section 3 of Article XIII D of the California Constitution is amended, to read:

Sec. 3. Property Taxes, Assessments, Fees and Charges Limited

(a) No tax, assessment, fee, ~~or charge~~, or surcharge, including a surcharge based on the value of property, shall be assessed ~~by any agency~~ upon any parcel of property or upon any person as an incident of property ownership except:

(1) The ad valorem property tax ~~imposed pursuant to described in Section 1(a) of Article XIII and Section 1(a) of Article XIII A, and described and enacted pursuant to the voter approval requirement in Section 1(b) of Article XIII A.~~

(2) Any special non-ad valorem tax receiving a two-thirds vote of qualified electors pursuant to Section 4 of Article XIII A, or after receiving a two-thirds vote of those authorized to vote in a community facilities district by the Legislature pursuant to statute as it existed on December 31, 2021.

(3) Assessments as provided by this article.

(4) Fees or charges for property related services as provided by this article.

(b) For purposes of this article, fees for the provision of electrical or gas service shall not be deemed charges or fees imposed as an incident of property ownership.

Section 8. Sections 1 and 14 of Article XIII are amended to read:

Sec. 1 Unless otherwise provided by this Constitution or the laws of the United States:

(a) All property is taxable and shall be assessed at the same percentage of fair market value. When a value standard other than fair market value is prescribed by this Constitution or by statute authorized by this Constitution, the same percentage shall be applied to determine the assessed value. The value to which the percentage is applied, whether it be the fair market value or not, shall be known for property tax purposes as the full value.

(b) All property so assessed shall be taxed in proportion to its full value.

(c) All proceeds from the taxation of property shall be apportioned according to law to the districts within the counties.

Sec. 14. All property taxed by state or local government shall be assessed in the county, city, and district in which it is situated. Notwithstanding any other provision of law, such state or local property taxes shall be apportioned according to law to the districts within the counties.

Section 9. General Provisions

A. This Act shall be liberally construed in order to effectuate its purposes.

B. (1) In the event that this initiative measure and another initiative measure or measures relating to state or local requirements for the imposition, adoption, creation, or establishment of taxes, charges, and other revenue measures shall appear on the same statewide election ballot, the other initiative measure or measures shall be deemed to be in conflict with this measure. In the event that this initiative measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other initiative measure or measures shall be null and void.

(2) In furtherance of this provision, the voters hereby declare that this measure conflicts with the provisions of the "Housing Affordability and Tax Cut Act of 2022" and "The Tax Cut and Housing Affordability Act," both of which would impose a new state property tax (called a "surcharge") on certain real property, and where the revenue derived from the tax is provided to the State, rather than retained in the county in which the property is situated and for the use of the county and cities and districts within the county, in direct violation of the provisions of this initiative.

(3) If this initiative measure is approved by the voters, but superseded in whole or in part by any other conflicting initiative measure approved by the voters at the same election, and such conflicting initiative is later held invalid, this measure shall be self-executing and given full force and effect.

C. The provisions of this Act are severable. If any portion, section, subdivision, paragraph, clause, sentence, phrase, word, or application of this Act is for any reason held to be invalid by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this Act. The People of the State of California hereby declare that they would have adopted this Act and each and every portion, section, subdivision, paragraph, clause, sentence, phrase, word, and application not

declared invalid or unconstitutional without regard to whether any portion of this Act or application thereof would be subsequently declared invalid.

D. If this Act is approved by the voters of the State of California and thereafter subjected to a legal challenge alleging a violation of state or federal law, and both the Governor and Attorney General refuse to defend this Act, then the following actions shall be taken:

(1) Notwithstanding anything to the contrary contained in Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code or any other law, the Attorney General shall appoint independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(2) Before appointing or thereafter substituting independent counsel, the Attorney General shall exercise due diligence in determining the qualifications of independent counsel and shall obtain written affirmation from independent counsel that independent counsel will faithfully and vigorously defend this Act. The written affirmation shall be made publicly available upon request.

(3) A continuous appropriation is hereby made from the General Fund to the Controller, without regard to fiscal years, in an amount necessary to cover the costs of retaining independent counsel to faithfully and vigorously defend this Act on behalf of the State of California.

(4) Nothing in this section shall prohibit the proponents of this Act, or a bona fide taxpayers association, from intervening to defend this Act.



January 19, 2022

21-0042 Amdt. 1

Hon. Rob Bonta  
Attorney General  
1300 I Street, 17<sup>th</sup> Floor  
Sacramento, California 95814

RECEIVED

Jan 19 2022

Attention: Ms. Anabel Renteria  
Initiative Coordinator

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

Dear Attorney General Bonta:

Pursuant to Elections Code Section 9005, we have reviewed the proposed constitutional Taxpayer Protection and Government Accountability Act initiative (A.G. File No. 21-0042, Amendment #1).

## Background

### State Government

**Taxes and Fees.** This year's state budget spends over \$255 billion in state funds. Over 90 percent of the state budget is funded with revenues from taxes. These include, for example, sales taxes paid on goods and income taxes paid on wages and other sources of income. Much of the rest of the state budget is funded by fees and other charges. Examples include: (1) charges relating to regulatory activities; (2) charges for specific government services or products, like fees charged to drivers to improve roads; (3) charges for entering state property, such as a state park; and (4) judicial fines, penalties, and other charges. The State Constitution requires the state to set fees at a reasonable level, generally reflecting the costs of the services or benefits provided. The state uses revenue from taxes and fees to fund a variety of programs and services, including education, health care, transportation, and housing and homelessness services.

**Current Requirements to Approve Taxes and Fees.** Under the State Constitution, state tax increases require approval by two-thirds of each house of the Legislature or a majority vote of the statewide electorate. The Legislature can reduce taxes with a majority vote of each house, provided the change does not result in an increase in taxes paid by any single taxpayer. In many cases, the Legislature has enacted statutes that delegate its authority to adjust fees and other

  
Legislative Analyst's Office  
California Legislature  
Gabriel Petek, Legislative Analyst  
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charges to administrative entities, like state departments. In these cases, these charges can be increased or changed by the department within certain limits.

## **Local Government**

***Taxes and Fees.*** The largest local government tax is the property tax, which raises roughly \$75 billion annually. Other local taxes include sales taxes, utility taxes, and hotel taxes. In addition to these taxes, local governments levy a variety of fees and other charges. Examples include parking meter fees, building permit fees, regulatory fees, and judicial fines and penalties. In order to be considered a fee, the charge cannot exceed the reasonable costs to the local government of providing the associated product or service. Local governments use revenues from taxes and fees to fund a variety of services, like fire and police, public works, and parks.

***Current Requirements to Approve Taxes and Fees.*** State law requires increases in local taxes to receive approval of the local governing body—for example, a city council or county board of supervisors—as well as approval of voters in that local jurisdiction. Most proposed taxes require a two-thirds vote of the local governing board before being presented to the voters. Special taxes (those used for a specific purpose) require a two-thirds vote of the electorate while other types of taxes require a majority vote of the electorate. The majority-vote general taxes can be used for any purpose. Recent case law suggests that citizen initiative special taxes may be approved by majority vote, rather than a two-thirds vote. Currently, local governing bodies have the ability to delegate their authority to adjust fees and other charges to administrative entities, like city departments. In these cases, these charges can be increased or changed by the department within certain limits.

## **Proposal**

This measure amends the State Constitution to change the rules for how the state and local governments can impose taxes, fees, and other charges.

### **State and Local Government Taxes**

***Expands Definition of Tax.*** The measure amends the State Constitution to expand the definition of taxes to include some charges that state and local governments currently treat as fees and other charges. For example, certain charges imposed for a benefit or privilege granted to a payer but not granted to those not charged would no longer be considered fees. As a result, the measure could increase the number of revenue proposals subject to the higher state and local vote requirements for taxes discussed below.

***Requires Voter Approval for State Taxes.*** The measure increases the vote requirements for increasing state taxes. Specifically, the measure requires that legislatively proposed tax increases receive approval by two-thirds of each house *and* a majority vote of the statewide electorate. Voters would still be able to increase taxes by majority vote of the electorate without legislative action, however. Any state tax approved between January 1, 2022 and the effective date of this measure would be nullified unless it fulfills the requirements of the measure.

***Requirements for Approving Local Taxes.*** Whether sought by the local governing body or the electorate, the measure establishes the same approval requirements for increasing local

special taxes. Any local tax approved between January 1, 2022 and the effective date of this measure would be nullified unless it fulfills the requirements of the measure.

***Allowable Uses and Duration of State and Local Tax Revenues Must Be Specified.*** The measure requires state and local tax measures to identify the type and amount (or rate) of the tax and the duration of the tax. State and local government general tax measures must state that the revenue can be used for general purposes.

### **State and Local Government Fees**

***Requires the Legislature and Local Government Bodies to Impose State and Local Fees.*** Fees would have to be imposed by a majority vote of both houses of the Legislature or local governing bodies. The measure would restrict the ability of state and local governments to delegate fee changes to administrative entities. The extent of these restrictions would depend on future court decisions. Any fee approved between January 1, 2022 and the effective date of this measure would be nullified unless it fulfills the requirements of the measure.

***Some New State and Local Fees Could Not Exceed Actual Costs.*** For some categories of fees, if the Legislature or a local governing body wished to impose a new fee or make changes to an existing fee, the measure generally would require that the charge be both reasonable and reflect the actual costs to the state or local government of providing the service. The measure also specifies that actual cost should not exceed “the minimum amount necessary.” In many cases, existing fees already reflect the government’s actual costs. In other cases, some fees would have to more closely approximate the payer’s actual costs in order to remain fees. If a fee payer challenged the charge, the state or local government would need to provide clear and convincing evidence that the fee meets this threshold. State and local governments also would bear the burden of providing clear and convincing evidence that the levy is a fee—which is not subject to a vote by the electorate—and not a tax under the new definition.

### **Fiscal Effects**

***Lower State Tax and Fee Revenue.*** By expanding the definition of a tax, increasing the vote requirements for approving taxes, and restricting administrative changes to fees, the measure makes it harder for the Legislature to increase nearly all types of state revenues. The extent to which revenues would be lower under the measure would depend on various factors, most notably future decisions made by the Legislature and voters. For example, requirements for legislative approval of fee increases currently set administratively could result in lower fee revenues, depending on future votes of the Legislature. That lower revenue could be particularly notable for some state programs largely funded by fees. Due to the uncertainty of these factors, we cannot estimate the amount of reduced state revenue, but it could be substantial.

***Lower Local Government Tax and Fee Revenue.*** Compared to the state, local governments generally face greater restrictions to raising revenue. By expanding the definition of taxes and restricting administrative changes to fees, the measure would make it somewhat harder for local governments to raise revenue. Consequently, future local tax and fee revenue could be lower than they would be otherwise. The extent to which revenues would be lower is unknown, but



Hon. Rob Bonta

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January 19, 2022

fees could be more impacted. The actual impact on local government revenue would depend on various factors, including future decisions by the courts, local governing bodies, and voters.

**Possible Increased State and Local Administrative Costs to Change Some Fee Levels.** In some cases, state and local departments would need to develop methods for setting fees to reflect actual costs if the Legislature or local governing bodies wanted to change those fees in the future. Estimating actual costs by program and fee source could involve some added workload for those state and local departments, which likely would be supported by fee revenue. The extent of these administrative costs would depend on (1) whether the state and local governments determine a fee increase is needed in order to maintain their current level of programs and services funded through fee revenue and (2) future court decisions.

**Summary of Fiscal Effects.** We estimate that this measure would have the following major fiscal effects:

- Lower annual state and local revenues, potentially substantially lower, depending on future actions of the Legislature, local governing bodies, voters, and the courts.

Sincerely,



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for Gabriel Petek  
Legislative Analyst



---

for Keely Martin Bosler  
Director of Finance



**California Special  
Districts Association**  
*Districts Stronger Together*

## **BALLOT INITIATIVE #21-0042A1**

### **LIMITS ABILITY OF VOTERS AND STATE AND LOCAL GOVERNMENTS TO RAISE REVENUES FOR GOVERNMENT SERVICES. INITIATIVE CONSTITUTIONAL AMENDMENT.**

November 8, 2022 General Election

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#### **BACKGROUND**

The purported “Taxpayer Protection and Government Accountability Act,” a statewide initiative measure to amend the California Constitution sponsored by the [California Business Roundtable](#) (“CBRT”), is the most consequential proposal to limit the ability of the state and local governments to enact, modify, or expand taxes, assessments, fees, and property-related charges since the passage of Proposition 218 (1996) and Proposition 26 (2010). If enacted, public agencies would face a drastic rise in litigation that could severely restrict their ability to meet essential services and infrastructure needs.

In order to qualify for the ballot, proponents must collect 997,139 valid signatures from California voters. The California Secretary of State’s recommended last day to submit signatures to counties to qualify for the November 8, 2022 statewide general election is April 29, 2022. The last day for measures to be certified for the ballot or withdrawn from the ballot is June 30, 2022.

#### **SUMMARY**

Ballot Initiative [21-0042A1](#) would result in the loss of billions of dollars annually in critical state and local funding, restricting the ability of local agencies and the State of California to fund services and infrastructure by:

- Adopting new and stricter rules for raising taxes, fees, assessments, and property-related fees.
- Amending the State Constitution, including portions of Propositions 13, 218, and 26 among other provisions, to the advantage of the initiative’s proponents and plaintiffs; creating new grounds to challenge these funding sources and disrupting fiscal certainty.
- Restricting the ability of local governments to issue fines and penalties to corporations and property owners that violate local environmental, water quality, public health, public safety, fair housing, nuisance and other laws and ordinances.

The initiative includes provisions that would retroactively void *all* state and local taxes or fees adopted after January 1, 2022 if they did not align with the provisions of this initiative. This may also affect indexed fees that adjust over time for inflation or other factors. Effectively, it would



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allow voters throughout California to invalidate the prior actions of local voters, undermining local control and voter-approved decisions about investments needed in their communities.

Specifically, among other provisions effecting the state government, the initiative would impact local agencies through changes to the California Constitution as follows:

### **Restricting Local Tax and Fee Authority to Provide Local Services**

#### *Fees:*

- With few exceptions, fees and charges shall not exceed the “actual cost” of providing the product or service for which the fee is charged.
  - “Actual cost” is defined as the “...*minimum amount necessary...less other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds...*”
- The burden on the local government to prove the fee or charge does not exceed “actual cost” is heightened from a “*preponderance of the evidence*” to “*clear and convincing evidence*”.
- In addition to limiting fees and charges to the actual cost to the local government for providing the service, fees and charges must also be “reasonable” to the payor themselves; no definition is provided for this new subjective reasonableness test that is separate and apart from the test as to how closely the fee or charge is related to the cost of service.
- Defines *all* sources of revenue as either taxes or “exempt charges.”
- Includes Article XIID charges in Proposition 218 under the definition of “exempt” charges subjecting them to potential litigation.
- Exposes previously established fees indexed to inflation or other metrics to new standards and legal challenges.
- Adds to the Constitution a requirement for a board action to adopt, enact, create, establish, collect, increase, or extend any and all fees.

#### *Taxes:*

- Increases the threshold for voters to pass a local special tax initiative placed on the ballot by voters from a simple majority to a two-thirds majority, likely to address concerns over the 2017 California Supreme Court decision in *California Cannabis Coalition v. City of Upland*.
- Requires voter approval when an expansion of boundaries extends existing taxes or fees to new territory.
- New taxes can be imposed only for a specific duration.

#### *Fines and Levees:*

- Interferes with local enforcement efforts, by making it more difficult to impose fines and penalties for state and local law violations related to activities such as water discharge, waste recycling, weed abatement, fireworks, and housing code violations and unlawful commercial marijuana sales, just to name a few. The measure converts administratively



imposed fines and penalties into taxes unless a new, undefined, and ambiguous “adjudicatory due process” is followed.

## Increasing Litigation Exposure

- Significantly increases a public agency’s burden of proof from “preponderance of evidence” to “clear and convincing evidence” to prove compliance with the new fee requirements. By changing evidence standards to favor corporations suing public agencies, the initiative will promote costly litigation.
- The local government would bear the burden of proving by clear and convincing evidence that a levy, charge or exaction is an “exempt charge” and not a tax. Moreover, the local government would bear the burden of proving by clear and convincing evidence that the amount of the exempt charge is *both* “reasonable” to the payor and that the amount charged does not exceed the “actual cost” of providing the service or product to the payor.
- By enacting a new requirement that all fees must be “reasonable” to the payor but offering no definition as to what “reasonable” means, the initiative provides a new avenue to challenge fees by enabling a plaintiff to claim a fee is not reasonable even if the fee meets the actual costs of service.
- Prop. 218 currently requires fees cover the *reasonable* cost of service. This initiative amends Prop. 218 to require the near-impossible standard of predicting *actual* costs years into the future. To compound this challenge, the new standard also factors in the receipt of external revenues that are constantly shifting and typically outside the control of the local agency. It defines “actual costs” as:
  - “(i) the minimum amount necessary to reimburse the government for the cost of providing the service or product to the payor, and (ii) where the amount charged is not used by the government for any purpose other than reimbursing that cost. In computing “actual cost” the maximum amount that may be imposed is the actual cost less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product.”
- Fosters endless litigation challenging local fees claiming they are not the “minimum amount necessary”. For instance:
  - Do roads need to be paved every 10 years or 50 years?
  - Does infrastructure need to be upgraded or replaced or not improved at all?
  - What is the minimum emergency response time necessary?

## IMPACTS

- Could prevent virtually any new fees or assessments to fund water, sewer, trash, fire protection, parks and recreation, and other essential services and infrastructure.
  - Places over \$20 billion of local government fee and charge revenues over 10 years at heightened legal peril.



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- Jeopardizes the public health and safety of communities by cutting off new revenue intended to pay for essential local services and infrastructure.
  - Substantially increases the legal and administrative cost of public infrastructure financing.
- With billions of dollars in deferred maintenance and unmet needs for California's infrastructure, exacerbates the neglect and deterioration of our roads, dams, waterways, and other facilities.
- By limiting revenues to the “minimum amount necessary”, imposes a “race-to-the-bottom” in California that will halt investment in technological advancements that future generations will depend upon.
- Prevents critical investments in climate adaptation and community resilience to address drought, flooding, and wildfire as well as reduce emissions and harmful pollutants.
- Exposes taxpayers to a new wave of costly litigation, limits the discretion and flexibility of locally elected boards to respond to the needs of their communities, and injects uncertainty into the financing and sustainability of critical infrastructure.
- Restricting local services and infrastructure to the lowest and minimum amount possible will disproportionately impact the most underserved communities the hardest.

## SUPPORT

- California Business Roundtable (CBRT) – Sponsor
  - The CBRT website lists the following individuals as Chair and Vice-Chair:
    - Chair, Brett Bittel (Enterprise Rental Car)
    - Vice-Chair, Maryam Brown (SoCal Gas)
  - To date, financial contributors to the initiative and CBRT Issues PAC include, but are not limited to:
    - Aera Energy
    - Albertsons Safeway
    - CJ Segerstrom & Sons
    - Cypress Management Company
    - Dart Container
    - Douglas Emmett Properties
    - Five Point Operating Company
    - Grimmway Enterprises
    - Howard Jarvis Taxpayers Association
    - Kilroy Realty
    - Majestic Realty
    - Michael K. Hayde
    - Pacific Ethanol
    - PEPSICO
    - Pharmaceutical Research and Manufacturers of America
    - Sempra Energy
    - State Farm Insurance



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- Sutter Health
- 7-Eleven

## **OPPOSITION**

- AFSCME California
- California Alliance for Jobs
- California Professional Firefighters
- California Special Districts Association
- CalCities (League of California Cities)
- SEIU California

**RESOLUTION NO. 2022-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC UTILITY DISTRICT OPPOSING INITIATIVE 21-0042A1**

**WHEREAS**, an association representing California’s wealthiest corporations and developers is spending millions to push a deceptive proposition aimed for the November 2022 statewide ballot; and

**WHEREAS**, the proposed proposition, Initiative 21-0042A1, has received the official title: “LIMITS ABILITY OF VOTERS AND STATE AND LOCAL GOVERNMENTS TO RAISE REVENUES FOR GOVERNMENT SERVICES. INITIATIVE CONSTITUTIONAL AMENDMENT”; and

**WHEREAS**, the measure includes provisions that would make it more difficult for local voters to pass measures needed to fund local services and infrastructure, and would limit voter input by prohibiting local advisory measures where voters provide direction on how they want their local tax dollars spent; and

**WHEREAS**, the measure exposes taxpayers to a new wave of costly litigation, limits the discretion and flexibility of locally elected boards to respond to the needs of their communities, and injects uncertainty into the financing and sustainability of critical infrastructure; and

**WHEREAS**, the measure severely restricts state and local officials’ ability to protect our environment, public health and safety, and our neighborhoods against corporations and others who violate the law; and

**WHEREAS**, the measure creates new constitutional loopholes that would allow corporations to pay less than their fair share for the impacts they impose on our communities, including local infrastructure, our environment, water quality, air quality, and natural resources; and

**WHEREAS**, the measure threatens billions of dollars currently dedicated to state and local services, and could force cuts to water supply and wastewater collection and treatment as well as public schools, fire and emergency response, law enforcement, public health, parks, libraries, affordable housing, services to address homelessness, mental health services, and more; and

**WHEREAS**, the measure would also reduce funding for critical infrastructure like streets and roads, public transportation, ports, drinking water, sanitation, utilities, and more.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF DONNER SUMMIT PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE** that the Donner Summit Public Utility District opposes Initiative 21-0042A1; and

**BE IT FURTHER RESOLVED**, that the Donner Summit Public Utility District will join the No on Initiative 21-0042A1 coalition, a growing coalition of public safety, labor, local government, infrastructure advocates, and other organizations throughout the state.

**PASSED AND ADOPTED** by the Board of Directors of Donner Summit Public Utility District, this 21<sup>st</sup> day of June 2022, by the following vote:

AYES:  
NOES:

ABSENT:  
ABSTAIN:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: \_\_\_\_\_  
Cathy Preis  
President, Board of Directors

ATTEST:

By: \_\_\_\_\_  
Alex Medveczky  
Secretary of the Board



**June 21, 2022**  
**Agenda Item: 7D**



## STAFF REPORT

**TO:** Board of Directors

**PREPARED BY:** Steven Palmer, PE, General Manager

**SUBJECT:** **Adopt the Five-Year Capital Improvement Plan and Fiscal Year 2022/23 Budget**

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### **RECOMMENDATION**

Adopt the Five-Year Capital Improvement Plan and Fiscal Year 2022/23 Budget.

### **BACKGROUND**

#### Five-Year Capital Improvement Plan

The Five-Year Capital Improvement Plan (CIP) is a multi-year planning instrument to guide the construction of new facilities/infrastructure; and for the expansion, rehabilitation or replacement of existing District assets. The five-year CIP is developed by Staff and adopted by the Board of Directors, then becomes the guiding document for the prioritization of projects.

The information included in the CIP is based on the current information available and updated regularly to reflect changing priorities, funding availability and project completion. A new five-year CIP will be submitted to the Board annually with recommended adjustments to project budgets, funding sources, descriptions, and/or schedules. Inclusion of a project in the CIP does not commit the District to specific expenditures or appropriations for any particular project.

The CIP includes all projects and programs expected to be undertaken during the next five fiscal years. Specific projects and related schedules are selected based upon:

- Availability of funding
- Minimizing disruptions associated with construction activity
- Board direction

District infrastructure includes the water and wastewater physical structures, systems, and facilities needed to provide services to customers and for the functioning of a community and its economy. Infrastructure impacts public health, safety, and the quality of life for District customers and residents. Decisions made regarding infrastructure projects are very important because they are generally large and expensive, and the assets created will require decades of public use.

Providing ongoing maintenance and repair, such as repairing or replacing water and wastewater piping, is vital for maintaining the condition of assets. When maintenance and repair is not fully funded, deferred maintenance and capital improvement costs increase significantly.

#### Operating Budget

The typical annual operating budget will anticipate all regular expenses necessary to operate the District's water and wastewater systems. It also includes the budget for any capital investment such as equipment and vehicle purchases, as well as the annual expenditure on capital improvement projects that is projected for that year in the Five-Year CIP.

**DISCUSSION**

**Five-Year Capital Improvement Plan**

The General Manager presented a preliminary Five-Year Capital Improvement Plan (CIP) at both the April and May Board meetings. The preliminary Five-Year CIP identified the need for over \$4,000,000 in wastewater and water improvements over the next five years. The Five-Year CIP was updated and further refined by applying the current financial constraints. The Final Proposed Five-Year CIP included as Attachment 1 is ready for Board approval.

The following table is a summary of the Proposed Five-Year CIP.

PROJECT	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	5 Year Total
<b>Sewer</b>						
Radio System Upgrade	\$ 70,678	\$ -	\$ -	\$ -	\$ -	\$ 70,678
Sewer LS Rehabilitation	\$ -	\$ 44,000	\$ 306,000	\$ -	\$ -	\$ 350,000
Sewer LS Norden 1, Norden 2, and No 8 Upgrades	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ 300,000
Snow Lab / Bunny Hill Road Rehabilitation	\$ 20,000	\$ 130,000	\$ -	\$ -	\$ -	\$ 150,000
<i>Subtotal Sewer</i>	\$ 90,678	\$ 174,000	\$ 306,000	\$ 150,000	\$ 150,000	\$ 870,678
<b>Wastewater Treatment Plant</b>						
WWTP Membrane Replacement	\$ -	\$ 87,000	\$ -	\$ -	\$ -	\$ 87,000
<i>Subtotal WWTP</i>	\$ -	\$ 87,000	\$ -	\$ -	\$ -	\$ 87,000
<i>Total Wastewater</i>	\$ 90,678	\$ 261,000	\$ 306,000	\$ 150,000	\$ 150,000	\$ 957,678
<b>Water</b>						
Radio System Upgrade	\$ 12,473	\$ -	\$ -	\$ -	\$ -	\$ 12,473
Lake Angela Water Level Gauge	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Tank Recoating Program	\$ -	\$ 105,000	\$ 95,000	\$ -	\$ 200,000	\$ 400,000
Boreal Pump Station Building Repairs	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000
<i>Subtotal Water</i>	\$ 32,473	\$ 135,000	\$ 95,000	\$ -	\$ 200,000	\$ 462,473
<b>Grand Total</b>	<b>\$ 123,151</b>	<b>\$ 396,000</b>	<b>\$ 401,000</b>	<b>\$ 150,000</b>	<b>\$ 350,000</b>	<b>\$ 1,420,151</b>

In addition to the above projects, there are several projects that are needed within the next five-years but lack funding at this time. Those projects are listed below in the unfunded projects table. District staff continues to seek other funding sources (eg. Grants) for these projects.

**UNFUNDED PROJECT LIST**

PROJECT	Project Cost
<b><i>Sewer</i></b>	
Sugar Bowl Sewer Extension	\$ 2,168,091
Sewer Lift Station 2 Upgrade	\$ 82,500
<i>Subtotal Wastewater</i>	\$ 2,250,091
<b><i>Water (Big Bend)</i></b>	
Big Bend Tank Repair / Coating	\$ 100,000
Big Bend Water System Rehabilitation	\$ 959,350
Big Bend Water Source Line Replacement	\$ 292,700
<i>Subtotal Water (Big Bend)</i>	\$ 1,352,050
<b><i>Grand Total</i></b>	<b><i>\$ 3,602,641</i></b>

Operating Budget

A preliminary draft of the budget was presented at the April and May Board Meetings. That preliminary draft has been revised and an updated draft is included as Attachment 2.

The budget has been prepared using the revenue projections from the 2021 Utility Rates Study, and planned expenditures for Fiscal Year 2022/2023. The proposed budget includes the following planned expenditures to help improve the District’s customer service, and address comments from the State of California:

1. Cost of living adjustment (COLA) of 5.2% for staff wages. This inflation adjustment is based on the Consumer Price Index for All Urban Consumers, San Francisco, All Items, Not Seasonally Adjusted, February 12-Month Change. This is the inflation index that the District has historically used when calculating the annual COLA.
2. Funding for a part time operator for 3 months at \$28/hour. This position will focus on maintenance of the facilities and buildings.
3. Allows for increase in fuel cost.
4. Upgrade utility billing software to improve customer convenience and make the bill paying process more efficient (\$8,000).
5. Concrete patching at Lake Angela Dam as required by recent State inspections (\$20,000).

6. Inspect interior of water storage tanks and make minor repairs as needed (\$18,000).
7. Conduct a drought resiliency study (\$35,000) and recognize receipt of related grant funds of \$15,000.
8. Video inspect and clean the sewer in Donner Pass Road (\$15,000).
9. Capital expense to purchase a trailer with tracks to haul equipment and chemicals to the water treatment plant at Lake Angela during the winter (\$7,500).
10. Capital expense to purchase shop equipment to make equipment repairs more effective and safer (\$7,000)

A summary of the proposed budget is presented below. This budget predicts that revenues exceed operating expenses and plans for \$123,151 to be expended on capital projects. After accounting for operating expenses, debt service, and capital expenses; this budget plans for the operating reserve to increase by \$13,628 during this fiscal year.

Revenue

	FY21-22 Projected	FY22-23 Budget
<b>Water Revenue</b>		
Water Program Revenue	\$ 578,943	\$ 653,505
Big Bend Assessment	20,772	20,772
Water General Revenue	52,342	45,213
<i>Total Water Revenue</i>	\$ 652,057	\$ 719,490
<b>Wastewater Revenue</b>		
Wastewater Program Revenue	\$ 1,853,676	\$ 1,966,018
CFD Revenue for WWTP Loan	282,392	282,392
Non CFD Revenue for WWTP Loan	281,044	281,044
Wastewater General Revenue	486,453	488,272
<i>Total Wastewater Revenue</i>	\$ 2,903,565	\$ 3,017,726
<b>Administration Revenue</b>		
Admin Program Revenue	\$ -	\$ -
Admin General Revenue	6,500	6,500
<i>Total Administration Revenue</i>	\$ 6,500	\$ 6,500
<b>Total Revenues</b>	<b>\$ 3,562,122</b>	<b>\$ 3,743,716</b>

Expenses

	FY21-22 Projected	FY22-23 Budget
<b>Water Expenses</b>		
Salaries and Benefits	\$ 182,534	\$ 184,152
Materials, Supplies, Services	167,537	248,915
Debt Service	39,843	39,843
Capital Equipment	7,156	8,760
Capital Projects	-	32,473
<i>Total Water Expenses</i>	\$ 397,069	\$ 514,143
<b>Wastewater Expenses</b>		
Salaries and Benefits	\$ 604,755	\$ 652,903
Materials, Supplies, Services	995,591	1,062,510
Debt Service	807,052	739,441
Capital Equipment	119,683	5,740
Capital Projects	118,410	90,678
<i>Total Wastewater Expenses</i>	\$ 2,645,491	\$ 2,551,271
<b>Admin Expenses</b>		
Salaries and Benefits	\$ 382,996	\$ 388,470
Board Expenses	67,907	67,907
Materials, Supplies, Services	196,260	208,197
Debt Service	-	-
Capital Equipment	-	-
Capital Projects	-	-
<i>Total Admin Expenses</i>	\$ 647,163	\$ 664,674
<b>Total Expenses</b>	<b>\$ 3,689,724</b>	<b>\$ 3,730,088</b>
<b>Net Income</b>	<b>(\$127,601)</b>	<b>\$ 13,628</b>

**ANALYSIS**

The District needs to balance the needs of capital improvements with the need to adequately fund an operating reserve. The Board adopted a minimum unrestricted fund balance of four months of operating expenses, with a target goal of six months (\$875,000 to \$1,312,000 for Fiscal Year 2022-23). The 2021 Utility Rates Study projected that the four-month minimum can be met by end of FY22-23 and the six month target goal can be met in FY25-26. One challenge to meeting those reserve goals is that improvements identified in the Five-Year CIP require considerably more funding than anticipated by the rate study.

In order to balance the needs of the CIP and adequate operating reserves, the FY22-23 budget provides \$123,151 to capital improvement projects and \$13,628 to unrestricted reserve funds. This would increase the unrestricted fund balance to \$246,474 by the end of Fiscal Year 2022/23. While this is an improvement, it is still less than predicted by the rate study. This shortfall has occurred because the District has spent more on capital equipment and projects over the last two years than anticipated by the rate study.

**FISCAL IMPACT**

The District needs to adopt an annual operating budget for the upcoming fiscal year before July 1, 2022.

**CEQA ASSESSMENT**

This is not a CEQA project.

**ATTACHMENTS**

1. Five Year Capital Improvement Plan
2. Fiscal Year 2022/23 Operating Budget
3. Budget Resolution



# CAPITAL IMPROVEMENT PLAN 2022/2023 TO 2026/2027

DONNER SUMMIT PUBLIC UTILITY DISTRICT

June 21, 2022



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**APPENDIX A - Project Descriptions**

## **I. Introduction**

Donner Summit Public Utility District's (District) five-year Capital Improvement Plan (CIP) is a multi-year planning instrument to guide the construction of new facilities/infrastructure; and for the expansion, rehabilitation or replacement of existing District assets. The five-year CIP is developed by Staff and adopted by the Board of Directors, then becomes the guiding document for the prioritization of projects.

The information included in the CIP is based on the current information available and updated regularly to reflect changing priorities, funding availability and project completion. A new five-year CIP will be submitted to the Board annually with recommended adjustments to project budgets, funding sources, descriptions, and/or schedules. Inclusion of a project in the CIP does not commit the District to specific expenditures or appropriations for any particular project.

The CIP includes all projects and programs expected to be undertaken during the next five fiscal years. Specific projects and related schedules are selected based upon:

- Availability of funding
- Minimizing disruptions associated with construction activity
- Board direction

Initially, approximately \$5.5 million in CIP programs and projects over the next five years were identified. The District does not have enough revenue or reserve funds available to fund this amount of infrastructure investment. The planned project list was significantly reduced to meet available funding.

## **II. Infrastructure**

District infrastructure includes the water and wastewater physical structures, systems, and facilities needed to provide services to customers and for the functioning of a community and its economy. Infrastructure impacts public health, safety, and the quality of life for District customers and residents. Decisions made regarding infrastructure projects are very important because they are generally large and expensive, and the assets created will require decades of public use.

The District is responsible for maintaining the following infrastructure:

- Over twelve (12) miles of water pipeline
- Two (2) water treatment plants
- Four (4) water storage tanks
- One (1) water pumping station
- One (1) raw water reservoir
- One (1) State regulated dams
- Over eleven (11) miles of sewer pipelines
- Eight (8) sewer lift stations
- One (1) wastewater treatment plant
- Corporation yard and office building

Providing ongoing maintenance and repair, such as repairing or replacing water and wastewater piping, is vital for maintaining the condition of assets. When maintenance and repair is not fully funded, deferred maintenance and capital improvement costs increase significantly. Compounding the problem, as assets continue to deteriorate, the cost of repair exponentially increases and can result in peripheral damage. For example, deferring roof replacement could later result in needing to replace the roof structural members, walls, and floor of a building.

Over the last several years, the District’s financial priorities have been to upgrade the wastewater treatment plant, upgrade the water treatment plant at Lake Angela, and construct a new water treatment plant at Big Bend. These capital projects and the associated debt load have made it impossible for the District to spend money on other capital projects or adequately fund reserves.

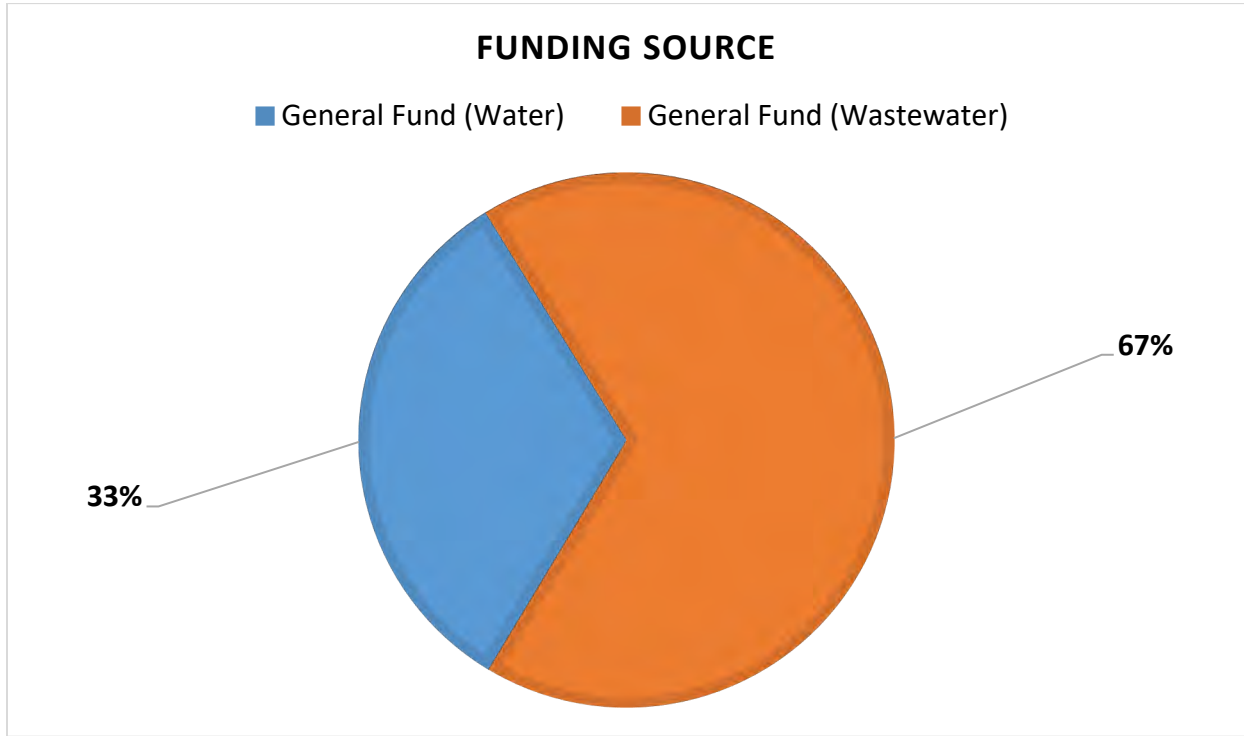
**III. Funding Sources**

The District does not currently have a Capital Reserve Fund, so the Five-Year CIP is funded from the General Fund. The General Fund is primarily made up of funding from water rates, wastewater rates, property tax revenue, and capital facilities fees (development impact fees).

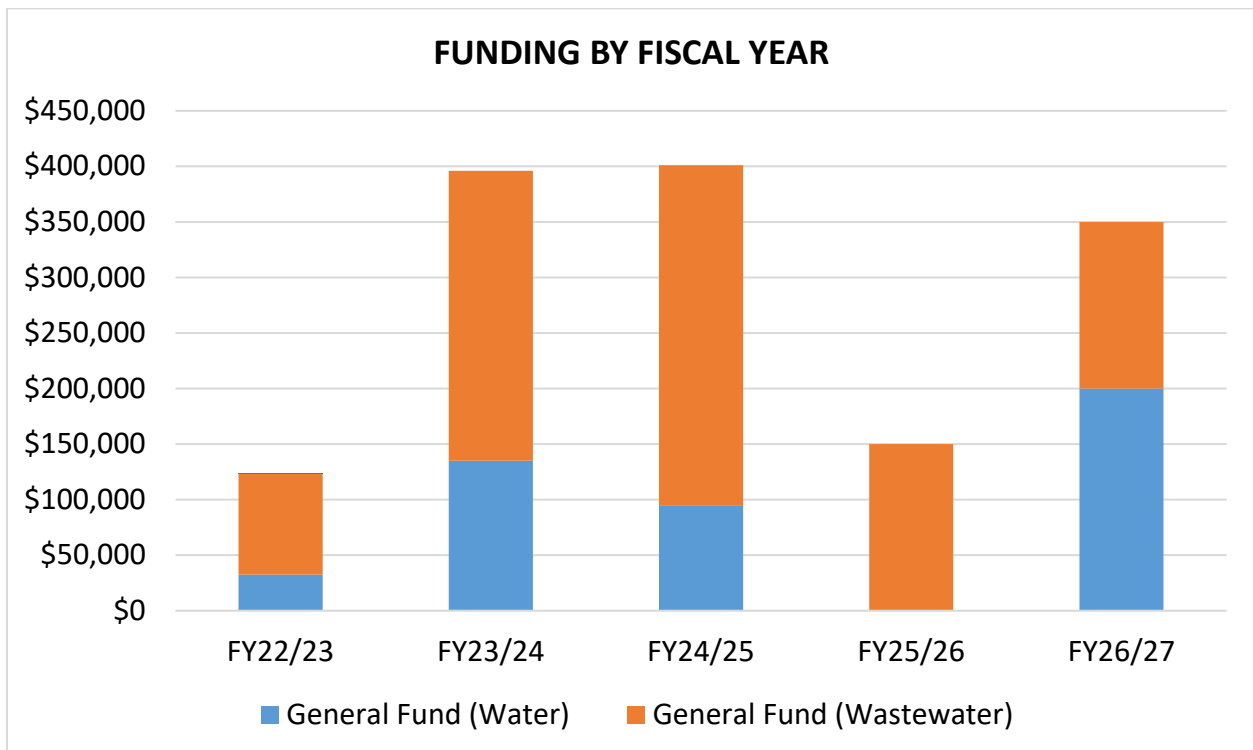
The CIP includes Projects that support the treatment and delivery of water; as well as collection, treatment, and disposal of wastewater. The District complies with all applicable local, state and federal regulations related to water and wastewater. The table below summarizes the funding source for projects by fiscal year.

<b>Fund</b>	<b>FY22/23</b>	<b>FY23/24</b>	<b>FY24/25</b>	<b>FY25/26</b>	<b>FY26/27</b>	<b>TOTAL 2022-2027</b>
General Fund (Water)	\$ 32,473	\$135,000	\$ 95,000	\$0	\$200,000	\$462,473
General Fund (Wastewater)	\$ 90,678	\$261,000	\$306,000	\$150,000	\$150,000	\$957,678
<b>Total</b>	<b>\$ 123,151</b>	<b>\$396,000</b>	<b>\$401,000</b>	<b>\$150,000</b>	<b>\$350,000</b>	<b>\$1,420,151</b>

The following chart illustrates funding sources for all five fiscal years in the CIP.



The last chart depicts the spending for each year of the CIP.



**CAPITAL IMPROVEMENT PLAN, 2022/223 to 2026/2027**

**IV. Project Summary**

Capital improvement projects programmed in the 2022/2023 to 2026/2027 Capital Improvement Plan are listed below. A project is only listed if there is funding programmed during Fiscal Year 2022/23 through Fiscal Year 2026/27. Detailed project cost estimates with expenditure plans for each project listed below are included in Appendix A.

**PROJECT LIST – CIP 2022/23 THROUGH 2026/27**

<b>PROJECT</b>	<b>FY22/23</b>	<b>FY23/24</b>	<b>FY24/25</b>	<b>FY25/26</b>	<b>FY26/27</b>	<b>5 Year Total</b>
<b><i>Sewer</i></b>						
Radio System Upgrade	\$ 70,678	\$ -	\$ -	\$ -	\$ -	\$ 70,678
Sewer LS Rehabilitation	\$ -	\$ 44,000	\$ 306,000	\$ -	\$ -	\$ 350,000
Sewer LS Norden 1, Norden 2, and No 8 Upgrades	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ 300,000
Snow Lab / Bunny Hill Road Rehabilitation	\$ 20,000	\$ 130,000	\$ -	\$ -	\$ -	\$ 150,000
<i>Subtotal Sewer</i>	<i>\$ 90,678</i>	<i>\$ 174,000</i>	<i>\$ 306,000</i>	<i>\$ 150,000</i>	<i>\$ 150,000</i>	<i>\$ 870,678</i>
<b><i>Wastewater Treatment Plant</i></b>						
WWTP Membrane Replacement	\$ -	\$ 87,000	\$ -	\$ -	\$ -	\$ 87,000
<i>Subtotal WWTP</i>	<i>\$ -</i>	<i>\$ 87,000</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 87,000</i>
<i>Total Wastewater</i>	<i>\$ 90,678</i>	<i>\$ 261,000</i>	<i>\$ 306,000</i>	<i>\$ 150,000</i>	<i>\$ 150,000</i>	<i>\$ 957,678</i>
<b><i>Water</i></b>						
Radio System Upgrade	\$ 12,473	\$ -	\$ -	\$ -	\$ -	\$ 12,473
Lake Angela Water Level Gauge	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Tank Recoating Program	\$ -	\$ 105,000	\$ 95,000	\$ -	\$ 200,000	\$ 400,000
Boreal Pump Station Building Repairs	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 20,000
<i>Subtotal Water</i>	<i>\$ 32,473</i>	<i>\$ 135,000</i>	<i>\$ 95,000</i>	<i>\$ -</i>	<i>\$ 200,000</i>	<i>\$ 462,473</i>
<b><i>Grand Total</i></b>	<b><i>\$ 123,151</i></b>	<b><i>\$ 396,000</i></b>	<b><i>\$ 401,000</i></b>	<b><i>\$ 150,000</i></b>	<b><i>\$ 350,000</i></b>	<b><i>\$ 1,420,151</i></b>

In addition to the above projects, there are several projects that are needed within the next five-years but lack funding at this time. Those projects are listed below in the unfunded projects table. District staff continues to seek other funding sources (eg. Grants) for these projects.

**UNFUNDED PROJECT LIST**

<b>PROJECT</b>	<b>Project Cost</b>
<b><i>Sewer</i></b>	
Sugar Bowl Sewer Extension	\$ 2,168,091
Sewer Lift Station 2 Upgrade	\$ 82,500
<i>Subtotal Wastewater</i>	<i>\$ 2,250,091</i>
<b><i>Water (Big Bend)</i></b>	
Big Bend Tank Repair / Coating	\$ 100,000
Big Bend Water System Rehabilitation	\$ 959,350
Big Bend Water Source Line Replacement	\$ 292,700
<i>Subtotal Water (Big Bend)</i>	<i>\$ 1,352,050</i>
<b><i>Grand Total</i></b>	<b><i>\$ 3,602,641</i></b>

**APPENDIX A**  
**PROJECT DESCRIPTIONS**

Project Name: Radio System Upgrade  
 Project Number:  
 Project Description: Upgrade radio system to reduce visits to remote facilities  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)	1,305	12,473						13,778
Big Bend Water								0
General Fund (Sewer)	7,397	70,678					0	78,075
Grant								
Loan								0
Other								
Unfunded								0
<b>Total</b>	<b>8,702</b>	<b>83,151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>91,853</b>

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering	8,702							8,702
Environmental								0
Land/ROW Acquisition								0
Construction Engineering								0
Construction Contract		83,151						83,151
Other CIP Costs								0
Other								0
<b>Total</b>	<b>8,702</b>	<b>83,151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>91,853</b>



Project Name: Sewer Lift Station Rehabilitation (3, 4, 7)  
 Project Number:  
 Project Description: Rehabilitate/Replace Lift Stations 3, 4, 7. Potential improvements to eliminate 3 & 4  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)								0
Big Bend Water								
General Fund (Sewer)			44,000	306,000	0	0	685,000	
Grant								
Loan								0
Other								
Unfunded								0
Total	0	0	44,000	306,000	0	0	685,000	1,035,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering			39,000				78,000	117,000
Environmental								0
Land/ROW Acquisition								0
Construction Engineering			5,000	20,000			35,000	60,000
Construction Contract				286,000			572,000	858,000
Other CIP Costs								0
Other								0
Total	0	0	44,000	306,000	0	0	685,000	1,035,000

Project Name: Sewer Lift Stations Norden 1, Norden 2, and No 8 Upgrades  
 Project Number:  
 Project Description: Upgrade pumps and provide CARB complaint backup generators  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)								0
Big Bend Water								
General Fund (Sewer)					150,000	150,000	150,000	
Grant								
Loan								0
Other								
Unfunded								0
<b>Total</b>	0	0	0	0	150,000	150,000	150,000	450,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering					12,000	12,000	12,000	36,000
Environmental								0
Land/ROW Acquisition								0
Construction Engineering					12,000	12,000	12,000	36,000
Construction Contract					126,000	126,000	126,000	378,000
Other CIP Costs								0
Other								0
<b>Total</b>	0	0	0	0	150,000	150,000	150,000	450,000

Project Name: Snow Lab / Bunny Hill Road Rehabilitation  
 Project Number:  
 Project Description: Grade road and place base rock to provide access to sewer facilities  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)								0
Big Bend Water								
General Fund (Sewer)		20,000	130,000					
Grant								
Loan								0
Other								
Unfunded								0
<b>Total</b>	0	20,000	130,000	0	0	0	0	150,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering			10,000					10,000
Environmental								0
Land/ROW Acquisition								0
Construction Engineering			7,000					7,000
Construction Contract		20,000	113,000					133,000
Other CIP Costs								0
Other								0
<b>Total</b>	0	20,000	130,000	0	0	0	0	150,000

Project Name: WWTP Membrane Replacement  
 Project Number:  
 Project Description: Replace membranes in wastewater treatment plant  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)								0
Big Bend Water								
General Fund (Sewer)			87,000					
Grant								
Loan								0
Other								
Unfunded								0
<b>Total</b>	0	0	87,000	0	0	0	0	87,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering			7,000					7,000
Environmental								0
Land/ROW Acquisition								0
Construction Engineering			5,000					5,000
Construction Contract			75,000					75,000
Other CIP Costs								0
Other								0
<b>Total</b>	0	0	87,000	0	0	0	0	87,000

Project Name: Lake Angela Water Level Gauge  
 Project Number:  
 Project Description: Install water level gauge at Lake Angela  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)			30,000					30,000
Big Bend Water								
General Fund (Sewer)								
Grant								
Loan								0
Other								
Unfunded								0
<b>Total</b>	0	0	30,000	0	0	0	0	30,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering		8,000						8,000
Environmental								0
Land/ROW Acquisition								0
Construction Engineering								0
Construction Contract		22,000						22,000
Other CIP Costs								0
Other								0
<b>Total</b>	0	30,000	0	0	0	0	0	30,000

Project Name: Tank Recoating Program  
 Project Number:  
 Project Description: Periodic recoating of all potable water storage tanks  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)			105,000	95,000	0	200,000	200,000	600,000
Big Bend Water								
General Fund (Sewer)								
Grant								
Loan								0
Other								
Unfunded								0
<b>Total</b>	0	0	105,000	95,000	0	200,000	200,000	600,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering			10,000			10,000	10,000	30,000
Environmental								0
Land/ROW Acquisition								0
Construction Engineering			5,000	5,000		10,000	10,000	30,000
Construction Contract			90,000	90,000		180,000	180,000	540,000
Other CIP Costs								0
Other								0
<b>Total</b>	0	0	105,000	95,000	0	200,000	200,000	600,000

Project Name: Boreal Pump Station Building Repairs  
 Project Number:  
 Project Description: Repair building to prevent rodent intrusion  
 Funding Sources:

Sources	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
General Fund (Water)		20,000						20,000
Big Bend Water								
General Fund (Sewer)								
Grant								
Loan								0
Other								
Unfunded								0
Total	0	20,000	0	0	0	0	0	20,000

*Project Cost Estimate:*

Elements	Prior Years	FY22/23	FY23/24	FY24/25	FY25/26	FY26/27	Future Years	Total
Preliminary Engineering								0
Environmental								0
Land/ROW Acquisition								0
Construction Engineering								0
Construction Contract		20,000						20,000
Other CIP Costs								0
Other								0
Total	0	20,000	0	0	0	0	0	20,000



# FISCAL YEAR 2022/2023 BUDGET

DONNER SUMMIT PUBLIC UTILITY DISTRICT

June 21, 2022



Cathy Preis  
*President*

Joni Kaufman  
*Vice President*

Alex Medvezcky  
*Secretary*

Phil Gamick  
*Director*

Dawn Parkhurst  
*Director*



June 21, 2022

President Preis, Board of Directors, and Customers,

I am submitting the proposed Fiscal Year 2022-23 Operating Budget for the Donner Summit Public Utility District (District). This year's budget is focused on day-to-day operations and completing the radio upgrade project that was started last fiscal year. The budget also includes some funding to start addressing some technology issues, beginning some long-range planning, and funding operating reserves.

### Background

In recent years, the District has focused much of its resources on upgrading the wastewater treatment plant, upgrading the Lake Angela Water Treatment Plant, and constructing the Big Bend Water Treatment Plant. This has left very little opportunity for other capital improvements and depleted District reserves to less than one month of operating expenses.

The District began addressing these issues by updating its rate structure in 2018. However, this new rate structure assumed only small capital expenditures and minor contributions to reserves in the first few years. Consequently, the District does not yet have adequate funds to start rehabilitating aging infrastructure, or adequately fund reserves.

The State continues to push legislation and policies that could significantly impact operations of the District, and it is important that the District continue to be involved in the efforts of state and regional associations such as California Special Districts Association to help shape these laws and policies. Examples of important State legislation and policies include water audits, indoor/outdoor water use restrictions, and a State fee for drinking water funding (aka. water tax).

### Overview

The budget is balanced, with \$3,743,700 in revenues and \$3,730,000 in expenses. The budget includes \$779,824 in debt service and lease payments, \$14,500 in capital equipment purchases, and \$123,151 in capital project expenses. This results in a reserve contribution of \$13,600.

This budget shows an increased effort by the District to:

- Improve transparency and customer access by replacing outdated billing software.
- Improve operational efficiency by maintaining and upgrading equipment, including remote radio equipment.

The District experienced a tremendous increase in the cost of energy towards the end of Fiscal Year 2021/2022. The Fiscal Year 2022/2023 Budget anticipates that these costs continue to increase, and modest budget increases in fuel, electricity, and propane are programmed. A significant portion of District expenses are for utilities needed to operate the wastewater treatment plant. The continued increase in the cost of fuel, electricity, and propane strain the District finances and jeopardize the possibility of making capital improvements.

District staff are very dedicated and passionate about providing excellent customer service to our customers. I commend their tireless efforts to improve the District's operations and service that we provide to our customers.

Sincerely,

Steven Palmer, PE  
General Manager

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## **I. DSPUD Overview**

The Donner Summit Public Utility District (District) provides water, wastewater, and recycled water utility services to approximately 355 residential and commercial customers in the communities of Soda Springs, Norden, Sugar Bowl, and Big Bend. Customers include the ski resorts of Boreal, Sugar Bowl, and Donner Ski Ranch. The District also provides wastewater treatment services to the Sierra Lakes County Water District (SLCWD) through an agreement.

The District service area encompasses approximately 13 square miles near Donner Summit along the Interstate 80 corridor, and lies in both Placer and Nevada County.

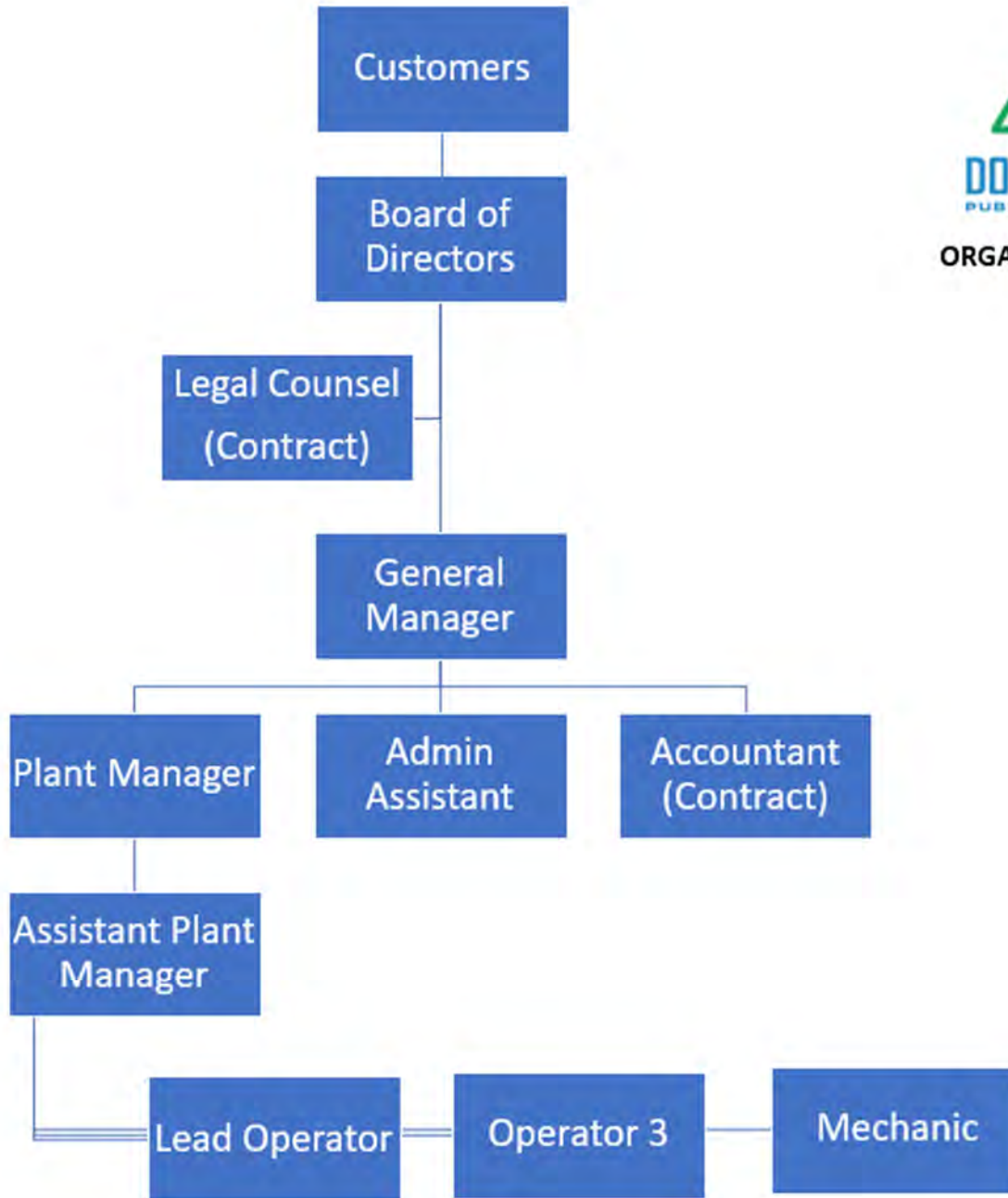
## **II. District Organizational Chart**

The District's current organizational chart is presented below and this budget does not propose any changes. While this organizational structure is functional, it is not optimal. This structure does pose a few restrictions that require further evaluation:

1. Staffing level for coverage on weekends or during extended absences
2. Level of oversight of accounting/finance management and human resources functions.
3. Succession planning.



**ORGANIZATIONAL CHART**  
June 2022



### **III. Revenue Sources**

This Budget divides District revenues into two broad categories as defined by GASB 34: Program Revenue and General Revenue. Program Revenue is income received from providing water and wastewater services. General Revenue is income received from taxpayers, regardless of whether they benefit from a program. One example of General Revenue is property tax.

#### **A. Program Revenue**

##### **Water Fees**

Water Fees includes revenue generated through water rates paid by customers of the Lake Angela Water System. Water fee revenue projections are based on the 2021 Utility Rates Study by Hansford Economic Consulting, LLC (HEC) and the Board adopted water rates (Ordinance 03-2021). For FY 2022-23, Water Fees are projected to be \$622,878, representing 88% of water revenue and 17% of total revenue.

##### **Big Bend Service Fees**

Big Bend Service Fees includes revenue generated from water rates paid by customers served by the Big Bend Water System. Big Bend Water Service Fees increase each year and projections are based on District Ordinance 01-2018 and the Big Bend Cabins Water Charges Study by HEC, dated September 6, 2018. For FY 2022-23, Big Bend Service Fees are projected to be \$30,627, representing 4% of water revenue and 1% of total revenue.

##### **Big Bend Assessment**

The District financed the cost to construct the Big Bend Water Treatment Plant, and the Big Bend customers had the opportunity to prepay their share of the financing costs. Big Bend customers that did not prepay their share of the debt obligation pay a higher water rate. The Big Bend Assessment is the value of this water rate differential. This revenue is used to fund debt obligations for the loans for the construction of the Big Bend Water Treatment Plant. Big Bend Water Assessment is established by District Ordinance 01-2018 and the Big Bend Cabins Water Charges Study by HEC, dated September 6, 2018.

This water rate differential is fixed at \$185.46 per cabin per quarter, which equates to \$20,772 for FY2022-23. This represents 3% of the water revenue and 1% of total revenue.

##### **Wastewater Fees**

Wastewater Fees includes revenue generated from wastewater rates paid by customers served by the Sewer Collection and Wastewater Treatment Plant. Wastewater rates are established by District Ordinance 04-2021 and revenue projections are based on that ordinance and the 2021 Utility Rates Study by HEC. For FY 2022-23, Wastewater Fees

are projected to be \$1,916,018, representing 60% of wastewater revenue and 48% of total revenue.

Wastewater Fees are allocated to two different budget categories, Sewer Collection and Wastewater Treatment Plant, based on the wastewater expense ratio (24% Sewer Collection and 76% Wastewater Treatment Plant).

#### Recycled Water Sales

This revenue is generated from the sale of recycled water to ski resorts for snow making, and to contractors for construction water. FY2022-23 Recycled Water Sales is expected to be the same amount as budgeted for FY2021-22, \$50,000.

#### Non CFD Revenue for Wastewater Treatment Plant Loan

A Community Facilities District (CFD) was formed to fund the obligations of the wastewater treatment plant improvement loan. Certain parcels voted to join the CFD to fund their share of the debt obligations. Parcels that did not join the CFD pay a higher rate on their wastewater utility bill to pay their share of the debt obligations. This rate differential is used to fund debt obligations associated with the wastewater treatment plant improvement loan. The rate differential is fixed through June 30, 2026, with current customers paying \$49.42 per month per equivalent dwelling unit (EDU). Revenue for FY2022-23 from this source is projected to be \$281,044. This amount is 9% of wastewater revenue, and 8% of total revenue.

#### Sierra Lakes Service Agreement

The District and Sierra Lakes County Water District (SLCWD) executed an agreement dated February 4, 2017, which specifies the terms under which the District will collect and treat wastewater from SLCWD, and the criteria for calculating the annual payment from SLCWD. The annual payment from SLCWD is estimated to be \$381,152 for FY2022-23, which equates to 13% of wastewater revenue and 10% of total revenue.

#### Connection Fees

Connection Fees are collected from customers when they plan to connect their property to either the water or wastewater systems. These fees are collected to fund new customers share of existing and planned improvements to the water or wastewater system. Very few new connections are projected for this year, so this amount is budgeted for zero dollars.

## **B. General Revenue**

General Revenue includes property tax revenue, interest income, grants, and lease payments.

### CFD Revenue for Wastewater Treatment Plant Loan

A Community Facilities District (CFD) was formed to fund the obligations of the wastewater treatment plant improvement loan. Certain parcels voted to join the CFD to fund their share of the debt obligations. This revenue is collected on the annual property tax bill and is 100% allocated to the Wastewater Treatment division. It can only be used to fund debt obligations associated with the wastewater treatment plant improvement loan. The CFD formation documents fixed this special tax at a maximum of \$49.42 per month per EDU, which equals \$282,392 for FY2022-23. This amount is 9% of wastewater revenue, and 8% of total revenue.

### Property Tax

The District receives a portion of the ad valorem property tax from Nevada and Placer Counties based on the assessed value of the properties within the District. The actual amount varies based on the tax rate that was established when each individual property annexed into the district. Property tax revenue for FY2022-23 is estimated to be \$137,333, which is 4% of total revenue. The District budget allocates property tax revenue to the water, sewer, and wastewater treatment divisions based on the ratio of expenses.

### Interest, Other Income

Interest income is earned on all funds. Interest income is projected to be minimal during FY2022-23.

Other income includes funds received from late charges and utility reimbursement received from Truckee Fire Station 97.

### Grants

The District applied for and was awarded a grant in the amount of \$15,000 from the Placer County Water Agency (PCWA) Financial Assistance Program (FAP). This grant is to fund a portion of a study to evaluate the susceptibility of the Lake Angela water supply to impacts of drought and algae.

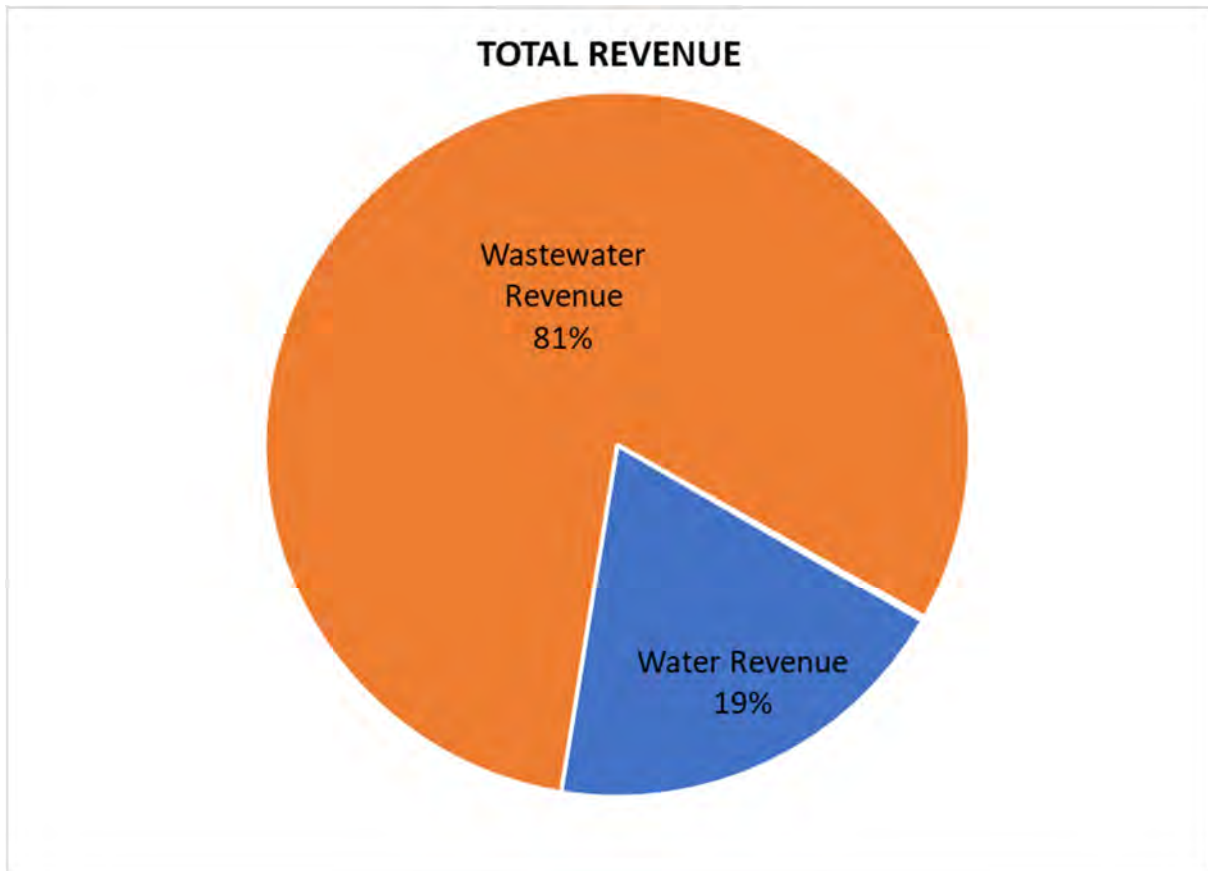


### C. Revenue Summary

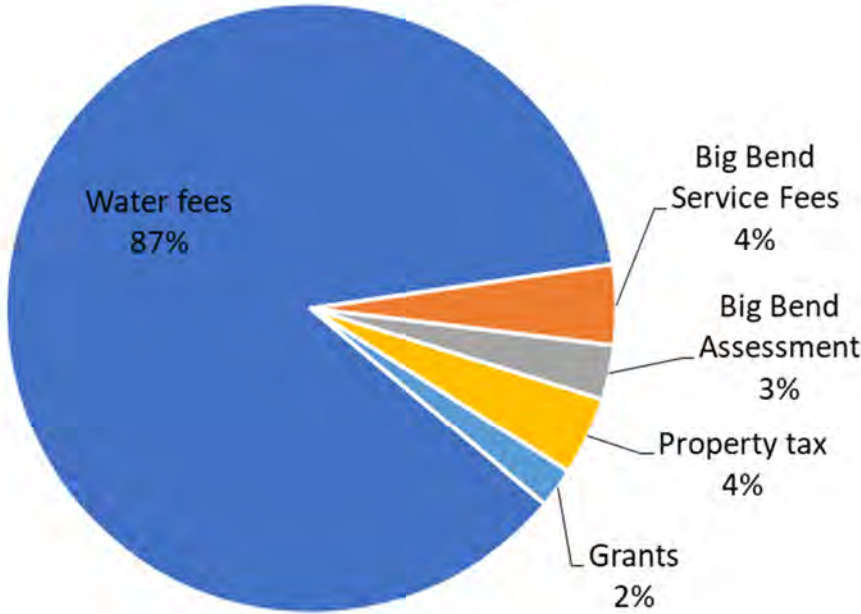
Revenue is summarized in the table below.

	<b>FY21-22 Budget</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<b>Water Revenue</b>			
Water Program Revenue	\$ 598,015	\$ 599,715	\$ 674,277
Water General Revenue	29,700	52,342	45,213
<i>Total Water Revenue</i>	<b>\$ 627,715</b>	<b>\$ 652,057</b>	<b>\$ 719,490</b>
<b>Wastewater Revenue</b>			
Wastewater Program Revenue	\$ 2,515,872	2,515,872	\$2,628,214
Wastewater General Revenue	387,693	387,693	389,512
<i>Total Wastewater Revenue</i>	<b>\$ 2,903,565</b>	<b>\$ 2,903,565</b>	<b>\$ 3,017,726</b>
<b>Administration Revenue</b>			
Admin Program Revenue	\$ -	\$ -	\$ -
Admin General Revenue	14,500	6,500	6,500
<i>Total Admin Revenue</i>	<b>\$ 14,500</b>	<b>\$ 6,500</b>	<b>\$ 6,500</b>
<b>Total Revenues</b>	<b>\$ 3,545,780</b>	<b>\$ 3,562,122</b>	<b>\$3,743,716</b>

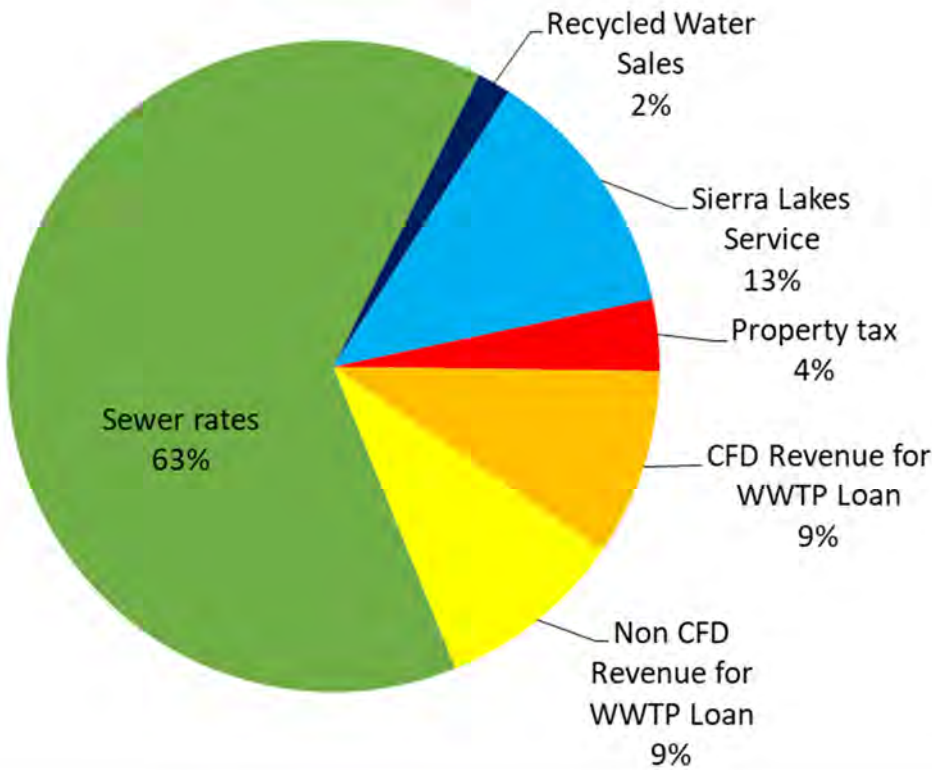
Total revenue and revenue by department are depicted in the following charts.



**WATER REVENUE**



**WASTEWATER REVENUE**



## **IV. Expenses**

### **A. Operating**

This Budget divides Operating Expenses into four divisions: Water, Sewer Collection, Wastewater Treatment Plant, and Administration.

#### Water

Activities related to raw water supply and storage at Lake Angela, water treatment for domestic use, and distributing treated water to customers. This includes operation and maintenance of water pipelines, water quality monitoring, and compliance with State regulations related to water treatment plant operation, distribution, and dam operation. Also includes activities such as backflow testing compliance program, laboratory testing, and water quality sampling and reporting. This division includes activities related to the Big Bend Water System.

#### Sewer

Activities related to providing wastewater collection. Includes operation and maintenance of sewer pipelines and lift stations, including compliance with State regulations.

#### Wastewater Treatment Plant

Activities related to wastewater treatment and disposal. Includes operation and maintenance of the wastewater treatment plant, disposal and discharge of recycled water (treated wastewater), and compliance with State regulations including the waste discharge requirements adopted by the Water Quality Control Board.

#### Administration

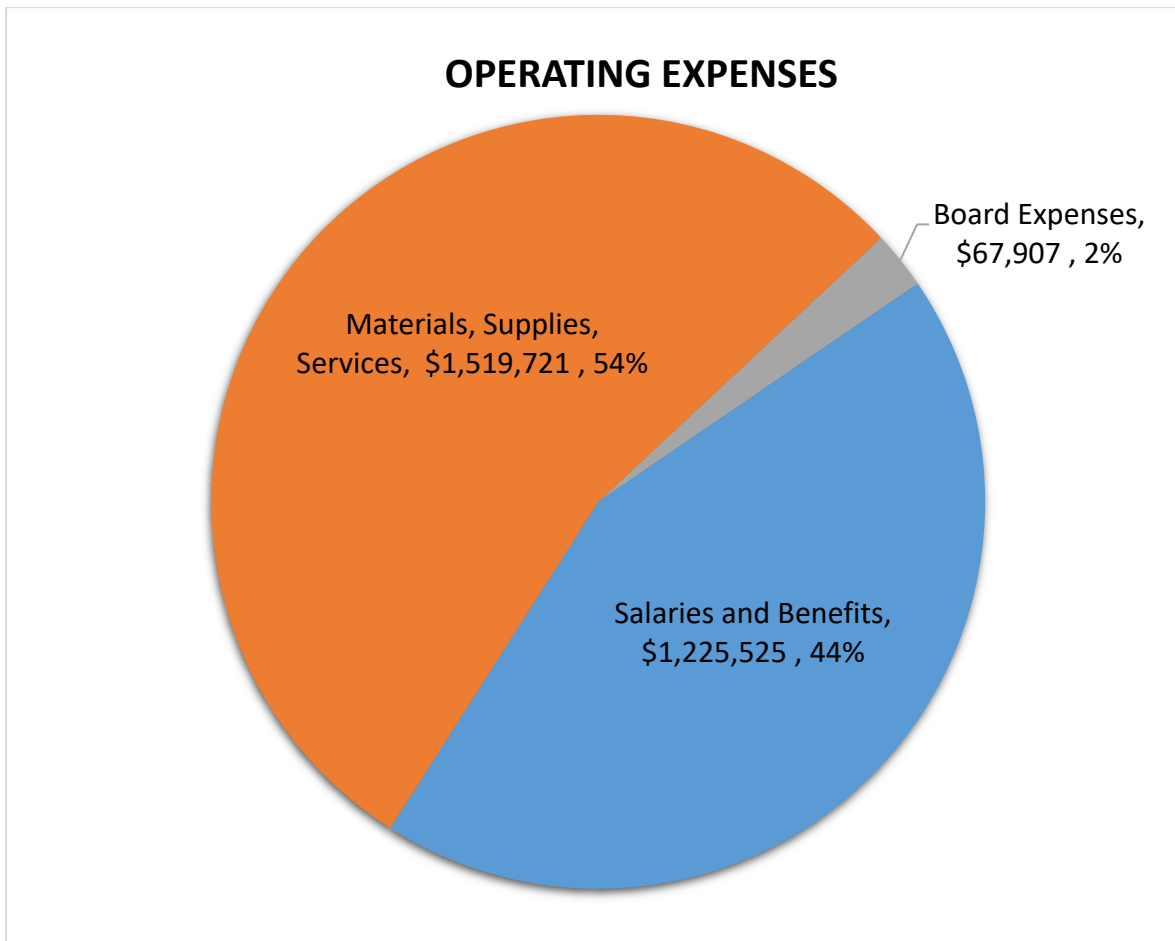
Activities not directly attributed to any one division but supporting all District activities. Examples include preparing and processing customer billing, customer assistance and account management, financial planning and management, accounting, information technology, records management, website hosting and management, Board of Directors support, payroll, and human resources. Administration expenses are allocated to water, sewer, and wastewater treatment plant divisions based on the ratio of expenses.

### **B. Operating Expense Highlights**

The Budget for Fiscal Year 2022/23 includes the following objectives and initiatives:

- Funding for a part time operator for 3 months at \$28/hour. This position will focus on maintenance of the facilities and buildings.
- Upgrade utility billing software to improve customer convenience and make the bill paying process more efficient.
- Concrete patching at Lake Angela Dam as required by recent State inspections.
- Inspect interior of water storage tanks and make minor repairs as needed.
- Conduct a drought resiliency study.
- Video inspect and clean the sewer in Donner Pass Road.

Operating Expenses are summarized in the following chart.



Operating Expenses are projected to be less than anticipated revenues. The balance of revenues are used for capital purchases, capital projects, debt service payments, and increasing reserves.

### **C. Capital Expenses**

#### Capital Purchases

The Budget includes the following capital equipment purchases to improve operational efficiency:

- Trailer with snow tracks to haul chemicals and equipment to the water treatment plant in winter. Estimated cost of \$7,500.
- Welder and saw for machine shop. Estimated cost of \$7,000.

#### Capital Projects

The five-year capital improvement plan (CIP) is adopted each year by the Board separately from the budget. The expenditures in the CIP for the current fiscal year are incorporated into this budget as a capital expense. Projects planned to be worked on this fiscal year are listed below:

- All Departments – Radio System Upgrade
- Water - Repairs to Boreal Pump Station building.
- Sewer – Repair Snow Lab/Bunny Hill Road.

The planned CIP expenditures in FY2022/23 is \$123,151.

#### **D. Long Term Debt Service**

The District has borrowed money for several capital improvement projects, including the wastewater treatment plant improvements, Big Bend Water Treatment Plant construction, Lake Angela Water Treatment Plant construction.

##### Water

The District obtained a loan from the State Water Resources Control Board at an interest rate of 0% to upgrade the Water Treatment Plant at Lake Angela. The annual principal and interest payments total \$18,187, with the last payment due on January 1, 2048. As of June 30, 2021, the principal amount on this loan was \$481,963.

The District obtained two loans from the United States of America Department of Agriculture to construct the Big Bend Water Treatment Plant. As of June 30, 2021, the principal amounts on the loans were \$336,000 and \$138,000, and both have an interest rate of 2.75%. The annual principal and interest payments on the loans are \$14,156 and \$5,814, with final payments due February 2061.

##### Wastewater Treatment Plant

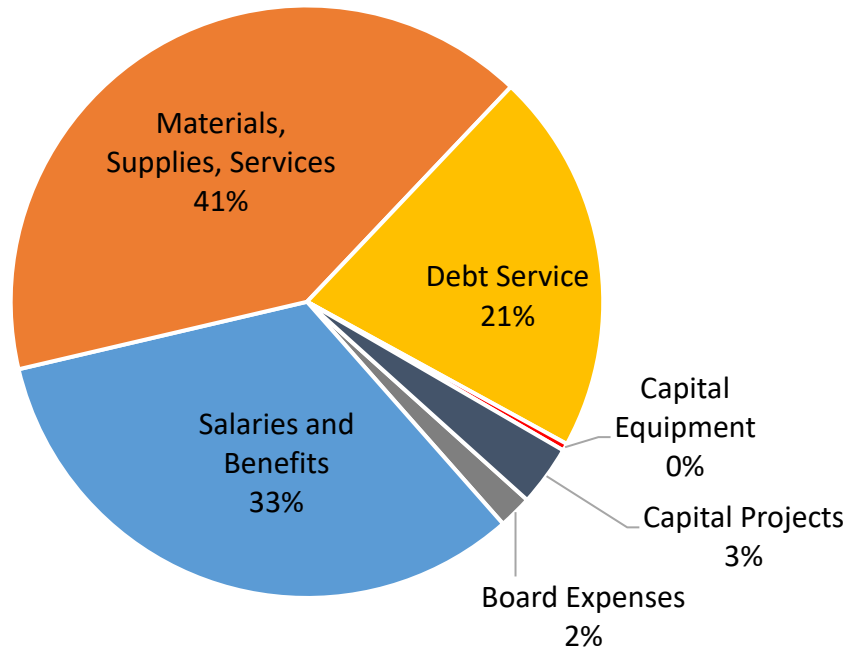
As of June 30, 2021, the principal amount on this loan was \$13,925,551. The annual principal and interest payment due from the District is \$719,191, with the last payment due on December 31, 2041. The loan is from the State Water Resources Control Board with an interest rate of 0.75%.

In addition to the loans for the wastewater treatment plant, the District also leases land to irrigate with treated water during times of the year when river discharge is not allowed. This lease payment is \$20,250 per year.

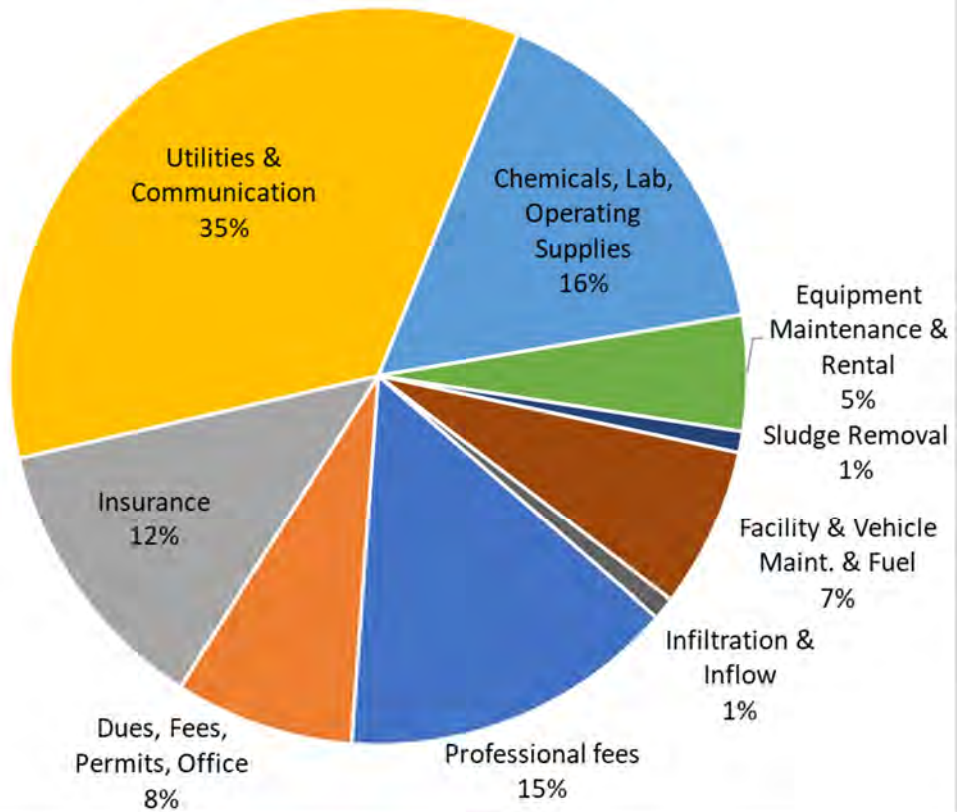
#### **E. Expense Summary**

Operating, capital, and debt service expenses are depicted in the charts on the following pages.

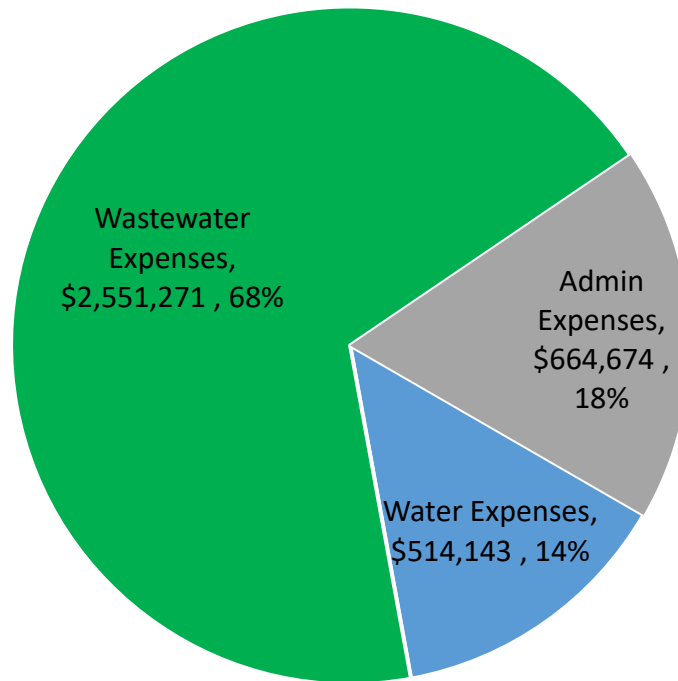
### TOTAL EXPENSES BY CATEGORY



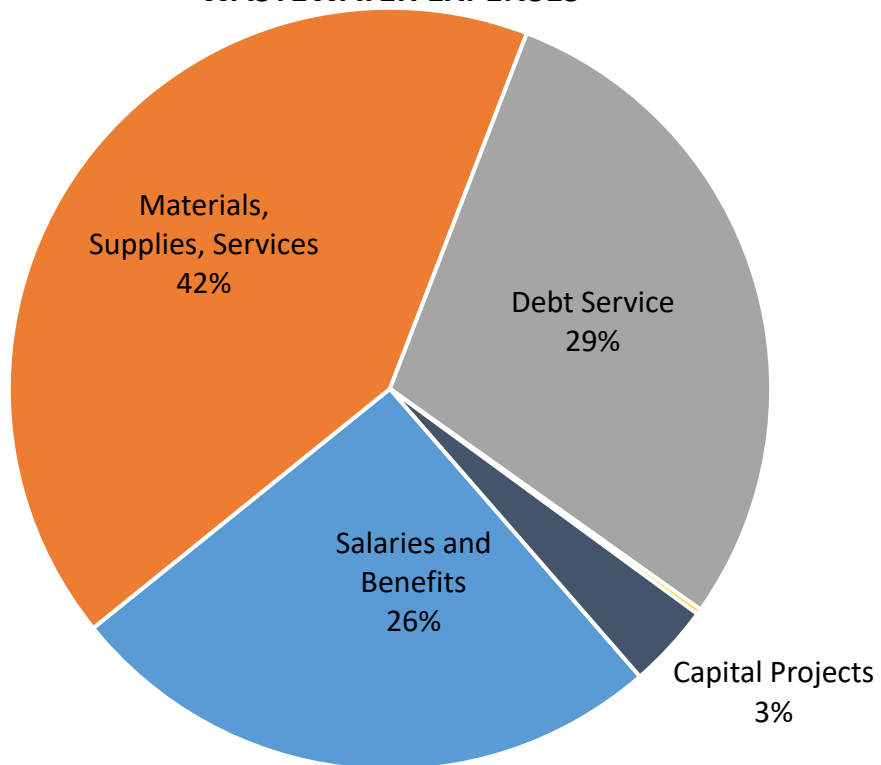
### MATERIALS, SUPPLIES, SERVICES



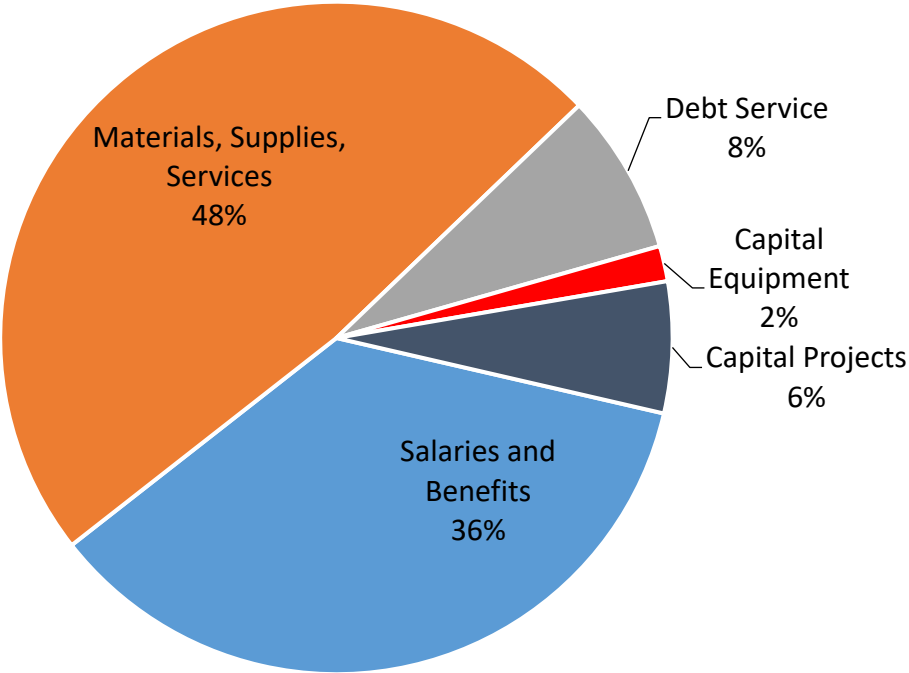
### TOTAL EXPENSES BY DEPARTMENT



### WASTEWATER EXPENSES



**WATER EXPENSES**





**V. Reserves**

The District is required by loan documents to restrict certain reserves to fund future loan payments. The Restricted Reserve requirements are:

SWRCB Loan – Wastewater Treatment Plant	\$ 719,191
SWRCB Loan – Lake Angela Water Treatment Plant	\$ 18,187
USDA Loan – Big Bend Water Treatment Plant	\$ 9,020
USDA Loan – Big Bend Water Treatment Plant	\$ 3,705
<i>Total Reserve Requirement</i>	<i>\$ 750,103</i>

Additionally, the District reserves (unrestricted) funds received from the Big Bend Assessment Revenue to pay for the current year loan payments. This is \$20,772 per year. These funds are collected throughout the year, then are depleted when the loan payments are made.

The balance of reserves is retained as operating reserve. The District’s goal is for operating reserve balance to equal 6 months of operating expenses, with a minimum balance of 4 months of operating expenses. For Fiscal Year 2022/23 this equates to a minimum operating reserve of \$900,000 and a goal of \$1,200,000. The District is not currently meeting the 4 month minimum, with an average operating fund balance of less than one month during Fiscal Year 2021/2022.

Operating reserve projections are listed in the table below. The projected unrestricted balance for July 1, 2022 is \$234,844. This budget plans for the unrestricted fund balance to increase by approximately \$11,630 to \$246,474 on June 30, 2023.

	REVENUE	EXPENSES
Water Revenue	\$ 689,277	
Sewer Revenue	459,844	
Wastewater Treatment Plant Revenue	2,450,762	
Administrative Revenue	6,500	
Property Tax Revenue	137,333	
	\$ 3,743,716	
Water		\$ 514,143
Sewer		357,022
Wastewater Treatment Plant		2,194,249
Administration		664,674
		\$ 3,730,088
	RESERVE CONTRIBUTION	13,627
	RESTRICTED RESERVE CONTRIBUTION (BIG BEND)	(\$ 1,997)
	UNRESTRICTED RESERVE CONTRIBUTION	(\$ 11,630)

Beginning Fund Balance (July 1, 2022)	\$234,844
Unrestricted Reserve Contribution	\$11,630
Ending Fund Balance (June 30, 2023)	\$246,474

In addition to operating reserve there are other reserves the District may wish to consider establishing in the future. For example, it is a Government Finance Officers Association (GFOA) best practice to retain funds in a capital reserve to fund replacement or renewal of capital assets such as pipelines, pump stations, vehicles, and equipment.

**VI. Detailed Budget**

The detailed budget is presented in the following section of the budget document.

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET  
June 21, 2022**

**ALL DEPARTMENTS SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<b>Water Revenue</b>				
Water Program Revenue	\$ 598,015	\$ 444,158	\$ 599,715	\$ 674,277
Water General Revenue	29,700	40,139	52,342	45,213
<i>Total Water Revenue</i>	<u>\$ 627,715</u>	<u>\$ 484,296</u>	<u>\$ 652,057</u>	<u>\$ 719,490</u>
<b>Wastewater Revenue</b>				
Wastewater Program Revenue	\$ 2,515,872	\$ 1,859,583	\$ 2,515,872	\$ 2,628,214
Wastewater General Revenue	387,693	215,673	387,693	389,512
<i>Total Wastewater Revenue</i>	<u>\$ 2,903,565</u>	<u>\$ 2,075,256</u>	<u>\$ 2,903,565</u>	<u>\$ 3,017,726</u>
<b>Administration Revenue</b>				
Admin Program Revenue	\$ -	\$ -	\$ -	\$ -
Admin General Revenue	14,500	1,597	6,500	6,500
<i>Total Administration Revenue</i>	<u>\$ 14,500</u>	<u>\$ 1,597</u>	<u>\$ 6,500</u>	<u>\$ 6,500</u>
<b>Total Revenues</b>	<b>\$ 3,545,780</b>	<b>\$ 2,561,150</b>	<b>\$ 3,562,122</b>	<b>\$ 3,743,716</b>
<b>Water Expenses</b>				
Salaries and Benefits	\$ 181,193	\$ 141,967	\$ 182,534	\$ 184,152
Materials, Supplies, Services	146,140	138,128	167,537	248,915
Debt Service	31,005	19,518	39,843	39,843
Capital Equipment	71,880	55,311	7,156	8,760
Capital Projects	-	-	-	32,473
<i>Total Water Expenses</i>	<u>\$ 430,218</u>	<u>\$ 354,923</u>	<u>\$ 397,069</u>	<u>\$ 514,143</u>
<b>Wastewater Expenses</b>				
Salaries and Benefits	\$ 656,095	\$ 489,263	\$ 604,755	\$ 652,903
Materials, Supplies, Services	942,142	825,138	995,591	1,062,510
Debt Service	739,441	16,875	807,052	739,441
Capital Equipment	133,423	119,664	119,683	5,740
Capital Projects	105,000	118,407	118,410	90,678
<i>Total Wastewater Expenses</i>	<u>\$ 2,576,101</u>	<u>\$ 1,569,346</u>	<u>\$ 2,645,491</u>	<u>\$ 2,551,271</u>
<b>Admin Expenses</b>				
Salaries and Benefits	\$ 430,082	\$ 309,343	\$ 382,996	\$ 388,470
Board Expenses	61,846	58,136	67,907	67,907
Materials, Supplies, Services	155,347	164,865	196,260	208,297
Debt Service	-	-	-	-
Capital Equipment	-	-	-	-
Capital Projects	-	-	-	-
<i>Total Admin Expenses</i>	<u>\$ 647,275</u>	<u>\$ 532,343</u>	<u>\$ 647,163</u>	<u>\$ 664,674</u>
<b>Total Expenses</b>	<b>\$ 3,653,594</b>	<b>\$ 2,456,612</b>	<b>\$ 3,689,724</b>	<b>\$ 3,730,088</b>
	<u><b>\$ (107,814)</b></u>		<u><b>\$ (127,601)</b></u>	<u><b>\$ 13,628</b></u>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**  
**FISCAL YEAR 2022/2023 BUDGET**  
*Fund Summary*

Description	Beginning Balance	Revenues	Expenses	Ending Balance
<b><u>OPERATING FUND</u></b>				
<i>Revenue</i>				
Water Revenue		\$ 689,277		
Sewer Revenue		459,844		
Wastewater Treatment Plant Revenue		2,450,762		
Administrative Revenue		6,500		
Property Tax Revenue		137,333		
		<u>\$ 3,743,716</u>		
<i>Expenses</i>				
Water			\$ 514,143	
Sewer			357,022	
Wastewater Treatment Plant			2,194,249	
Administration			664,674	
			<u>\$ 3,730,088</u>	
<b>TOTAL OPERATING FUND</b>	<u>\$ 234,844</u>	<u>\$ 3,743,716</u>	<u>\$ 3,730,088</u>	<u>\$ 246,474</u>
<b><u>TRANSFER TO RESERVES</u></b>				
Annual contribution to Big Bend Loan Reserves		1,997		
<b>TOTAL TRANSFERS</b>		<u>\$ 1,997</u>		
<b><u>RESERVE FUNDS</u></b>				
WWTP (SRF) Construction Loan Reserve	\$ 719,191			\$ 719,191
WTP Construction Loan Reserve	18,187			\$ 18,187
Big Bend Water Loan Reserve 1	9,092	1,416		\$ 10,508
Big Bend Water Loan Reserve 2	3,705	581		\$ 4,286
<b>TOTAL RESERVE FUNDS</b>	<u>\$ 750,175</u>	<u>\$ 1,997</u>	<u>\$ -</u>	<u>\$ 752,172</u>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET  
June 21, 2022**

**WATER SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<b>Program Revenue</b>				
Water fees	\$ 547,511	\$ 404,688	\$ 547,511	\$ 622,878
Connection fees	-	1,700	1,700	-
Recycled water sales	-	-	-	-
Big Bend Debt Service				
Big Bend Service Fees	29,732	22,191	29,732	30,627
Big Bend Assessment	\$ 20,772	\$ 15,579	\$ 20,772	\$ 20,772
<i>Total Program Revenue</i>	<u>\$ 598,015</u>	<u>\$ 444,158</u>	<u>\$ 599,715</u>	<u>\$ 674,277</u>
<b>General Revenues</b>				
Property tax	\$ 29,700	\$ 17,496	\$ 29,700	\$ 30,213
Grants	-	\$ 22,642	22,642	15,000
<i>Total General Revenues</i>	<u>\$ 29,700</u>	<u>\$ 40,139</u>	<u>\$ 52,342</u>	<u>\$ 45,213</u>
<b>Total Revenues</b>	<b>\$ 627,715</b>	<b>\$ 484,296</b>	<b>\$ 652,057</b>	<b>\$ 719,490</b>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET**

June 21, 2022

**WATER SUMMARY**

	FY21-22 Budget	Actual 4/30/2022	FY21-22 Projected	FY22-23 Budget
<b>Expenses</b>				
Salaries	\$ 123,535	\$ 98,280	\$ 121,680	\$ 123,158
Overtime		\$ 5,585	\$ 6,080	\$ 6,086
Medical/Dental/Life Insurance	57,658	\$ 28,789	35,643	\$ 25,633
Long Term Disability		\$ 1,032	1,277	\$ 1,550
Retirement		\$ -	6,800	\$ 6,883
Clothing Allowance		\$ -	800	\$ 792
Payroll Tax		\$ 8,282	10,254	\$ 10,663
W/C Insurance		\$ -		\$ 9,389
<i>Salaries &amp; Benefits</i>	\$ 181,193	\$ 141,967	\$ 182,534	\$ 184,152
Professional fees	15,000	1,102	6,342	73,000
Dues and subscriptions	379	671	672	680
Fees, permits, certifications, leases	11,743	14,679	14,680	14,680
Training, education, travel	942	250	250	1,000
Travel	-	-	-	-
Insurance	31,281	25,807	30,968	40,429
Office supplies and miscellaneous	549	-	-	550
Utilities, communications, telemetry	27,593	38,484	46,180	48,470
Chemicals and lab supplies	26,379	18,969	22,760	22,800
Laboratory testing	5,000	1,680	2,016	2,020
Equipment maintenance and repair	8,000	4,198	5,037	5,600
Small equipment and rental	6,750	2,348	2,820	2,820
Interest expense	-	-	-	-
Operating supplies	5,000	3,035	3,642	3,380
Vehicle maintenance, repair, fuel	2,524	6,490	7,790	9,106
Facility maintenance and repair	5,000	20,416	24,380	24,380
<i>Materials, Supplies, Services</i>	\$ 146,140	\$ 138,128	\$ 167,537	\$ 248,915
Angela WTP Loan P&I	\$ 9,350	\$ 9,094	\$ 18,188	\$ 18,188
Big Bend Debt Service	21,655	\$ 10,424	21,655	21,655
<i>Debt Service</i>	\$ 31,005	\$ 19,518	\$ 39,843	\$ 39,843
Capital Equipment	\$ 71,880	\$ 55,311	\$ 7,156	\$ 8,760
Capital Projects	-	\$ -	-	32,473
<b>Total Expenses</b>	<b>\$ 430,218</b>	<b>\$ 354,923</b>	<b>\$ 397,069</b>	<b>\$ 514,143</b>
<b>TOTAL NET REVENUE</b>	<b>\$ 197,497</b>		<b>\$ 254,988</b>	<b>\$ 205,347</b>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET**

June 21, 2022

**SEWER SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<b>Program Revenue</b>				
Sewer rates	\$ 450,919	\$ 335,361	\$ 450,919	\$ 459,844
Connection fees				
<i>Total Program Revenue</i>	<u>\$ 450,919</u>	<u>\$ 335,361</u>	<u>\$ 450,919</u>	<u>\$ 459,844</u>
<b>General Revenues</b>				
Property tax	\$ 19,481	\$ 11,841	\$ 19,481	\$ 20,353
Other	-	\$ -	-	-
<i>Total General Revenues</i>	<u>\$ 19,481</u>	<u>\$ 11,841</u>	<u>\$ 19,481</u>	<u>\$ 20,353</u>
<b>Total Revenues</b>	<b>\$ 470,400</b>	<b>\$ 347,202</b>	<b>\$ 470,400</b>	<b>\$ 480,197</b>
<b>Expenses</b>				
Salaries	\$ 103,882	\$ 82,644	\$ 102,322	\$ 103,565
Overtime		\$ 4,696	\$ 5,118	\$ 5,118
Medical/Dental/Life Insurance	52,453	\$ 18,330	22,694	\$ 21,555
Long Term Disability		\$ 868	1,074	\$ 1,303
Retirement		\$ -		\$ 5,788
Clothing Allowance		\$ -		\$ 666
Payroll Tax		\$ 6,964	8,622	\$ 8,966
W/C Insurance		\$ 6,548	8,107	\$ 7,895
<i>Salaries &amp; Benefits</i>	<u>\$ 156,335</u>	<u>\$ 120,050</u>	<u>\$ 147,937</u>	<u>\$ 154,855</u>
Professional fees	7,000	\$ 266	320	-
Dues and subscriptions	-	\$ -	-	-
Fees, permits, certifications, leases	3,376	\$ 185	3,376	3,460
Training, education, travel	273	\$ -	273	300
Travel	-	\$ -	-	-
Insurance	31,281	\$ 21,701	26,041	33,997
Office supplies and miscellaneous	563	\$ 3,147	3,776	550
Utilities, communications, telemetry	29,149	\$ 24,073	28,888	30,293
Chemicals and lab supplies	565	\$ 314	377	500
Laboratory testing	-	\$ -	-	-
Equipment maintenance and repair	10,178	\$ 1,167	1,401	1,600
Small equipment and rental	2,400	\$ -	-	-
Sludge removal	1,200	\$ -	-	-
Infiltration - Inflow	26,000	\$ -	-	15,000
Operating supplies	1,000	\$ 2,875	3,450	3,500
Vehicle maintenance, repair, fuel	3,794	\$ 11,324	13,590	19,026
Facility maintenance and repair	8,000	\$ 1,573	1,890	2,000
<i>Materials, Supplies, Services</i>	<u>\$ 124,779</u>	<u>\$ 66,624</u>	<u>\$ 83,381</u>	<u>\$ 110,226</u>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET  
June 21, 2022**

**SEWER SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
Interest		\$ -		
Long Term Debt		\$ -		
<i>Debt Service</i>	\$ -	\$ -	\$ -	\$ -
Capital Equipment	\$ 133,423	\$ 53,755	\$ 53,775	\$ 1,263
Capital Projects	105,000	\$ 118,407	118,410	90,678
<b><i>Total Expenses</i></b>	<b>\$ 519,537</b>	<b>\$ 358,836</b>	<b>\$ 403,503</b>	<b>\$ 357,022</b>
<b>TOTAL NET REVENUE</b>	<b>\$ (49,137)</b>		<b>\$ 66,897</b>	<b>\$ 123,175</b>



**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET**

June 21, 2022

**WASTEWATER TREATMENT PLANT SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<b>Program Revenue</b>				
Sewer rates	\$ 1,352,757	\$ 1,006,083	\$ 1,352,757	\$ 1,456,174
Recycled Water Sales	\$ 50,000		\$ 50,000	\$ 50,000
Connection fees				
Non CFD Revenue for WWTP Loan	\$ 281,044	\$ 208,323	\$ 281,044	\$ 281,044
Sierra Lakes Service	\$ 381,152	\$ 309,816	\$ 381,152	\$ 381,152
<i>Total Program Revenue</i>	<u>\$ 2,064,953</u>	<u>\$ 1,524,222</u>	<u>\$ 2,064,953</u>	<u>\$ 2,168,370</u>
<b>General Revenues</b>				
Property tax	85,820	52,166	85,820	86,767
CFD Revenue for WWTP Loan	\$ 282,392	\$ 151,666	\$ 282,392	\$ 282,392
Other income	-	-	-	-
<i>Total General Revenues</i>	<u>\$ 368,212</u>	<u>\$ 203,832</u>	<u>\$ 368,212</u>	<u>\$ 369,159</u>
<b>Total Revenues</b>	<b>\$ 2,433,165</b>	<b>\$ 1,728,054</b>	<b>\$ 2,433,165</b>	<b>\$ 2,537,529</b>
<b>Expenses</b>				
Salaries	\$ 334,107	\$ 265,802	\$ 329,088	\$ 333,086
Overtime		\$ 13,241	\$ 16,394	\$ 16,459
Medical/Dental/Life Insurance	165,653	\$ 57,748	71,497	\$ 69,325
Long Term Disability		\$ 2,790	3,454	\$ 4,192
Retirement		\$ -	-	\$ 18,614
Clothing Allowance		\$ 1,269	1,269	\$ 2,142
Payroll Tax		\$ 21,814	27,008	\$ 28,837
W/C Insurance		\$ 6,548	8,107	\$ 25,392
<i>Salaries &amp; Benefits</i>	<u>\$ 499,760</u>	<u>\$ 369,212</u>	<u>\$ 456,818</u>	<u>\$ 498,048</u>
Professional fees	81,250	\$ 35,058	48,633	42,070
Dues and subscriptions	1,200	\$ 4,194	4,194	1,200
Fees, permits, certifications, leases	17,623	\$ 18,694	18,694	16,600
Training, education, travel	2,745	\$ 919	1,103	2,800
Insurance	86,022	\$ 69,795	83,760	109,343
Office supplies and miscellaneous	823	\$ 339	410	500
Utilities, communications, telemetry	285,896	\$ 349,175	419,010	429,390
Chemicals and lab supplies	175,497	\$ 136,999	164,398	172,406
Laboratory testing	41,910	\$ 38,200	45,840	45,840
Equipment maintenance and repair	34,240	\$ 45,910	55,092	56,210
Small equipment and rental	7,200	\$ 5,283	6,340	6,340
Sludge removal	43,000	\$ 12,093	14,510	14,510
Operating supplies	7,632	\$ 1,753	2,103	2,100
Vehicle maintenance, repair, fuel	12,325	\$ 8,053	9,664	9,300
Facility maintenance and repair	20,000	\$ 32,048	38,458	43,675
<i>Materials, Supplies, Services</i>	<u>\$ 817,363</u>	<u>\$ 758,514</u>	<u>\$ 912,210</u>	<u>\$ 952,284</u>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET  
June 21, 2022**

**WASTEWATER TREATMENT PLANT SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
WWTP Loan	\$ 719,191	\$ -	\$ 786,802	719,191
Land Lease	20,250	\$ 16,875	20,250	20,250
<i>Debt Service</i>	\$ 739,441	\$ 16,875	\$ 807,052	\$ 739,441
Capital Equipment	\$ -	\$ 65,908	\$ 65,908	\$ 4,477
Capital Projects	-	\$ -	-	-
<b>Total Expenses</b>	<b>\$ 2,056,564</b>	<b>\$ 1,210,510</b>	<b>\$ 2,241,988</b>	<b>\$ 2,194,249</b>
<b>TOTAL NET REVENUE</b>	<b>\$ 376,601</b>		<b>\$ 191,177</b>	<b>\$ 343,279</b>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET  
June 21, 2022**

**ADMINISTRATION SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<b>Program Revenue</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
<i>Total Program Revenue</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>General Revenues</b>				
Interest revenue	-	21	-	-
Other income	14,500	1,576	6,500	6,500
<i>Total General Revenues</i>	<u>\$ 14,500</u>	<u>\$ 1,597</u>	<u>\$ 6,500</u>	<u>\$ 6,500</u>
<b>Total Revenues</b>	<b>\$ 14,500</b>	<b>\$ 1,597</b>	<b>\$ 6,500</b>	<b>\$ 6,500</b>
<b>Expenses</b>				
Salaries	\$ 324,358	\$ 255,331	\$ 316,124	\$ 271,529
Overtime		\$ -		\$ -
Medical/Dental/Life Insurance	105,724	\$ 25,594	31,687	\$ 60,684
Long Term Disability		\$ 2,732	3,382	\$ 2,818
Retirement		\$ -		\$ 26,417
Clothing		\$ -		\$ 400
Payroll Tax		\$ 20,929	25,912	\$ 22,401
W/C Insurance		\$ 4,758	5,890	\$ 4,221
<i>Salaries &amp; Benefits</i>	<u>\$ 430,082</u>	<u>\$ 309,343</u>	<u>\$ 382,996</u>	<u>\$ 388,470</u>
Board Expense	61,846	\$ 58,136	67,907	67,907
<i>Board Expense</i>	<u>\$ 61,846</u>	<u>\$ 58,136</u>	<u>\$ 67,907</u>	<u>\$ 67,907</u>
Professional fees	73,800	\$ 97,318	116,781	115,680
Dues and subscriptions	7,062	\$ 7,675	7,675	7,100
Fees, permits, certifications, leases	20,593	\$ 2,199	2,639	20,650
Training, education, travel	1,500	\$ -	-	1,500
Insurance	7,820	\$ 13,034	15,640	9,672
Office supplies and miscellaneous	7,000	\$ 12,976	15,571	9,000
Utilities, communications, telemetry	28,420	\$ 29,045	34,854	35,035
Chemicals and lab supplies	-	\$ -	-	-
Laboratory testing	-	\$ -	-	-
Equipment maintenance and repair	6,552	\$ -	-	6,660
Small equipment and rental	-	\$ -	-	-
Sludge removal	-	\$ -	-	-
Operating supplies	-	\$ 93	100	-
Vehicle maintenance, repair, fuel	-	\$ -	-	-
Facility maintenance and repair	2,600	\$ 2,525	3,000	3,000
<i>Operating Expenses</i>	<u>\$ 155,347</u>	<u>\$ 164,865</u>	<u>\$ 196,260</u>	<u>\$ 208,297</u>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**

**FISCAL YEAR 2022/2023 BUDGET  
June 21, 2022**

**ADMINISTRATION SUMMARY**

	<b>FY21-22 Budget</b>	<b>Actual 4/30/2022</b>	<b>FY21-22 Projected</b>	<b>FY22-23 Budget</b>
<i>Debt Service</i>	\$ -	\$ -	\$ -	\$ -
Capital Equipment	\$ -	\$ -	\$ -	\$ -
Capital Projects	-	\$ -	-	-
<b><i>Total Expenses</i></b>	<b>\$ 647,275</b>	<b>\$ 532,343</b>	<b>\$ 647,163</b>	<b>\$ 664,674</b>
<b>TOTAL NET REVENUE</b>	<b>\$ (632,775)</b>		<b>\$ (640,663)</b>	<b>\$ (658,174)</b>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**  
**FISCAL YEAR 2022/2023 BUDGET**  
*Expense Detail*  
**June 21, 2022**

Description	Department				Total Budgeted	
	Water (30)	Sewer (40)	WWTP (42)	Admin (50)		
<b>Board Expense</b>						
Meeting Stipend				\$ 15,900	\$	15,900
Health Stipend				45,849		45,849
Payroll Taxes				5,094		5,094
Board Meeting Food				-		-
Training & Travel				540		540
Worker's Comp				524		524
TOTAL - Board Expense	\$ -	\$ -	\$ -	\$ 67,907	\$	67,907
<b>Professional Services</b>						
Legal				\$ 32,780	\$	32,780
Auditors				32,000		32,000
Bookkeeping				30,000		30,000
Public Outreach				3,000		3,000
Fee Updates/GIS Subscription				9,900		9,900
Billing Software Upgrade				8,000		8,000
Drought/Supply Resiliency Study	35,000					35,000
Lake Angela Dam Concrete Patching	20,000					20,000
Tank Inspection (Diving)	18,000					18,000
General Engineering			42,070			42,070
TOTAL - Professional Services	\$ 73,000	\$ -	\$ 42,070	\$ 115,680	\$	230,750
<b>Dues</b>						
Local Agency Formation Commission				\$ 1,900	\$	1,900
California Special District Association				5,200		5,200
California Rural Water Association	680					680
California Water Environt Association			1,200			1,200
TOTAL - Dues	\$ 680	\$ -	\$ 1,200	\$ 7,100	\$	8,980

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**  
**FISCAL YEAR 2022/2023 BUDGET**  
*Expense Detail*  
**June 21, 2022**

Description	Department				Total Budgeted
	Water (30)	Sewer (40)	WWTP (42)	Admin (50)	
<b>Fees, Permits, Leases</b>					
US Forest Service Permit	\$ 50		\$ 8,100	\$ 1,050	\$ 9,200
Copier Lease				4,600	4,600
Postage Meter Rental				1,500	1,500
Bank Fees (Incl Payroll)				7,000	7,000
Billing Software Support (MOM)				6,500	6,500
Water & Distribution Certifications	1,000				1,000
Department of Health Services	1,000				1,000
Nevada County	2,000		2,800		4,800
SWRCB	2,000	3,000	5,300		10,300
Division Dam Safety	8,000				8,000
USA Dig Alert	630	230			860
Wastewater Operator Certifications		230	400		630
<b>TOTAL - Fees, Permits, Leases</b>	<b>\$ 14,680</b>	<b>\$ 3,460</b>	<b>\$ 16,600</b>	<b>\$ 20,650</b>	<b>\$ 55,390</b>
<b>Training and Education</b>					
Classes, seminars, conferences	\$ 700	\$ 300	\$ 2,800	\$ 1,500	\$ 5,300
Travel	300				300
<b>TOTAL - Training and Education</b>	<b>\$ 1,000</b>	<b>\$ 300</b>	<b>\$ 2,800</b>	<b>\$ 1,500</b>	<b>\$ 5,600</b>
<b>Utilities, Communications</b>					
Electricity (5825)	\$ 46,085	\$ 29,353	\$ 217,890	\$ 23,835	\$ 317,162
Propane (6825) & Diesel	1,155		205,530		206,685
Phones (6675)	1,230	940	5,970	4,600	12,740
Postage (6700, 6701)				3,100	3,100
Website				3,500	3,500
<b>TOTAL - Utilities, Communications</b>	<b>\$ 48,470</b>	<b>\$ 30,293</b>	<b>\$ 429,390</b>	<b>\$ 35,035</b>	<b>\$ 543,187</b>

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**  
**FISCAL YEAR 2022/2023 BUDGET**  
*Expense Detail*  
**June 21, 2022**

Description	Department				Total Budgeted
	Water (30)	Sewer (40)	WWTP (42)	Admin (50)	
<b>Chemicals &amp; Lab Supplies</b>					
Hach Company	1,370				\$ 1,370
Ryan Process	4,420		8,260		12,680
Thatcher	13,710		80,240		93,950
USA Bluebook	3,300		7,406		10,706
Grainger		500			500
Envirokem			30,710		30,710
EOSi (Micro C)			41,670		41,670
JenFitch			4,120		4,120
TOTAL - Chemicals & Lab Supplies	\$ 22,800	\$ 500	\$ 172,406	\$ -	\$ 195,706
<b>Equipment Maintenance &amp; Support</b>					
Office Equipment & Support				\$ 6,660	\$ 6,660
USA Bluebook	\$ 3,600				\$ 3,600
Various Vendors	\$ 2,000		\$ 11,480		\$ 13,480
Grainger		\$ 800	\$ 2,160		\$ 2,960
Truckee Auto Parts		\$ 800	\$ 600		\$ 1,400
HERC & United Rentals			\$ 4,930		\$ 4,930
Digikey			\$ 2,100		\$ 2,100
EMCOR			\$ 26,680		\$ 26,680
Telstar			\$ 1,620		\$ 1,620
Western Nevada Supply			\$ 3,970		\$ 3,970
Xylem			\$ 2,670		\$ 2,670
TOTAL - Equipment Maintenance & Support	\$ 5,600	\$ 1,600	\$ 56,210	\$ 6,660	\$ 70,070
<b>Operating Supplies</b>					
Kimball Midwest	\$ 2,120				\$ 2,120
ALSCO (Rags & Coveralls)	\$ 1,260	\$ 3,500			\$ 4,760
Various Vendors			\$ 2,100		\$ 2,100
TOTAL - Operating Supplies	\$ 3,380	\$ 3,500	\$ 2,100	\$ -	\$ 8,980
<b>Infiltration - Inflow</b>					
Video and Clean Donner Pass Road		\$ 15,000			\$ 15,000
TOTAL - Infiltration & Inflow	\$ -	\$ 15,000	\$ -	\$ -	\$ 15,000

**DONNER SUMMIT PUBLIC UTILITY DISTRICT**  
**FISCAL YEAR 2022/2023 BUDGET**  
*Expense Detail*  
**June 21, 2022**

Description	Department				Total Budgeted
	Water (30)	Sewer (40)	WWTP (42)	Admin (50)	
<b>Vehicle Maintenance &amp; Repair</b>					
Fuel	\$ 4,606	\$ 19,026			\$ 23,632
Repair	\$ 4,500		\$ 9,300		\$ 13,800
TOTAL - Vehicle Maintenance & Repair	<u>\$ 9,106</u>	<u>\$ 19,026</u>	<u>\$ 9,300</u>	<u>\$ -</u>	<u>\$ 37,432</u>
<b>Facility Maintenance &amp; Repair</b>					
Pest Control					\$ -
Office Cleaning Service				\$ 2,600	\$ 2,600
Garbage Service					\$ -
Western Nevada Supply	\$ 6,150		\$ 8,150		\$ 14,300
Silica Resources	\$ 1,730				\$ 1,730
Rick Martin	\$ 4,000				\$ 4,000
Liquivision	\$ 6,800				\$ 6,800
Filtration Technology	\$ 2,300				\$ 2,300
Waters Vacuum Truck		\$ 2,000			\$ 2,000
Elements Mountain Co.			\$ 12,925		\$ 12,925
Grainger			\$ 2,300		\$ 2,300
Mountain Hardware			\$ 1,100		\$ 1,100
Sierra Mountain Pipe			\$ 1,150		\$ 1,150
Western Nevada Supply			\$ 8,150		\$ 8,150
Various Vendors	\$ 3,400		\$ 9,900	\$ 400	\$ 13,700
TOTAL - Facility Maintenance & Repair	<u>\$ 24,380</u>	<u>\$ 2,000</u>	<u>\$ 43,675</u>	<u>\$ 3,000</u>	<u>\$ 73,055</u>
<b>CAPITAL ACQUISITION</b>					
Snow Trailer	\$ 7,500				\$ 7,500
Shop Equipment	\$ 1,260	\$ 1,263	\$ 4,477		\$ 7,000
					\$ -
TOTAL - Capital Acquisition	<u>\$ 8,760</u>	<u>\$ 1,263</u>	<u>\$ 4,477</u>	<u>\$ -</u>	<u>\$ 14,500</u>
<b>TOTAL</b>	<u><b>\$ 211,856</b></u>	<u><b>\$ 76,942</b></u>	<u><b>\$ 780,228</b></u>	<u><b>\$ 257,532</b></u>	<u><b>\$ 1,326,557</b></u>



**RESOLUTION NO. 2022-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC  
ADOPTING THE FIVE-YEAR CAPITAL IMPROVEMENT PLAN AND FISCAL YEAR  
2022/2023 OPERATING BUDGET**

**WHEREAS**, District staff has assessed and prioritized operational and capital improvement needs, and used that information to prepare a Five-Year Capital Improvement Plan and a Fiscal Year 2022/2023 Operating Budget for review and comment from the Board of Directors; and

**WHEREAS**, preliminary and draft versions of the Five-Year Capital Improvement Plan and Fiscal Year 2022/2023 Operating Budget were presented to the Board of Directors for review and comment in public meetings on April 19, 2022 and May 17, 2022; and

**WHEREAS**, the proposed Five-Year Capital Improvement Plan and Fiscal Year 2022/2023 Operating Budget were presented to the Board of Directors for adoption at a public meeting on June 21, 2022; and

**WHEREAS**, the Board of Directors accepted public comment and reviewed and considered the proposed capital improvement plan and budget.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF DONNER SUMMIT PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

1. The Five-Year Capital Improvement Plan and Fiscal Year 2022/2023 Operating Budget documents attached as Exhibits A and B, respectively, are hereby incorporated into this Resolution by this reference, and are hereby adopted.
2. The expenditure amounts designated for Fiscal Year 2022/2023 are hereby appropriated and may be expended in the amounts for the purposes stated in the Fiscal Year 2022/2023 Operating Budget.
3. The General Manager may authorize the transfer of appropriations within and between departments so long as total appropriations are not increased.
4. The Board of Directors has the overriding authority to control the use of revenues and the appropriations of funds and therefore may modify this policy at any time.

**PASSED AND ADOPTED** by the Board of Directors of Donner Summit Public Utility District, this 21<sup>st</sup> day of June 2022, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: \_\_\_\_\_  
Cathy Preis  
President, Board of Directors

ATTEST:

By: \_\_\_\_\_  
Alex Medveczky  
Secretary of the Board

**June 21, 2022**  
**Agenda Item: 7E**



## STAFF REPORT

**TO:** Board of Directors

**PREPARED BY:** Steven Palmer, PE, General Manager

**SUBJECT:** Consider Adopting a Resolution to Continue Remote Board Meetings in Accordance with Assembly Bill 361

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### **RECOMMENDATION**

Consider adopting a resolution that will allow the Board to continue meeting remotely.

### **BACKGROUND**

Starting in March 2020 California Governor Gavin Newsom issued a series of Executive Orders (N-25-20, N-29-20, N-35-20) aimed at containing the novel coronavirus. These Executive Orders collectively modified certain requirements created by the Ralph M. Brown Act (“the Brown Act”). The effect of these modifications was to allow legislatively bodies to meet without requiring the physical presence of members of the legislative body, staff, or of the public. Since that time, The Board has been conducting its’ meetings over Zoom, in compliance with the Executive Orders.

On June 11, 2021, the Governor issued Executive Order N-08-21 which rescinds those Brown Act modifications effective on September 30, 2021. After that date, local agencies are required to observe all the usual Brown Act requirements such as providing a physical location with public access for the meeting, publishing the location of teleconferencing board members, posting meeting notices and agendas in those teleconference locations, and making those locations available to the public.

In response the California legislature passed Assembly Bill 361 (AB361), which provides local agencies with the ability to meet remotely during proclaimed state emergencies under modified Brown Act requirements, similar to the procedures established by the Governor’s Executive Orders. AB361 allows local agencies to meet remotely if any of the following conditions exist:

1. The legislative body holds a meeting during a proclaimed state of emergency and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

In order to continue to hold virtual meetings the legislative body shall, not later than 30 days after teleconferencing for the first time in compliance with AB361, and every 30 days thereafter must make the following findings by majority vote:

1. The legislative body has reconsidered the circumstances of the state of emergency.
2. Any of the following circumstances exist:
  - a. The state of emergency continues to directly impact the ability of the members to meet safely in person.
  - b. State or local officials continue to impose or recommend measures to promote social distancing.

AB 361 shall remain in effect only until January 1, 2024.

### **DISCUSSION AND ANALYSIS**

Since the October meeting, the Board has taken action at each meeting to adopt a resolution to allow the continuation of remote meetings.

The State of California still has an active emergency declaration. Nevada County recently took action to revert to the State of California Department of Public Health guidance which, beginning on March 1, 2022, includes a strong recommendation to wear masks in all indoor public setting and businesses and a mask requirement for certain high-risk situations.

Due to the State declaration and Public Health guidance, the Board can continue to meet remotely without the typical Brown Act teleconference notifications (Government Code 54953(e)(1)(A)). If the Board wishes to continue to meet remotely, they will need to adopt the attached resolution that makes the findings required by AB361. To continue meeting remotely, the Board will need to make the required findings every 30 days (Government Code 54953(e)(3)).

If the Board does not adopt the attached resolution at this meeting, then the June meeting will need to take place in person.

### **FISCAL IMPACT**

There is no direct fiscal impact to this action.

### **CEQA ASSESSMENT**

This is not a CEQA Project

### **ATTACHMENTS**

1. Resolution

**RESOLUTION NO. 2022-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DONNER SUMMIT PUBLIC UTILITY DISTRICT RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS IN RESPONSE TO THE NOVEL CORONAVIRUS (COVID19) FOR ALL LEGISLATIVE BODIES OF THE DISTRICT FOR THE PERIOD JULY 1, 2022 THROUGH JULY 31, 2022 AS THIS IS THE TIME PERIOD THAT ENCOMPASSES THE NEXT SCHEDULED BOARD MEETING PURSUANT TO BROWN ACT PROVISIONS**

**WHEREAS**, the Donner Summit Public Utility District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

**WHEREAS**, all meetings of Donner Summit Public Utility District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

**WHEREAS**, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

**WHEREAS**, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

**WHEREAS**, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

**WHEREAS**, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

**WHEREAS**, the Board of Directors previously adopted Resolution Number 2021-07 on October 19, 2021, finding that the requisite conditions exist for the legislative bodies of the Donner Summit Public Utility District to conduct remote teleconference meetings without compliance of paragraph (f) of subdivision (b) of section 54953; and

**WHEREAS**, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists in the District, and the Board of Directors has done so; and

**WHEREAS**, emergency conditions now exist in the District, specifically, as proclaimed in the Proclamation of a State of Emergency regarding the Novel Coronavirus (COVID19) issued on March 4, 2020 by the Governor of the State of California; and

**WHEREAS**, the County of Nevada Public Health Officer issued guidance regarding COVID19 on February 11, 2022 which reverted to the State Public Officer Guidance which includes a

strong recommendation for wearing masks in indoor public settings indoors and businesses, and requires masks in certain high-risk situations; and

**WHEREAS**, the Board of Directors does hereby find that the Governor of the State of California's Proclamation of Emergency, and the Nevada County Public Health Officer guidance indicate that the outbreak of COVID19 has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California, and ratify the California Public Health Order; and

**WHEREAS**, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of Donner Summit Public Utility District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

**WHEREAS**, the next scheduled meeting of a legislative body of the Donner Summit Public Utility District is July 19, 2022; and

**WHEREAS**, public access to meetings will be ensured by posting the agenda with meeting links, and allowing public comment in real time during the meeting.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF DONNER SUMMIT PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Recitals.** The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

**Section 2. Affirmation that Local Emergency Persists.** The Board hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and the County of Nevada Public Health Officer issued an Health Officer issued guidance regarding COVID19 on February 11, 2022 which reverted to the State Public Officer Guidance which includes a strong recommendation for wearing masks in indoor public settings indoors and businesses, and requires masks in certain high-risk situations.

**Section 3. Re-Ratification of Governor's Proclamation of a State of Emergency.** The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency and the State of California Public Health Order.

**Section 4. Remote Teleconference Meetings.** The General Manager and legislative bodies of Donner Summit Public Utility District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

**Section 5. Effective Date of Resolution.** This Resolution shall take effect immediately upon its adoption and shall be effective until the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during

which the legislative bodies of Donner Summit Public Utility District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

**PASSED AND ADOPTED** by the Board of Directors of Donner Summit Public Utility District, this 21<sup>st</sup> day of June 2022, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

DONNER SUMMIT PUBLIC UTILITY DISTRICT

By: \_\_\_\_\_  
Cathy Preis  
President, Board of Directors

ATTEST:

By: \_\_\_\_\_  
Alex Medveczky  
Secretary of the Board