

**Special Meeting of the Board of Directors**  
**Lake Don Pedro Community Services District**  
**9751 Merced Falls Road**  
**April 8, 2015 at 10:00a.m.**

*Mission Statement: The LDPCSD is dedicated to providing potable water that either meets or exceeds all state and federal standards in sufficient quantities to meet the needs of our customers utilizing the most cost effective methods possible while still maintaining a sound financial plan now and for the future.*

**AGENDA**

- 1. CALL TO ORDER: Presiding Officer: Establish Quorum, Pledge of Allegiance:**
  
- 2. Board of Directors Planning Session:**
  - a. Review of District Organizational Chart
  - b. Review of District Policies Related to Board and Staff Roles and Responsibilities, Norms and Protocol
  - c. Establish Board Goals and Objectives to be used to set and Evaluate Management Actions

**ADJOURN FOR LUNCH 12:00 p.m. – 1:00p.m.**

- 3. Water Supply Emergency Reports and Actions:**
  - a. Water supply status report including changes to water system operations, Lake McClure water supply projections, groundwater well development and other new surface water enhancements.
  - b. Status report of Lake Don Pedro CSD Emergency Water Supply Project including expenses incurred and funding application status.
  - c. Approval of a Resolution authorizing application to the State Revolving Fund (SRF) for funding for the emergency groundwater well projects.
  - d. Approval of a Resolution authorizing reimbursement of well installation project expenses with funds from the State Revolving Fund (SRF).
  - e. Approval of a 2014/15 Budget amendment in the amount of not to exceed \$60,000 for the upgrade of the District's water system supervisor control and data acquisition system (SCADA), which is necessary for reliable system control.

- 4. ADJOURNMENT:**

# Lake Don Pedro Community Services District

## Special Meeting of April 8, 2015

### AGENDA SUPPORTING DATA

#### 2 Board of Directors Planning Session:

- a. Review of District Organizational Chart
- b. Review of District Policies Related to Board and Staff Roles and Responsibilities, Norms and Protocol
- c. Establish Board Goals and Objectives to be used to set and Evaluate Management Actions

#### **Background**

The purpose of this agenda item is to begin the process of strategic planning, to ensure the successful future of the District and its public services. There are many important aspects of planning for the successful operation and management of the District. As an instructor for the California Special District Leadership Academy, I have developed many useful processes and procedures to assist in facilitating the Board's planning processes.

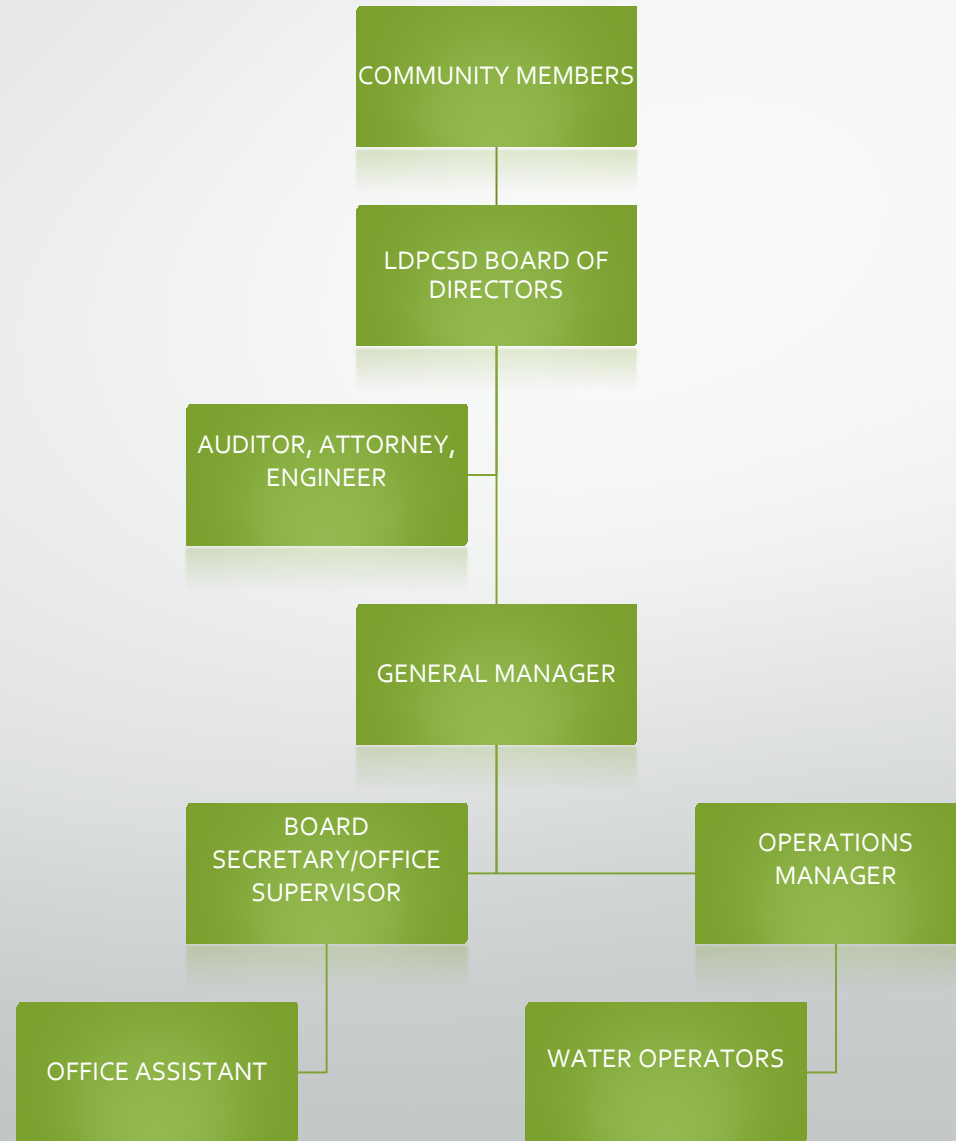
The end result of this planning process is the development of District goals and objectives; or major items we want to accomplish over the next one, three, five or ten year period. These goals and objectives will then be used by management to establish specific, measurable objectives for the General Manager himself, as well as the development of specific benchmarks or objectives for staff at all levels to strive for, and be expected to achieve.

One of the major reasons for conducting the planning process at this time is to determine the intent of the Board with regard to future District management. It has been the practice and policy of the Board to hire a working manager who splits time between working directly in the field with the operations employees, and is also responsible to serve as chief executive of the District. The planning process will determine the level or skills, expertise, experience and actual hands-on management time required of the General Manager. In other words, the more complex the management work to be done as determined by the Board's plan, the more experienced of a manager is necessary and less time, if any, they will have for operation tasks.

During this meeting, we hope to:

- Review the current Organizational chart to clarity of roles and responsibilities
- Understand the Board's Role in Human Resources

# Lake Don Pedro CSD Organizational Chart 2015



# Defining Board & Staff Roles and Relationships

## Part 1



# Agenda for the Day

- The Board's Role and Responsibilities in HR
- Determining the HR health of the District
- Evaluating the General Manager



# What Does a Board Member Need to Know?

- History of the district
- Understand the physical and economic limitations of the district
- Human resources policy is a board responsibility, not an individual activity
- Understand the district's human resources policies, past practices and procedures



# Why the Board's Role in Human Resources is Important?

- It shapes workplace culture at the district
  - Defines the kind of place the district is as either a positive work environment or a negative, repressive place to work
  - Establishes a framework of expectations
- Keeps compliance with HR rules and regulations
- Insures a stewardship role for the board



# What is the Board's Role in HR?

- To be a HR policy maker
  - By developing HR policies based upon board values
  - To focus on the “what” and not the “how” of HR





# What is the Board's Role in HR?

*(Continued...)*

Board members learn the “what” by:

- Board member orientation
- Meeting the staff
- Reading key district documents
- Tour of district facilities
- Talking to the public



# What is the Board's Role in HR? *(Continued...)*

- To know what not to do in personnel issues
  - There should be no direct intervention by a board member into a personnel issue
  - The board informs the General Manager of the issue and then holds the General Manager accountable

# What is the Board's Role in HR?

## *(Continued...)*

- To know district HR philosophy and to be able to talk about it
- Learn HR policies from:
  - District policy manual
  - Job descriptions
  - Employee handbook
  - New hire employee packet



# What is the Board's Role in HR?

## *(Continued...)*

- To ensure HR policies are consistent with the district philosophy and mission statement
- To ensure HR policies are updated
- To ensure the adoption of new HR policies

# What is the Board's Role in HR? *(Continued...)*

- To set clear expectations so the GM can implement HR policies according to law and district goals
- To ensure your district has a due process system in place for all employees
- To approve a compensation policy and review it regularly



# Establishing a Positive Human Resources Culture

- Why is this important to a board member?
- What does a positive HR culture look like?



# Why Should the Board Adopt HR Policies?

- To protect your district
  - Your district should have financial policies that direct:
    - Financial Controls
    - Fixed Asset Accounting Controls
    - Credit Card Usage
    - Budget Preparation
    - Expense Authorizations
    - Investment Policies
    - Electronic Communication



# Why Should the Board Adopt HR Policies? *(Continued...)*

- To keep your HR policies current
- To be a knowledgeable board member so that you do not cross the proverbial line
- To ensure that the policies are in line with the district mission and goals





# LDPCSD Water Supply Emergency Status Update

April 7, 2015

## 1 CURRENT LAKE McCLURE WATER SUPPLY OUTLOOK

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As of March 6, 2015 the water surface elevation of Lake McClure is 610 feet above sea level; storage of 93,671 acre feet. The lake elevation has increased by four additional feet since March 2, 2015 due to the reduction in reservoir outflow approved by the Department of Water Resources in February 2015. Outflow from the lake has been increased as of April 1, 2015 to normal operations with an average of 250 cubic feet per second (450 acre feet per day) measured outflow.

Lake inflow peaked last week with warm temperatures and is once again dropping off due to lack of remaining snowpack.

Using the above capacities and expecting continued drought and normal fish releases, the remaining water supply in Lake McClure will last until approximately **mid to late August 2015**.

Please note that due to the insignificant water usage by LDPCSD customers, the District demand and the success or lack thereof of its water conservation mandates have no effect on the lake level.

## 2 MANDATORY WATER CONSERVATION AND OUTREACH

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The LDPCSD Board of Directors increased the mandatory water conservation requirements to 50% as of March 9, 2015. Outside irrigation is banned until additional sources of water can be found, and the water supply returns to levels that can support irrigation.

Local and national television and radio news crews have been arranging visits to Don Pedro to tell the story of the diminishing water supply in Lake McClure. To date, the media effort has resulted in increased pressure on state officials for funding solutions, and hopefully affirmative consideration of MID's request for reduced instream flows.

## 3 REQUEST FOR RELIEF FROM INSTREAM FLOW REQUIREMENTS AND PUMPING BELOW MINIMUM POOL

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The District as recently made aware that MID was precluded from delivering water to the District when the Lake McClure capacity drops below 115,000 acre feet; please see the attached letter from MID dated March 11, 2015. With support and assistance from the District, MID is preparing a petition to the SWRCB to allow for reduced instream flows through the summer, as well as approval of continued diversions to the LDPCSD below the lake minimum pool. The petition will be submitted by week's end and should be considered by the State Board within one week. If approved by the State Water Board, we anticipate that our available water supply in Lake McClure will be extended further into the fall 2015.

## 4 GROUNDWATER WELL INSTALLATION

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The District has completed its preliminary test well drilling in eight locations on six different parcels in the service area. We are now proceeding with well development and testing per state standards, of up to three of the tested sites that appear to have adequate groundwater production. The District has selected primary and alternate well locations and options as follows:

1. **Well #2** – Expected startup date – June 30, 2015. Currently beginning the development and pump testing of Well #2. PG&E has started electrical connection engineering and the property is being surveyed for easement acquisition.
2. **Wells #3 (and #4)**– Expected startup date – August 1, 2015. Currently performing due diligence on an existing well recently drilled on a 17 acre parcel adjacent to the LDPCSD water treatment plant site. If negotiations are successful, the property may be purchased in its entirety. Well pumping tests are scheduled to be performed this week. Alternate Well #3 & #4 sites have been selected based on test well water production, and will be developed if negotiations for Well #3 are not successful.

Completion of the above Wells #2 and #3 is expected to produce between 200 and 350 gallons per minute; which when combined with the approximately 75 gallons per minute from our existing Ranchito Well (#1), should meet approximately 70% of the peak summer water demand.

## 5 ALTERNATE SURFACE WATER SOURCE (DEEP WATER) INTAKE

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Our engineering team of Kennedy Jenks and Binkley Associates have completed the evaluation of potential pipeline routes to the deep water pool at McClure Point; a 21,000 foot distance from our existing pipeline. The draft desired pipeline route map is included for your information only. The estimated project cost is \$6.5 million including an 18-inch pipeline and permanent pumping facility near McClure Point.

We have been meeting with representatives from an agency that is considering a potential project grant in the range of \$2 million maximum, if the District can commit to securing the remaining \$4.5 million project funding needed; \$500,000 of which would need to be a local match funded by the District. Options discussed for financing the \$4.5 million include:

- State Revolving Loan Fund (SRF)
- Formation of an assessment district and issuance of revenue bonds
- Community Development Block Grants
- A portion of the cost funded by MID
- Increased water rates coupled with a loan
- Reduction in project scope to reduce the local share of costs

We are continuing to refine the project budget and search for funding options before the potential for the existing grant source is lost through allocation to other ready-to-proceed projects.

Another option being considered is the installation of a much less expensive and rapidly deployable coffer dam to be constructed at the bottom of the reservoir to maintain a 20+ deep pool of water surrounding our emergency pumps; filled with inflow from the Merced River. This type of project may not be considered a

permanent drought hazard mitigation action, and therefore may not be eligible for the emergency grant under consideration for the deep water intake project.

## 6 EMERGENCY WATER OPERATIONS

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Our system operation goal is, in priority order, to:

1. Protect public/customer health and safety including traffic safety, employee safety and avoiding property damage. This includes restoring water service immediately when interrupted by system failure, main break, system shutdown, etc.
2. Comply with our Drinking Water Permit
3. Keep operating costs under control to reduce cost impact on customers
4. Reduce water loss

Major water system failures, leaks, main breaks, fires, fire hydrant damage and other infrastructure problems that result in immediate, severe water loss can occur any time of the day, or day of the week. Currently, with water remaining in Lake McClure, the above priority system functions well and keeps cost in check. If a system water leak is determined to not jeopardize public health and safety, or cause a violation of our permits, we schedule repairs on such leaks during normal office hours; even if the leak is called in by a customer on a weekend.

In our case, our operations staff works a normal Monday through Friday work shift, and one employee remains “on-call” to be the first responder to afterhours water system failures or to respond to certain customer calls. The on-call employee is compensated for the afterhours responsibility and also compensated, on overtime, if they respond to a system problem after hours. The on-call employee uses the above priorities to determine if immediate system repairs are necessary and if so, an appropriately sized crew is called in on overtime to complete the work. Due to the fact that only one employee is on call, occasionally other employees are out of town or otherwise unavailable to respond immediately, and some system repairs must be delayed until enough employees are available to make system repairs safely.

However, since we are requiring our customers to reduce consumption by 50% and not irrigate outside, and we are preparing to operate our system with as few leaks as possible to avoid water outages when and if we are completely on well water, it is reasonable for us to readjust priorities at this time as shown below, even with its associated budget impact.

1. Protect public/customer health and safety including traffic safety, employee safety and avoiding property damage. This includes restoring water service immediately when interrupted by system failure, main break, system shutdown, etc.
2. Comply with our Drinking Water Permit
3. Reduce water loss
4. Keep operating costs under control to reduce cost impact on customers

This change has been directed by management effective last week, and the associated cost is reflected in the most recent adopted budget amendment.

## 7 WATER OUTAGE CONTINGENCY PLAN

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The District has identified several bulk water haulers who are prepared to service the community in the event of a water outage. These contractors offer both potable and non-potable water hauling.

## 8 DISTRICT FINANCES

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Drought related expenses of **\$295,000** have been incurred since the launch of the emergency float pumps in October 2013. Of the above amount, approximately \$150,000 is currently reimbursable under the two current grant contracts discussed below. As additional grant sources are found and contracts executed, much of the already incurred cost will be reimbursed to the District.

To date, the District has signed grant agreements with the State Water Resources Control Board (SWRCB) for \$60,900 and the Department of Water Resources for \$200,000. These grants will reimburse expenses associated with the improvements with the Emergency Float Pump System and a portion of the cost of construction of Well #2. A second agreement with the SWRCB in the amount of \$202,800 is expected for signature this week and is intended to reimburse the remainder of the cost of Well #2 and portions of Well #3.

Funding applications have been submitted to the State Revolving Fund (SRF) in the amount of \$1.2 million for Wells #3 and #4. The SRF is typically awarded as a loan/grant combination based on median household income. As of yesterday, the District was determined (income) eligible to apply for up to \$500,000 of USDA Rural Development Emergency Drought Assistance. LDPCSD was made eligible through the efforts of Tuolumne County staff Larry Beil, the diligence of County Administrator Craig Pedro and assistance also from Mariposa County staff.



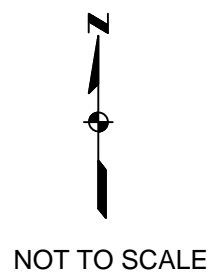
Kennedy/Jenks Consultants

LAKE DON PEDRO CSD

**LAKE McCLURE DEEP WATER  
INTAKE FEASIBILITY  
ALIGNMENT 2**

K/J 1570004.00

**FIGURE 2**





# MERCED IRRIGATION DISTRICT

March 11, 2015

Pete Kampa  
Lake Don Pedro Community Service District  
9751 Merced Falls Road  
La Grange, CA 95329

Pete,

Given recent discussions, including the water supply outlook for Lake McClure and therefore the LDPCSD, I thought a summary of several water-related issues would be helpful to you.

1. Emergency Wells - Attached please find a map showing the Merced Irrigation District property boundary and MID's FERC Boundary, which happen to coincide in the Barrett Cove area. As we have discussed, LDPCSD may locate its test wells and future emergency wells outside MID's FERC boundary and away from existing MID wells. MID relies on the well by the Marina which is barely keeping up with demand. The other well provides MID only marginal benefit and is typically only used in emergencies. Locating a well in the same vicinity will not be helpful to either well. We suggest that you maintain at least one half a mile of space from MID wells for the benefit of both districts. The point-to-point distance between the two MID wells is approximately 2,900 feet. Also as part of our discussion, you were going to send me a map showing the LDPCSD's pipeline alignment, which I have not yet received. It would help to have an accurate location of the pipeline to help both agencies in future planning.
2. Water Supply Reliability - As we have discussed, it may be prudent for LDPCSD to consider an off-stream water supply basin that has a capacity of approximately 600 AF for a more reliable water supply to LDPCSD. State emergency funds may be available to help cover the costs of such a project.
3. Water Purchase Agreement – In 2013, LDPCSD approached MID regarding extension of the 2008 Water Purchase Agreement. On July 2, 2014 the MID Board of Directors approved the extension of the existing agreement through June 30, 2016 with no other substantive changes. MID received an appreciation letter from LDPCSD, however, it does not appear that the addendum agreement has been executed by your agency. If LDPCSD has executed the addendum, please send it to me. Otherwise, please find included with this letter the addendum and the original agreement for background purposes, to be executed by LDPCSD. Please sign and return at your earliest possible convenience.
4. Losses Due to Leakage – MID opted to postpone any new considerations for the contract to allow LDPCSD and MID to concentrate on surviving the drought. MID is still interested in the

status of fixing leaks in the LDPCSD supply lines especially around Barrett Cove. Please update me on the status of repairs and your future plans.

5. Surface Water License – As you know, the existing LDPCSD’s water purchase agreement from MID is based on stored water under MID State Water Resources Control Board (SWRCB) License 11395. Water cannot be diverted from storage under this license when storage in Lake McClure is below a regulatory minimum pool of 115,000 AF. Last year MID acquired approval on May 22, 2014 through a 180-day Temporary Urgency Change Petition (TUCP) from the SWRCB to reduce this minimum pool to 85,000 AF. Petitions meeting the same goals had to also be acquired from the Department of Water Resources and the Federal Energy Regulatory Commission. The TUCP expired on November 18, 2014, and since that date the regulatory minimum pool in Lake McClure reverted to 115,000 AF. Given the Merced River inflow outlook and available stored water, it is expected that storage in Lake McClure will remain less than 115,000 AF for most, if not all of 2015. MID remains concerned LDPCSD continues to divert below regulatory minimum pool. Please communicate with MID as soon as practically possible to discuss this issue.
  
6. MID operations of New Exchequer/Merced River 2014 - As you know, MID operates New Exchequer Dam for a variety of beneficial uses. Some of these uses may conflict with each other at times, especially in a drought. Last year, MID, in cooperation with a variety of state and federal agencies as well as other stakeholders on the Merced River took a number of actions related to reservoir operations. Among other things these actions:
  - Helped preserve existing storage in Lake McClure.
  - Provided MID’s customers with additional incremental water supply.
  - Benefited fish species in the Merced River downstream of Crocker Huffman Diversion Dam.

MID’s efforts included:

- Petition to the SWRCB for a TUCP to adjust the management of the reservoir through late spring, summer and early fall of 2014. The TUCP addressed storage and minimum pool but was a comprehensive management plan for the Merced River. The requests were based on evaluation of various studies and analysis in connection with fishery agencies, DWR, along with other groups.
- Investment of more than \$100,000 in personnel and labor last year to prevent, as practically possible, unnecessarily water releases above regulatory requirements on the Merced River. The effort reduced releases by approximately 30,000 AF.
- Initial Class I water allocations began at less than 6 acre-inches per acre. The MID Board was able to increase allocations to 1.1 acre foot per acre by June of 2014 as a result of higher inflows. Even at this amount, MID growers received around 30% of their average water supply per acre. This reduction came on the heels of a 20% reduction in 2013. The reduced allocations in 2014 resulted in 320,000 AF in less diversions in comparison to MID average annual diversions.
- MID maintained its irrigation season diversions as long as possible for the benefit of fish on the Merced River.
- Although MID had a TUCP to reduce storage to 85,000 AF, MID made a water management decision to stop diversions at 100,000 AF.

MID is continuing to balance water diversions, in-stream flows, and storage during the extended drought. This drought continues to impact MID growers, recreation, power generation and other services provided by MID.

7. MID Operations of New Exchequer/Merced River 2015 - So far, 2015 appears to be the worst on record based on Lake McClure storage, and the snowpack in the watershed. MID is taking, or considering taking, the following actions to manage in-stream flows, storage and supply:
  - MID acquired permission from DWR to reduce minimum river flows by 80 cfs daily, backing up approximately 8,000 AF into Lake McClure. MID and the California Department of Fish and Wildlife will cooperate in developing a water management plan for the remainder of 2015 and consider the best use of the backed up water.
  - MID's initial 2015 allocations to its growers include no surface water supply. The MID Board will continue to assess conditions before making any final decisions.
  - On March 2, 2015 MID Board took action to make no immediate diversions from the Merced River under its pre-1914 water rights. Again, the MID Board will continue to assess conditions and may revise this decision moving forward.
  - MID will invest again in personnel and labor to monitor and coordinate activities on the Merced River consistent with last year. The intent is to minimize unnecessary water releases.
  - MID continues to work with agencies on a water management plan for the Merced River for 2015.
  
8. Storage Enhancement: MID is continuing to pursue any and all possible means to optimize storage at Lake McClure.

It is also crucial to point out that in addition to the weather-related drought, MID is battling what can only be described as a future prolonged (permanent) "regulatory drought." As part of its plans to protect fish and improve water quality in the Bay Delta, the State Water Resources Control Board is proposing increasing water diversion from Lake McClure as part of its update to the Bay-Delta Water Quality Control Plan. Should the state's efforts proceed as expected, MID fully anticipates experiencing these types of reservoir conditions much more frequently. It is crucial for both MID and LDPCSD to coordinate efforts in advocating the benefits and needs of maintaining adequate water supply. I hope this information will assist LDPCSD as you prepare for both the near and long-term future. Please contact me if you have any questions or would like to discuss this matter further.

Respectfully,



Hicham Eltal  
Deputy General Manager, Water Supply/Rights  
Merced Irrigation District

cc: John Sweigard, Merced Irrigation District, General Manager



Lake Don Pedro CSD  
CIP Barge Accounts

Invoice Date	Payee	CIP Intake Barge 01-0-1090-311	Intake Barge Pipe, Elec, Misc. 01-0-1090-312
7/11/2013	Twin Lakes Management	10,248.16	
8/20/2013	Twin Lakes Management	1,259.08	
9/11/2013	HD Supply	440.21	
9/18/2013	G3 Engineering	29,281.53	
10/3/2013	Twin Lakes Management	34,890.94	
10/10/2013	Barry Dugan Electric	5,494.61	
10/20/2013	Twin Lakes Management	1,440.52	
10/21/2013	Barry Dugan Electric	680.63	
5/2/2014	Ross Poole	1,100.00	
8/25/2014	Barry Dugan Electric		765.56
8/25/2014	Barry Dugan Electric		937.50
8/27/2014	Maskell Pipe		17,668.89
8/28/2014	Barry Dugan Electric		1,973.70
9/23/2014	Platt		13,157.16
9/30/2014	Maskell Pipe		414.90
10/1/2014	HD Supply	926.22	
10/1/2014	Tri Phase Electric		1,456.12
10/1/2014	Tri Phase Electric		1,673.21
10/7/2014	Fastenal	25.70	
	Totals	<u>85,787.60</u>	<u>38,047.04</u>

Lake Don Pedro CSD  
Water Drought Accounts

Invoice Date	Payee	SWRCB Grant Barge 01-0-4020-418	SWRCB Well 3-4 01-0-4020-419	Water Supply Emergency 2014 01-1-5020-535	SWRCB Well #2 01-9-6030-584	State Water Board Barge Reimb 01-9-6030-585	Dept of Water Resources 01-9-6030-586	State Reveolving Fund 01-9-6030-587
9/8/2014	Binkley Associates			332.50				
10/9/2014	Binkley Associates			595.00				
10/9/2014	Binkley Associates			1,517.50				
11/11/2014	Binkley Associates			910.00				
11/11/2014	Binkley Associates			122.50				
12/16/2014	Binkley Associates			181.00				
12/16/2014	Binkley Associates			2,582.00				
12/31/2014	KKI Corp			2,058.75				
1/12/2015	Binkley Associates			1,706.50				
1/14/2015	Conservation Warehouse			54.50				
1/22/2015	Copy King Printers			641.45				
1/29/2015	Maskell Pipe & Supply			1,746.10				
1/30/2015	Kampa Solutions			4,860.00				
1/30/2015	Maskell Pipe & Supply			9,199.00				
1/30/2015	The Source Group Inc				2,500.00			
2/5/2015	Don Pedro Market			36.75				
2/6/2015	Fastenal					162.83		
2/13/2015	Waterford Farm Supply					49.49		
2/15/2015	Danny Johnson			41.94				
2/16/2015	Binkley Associates			1,400.00				
2/20/2015	Lawson & Son			1,100.00				
2/25/2015	Union Democrat			116.30				
2/25/2015	Griswold			400.40				
2/25/2015	Canepa and Sons						8,900.00	
2/25/2015	Canepa and Sons						12,820.00	
2/25/2015	Canepa and Sons						10,400.00	
2/25/2015	Canepa and Sons						11,800.00	
2/27/2015	The Source Group Inc			8,123.63				
2/28/2015	KKI Corp			375.21				
2/28/2015	Kampa Solutions			7,040.00				
3/3/2015	Canepa and Sons						1,250.00	
3/3/2015	Canepa and Sons						1,250.00	
3/3/2015	Canepa and Sons						1,250.00	
3/3/2015	Canepa and Sons						1,250.00	
3/3/2015	Canepa and Sons						1,250.00	
3/3/2015	Canepa and Sons						10,400.00	
3/3/2015	Canepa and Sons						4,640.00	
3/6/2015	Danny Johnson			51.93				
3/9/2015	Binkley Associates			2,456.00				
3/9/2015	Green Rubber Kennedy Ag			4,448.44				
3/9/2015	Don Pedro Market			20.78				
3/10/2015	Canepa and Sons						9,400.00	
3/11/2015	Canepa and Sons						5,200.00	
3/25/2015	Kennedy Jenks			37,720.80				
3/26/2015	PG&E			1,000.00				
	Totals	-	-	90,838.98	2,500.00	212.32	79,810.00	-

## **AUTHORIZING RESOLUTION/ORDINANCE**

RESOLUTION NO: ----2015

A RESOLUTION AUTHORIZING APPLICATION TO THE STATE REVOLVING FUND FOR COSTS ASSOCIATED WITH THE LAKE DON PEDRO COMMUNITY SERVICES DISTRICT EMERGENCY GROUNDWATER WELL PROJECT

WHEREAS, The Lake Don Pedro Community Services District has declared a Water Supply Warning due to the severely low amounts of water remaining stored in Lake McClure, which is the District's primary water supply; and

WHEREAS, The District has approved and is actively moving forward with completion of the Lake don Pedro CSD Emergency Groundwater Well Project which involves the installation of up to three additional new groundwater wells to provide emergency water supply in the event of depletion of the Lake McClure water supply; and

WHEREAS, The District has received partial grant funding for the construction of Well #2 and possibly Well #3; and

WHEREAS, additional funding is needed for all three emergency wells to be completed; and

WHEREAS, The State Revolving Fund administered by the State Water Resources Control Board has been identified as a potential source of funds to complete said project.

NOW THEREFORE BE IN RESOLVED by the Board of Directors of the Lake Don Pedro Community Services District as follows:

Section 1 - The General Manager is hereby authorized and directed to sign and file, for and on behalf of the Entity, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design and construction of the lake Don Pedro Emergency Groundwater Well Project (the "Project").

Section 2 - The General Manager, or his/her designee, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto.

Section 3 - The General Manager, or his/her designee, is designated to represent the Entity in carrying out the Entity's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the Entity and compliance with applicable state and federal laws.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Lake Don Pedro Community Services District on April 8, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Danny Johnson, President

ATTEST:



## REIMBURSEMENT RESOLUTION

RESOLUTION NO: ----2015

A RESOLUTION AUTHORIZING FINANCING AND REIMBURSEMENT OF EXPENSES ASSOCIATED WITH THE LAKE DON PEDRO COMMUNITY SERVICES DISTRICT EMERGENCY GROUNDWATER WELL PROJECT WITH STATE REVOLVING FUNDS

WHEREAS, The Lake Don Pedro Community Services District has declared a Water Supply Warning due to the severely low amounts of water remaining stored in Lake McClure, which is the District's primary water supply; and

WHEREAS, The District has approved and is actively moving forward with completion of the Lake don Pedro CSD Emergency Groundwater Well Project which involves the installation of up to three additional new groundwater wells to provide emergency water supply in the event of depletion of the Lake McClure water supply; and

WHEREAS, The District has received partial grant funding for the construction of Well #2 and possibly Well #3; and

WHEREAS, additional funding is needed for all three emergency wells to be completed; and

WHEREAS, The State Revolving Fund administered by the State Water Resources Control Board has been identified as a potential source of funds to complete said project; and

WHEREAS, the Lake Don Pedro Community Services District (the "Agency") desires to finance the costs of constructing the Emergency Groundwater Well Project (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations.

NOW THEREFORE BE IN RESOLVED by the Board of Directors of the Lake Don Pedro Community Services District as follows:

SECTION 1. The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$ \$1,158,500.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each Agency expenditure will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

---

Danny Johnson, President

ATTEST:



# *Aqua Sierra Controls, Inc.*

**Engineering General and Electrical Contractor  
Sales & Service (800) 649-4287**



1650 Industrial Drive, Auburn, CA 95603  
Cell (530) 305-3390 Fax (530) 823-3475  
[jlane@aquasierra.com](mailto:jlane@aquasierra.com) [www.aquasierra.com](http://www.aquasierra.com)

**SCADA – AUTOMATION – RADIO TELEMETRY – MOTOR CONTROLS  
DESIGN BUILD PUMP STATIONS – UL508 PANEL SHOP – FLOW STUDIES  
PUMP CONTROLLERS – RADIO STUDIES – CHEMICAL FEED EQUIPMENT**

Lake Don Pedro CSD  
9751 Merced Falls Road  
La Grange, CA 95329

Attention: Mr. Pete Kampa  
CC: Mr. Randy Gilgo

Phone: 209-852-2331

Subject: Radio & Antenna Replacement Proposal  
Project: Emergency Telemetry Communication Project

Quote # QJ04098-1  
April 7<sup>th</sup>, 2015

Gentlemen,

The following is our proposal to move the radio telemetry system from the 450MHz band to the 200MHz band. This project is proposed to the district complete turnkey including antenna and radio replacement, installation, communications testing and FCC radio frequency application filing. We have completed a radio path study using the 200MHz band. This study has proven that the system will work flawlessly if followed as laid out. The base station / master antenna will be mounted on top of the existing tower at a minimum height of 45 feet. The raw water tank antenna needs to be mounted at 10 feet and the rest of the remote locations need to be mounted at 21 feet. Tilipan Booster and Sturtevant Tank will store and forward through Arbolada Tank. I have attached a copy of the radio path study for your review. No additional towers, repeaters or major construction will be required. I have extended to the district a 15% discount off of list price for the replacement radios and 10% discount off list price for the yagi antennas. We have included our radio communications guarantee for all of the radio links. This will ensure the district that during the construction



warranty period we will replace or repair at our expense anything that may be required for proper communication links. I have revised our proposal to include prevailing wage rate determinations which includes: prevailing wage rates, the apprentice program plus travel reimbursements above and beyond an hourly rate.

#### Equipment

- (12) Data Flow Systems RTA209 9.2dB Gain Yagi Antenna
- (14) Data Flow Systems TIM007 Telemetry Interface Module with 200MHz Band 2 Watt Legacy Radio.
- (1) Telewave ANT220D6-9 6-9dB Gain, 200MHz Band, 4 Di-Pole Omni Antenna
- (1) Lot Installation Materials
- (1) Lot Antenna Masts Where Required

#### Scope of Work

1. Radio Path Study
2. Antenna Assembly
3. Antenna Tuning
4. Turn-Key Installation
5. Communications Testing
6. Communications Report with Test Results

#### **Quotation Total \$50,093.00**

#### Items included

1. Shipping and Handling
2. Sales Tax
3. Prevailing Wage Rates

#### Items not included

1. Items not in our scope of work
2. Specialty insurance beyond our standard two million dollars coverage
3. Bonds
4. Permits,
5. Confined space entry
6. Towers

#### Warranty Statement

DFS products carry a one (1) year warranty against defects in material and workmanship. The product warranty will be in effect for a period of one (1) year from the date of system acceptance or fifteen (15) months from the date of product delivery, whichever comes first.

When installed with factory required surge protection, all Plug-in Function Modules, Telemetry Control Units, Power Supply Modules and Radio Interface Modules carry an extended two (2) year return-to-factory warranty. Products that

carry an extended warranty are covered against damage due to lightning and surge for the entire three-year period.

DFS will repair or replace at its option, F.O.B. Melbourne, Florida, any part or parts of its products, which become defective during this warranty period.

Aqua Sierra Controls includes a one-year onsite warranty covering workmanship.

If you have any questions please give me a call.

Thank you,

Josh Lane

## **TERMS AND CONDITIONS OF SALE**

The Terms and Conditions of Sale set forth herein, and Supplements that may be attached hereto, constitute the full and final expression of the contract of equipment or services as described in the quotation between AQUA SIERRA CONTROLS, INC. (herein referred to as Seller) and the Buyer and supersedes all prior quotations, purchase orders, correspondence or communication whether written or oral between the seller, and the Buyer. Notwithstanding any contrary language in the Buyer's purchase order or other acceptance, Buyer shall be bound by these Terms and Conditions of Sale when it returns its purchase order or otherwise indicates acceptance of this contract, or when it accepts delivery from Seller of the Equipment or Service. ACCEPTANCE OF THE CONTRACT IS EXPRESSLY LIMITED TO ACCEPTANCE OF THESE TERMS AND CONDITIONS OF SALE STATED HEREIN AND ANY ADDITIONAL OR DIFFERENT TERMS PROPOSED BY BUYER ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY THE OFFICER OF THE SELLER. No contract shall exist except as herein provided. No statement, representation or warranty not contained herein shall be binding on the Seller unless made in writing by an officer or other authorized representative of the Seller. Prior dealings, usage of the trade or a course of performance shall not be relevant to determine the meaning of this agreement even through the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection. Whenever a term defined by the Uniform Commercial Code is used herein, the definition contained in the Code shall control.

### **ORDERS**

All orders, where Equipment or Services are to be supplied for a specific order, are received subject to acceptance by an authorized representative of Seller. All orders must be firm commitments giving complete item description, including prices, quantity, installation, and shipping requirements. Typographical and clerical errors in quotations, orders and acknowledgments are subject to correction.

### **PRICES**

Written quotations expire thirty (30) calendar days from the date of quotation unless withdrawn sooner. Verbal quotations expire twenty-four (24) hours after they are made. Prices on an Order requesting shipment or performance longer than three (3) months from date of order, and "Held" orders which are not released in time to be shipped or performed in three (3) months, may be revised at the option of Seller.

### **CREDIT**

Buyers not having established credit ratings with Seller should send satisfactory credit information with first order or remit a certified check to avoid delay in filling orders.

### **MINIMUM BILLING**

Orders for Service performed in Seller's Shop shall have a minimum billing time of two (2) hours. Orders for Service performed in the "field" or at the Buyer's place of business shall have a minimum billing time of four (4) hours. Billing time for Services performed away from Seller's Shop shall be determined on a "portal to portal" basis.

### **TERMS OF PAYMENT**

Terms of payment to Buyers with satisfactory credit at 1/2% cash discount for payment within 15 days of the date of the invoice and net invoice amount for payment net 30. Invoices will be submitted as partial shipments of equipment are made. Seller reserves the right at any time to require full or partial payment before proceeding with a contract of sale if, in its judgment, the financial condition of the Buyer shall not justify the terms of payment specified. If Buyer defaults when payment is due, then the whole contract price shall become due and payable upon demand, or Seller, at its option, without prejudice to other lawful remedies, may defer delivery and/or performance or cancel the contract of sale.

### **ACCELERATED OR DELAYED PAYMENT**

There will be no reduction in price for payments more favorable to Seller than the standard terms. If payments are not made in conformance with standard terms, the quoted price shall, without prejudice to the right of Seller to immediate payment, be increased by an amount of interest equal to the highest legal rate per month or fraction thereof on the unpaid balance. Seller reserves the right to refer for collection sums not paid by Buyer within the herein stated Terms of Payment. In the event Seller chooses to refer unpaid sums for collection of said sums, collection costs include but are not limited to collection agency fees, process fees, attorneys fees and costs, and court costs as well as such other costs, that are directly related to collection.

### **SHIPMENT AND RISK OF LOSS**

All shipments are F.O.B. the place of shipment. Risk of loss or damage to the Equipment shall pass to Buyer at the F.O.B. point unless the Seller specifically agrees otherwise in writing.

### **PACKAGING**

Seller's price does not include the cost of packaging for shipment. Charges for standard packaging will be imposed plus any additional special packaging or marking performed at Buyer's request and agreed to by Seller. The cost of such items are determinable only upon completion and will appear as a separate item on Seller's invoice.

### **GENERAL TRANSPORTATION**

Seller will prepay and add the cost of common carrier transportation charges as a separate item on Seller's invoice. Seller, in the absence of direction before the date of shipment, will select method of shipment of goods. If Buyer prefers a certain method or forwarding agent to handle the shipments, complete written instructions must be given. All claims for loss, breakage and damage (obvious or concealed) should be made to carriers, but Seller will render Buyer reasonable assistance in securing satisfactory adjustment of such claims. Claims for shortages or other errors must be made in writing to Seller within thirty (30) days after receipt of shipment. Failure to give notice shall constitute unqualified acceptance and a waiver of all such claims by Buyer.

## SHIPPING AND PERFORMANCE SCHEDULES

When requested, Seller will establish estimated shipping and Service performance schedules as closely as practical in accordance with the Buyer's needs and will exercise diligence in meeting such estimated schedules. However, Seller will not be responsible for deviations in meeting shipping or Service performance schedules nor for any losses or damages to Buyer (or any third persons) whether occasioned by the deviations in performance or the non-performance of any of Seller's obligations under this contract, or loss of or damage to goods when caused directly or indirectly by or in any manner arising from strikes, secondary boycott, riots, wars, accidents, fires, floods, explosions, vandalism, government embargoes, priorities or regulations, transportation delays, shortages of labor, fuel, supplies, power transportation facilities, tooling capacity or similar or dissimilar causes, beyond Seller's control. Under no circumstances shall Seller have any liability for penalties or other consequential damages of any kind resulting in whole or in part from Seller's delay in delivering or failure to deliver, any Equipment or Service to Buyer as agreed. Should shipment of goods be held beyond schedule date for the convenience of the Buyer, the Seller reserves the right to bill for said goods plus charges for warehousing, insurance, trucking and other expenses incident to such delay.

## TERMINATION AND ALTERATION

Order may be terminated by the Buyer only upon payment of reasonable charges based upon expenses already incurred and commitments made by Seller. Termination charges on completed items will be 100% of the selling price. Buyer at any time, by timely written notice, may request alteration of any order in any one or more of the following which will be accepted by Seller where feasible: (1) Drawings, designs or specifications, where the order calls for items to be specifically manufactured for the Buyer; (2) method of shipment or packing; and (3) place of delivery. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance of any of the work under this contract, whether altered or not altered by Buyer's notice, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Buyer will provide written documentation of all changes affecting contract order price in the form of change orders or additional purchase orders, prior to order shipment.

## WARRANTIES

**Equipment** — The Seller warrants the Equipment covered by this agreement of Sale to be free from defects in material and workmanship under normal care and proper usage the shorter of: (1) one year from the date of shipment or installation whichever is earlier; or (2) the period of the warranty of the original equipment manufacturer, whichever is shorter. Warranty covers parts and the labor to repair the Equipment, but does not include the costs of travel, labor and expenses portal to portal to remove or replace the defective Equipment. This express warranty is in lieu of and excludes all other representations made by advertisements or by agents and all other warranties, both express and implied, except as specifically set forth herein. Seller warrants that the equipment sold is as described in the Agreement of Sale, but no promise, description, affirmation of fact, sample, model, or representation, oral or written, shall be deemed a part of the Agreement of Sale unless set forth therein or herein or are made in writing and signed by an authorized representative of Seller.

Seller, in connection with Equipment covered and sold pursuant to the Agreement of Sale, agrees to either (1) correct any defect in workmanship or material which may develop under proper care and normal usage during the period of warranty set forth herein; or (2) at the option of Seller, to replace or repair the defective part or parts F.O.B. the place of shipment; or (3) to repay upon return of the defective part or parts, the price paid for such Equipment by Buyer. Buyer's remedies with respect to any Equipment furnished by Seller under the Agreement of Sale shall be limited exclusively to the right of replacement and/or repair or repayment of the purchase price as provided herein.

**Service Labor** — Seller warrants that the Service Labor and workmanship covered by this Agreement of Sale to be free from defects for a period of thirty (30) days from the date of completion of such Service Labor, and that the term Service Labor includes travel and expenses on a portal to portal basis.

**Construction Labor** — Seller warrants that the Construction Labor and workmanship covered by this Agreement of Sale to be free from defects for a period of ninety (90) days from the date of completion of such Construction Labor, and that the term Construction Labor includes travel and expenses on a portal to portal basis.

THE REMEDIES PROVIDED HEREIN ARE EXCLUSIVE AND IN NO EVENT SHALL SELLER BE LIABLE FOR ANY DAMAGES, WHETHER DIRECT, INDIRECT OR IMMEDIATE, FORESEEABLE, CONSEQUENTIAL, OR SPECIAL ARISING OUT OF A BREACH OF ANY EXPRESS OR IMPLIED WARRANTY, OR NEGLIGENCE.

Seller shall not be liable for any expenses incurred by the Buyer or any other person by reason of the use, or misuse, sale or fabrication of the Equipment regardless of whether the Equipment conforms to the specifications. Any lawsuit or legal claim for breach of the contract must be brought within one year after the alleged breach occurs.

## PENALTY OR LIQUIDATED DAMAGES

Contracts which include Penalty and Liquidated Damage clauses for failure to meet shipping or performance promises are not acceptable or binding on Seller, unless such clauses are specifically accepted in writing by an officer of Aqua Sierra Controls, Inc.

## RETURNS

Full credit will be issued for all returned material, authorized in advance, which has been accepted under warranty or returned as a result of Sellers incorrect material or quantities. In the case of Seller's error, return must be requested within 30 days of the date of invoice covering the original shipment. Buyer shall not initiate the deduction from payment to Seller for product returned to Seller.

## WAIVER

The failure of Seller to insist, in any one or more instances, upon the performance of any of terms or conditions of this contract or the failure of Seller to exercise any of its rights hereunder shall not be construed as a waiver or relinquishment of any such term, condition, or right thereunder and shall not effect the Seller's right to insist on strict performance and compliance with regard to any unexecuted portions of this contract or future performance of these terms and conditions.

## EQUAL OPPORTUNITY

Seller warrants that goods shipped to Buyer under this Purchase Order will be produced in compliance with the Fair Labor Standards Act. The nondiscrimination clauses contained in section 202, Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity for all persons without regard to race, color, sex, or national origin and the implementing rules and regulations prescribed by the Secretary of Labor (41 CFR, Chapter 60) are incorporated herein.

## HIRING OF AQUA SIERRA CONTROLS' EMPLOYEES

From time to time a client will appreciate and enjoy working with one of Aqua Sierra Controls' employees so much that the client will offer our employee a job. Experienced and talented technicians represent the backbone of Aqua Sierra Controls' business. Aqua Sierra Control has made a substantial commitment in hiring and training talented technicians to serve our clients. Therefore, in the event client wishes to hire away one of aqua sierras' employees, client will agree to pay Aqua Sierra Controls a fee equal to six months' salary of the employee. The six months' salary will be the greater of the employee's salary with Aqua Sierra Controls or the new salary with the client. This fee is designed to fairly compensate Aqua Sierra Controls for its time and effort in training their employees.

Additionally, client shall not engage the services of an Aqua Sierra Controls technician in any type of independent work (i.e. after hours, weekends, 1099, etc.) Whether the technician is still under the employment of Aqua Sierra Controls or has subsequently terminated employment. In the event that this type of arrangement is entered into during current employment of within six months of termination of employment from Aqua Sierra Controls client agrees to pay a fee of \$10,000 to fairly compensate Aqua Sierra Controls for the referral.