

FORESTHILL PUBLIC UTILITY DISTRICT

AGENDA

Special Meeting of
FORESTHILL PUBLIC UTILITY DISTRICT
FORESTHILL VETERANS MEMORIAL HALL
Leroy E. Botts Memorial Park
24601 Harrison Street, Foresthill, CA 95631
www.foresthillpud.com

“This institution is an equal opportunity provider and employer”

Wednesday	July 12, 2017	1:00 P.M.
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Written material introduced into the record: Citizens wishing to introduce written material on any item into the record at the public meeting are requested to provide a copy of the written material to the Clerk of the Board prior to the meeting date so that the material may be distributed to the Board of Directors prior to the meeting.

A. CALL TO ORDER:

B. ROLL CALL:

- _____ President Helen Rogers West
- _____ Vice President Tamra West
- _____ Treasurer Linda Cholcher
- _____ Director Neil Cochran
- _____ Director Mark Bell

C. PLEDGE OF ALLEGIANCE:

D. MEETING PROCEDURES:

All items on the agenda will be open for public comment before final action is taken. Speakers are requested to restrict comments to the item as it appears on the agenda and stay within a five-minute time limit. The President has the discretion of limiting the total discussion time for an item. As a courtesy to others, please turn off cell phones and any other distracting devices.

E. ADOPTION OF THE AGENDA: (This is the time for agenda modifications)

F. PUBLIC COMMENT: This is the time for any member of the public to address the Board of Directors on any matter not on the agenda that is within the subject matter jurisdiction of the District. Directors and staff are limited by law to brief responses and clarifying questions or comments. There will be no votes on non-agenda items. Concerns may be referred to staff or placed on the next available agenda. Please note that comments from the public will also be taken on each agenda item. Comments shall be limited to five minutes per person, or such other time limit as may be imposed by the President.

G. CONSENT AGENDA: All items listed under the Consent Agenda are considered to be routine in nature and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board or audience requests otherwise, in which case the item will be removed for separate consideration. Any item removed will be taken up following the motion to approve the Consent Agenda.

- | | |
|---|---------|
| 1. Minutes of June 7, 2017 Planning Committee Meeting | Approve |
| 2. Minutes of June 14, 2017 Regular Meeting | Approve |
| 3. Cash Disbursements Register, May 2017 | Approve |
| 4. Statement of Net Position, May 2017 | Approve |
| 5. Statement of Revenues & Expense, May 31, 2017 | Approve |
| 6. Monthly and Year to Date Report, May 31, 2017 | Approve |
| 7. Fund Accounts, May 31, 2017 | Approve |
| 8. Investment Policy Compliance, May 31, 2017 | Approve |
| 9. Quality Analysis Report, May 31, 2017 | Approve |
| 10. Activity Detail, May 31, 2017 | Approve |
| 11. Portfolio Graphically Presented, May 31, 2017 | Approve |

H. PRESENTATIONS: None

I. CORRESPONDENCE:

J. BUSINESS: ACTION ITEMS

1. Adopt Resolution 2017-07 – A Resolution Approving the Foresthill Public Utility District Debt Management Policy
Recommended Action: Approve
Public Comment:
2. Approval of agreement with Wagner & Bonsignore, Consulting Civil Engineers to provide assistance with a spillway assessment for Sugar Pine Dam required by the Division of Safety of Dams and preparation of technical specifications for repairing damaged concrete areas in the spillway in an amount not to exceed \$10,500
Recommended Action: Approve
Public Comment:
3. Approval of agreement with Fence Connection to repair 150 linear feet of security fencing at Sugar Pine Dam spillway for an amount not to exceed \$11,000
Recommended Action: Approve
Public Comment:
4. Consider Amendment Request to Task Order #3 of the Agreement for Consulting Services with Peterson Brustad, Inc. The amendment would authorize additional construction management services necessary to provide oversight during construction of a one million gallon storage tank and construction closeout. The amendment is for an amount not to exceed \$17,076
Recommended Action: Approve
Public Comment:

K. DISCUSSION ITEMS: DIRECTOR/COMMITTEE/STAFF REPORTS:

1. General Manager's Report – This is the time for the General Manager to report on any correspondence, meetings, or other information that the Board members and the community need to be aware of: Storage tank project, water rights, water sales
2. Director reports – This is the time for Board members to report on any webinars, classes, seminars, meetings or other information they have learned and share with their fellow Board members and the community.

ADJOURNMENT OF OPEN MEETING

L. CLOSED SESSION

1. Conference with Legal Counsel — Existing Litigation (Subdivision (d)(1) of Government Code section 54956.9). Name of administrative agency adjudicatory proceeding: State Water Resources Control Board, In re petition for extension of time for water right permit No. 15375.
2. Conference with Legal Counsel — Anticipated Litigation (Subdivision (d)(2) of Government Code section 54956.9 Number of cases: 2
3. Conference with Legal Counsel — Existing Litigation Subdivision (a) of Government Code Section 54956.9. Name of Case: Miner's Camp vs. Foresthill Public Utility District
4. Public employee performance evaluation, Government Code Section 54957(b), Title: General Manager

M. ANNOUNCEMENT FROM CLOSED SESSION:

ADJOURNMENT:

To Wednesday, August 9, 2017 for A Regular Meeting of the Foresthill Public Utility District held at the Foresthill Veterans Memorial Hall, Leroy E. Botts Memorial Park, 24601 Harrison Street, Foresthill, CA at 2:00 p.m.

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the District's front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 p.m., July 6, 2017.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the General Manager at (530) 367-2511. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

Henry N. White, Board Clerk & Ex-Officio Secretary

FORESTHILL PUBLIC UTILITY DISTRICT

MINUTES

PLANNING COMMITTEE MEETING OF
 FORESTHILL PUBLIC UTILITY DISTRICT
 FORESTHILL LIBRARY CONFERENCE ROOM
 24580 MAIN STREET, FORESTHILL, CA 95631
www.foresthillpud.com

“This institution is an equal opportunity provider and employer”

Wednesday	June 7, 2017	10:00 a.m..
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Written material introduced into the record: Citizens wishing to introduce written material on any item into the record at the public meeting are requested to provide a copy of the written material to the Clerk of the Board prior to the meeting date so that the material may be distributed to the Committee Members prior to the meeting.

A. CALL TO ORDER: *Chair Neil Cochran called the meeting to order at 10:04 a.m.*

B. ROLL CALL:

_____ Neil Cochran, Chair	<i>Present</i>
_____ Helen Rogers West	<i>Present</i>

Also in attendance Hank White, Addie Poulos and Tyler Harkness

C. PLEDGE OF ALLEGIANCE: *Led by Neil Cochran*

D. PUBLIC COMMENT: This is the time for any member of the public to address the members of the Committee on any matter not on the agenda that is within the subject matter jurisdiction of the District. Committee members and staff are limited by law to brief responses and clarifying questions to comments. There will be no votes on non-agenda items. Concerns may be referred to staff or placed on the next available agenda. Please note that comments from the public will also be taken on each agenda item. Comments shall be limited to five minutes per person, or such other time limit as may be imposed by the Committee Chair.

There were no comments by the public

E. BUSINESS:

1. Review of Capital Improvement Projects list
 Public Comment: *Tyler Harkness commented on the GIS project.*

The committee discussed updates to the Capital Improvement Projects list and identified six projects for submission to the PCWA Financial Assistance database. Chair Neil Cochran directed staff to obtain information for a potential remote payment location.

F. ADJOURNMENT: *Chair Neil Cochran adjourned the meeting at 11:15 a.m.*

Submitted by:

Attest:

Neil Cochran, Planning Committee Chairman

Henry N. White, Board Clerk & Ex-Officio Secretary

Henry N. White, Board Clerk & Ex-Officio Secretary

DRAFT

FORESTHILL PUBLIC UTILITY DISTRICT

MINUTES

Regular Meeting of
FORESTHILL PUBLIC UTILITY DISTRICT
FORESTHILL VETERANS MEMORIAL HALL
Leroy E. Botts Memorial Park
24601 Harrison Street, Foresthill, CA 95631
www.foresthillpud.com

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Wednesday	June 14, 2017	2:00 P.M.
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Written material introduced into the record: Citizens wishing to introduce written material on any item into the record at the public meeting are requested to provide a copy of the written material to the Clerk of the Board prior to the meeting date so that the material may be distributed to the Board of Directors prior to the meeting.

A. CALL TO ORDER: 2:02 p.m. by President Rogers West

B. ROLL CALL:

<input type="checkbox"/> President Helen Rogers West	<i>Present</i>
<input type="checkbox"/> Vice President Tamra West	<i>Absent (excused)</i>
<input type="checkbox"/> Treasurer Linda Cholcher	<i>Present</i>
<input type="checkbox"/> Director Neil Cochran	<i>Present</i>
<input type="checkbox"/> Director Mark Bell	<i>Present</i>

C. PLEDGE OF ALLEGIANCE: Led by Bob Young

D. MEETING PROCEDURES:

All items on the agenda will be open for public comment before final action is taken. Speakers are requested to restrict comments to the item as it appears on the agenda and stay within a five-minute time limit. The President has the discretion of limiting the total discussion time for an item. As a courtesy to others, please turn off cell phones and any other distracting devices.

E. ADOPTION OF THE AGENDA: (This is the time for agenda modifications): *The agenda was adopted without changes.*

F. PUBLIC COMMENT: This is the time for any member of the public to address the Board of Directors on any matter not on the agenda that is within the subject matter jurisdiction of the District. Directors and staff are limited by law to brief responses and clarifying questions or comments. There will be no votes on non-agenda items. Concerns may be referred to staff or placed on the next available agenda. Please note that comments from the public will also be taken on each agenda item. Comments shall be limited to five minutes per person, or such other time limit as may be imposed by the President. *There was no public comment.*

G. CONSENT AGENDA: All items listed under the Consent Agenda are considered to be routine in nature and will be approved by one motion. There will be no separate discussion of these items unless a member of the Board or audience requests otherwise, in which case the item will be removed for separate consideration. Any item removed will be taken up following the motion to approve the Consent Agenda.

- | | |
|---|---------|
| 1. Minutes of May 17, 2017 Special Meeting | Approve |
| 2. Cash Disbursements Register, April 2017 | Approve |
| 3. Statement of Net Position, April 2017 | Approve |
| 4. Statement of Revenues & Expense, April 30, 2017 | Approve |
| 5. Monthly and Year to Date Report, April 30, 2017 | Approve |
| 6. Fund Accounts, April 30, 2017 | Approve |
| 7. Investment Policy Compliance, April 30, 2017 | Approve |
| 8. Quality Analysis Report, April 30, 2017 | Approve |
| 9. Activity Detail, April 30, 2017 | Approve |
| 10. Portfolio Graphically Presented, April 30, 2017 | Approve |

Board Action: *Treasurer Cholcher made a motion to approve items G1 through G10 on the consent agenda. The motion was seconded by Director Cochran and carried unanimously (4-0).*

H. PRESENTATIONS: None

I. CORRESPONDENCE: SB 623 (Monning) – OPPOSE – *No action was taken*

J. BUSINESS: ACTION ITEMS

1. Consider Resolution 2017-04 - Fiscal Year 2017/2018 Operating Budget presented by Roger Carroll, CPA
Recommended Action: Adopt Resolution 2017-04
Public Comment: *Bob Young and Tyler Harkness commented on the budget.*

Board Action: *Director Bell made a motion to adopt Resolution 2017-04. The motion was seconded by Director Cochran and carried unanimously (4-0).*

2. Approve Resolution 2017-05 Requesting collection of charges on Tax Roll for Tax Year 2017/2018 for Assessment District #2.
Recommended Action: Adopt Resolution 2017-05
Public Comment: *No public comment*

Board Action: *Treasurer Cholcher made a motion to adopt Resolution 2017-05 with authorization for the General Manager to assign the name of the assessment and amount determined by the completion refinancing debt issued for Assessment District #2. The motion was seconded by Director Bell and carried unanimously (4-0).*

3. Approve Resolution 2017-06 Requesting collection of charges on Tax Roll for Tax Year 2017/2018
Recommended Action: Adopt Resolution 2017-06

Public Comment: *No public comment*

Board Action: *Director Cochran made a motion to adopt Resolution 2017-06. The motion was seconded by Treasurer Cholcher and carried unanimously (4-0.)*

K. DISCUSSION ITEMS: DIRECTOR/COMMITTEE/STAFF REPORTS:

1. General Manager's Report – This is the time for the General Manager to report on any correspondence, meetings, or other information that the Board members and the community need to be aware of: Storage tank project, water rights, water sales
2. Director reports – This is the time for Board members to report on any webinars, classes, seminars, meetings or other information they have learned and share with their fellow Board members and the community.

ADJOURNMENT OF OPEN MEETING At 3:18 p.m. Treasurer Cholcher made a motion to adjourn the open meeting and go into closed session. The motion was seconded by Director Cochran and carried unanimously (4-0).

L. CLOSED SESSION

1. Conference with Legal Counsel — Existing Litigation (Subdivision (d)(1) of Government Code section 54956.9). Name of administrative agency adjudicatory proceeding: State Water Resources Control Board, In re petition for extension of time for water right permit No. 15375.
2. Conference with Legal Counsel — Anticipated Litigation (Subdivision (d)(2) of Government Code section 54956.9. Number of cases: 1

M. ANNOUNCEMENT FROM CLOSED SESSION: At 4:26 PM, President Rogers West announced in open session that no reportable action was taken in closed session

ADJOURNMENT: The meeting was adjourned at 4:26 PM

Submitted by:

Attest:

Helen Rogers West, Board President

Henry N. White, Clerk and Ex-Officio Secretary

Foresthill Public Utility District
Cash Disbursements Register
May 2017

Item G3

Date	Num	Name	Memo	Paid Amount
May 17				
05/01/2017	29592	Edmond or Yvonne Pigeon		-125.00
05/01/2017	29593	Gena Rush		-125.00
05/01/2017	29594	Helen Rogers-West		-200.00
05/01/2017	29595	Linda Cholcher		-200.00
05/01/2017	29596	Lisa Jordan		-75.00
05/01/2017	29597	Mark Bell		-200.00
05/01/2017	29598	Neil Cochran		-200.00
05/01/2017	29599	Tamra West		-200.00
05/01/2017	29600	Brian or Beverly Zobel		-125.00
05/01/2017	29601	AmeriPride Services		-405.05
05/01/2017	29602	Bureau of Reclamation	April 2017 deliveries	-429.45
05/01/2017	29603	Corbon Willits Syst Inc		-276.21
05/01/2017	29604	Daniel West		-100.00
05/01/2017	29605	ECORP Consulting, Inc.		-17,518.35
05/01/2017	29606	Inland Business Systems		-170.66
05/01/2017	29607	Mutual of Omaha		-411.67
05/01/2017	29608	Pacific Gas & Electric		-63.79
05/01/2017	29609	Peterson Brustad, Inc.		-1,204.64
05/01/2017	29610	Sierra Chemical Co.		-689.70
05/08/2017	29611	American Messaging		-14.02
05/08/2017	29612	Auburn Area Answering Service		-97.60
05/08/2017	29613	Cranmer Engineering, Inc.		-363.50
05/08/2017	29614	ECORP Consulting, Inc.		-2,005.00
05/08/2017	29615	Grant Hardware, Inc.		-195.41
05/08/2017	29616	James Anderson		-100.00
05/08/2017	29617	JWS Promotions		-12.50
05/08/2017	29618	Koppel & Gruber Public Finance		-2,467.50
05/08/2017	29619	Kronick, Moskovitz, et al		-3,408.75
05/08/2017	29620	Nanci's Screen Printing		-481.06
05/08/2017	29621	Pape Machinery Exchange		-33.77
05/08/2017	29622	Recology Auburn Placer		-60.76
05/08/2017	29623	Riebes		-43.33
05/08/2017	29624	Sebastian		-580.89
05/08/2017	29625	Secure Record Management		-50.00
05/08/2017	29626	Sierra Mini Mart, Inc.		-868.59
05/08/2017	29627	Worton's Forsethill Grocery		-31.97
05/15/2017	29628	Clark Pest Control		-100.00
05/15/2017	29629	Foresthill Garage, Inc.		-59.95
05/15/2017	29630	Hach Company	VOID:	0.00
05/15/2017	29631	Helen Rogers-West		-77.98
05/15/2017	29632	MidAmerica Admin & Ret Solutions, Inc.		-1,100.00
05/15/2017	29633	Nanci's Screen Printing		-26.00
05/15/2017	29634	Pacific Gas & Electric		-2,439.70
05/15/2017	29635	Sierra Safety Company		-1,109.82
05/15/2017	29636	State of California/Dept of Water Resourc		-38,738.00
05/15/2017	29637	Wells Fargo Bank		-66.12
05/23/2017	29638	Bob Franck		-84.98
05/23/2017	29639	Clark Pest Control		-89.00
05/23/2017	29640	Corbon Willits Syst Inc		-276.21
05/23/2017	29641	De Lage Landen		-251.85
05/23/2017	29642	ECORP Consulting, Inc.		-18,270.00
05/23/2017	29643	J.S. West		-252.22
05/23/2017	29644	Justine Leyba's House Cleaning		-75.00
05/23/2017	29645	Keenan & Associates		-8,854.16
05/23/2017	29646	Mutual of Omaha		-649.59
05/23/2017	29647	Pacific Gas & Electric		-279.92
05/23/2017	29648	Peterson Brustad, Inc.		-1,011.15
05/23/2017	29649	Placer County , Personnel		-772.00
05/23/2017	29650	Special District Risk Mngnt Authority		-46,682.74
05/23/2017	29651	Staples		-250.61
05/23/2017	29652	Verizon Wireless		-53.70
05/23/2017	29653	Vision Service Plan - (CA)		-173.21
05/30/2017	29654	Postmaster	Month end billing plus 300 stamps	-1,055.27
05/05/2017	20170501	EDD/State of CA	499-0064-0	-77.06
05/05/2017	20170502	EDD/State of CA	499-0064-0	-1,303.13
05/05/2017	20170503	EFTPS	94-6020935	-6,958.88
05/05/2017	20170504	CalPERS	457b deposit	-50.00

**Foresthill Public Utility District
Cash Disbursements Register
May 2017**

<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Paid Amount</u>
05/05/2017	20170505	CalPERS	Classic employee retirement deposit	-3,471.62
05/05/2017	20170506	CalPERS	Pepra employee retirement deposit	-567.21
05/19/2017	20170520	EDD/State of CA	499-0064-0	-77.06
05/19/2017	20170521	EDD/State of CA	499-0064-0	-1,301.90
05/19/2017	20170522	EFTPS	94-6020935	-6,711.84
05/19/2017	20170523	CalPERS	Classic employee retirement deposit	-3,471.62
05/19/2017	20170524	CalPERS	Pepra employee retirement deposit	-528.56
05/19/2017	20170525	CalPERS	457 deposit	-50.00
May 17				-180,902.23

Foresthill Public Utility District
Statement of Net Position
May 31, 2017

Item G4

ASSETS

Current Assets

Checking/Savings

10110 · Cash on Hand	250
10120 · Wells Fargo Checking	168,767
10510 · Local Agency Investment Fund	764,255
10512 · Umpqua Savings account	501,854
10519 · Wells Fargo Adv - Money Mrkt	5,439
10520 · Wells Fargo Adv - Face Value	1,695,000

Total Checking/Savings 3,135,565

Accounts Receivable 213,499

Other Current Assets 76,090

Total Current Assets 3,425,154

Fixed Assets 7,241,040

Other Assets 53,057

TOTAL ASSETS 10,719,251

LIABILITIES & NET POSITION

Liabilities

Current Liabilities

Accounts Payable 20,406

Other Current Liabilities 156,727

Total Current Liabilities 177,133

Long Term Liabilities 1,700,724

Total Liabilities 1,877,857

Net Position 8,841,393

TOTAL LIABILITIES & NET POSITION 10,719,250

Foresthill Public Utility District
Statement of Activity item G5
Budget vs. Actual
For the Eleven Months Ended May 31, 2017

	<u>5/31/17</u>	<u>Budget</u>	<u>Variance</u>
Ordinary Income/Expense			
Income			
41011 · SP Debt Svc assessment	195,052	192,500	2,552
41012 · R&R assessment revenue	435,066	403,333	31,732
41014 · Gen Fund Reserve assessment	52,325	46,750	5,575
41100 · Residential	1,174,432	1,131,686	42,746
41105 · Residential Overage Charge	81,946	83,384	(1,438)
41150 · Multi Family Residential	179,844	180,577	(733)
41155 · Multi Family Overage Charge	2,234	1,882	352
41200 · Business	97,848	101,843	(3,995)
41205 · Business Overage Charge	33,813	21,932	11,881
41300 · Industrial	213	586	(373)
41305 · Industrial Overage Charge	2	51	(48)
42100 · Low Usage Credit	(48,764)	(38,746)	(10,018)
42300 · Meter Installation	8,250	4,583	3,667
42320 · Will Serve	115,899	1,833	114,066
42330 · Line Tap	-	917	(917)
49200 · Interest - LAIF	5,110	1,833	3,277
49210 · Interest - Taxes	196		196
49220 · Portfolio Income	9,252	32,340	(23,088)
49251 · Interest - Umpqua Bank	690	660	30
49300 · Property Tax Revenues	82,394	76,000	6,394
49310 · Home Owner Prop Tax exemption	575		575
49510 · Water Charges Penalties	35,088	32,083	3,004
49520 · Service Charges & Reconnect	12,820	9,167	3,653
49540 · System Rehab Revenue (\$4)	16,875		16,875
49910 · Miscellaneous Income	53,663	4,583	49,080
49920 · Standby Charges	1,030	-	1,030
Total Income	<u>2,545,853</u>	<u>2,289,777</u>	<u>256,076</u>
Expense			
51000 · Wages & Salaries	590,758	616,702	25,945
52000 · Taxes & Benefits	276,319	313,366	37,047
53000 · Materials & Supplies	83,371	74,617	(8,754)
54000 · Equipment costs	28,370	26,813	(1,558)
55000 · Contracted services	119,194	150,700	31,506
56000 · Resource development	37,781	38,299	518
57000 · Utilities	34,013	31,717	(2,296)
58000 · Other	125,198	46,063	(79,135)
61000 · Capital Activities	1,194,977	1,237,500	42,523
Total Expense	<u>2,489,980</u>	<u>2,535,776</u>	<u>45,796</u>
Change in Net Position	<u><u>55,873</u></u>	<u><u>(245,999)</u></u>	<u><u>301,872</u></u>

Foresthill Public Utility District
Monthly and Year to Date Report
As of May 31, 2017

	Month to Date		Year to Date	
	Operating	Non-Operating	Operating	Non-Operating
Revenues:				
Water Charges	128,213		1,452,337	
Water Overages	537		69,231	
Water Charge Penalties	2,539		35,088	
Installations - Meter/Service	1,500		8,250	
Inspection Fees/Standby Charges	-			
Service Charges & Reconnects	1,265		12,820	
Miscellaneous	1,524	1,000	16,875	54,693
Standby Charges	-	-		-
Water Transfer Income		-		-
Property Tax Revenue		34,196		82,969
Investment Income		3,931		15,248
Will Serve		21,068		115,899
Sugar Pine Surcharges		17,795		195,052
Repair & Replacement Surcharges		39,890		435,066
General Reserve Income		4,814		52,325
Assessment #2		-		-
Total Revenues	135,578	122,693	1,594,601	951,252
Expenditures:				
Source of Supply	5,784		36,831	
Pumping	2,601		18,272	
Treatment	17,840		182,072	
Transmission and Distribution	29,510		299,632	
Customer Service	44,501		330,677	
Regulatory Compliance	51,487		155,521	
Administration	(16,230)	-	144,764	-
Water Transfer costs	-	-		7,920
Sugar Pine Debt Service		-		85,472
Capital projects		19,671		1,228,819
Other outflows		-		-
Water Plant improvement		-		-
Total Expenditures	135,494	19,671	1,167,770	1,322,210
Revenue in excess/(deficit) of expenses	84	103,023	426,831	(370,958)

Item G7

Foresthill Public Utility District
Fund Accounts
As of May 31, 2017

	<u>7/1/2016</u>	<u>Received</u>	<u>Paid Out</u>	<u>Transfers</u>	<u>Balance</u>
General Fund - unspendable	5,136,722			117,463	5,254,185
General Fund - unrestricted	842,102	1,747,511	(1,175,690)		1,413,923
Debt Service Fund	513,900	195,052	(85,472)		623,480
Repair & Replacement Fund	1,621,124	435,066	(1,228,819)	(117,463)	709,908
District 2 Assistance	14,744	-			14,744
Capital Improvements	438,448	115,899			554,347
General Reserve	218,481	52,325			270,806
Total Fund balances	<u>8,785,521</u>	<u>2,545,853</u>	<u>(2,489,980)</u>	<u>(117,463)</u>	<u>8,841,394</u>

Foresthill Public Utility District
Investment Policy Compliance
with Government Code Standards, and the Foresthill PUD Investment Plan Standards
As of May 31, 2017

Current Portfolio Balance: \$ 3,127,678

Ca Government Code Section 53601	Govt Code Maximum %	District Maximum %	District Actual %	Complies
Bonds issued by the District		100.00%	0.00%	Yes
Federal Treasury notes, bonds, bills	100.00%	100.00%	0.00%	Yes
State/local agency bonds, etc	100.00%	100.00%	20.59%	Yes
Federal Agency Bonds	100.00%	100.00%	0.00%	Yes
Negotiable certificates of Deposit	30.00%	30.00%	26.54%	Yes
Local Agencies Investment Fund	100.00%	100.00%	24.44%	Yes
Medium Term Corporate Notes	30.00%	30.00%	7.19%	Yes
Money Market Funds	15.00%	15.00%	0.17%	Yes
Collateralized bank deposits	100.00%	100.00%	21.07%	Yes
Shares of Beneficial Interest	20.00%	15.00%	0.00%	Yes
Mortgage pass through security bonds	20.00%	20.00%	0.00%	Yes
Total			100.00%	

Balance by Maturity	Actual %	Actual \$
Range		
1 to 7 days	45%	1,415,089
8 to 180 days	4%	125,000
181 to 360 days	4%	114,331
1 to 2 years	3%	108,106
2 to 3 years	13%	413,010
3 to 4 years	15%	476,267
4 to 5 years	15%	475,875
Over 5 years	0%	
		3,127,678

Foresthill PUD
Quality Analysis Report
5/31/2017

Item G9

Cusip	Rating	NAME	RATE	Trade Date	Settlement Date	Next Coupon	Maturity Date	Units	Discount or Premium	Book Value	Market Value	Unrealized Market Gain/Loss
Cash Accounts												
	N/R	Wells Fargo Checking	0.100%					148,980.57		148,980.57	148,980.57	-
	N/R	Umpqua Bank Savings	0.126%					501,853.50		501,853.50	501,853.50	-
	N/R	Local Agency Investment Fund	0.750%					764,255.37		764,255.37	764,255.37	-
Agency/Treasury Bonds												
Municipal Bonds												
010047DQ8	A+	Akron, OH	3.500%	3/1/2016	3/4/2016	6/1/2017	12/1/2020	25,000.00	801.00	25,801.00	25,550.75	(250.25)
018340HS1	AA	Allentown PA General Obligation Bond	5.670%	5/13/2015	5/18/2015	10/1/2017	10/1/2017	25,000.00	736.00	25,736.00	25,348.50	(387.50)
018340HS1	AA	Antelope Vly Water	1.199%	1/13/2017	1/26/2017	6/1/2017	6/1/2017	100,000.00		100,000.00	100,000.00	-
066616AD5	AA	Banning CA Red	1.895%	3/21/2017	3/24/2017	9/1/2017	9/1/2020	50,000.00		50,000.00	49,544.00	(456.00)
13017HAE6	A3	California Earthquake Auth Rev Bond	2.805%	12/17/2014	12/22/2014	7/1/2017	7/1/2019	25,000.00	-	25,000.00	25,172.50	172.50
171317JB7	A2	Chula Vista CA	4.750%	3/30/2017	4/4/2017	9/1/2017	9/1/2018	15,000.00	548.00	15,548.00	15,739.05	191.05
13063BFU1	AA3	State of CA General Obligation Bond	6.200%	2/27/2015	3/4/2015	9/1/2017	3/1/2019	30,000.00	2,110.00	32,110.00	32,406.00	296.00
167570QZ6	AA+	Chicago IL HSG	5.250%	5/13/2016	5/18/2016	8/20/2017	2/20/2020	20,000.00	209.00	20,209.00	20,806.20	597.20
34074GDH4	AA3	Florida Hurricane Cat Fund	2.995%	3/16/2016	3/21/2016	7/1/2017	7/1/2020	25,000.00	466.00	25,466.00	25,664.50	198.50
466826BZ6	A+	Jackson Cnty School Dist	2.200%	3/15/2016	3/18/2016	11/1/2017	11/1/2019	50,000.00		50,000.00	50,117.50	117.50
533883NH3	AA-	Lincoln, MI School Dist	2.250%	3/15/2016	4/12/2016	11/1/2017	5/1/2020	25,000.00		25,000.00	24,925.25	(74.75)
54465AGM8	AA3	LA County Redev	1.500%	11/28/2016	12/1/2016	9/1/2017	9/1/2021	150,000.00	(4,125.00)	145,875.00	144,987.00	(888.00)
672211BF5	AA3	Oakland/Alameda County	2.321%	4/22/2015	4/29/2015	8/1/2017	2/1/2019	50,000.00	-	50,000.00	50,187.00	187.00
783186NE5	AA3	Rutgers Univ NJ	3.896%	6/28/2016	6/30/2016	11/1/2017	5/1/2020	20,000.00	1,149.00	21,149.00	20,817.60	(331.40)
786107MA7	A-	Sacramento County	6.000%	3/30/2017	4/4/2017	7/1/2017	7/1/2018	10,000.00	448.00	10,448.00	10,564.20	116.20
799427AJ8	AA3	San Ramon Valley CA USD JT	5.704%	9/29/2015	10/2/2015	11/1/2017	5/1/2020	20,000.00	1,652.00	21,652.00	21,274.60	(377.40)
Negotiable Certificates of Deposit												
02006LC27	CD	Ally Bank	1.050%	5/20/2016	5/26/2016	11/26/2017	5/29/2018	100,000.00		100,000.00	99,810.00	(190.00)
02587DN35	CD	American Express Centurion Bank	2.450%	3/27/2017	4/5/2017	10/5/2017	4/5/2022	25,000.00		25,000.00	25,130.75	130.75
02587DWK0	CD	American Express Bank SLC	2.200%	11/19/2014	11/28/2014	11/29/2017	11/29/2019	100,000.00		100,000.00	101,010.00	1,010.00
140420D49	CD	Capital One Bank	1.350%	8/23/2016	8/31/2016	8/28/2017	8/31/2020	50,000.00		50,000.00	49,042.50	(957.50)
140420D56	CD	Capital One Bank	1.600%	8/23/2016	8/31/2016	8/28/2017	8/31/2021	55,000.00		55,000.00	53,590.90	(1,409.10)
140420Z60	CD	Capital One Bank	2.400%	3/21/2017	3/29/2017	9/29/2017	3/29/2022	50,000.00		50,000.00	50,164.50	164.50
17284C6J8	CD	CIT Bank SLC	2.150%	12/12/2014	12/17/2014	6/17/2017	12/17/2019	50,000.00		50,000.00	50,557.00	557.00
38148JHB0	CD	Goldman Sachs Bank	2.200%	1/7/2015	1/14/2015	7/14/2014	1/14/2020	50,000.00		50,000.00	50,606.00	606.00
87165HQS2	CD	Synchrony Bank	2.300%	2/16/2017	2/24/2017	8/24/2017	2/24/2022	100,000.00		100,000.00	100,040.00	40.00
9497485W3	CD	Wells Fargo Bank	1.750%	6/10/2016	6/17/2016	6/18/2017	6/17/2021	50,000.00		50,000.00	49,204.50	(795.50)
99000NXW6	CD	Comenity Bank	2.400%	8/17/2015	8/26/2015	6/26/2017	8/26/2020	100,000.00		100,000.00	100,784.00	784.00
99000PDB9	CD	Comenity Bank	1.800%	3/29/2016	4/6/2016	6/6/2017	4/6/2021	100,000.00		100,000.00	97,970.00	(2,030.00)
Corporate Securities												
0258MODT3	A2	American Express CR Corp	2.375%	3/1/2016	3/4/2016	11/26/2017	5/26/2020	25,000.00		25,000.00	25,283.50	283.50
037833AY6	AA1	Apple Inc	2.150%	3/21/2017	3/24/2017	7/9/2017	2/9/2022	25,000.00		25,000.00	24,950.50	(49.50)
06406HDF3	A1	Bank of NY Mellon	2.450%	3/1/2016	3/4/2016	11/27/2017	11/27/2020	25,000.00		25,000.00	25,260.50	260.50
166764AG5	AA1	Chevron Corp	2.427%	1/22/2016	1/27/2016	6/24/2017	6/24/2020	25,000.00	-	25,000.00	25,454.00	454.00
24422ETF6	A2	John Deere Cap Corp	2.550%	3/16/2016	3/21/2016	7/8/2017	1/8/2021	25,000.00	-	25,000.00	25,532.50	532.50
46625HNX4	A3	JP Morgan Chase	2.550%	1/22/2016	1/27/2016	10/29/2017	10/29/2020	25,000.00		25,000.00	25,233.00	233.00
822582BG6	AA1	Shell Int Fin	2.125%	1/22/2016	1/27/2016	11/11/2017	5/11/2020	25,000.00	-	25,000.00	25,200.50	200.50
91159HHP8	A1	US Bancorp	2.625%	3/21/2017	3/24/2017	7/24/2017	1/24/2022	25,000.00		25,000.00	25,346.75	346.75
94974BGR5	A2	Wells Fargo & Co	2.550%	1/22/2016	1/27/2016	6/7/2017	12/7/2020	25,000.00		25,000.00	25,292.50	292.50
	N/R	Wells Fargo Advisors Money Market	0.100%					5,438.66		5,438.66	5,438.66	-
Total Portfolio								1,700,438.66	3,994.00	1,704,432.66	1,704,007.21	(425.45)
Accrued Portfolio Interest								8,155.96		8,155.96	8,155.96	
Portfolio and Cash Accounts								3,123,684.06	3,994.00	3,127,678.06	3,127,252.61	(425.45)

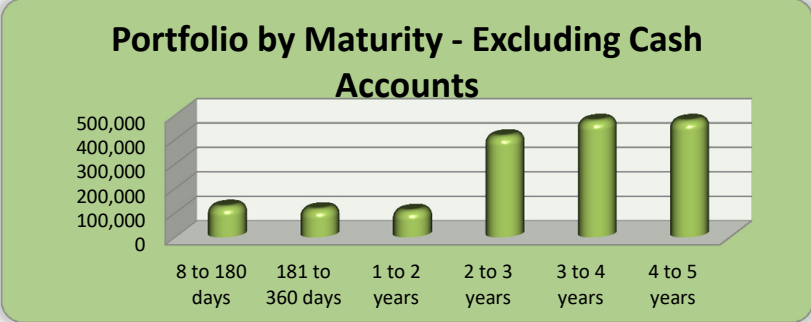
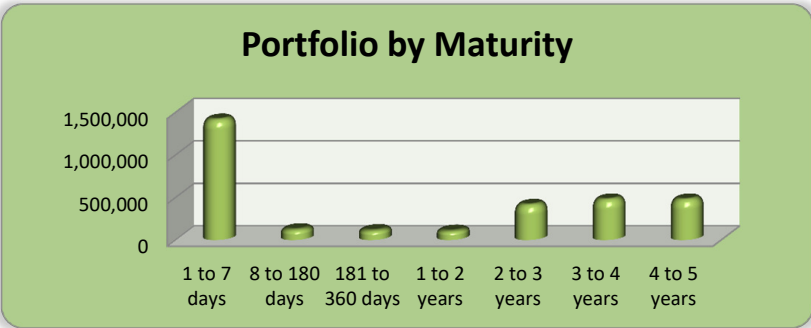
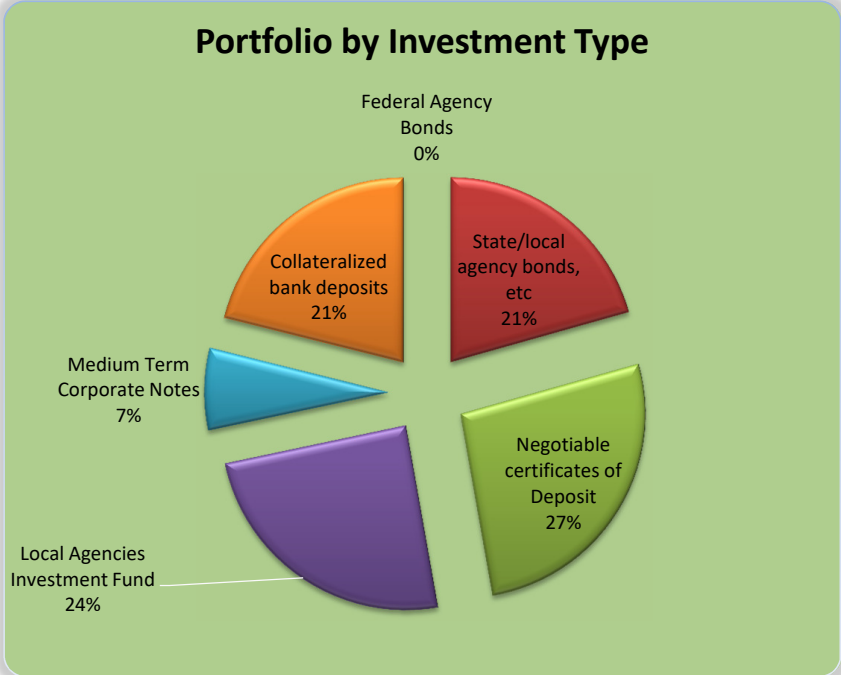
Foresthill PUD
Activity Detail
5/01/17 to 5/31/17

Item G10

<u>Transaction Date</u>				<u>Amount</u>	<u>Premium/Gain</u>
<u>Transaction Type</u>	<u>Quantity</u>	<u>Description</u>	<u>Price</u>	<u>Int Purch/Sold</u>	<u>(Discount)/(Loss)</u>
Investment Portfolio - Wells Fargo Advisors					
5/1/2017	550.00	Jackson County, IL	1.000	550.00	
Interest Received		2.2% due 11/01/2019			
5/1/2017	281.25	Lincoln, MI	1.000	281.25	
Interest Received		2.25% due 5/01/2020			
5/1/2017	389.60	Rutgers St Univ	1.000	389.60	
Interest Received		3.896% due 5/01/2020			
5/1/2017	570.40	San Ramone Vly	1.000	570.40	
Interest Received		5.704% due 5/01/2020			
5/8/2017	147.95	Comenity Bank	1.000	147.95	
Interest Received		1.8% due 4/6/2021			
5/11/2017	265.63	Shell International	1.000	265.63	
Interest Received		2.125% due 5/11/2020			
5/17/2017	71.92	Wells Fargo Bank	1.000	71.92	
Interest Received		1.75% due 6/17/2021			
5/26/2017	296.88	American Express Cr Corp	1.000	296.88	
Interest Received		2.375% due 5/26/2020			
5/26/2017	520.68	Ally Bank	1.000	520.68	
Interest Received		1.05% due 5/29/2018			
5/26/2017	197.26	Comenity Bank	1.000	197.26	

Interest Received		2.4% due 8/26/2020			
5/30/2017	1,090.96	American Express Bank	1.000	1,090.96	
Interest Received		2.2% due 11/29/19			
5/30/2017	306.25	Bank of NY Mellon	1.000	306.25	
Interest Received		2.45% due 11/27/20			
5/30/2017	54,000.00	American Express Centurion Bank	1.000	54,000.00	6.66
CD Purchased		2.25% due 5/2/2021		6.66	
5/30/2017	50,000.00	Goldman Sachs Bank	1.000	50,000.00	-
CD Purchased		1.9% due 5/8/2020		-	
5/31/2017	0.05	Wells Fargo Advisors	1.000	0.05	
Interest Received		Sweep account			
Local Agency Investment Fund					
		No activity			
Wells Fargo Checking					
		No activity			

Foresthill PUD
 Portfolio Graphically Presented
 As of May 31, 2017



**FORESTHILL PUBLIC UTILITY DISTRICT
AGENDA REPORT**

TO: Board of Directors

FROM: Cameron Weist, Bond Counsel
Hank White, General Manager

DATE: June 30, 2017

SUBJECT: Adopt a Resolution Approving the Foresthill Public Utility District Debt Management Policy

BACKGROUND/DISCUSSION:

Government Code section 8855(i) requires any issuer of public debt to provide to California Debt and Investment Advisory Commission (CDIAC) no later than 30 days prior to the sale of any debt issue a report of the proposed issuance. Effective January 2017, issuers must certify on the Report of Proposed Debt Issuance that they have adopted local debt policies concerning the use of debt and that the proposed debt issuance is consistent with those policies. The issuer's local debt policies must include (A) through (E), below.

- A. The purposes for which the debt proceeds may be used.
- B. The types of debt that may be issued.
- C. The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- D. Policy goals related to the issuer's planning goals and objectives.
- E. The internal control procedures that the issuer has implements, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

REVIEW AND ANALYSIS:

In addition to the requirement set forth by Government Code section 8855(i), it is prudent financial management for the District to adopt a debt management policy that sets parameters for issuing debt, managing the District's debt portfolio and provides guidance to decision makers. Adoption of the attached Debt Management Policy will help ensure that District debt is issued and managed prudently to maintain a sound fiscal position and that its credit rating is protected.

The attached Debt Management Policy has been written to include all elements required by CDIAC as well as best management practices expected by the pertinent credit markets and municipal bond industry. This policy will assist the District in pursuing and maintaining quality credit ratings in addition to providing guidance to decision makers.

OPTIONS:

1. Approve the recommendation as presented, adopt the associated resolution.
2. Do not approve but provide direction to staff.

RECOMMENDED ACTION:

That the Board adopt the subject Resolution approving the Foresthill Public Utility District Debt Management Policy.

ATTACHMENTS:

1. Resolution Approving Debt Management Policy
2. Debt Management Policy (as Exhibit A to Resolution)

RESOLUTION 2017-07
RESOLUTION OF THE BOARD OF DIRECTORS OF
THE FORESTHILL PUBLIC UTILITY DISTRICT
APPROVING THE FORESTHILL PUBLIC UTILITY DISTRICT DEBT
MANAGEMENT POLICY

WHEREAS, the Board of Directors (the “Board”) of the Foresthill Public Utility District (the “District”) recognizes that cost-effective access to the capital markets depends on prudent management of the District’s debt program, as well as the ongoing compliance with applicable federal tax and arbitrage rules; and

WHEREAS, SB 1029 (amending Government Code section 8855) has been signed into law and imposes a new requirement on local government agencies who will issue debt in 2017 and thereafter; and

WHEREAS, Government Code section 8855(i) requires any issuer of public debt to provide to California Debt and Investment Advisory Commission (CDIAC) no later than 30 days prior to the sale of any debt issue a report of the proposed issuance (the “Report of Proposed Debt Issuance”), and must certify on the Report of Proposed Debt Issuance that they have adopted local debt policies concerning the use of debt and that the proposed debt issuance is consistent with those policies (the “CDIAC Requirements”); and

WHEREAS, the District, and possibly other agencies controlled by the District, expect to be an issuer of new debt in 2017 and thereafter within the meaning of SB 1029 and the CDIAC Requirements; and

WHEREAS, the Board wishes to set parameters for issuing debt, managing the debt portfolio, and providing corresponding guidance to decision makers; and

WHEREAS, the Board hereby finds and determines that adoption of the attached Debt Management Policy (the “Debt Management Policy”) will help ensure that debt is issued and managed prudently in order to maintain sound fiscal policy, and is intended to also satisfy the requirements of SB 1029 and the CDIAC Requirements; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Foresthill Public Utility District hereby orders and determines as follows:

Section 1. Recitals. The Board hereby specifically finds and declares that each of the recitals set forth above are true and correct and are hereby incorporated in conjunction with the respective staff report.

Section 2. Approval of the Debt Management Policy. The form of the Debt Management Policy attached hereto as Exhibit A is hereby approved, and General Manager, on behalf of the District, is hereby authorized and directed to make such changes thereto as are necessary in order to conform the same to actual or recommended District practices, to correct typographical or grammatical errors, to cure ambiguities and inconsistencies, and to conform to applicable law as

advised by Bond Counsel or the District Counsel, and to execute the final form of the Debt Management Policy on behalf of the District, and the execution thereof by the General Manager shall be conclusive evidence of the approval of any such additions and changes.

Section 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

APPROVED, PASSED AND ADOPTED by the Foresthill Public Utility District Board of Directors on July 12, 2017, by the following vote:

AYES	_____
NOES	_____
ABSENT	_____
ABSTAIN	_____

Helen Rogers West President, Board of Directors
Foresthill Public Utility District

ATTEST:

Henry N. White Clerk, Board of Directors
Foresthill Public Utility District

EXHIBIT A

FORESTHILL PUBLIC UTILITY DISTRICT POLICY HANDBOOK

POLICY TITLE: Debt Management Policy
POLICY NUMBER: 4100

This Debt Management Policy (the “Debt Policy”) establishes the parameters within which debt may be issued and administered by the Foresthill Public Utility District (the “District”). Additionally, these policies apply to debt issued by the District on behalf of assessment districts, community facilities districts, or other special districts, and other types of conduit-type financings.

1. Purpose

This Debt Policy is intended to comply with Government Code Section 8855(i), effective on January 2017, and shall govern all debt undertaken by the District. The District hereby recognize that a fiscally prudent debt policy is required in order to:

- Maintain the District’s sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District’s credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District’s debt is consistent with their planning goals and objectives and capital improvement program or budget, as applicable.

2. Scope

The guidelines established by this policy will govern the issuance and management of all debt funded for long-term capital financing needs and not for general operating functions. When used in this policy, “debt” refers to all forms of indebtedness and financing lease obligations. The District recognizes that changes in the capital markets and other unforeseen circumstances may require action that deviates from this Debt Management Policy. In cases that require exceptions to this Debt Management Policy, approval from the Board will be necessary for implementation.

3. Objectives

The purpose of this Debt Management Policy is to assist the District in pursuit of the following equally important objectives, while providing full and complete financial disclosure and ensuring compliance with applicable state and federal laws:

- Minimize debt service and issuance costs.
- Maintain access to cost effective borrowing.

- Achieve the highest practical credit rating.
- Ensure full and timely repayment of debt.
- Maintain full and complete financial disclosure and reporting.
- Ensure compliance with debt covenants.
- Ensure compliance with applicable state and federal laws.

4. Policies

A. Purposes For Which Debt May Be Issued

1. Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.
 - a. Long-term debt financings are appropriate when the following conditions exist:
 - When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District and the District's taxpayers and/or ratepayers, as applicable.
 - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
 - b. Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.
 - c. The District may use long-term debt financings subject to the following conditions:
 - The project to be financed must be approved by the governing board of the District.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%.
 - The District estimates that sufficient revenues will be available to service the debt through its maturity.
 - The District determines that the issuance of the debt will comply with the applicable state and federal law.
2. Short-term debt. Short-term debt may be issued to provide financing for the District's operational cash flows in order to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for

equipment.

B. Methods of Financing and Types of Debt

The General Manager of the District will investigate all possible financing alternatives including, but not limited to bonds, loans, state bond pools, and grants.

- **Cash Funding** – The District funds a significant portion of capital improvements from reserves accumulated from one-time revenues, which have been set aside for investment in the District’s infrastructure.

- **Inter-fund borrowing** – The District may borrow internally from other funds with surplus cash in lieu of issuing bonded debt. Purposes warranting the use of this type of borrowing could include short-term cash flow imbalances, interim financing pending the issuance of bonds, or long-term financing in lieu of bonds for principal amounts of under \$1 million. Inter-fund borrowing should be undertaken only under the following circumstances and conditions:
 - Board approval required for all loans;
 - Fixed loan term (i.e., specific number of months with repayment date);
 - Lending fund must charge interest at level commensurate with what it might otherwise expect to receive if it were to invest such funds in the open market, given substantially equivalent parameters;
 - Specific revenue pledged to repay the loan must be based on realistic expectations for receipt;
 - Funds in the lending fund must not be needed for operations during the period of the loan; and
 - Loans must not be made from project-specific restricted funds, grant funds or other funds enabled by State or Federal legislation.

Inter-fund loans provide an alternative investment opportunity for idle funds with the same return on the investment that would have been earned otherwise. If the Board elects to pursue this option, staff would return at a subsequent meeting with a specific proposal for inter-fund loans. The General Manager shall also exercise due diligence to ensure that it is financially prudent for the lending fund to make the loan. Inter-fund loans will be evaluated on a case-by-case basis. Any borrowing between two District funds requires approval by Board resolution and shall be documented with an agreement specifying the terms of the borrowing, including the security, interest rate, payment dates and amount and the maturity date. The purpose of inter-fund borrowing is to finance high priority needs and to reduce costs of interest, debt issuance and/or administration.

- **Bank Loans / Lines of Credit** – Although the District does not typically utilize lines of credit for the financing of capital projects, financial institution credit is an option for municipal issuers and may be evaluated as a financing option.

- **Other Loans** – The District will evaluate other loan programs, including but not limited to State “loans” or federal “loans” through the United States Department of Agriculture for the construction of infrastructure projects.
- **Bond Financing** – The District may issue any bonds which are allowed under federal and state law including but not limited to general obligation bonds, certificates of participation, revenue bonds, refunding bonds, land-secured (assessment and special tax) bonds, and other obligations (see below for detail). The following types of debt are allowable under this Debt Policy:
 - **General obligation bonds (GO Bonds):** General Obligation Bonds (GO Bonds) may only be issued with two-thirds approval of the District’s registered voters. The California State Constitution (Article XVI, Section 18) limits the use of the proceeds from GO Bonds to “the acquisition or improvement of real property”.
 - **Lease revenue bonds, certificates of participation (COPs) and lease-purchase transactions:** Lease financings may take a variety of forms, including COPs, lease revenue bonds, and direct leases (typically for equipment). When the District finances acquisition or construction of capital improvements or equipment with a lease financing, the District agrees to lease either the financed asset or a different asset and, most commonly, the District’s lease payments are securitized in the form of certificates of participation or lease revenue bonds. This type of financing requires approval of Board.
 - **Revenue bonds:** Revenue Bonds are generally issued by the District for enterprise funds that are financially self-sustaining without the use of taxes and therefore rely on the revenues collected by the enterprise fund to repay the debt. This type of financing requires approval of the Board.
 - **Refunding Obligations** – Pursuant to the Government Code and various other financing statutes applicable in specific situations, the Board is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the District. Absent any significant non-economic factors, a refunding is required to meet the following test: 1) the refunding must produce a minimum net debt service savings (net of reserve fund earnings and other offsets, and taking transaction costs into account) of at least 3% of the par value of the refunded bonds on a net present value basis, unless the General Manager determines that a lower savings percentage is acceptable, and 2) the final maturity of the original bonds cannot be extended. Additionally, the General Manager may determine that there are other, compelling “non-economic” reasons (i.e. removal of onerous covenants, terms or conditions).
 - **Special Tax Bonds** – Under the Mello-Roos Community Facilities Act of

1982, the District may issue bonds on behalf of a Community Facilities District (CFD) to finance capital facilities, most commonly in connection with new development. These bonds must be approved by a two-thirds vote of the qualified electors in the CFD, which the Mello-Roos Act defines to mean registered voters if there are 12 or more registered voters in the CFD and, if there are fewer than 12 registered voters, the landowners in the CFD. Bonds issued by the District under the Mello-Roos Act are secured by a special tax on the real property within the CFD. The Board will approve any special tax bonds prior to placement on a ballot for voter consideration. The financed facilities do not need to be physically located within the CFD. As this type of financing is secured by the special tax lien upon the real property it does not obligate the District's general fund or other funds.

- **Assessment Bonds** – The Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) and other state laws, subject to Article XIIIID of the California Constitution, allow the District to issue bonds to finance improvements that provide “specific benefit” to the assessed real property. Installments are collected on the secured property tax roll of the County. This type of financing is secured by the lien upon and assessments paid by the real property owners and does not obligate the District's general fund or other funds. This type of financing requires approval of the Board.
- **Other Obligations** – There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. The governing body may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy. Such other forms include, but are not limited to: Tax and revenue anticipation notes (TRANs), bond anticipation notes, grant anticipation notes, tax allocation bonds, pension obligation bonds, conduit financings, such as financings for affordable rental housing and qualified 501(c)(3) organizations, etc.

C. Relationship of Debt to Capital Improvement Program and Budget

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the capital budget and the capital improvement plan.

Budget Integration – The decision to incur new indebtedness should be integrated with the policy decisions embedded in the Board-adopted Operating Budget and Capital Improvement Budget. The annual debt service payments shall be included in the Operating Budget. The District will integrate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes. The District will seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general

fund.

The District will strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District will seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District will seek to avoid the use of debt to fund infrastructure and facilities improvements in circumstances when the sole purpose of such debt financing is to reduce annual budgetary expenditures.

Biennial Review – Recognizing that cost-effective access to the capital market depends on prudent management of the District’s debt program, a biennial review of the debt policy should be performed. The debt policy will be included as an Appendix in the annual Budget adopted by the Board. Any substantive changes to the policy shall be brought to the Board for consideration and approval.

D. Policy Goals Related to Planning Goals and Objectives

The District is committed to long-term financial planning, maintaining appropriate reserve levels, and employing prudent practices in governance, management, and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the bi-annual operations budget.

It is a policy goal of the District to protect taxpayers, ratepayers (if applicable), and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

Without limiting the foregoing, the District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings entered into by the District in accordance with SEC Rule 15c2-12.

- Any federal tax compliance requirements, including, without limitation, arbitrage and rebate compliance.
- Investment policies as they relate to the use and investment of bond proceeds.

Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the District upon the submission of one or more written requisitions by the General Manager, or his or her written designee, or (b) by the Covered Entity, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the Covered Entity.

F. Structure and Term

Term of Debt – Debt will be structured for the shortest period possible, consistent with a fair allocation of costs to current and future users. Consistent with its philosophy of keeping its capital facilities and infrastructure systems in good condition and maximizing a capital asset’s useful life, the District will make every effort to set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic replacement and renewal. Generally, no debt will be issued for a period exceeding the useful life or average useful lives of projects to be financed.

Bond Maturity Options – For each issuance, the District will select serial bonds or term bonds, or both. On the occasions where circumstances warrant, capital appreciation bonds (CABs) may be used. The decision to use term, serial or CABs is typically driven by market conditions.

Interest Rate Structure – The District currently issues securities on a fixed interest rate basis only. Fixed rate securities ensure budget certainty through the life of the issue and avoid the volatility of variable rates. The use of variable rate securities are prohibited.

Credit Enhancement – Credit enhancement may be used to improve or establish a credit rating on a District debt obligation. Types of credit enhancement include letters of credit, bond insurance and surety policies. The General Manager will recommend the use of a credit enhancement if it reduces the overall cost of the proposed financing or if the use of such credit enhancement furthers the District’s overall financial objectives.

Derivative products – Because of their complexity, unless otherwise amended, Derivative Products such as interest rate swaps, interest floaters, and other hybrid securities are prohibited by this Debt Policy.

Call Options / Redemption Provisions – A call option or optional redemption provision gives the District the right to prepay or retire debt prior to its stated maturity date. This option may permit the District to achieve interest savings in the

future through the refunding of the bonds. Often the District will pay a higher interest rate as compensation to the buyer for the risk of having the bond called in the future. In addition, if a bond is called, the holder may be entitled to a premium payment (call premium). Because the cost of call options can vary depending on market conditions, an evaluation of factors will be conducted in connection with each issuance. The General Manager will evaluate and recommend the use of a call option on a case by case basis.

G. Delegation of Authority

The General Manager will be responsible for all of the financial affairs of the District. This Debt Management Policy grants the General Manager the authority to select the Financing Team, coordinate the administration and issuance of debt, communicate with the rating agencies, and fulfill all of the pre-issuance and post-issuance requirements imposed by or related to state law, federal tax law and federal securities law.

Financing Team Definitions and Roles – The financing team is the working group of District staff and outside consultants necessary to complete a debt issuance including but not limited to bond counsel, disclosure counsel, underwriter, municipal advisor, trustee, pricing consultant and/or arbitrage analyst.

Typically, the General Manager and appropriate Department Head(s) form the District staff portion of the Financing Team. As needed, other staff members or designees may be appointed to the Financing Team.

Consultant Selection –The District will consider the professional qualifications and experience of consultants as it relates to the specific bond issue or other financing under consideration. The District Manager shall select such consultants

AGREEMENT BETWEEN CLIENT and CONSULTANT

This Agreement is entered into in Sacramento, California, by and between:

CLIENT: Foresthill Public Utility District
c/o Hank White, General Manager

CONSULTANT: Wagner & Bonsignore
Consulting Civil Engineers
A Corporation

Address: P.O. Box 266
Foresthill, CA 95631

Address: 2151 River Plaza Drive
Suite 100
Sacramento, CA 95833-4133

Phone: (530) 367-2511

Phone: (916) 441-6850

FAX:

FAX: (916) 779-3120

Email: gm@foresthillpud.com

Email: nbonsignore@wbecorp.com

CLIENT and CONSULTANT AGREE AS FOLLOWS (hereinafter called the “Agreement”):

A. Client intends to:

- Repair concrete spalling at three locations within the Sugar Pine Dam spillway chute.
- Respond to letter from Division of Safety of Dams (DSOD) dated June 6, 2017, requesting a work plan for a spillway assessment for Sugar Pine Dam

hereinafter called the "Project."

B. Consultant agrees to perform the following scope of work with respect to the Project:

1. Conduct site visit to Sugar Pine Dam to observe spalling locations. Client to provide personnel and/or safety equipment to facilitate measuring and photographing spalled areas.
2. Prepare plans and technical specifications for repairing damaged concrete areas, suitable for solicitation of bids for construction.
3. Prepare bid and contract documents similar in scope and detail to those prepared by Consultant in 2013 for the Sugar Pine Dam Spillway Repair Project.
4. Communications with DSOD regarding scope of project.
5. Confer with Client on DSOD’s letter regarding a spillway assessment for Sugar Pine Dam on an as-requested basis.

hereinafter called the “Services.”

C. Client agrees to compensate Consultant for such Services as follows:

For Items B1 to B4, on a time and expense basis in accordance with the Fee Schedule provided in Exhibit “A” hereto, not to exceed \$10,500 without Client’s authorization. Scope and compensation based on assumption that DSOD’s considers the project to be maintenance and will not require an Application for Repair or Alteration of a Dam. Scope and compensation excludes services associated with any regulatory permits that may be required, bidding the project, contractor selection, or construction observation and inspection.

For Item B5, on a time-and expense basis as directed by Client.

D. This Agreement is subject to Provisions 1 through 27 contained herein, and the terms and conditions contained in exhibits attached hereto and made a part hereof.

AGREEMENT

Client and Consultant agree that the following provisions shall be part of their Agreement:

1. (a) Client agrees to compensate Consultant for the Services in accordance with Consultant's standard fee schedule, (attached) hereto as Exhibit "A." Consultant will submit monthly invoices which are due and payable within 30 days of the date of each such invoice. Client acknowledges that if the Project and/or Services are suspended and restarted, there may be additional charges due to suspension of the Project and/or Services, which shall be paid for by Client as extra Services.

(b) Consultant shall perform the Services in accordance with prevailing professional standards and ethics and in compliance with valid and applicable government laws, rules and regulations. The Services will be performed on behalf of, and solely for the exclusive use of, Client and for no others except where federal, state or local law mandates oversight by a federal, state or local agency.
2. Consultant shall work at the discretion of Client and shall cease all work at Client's direction. Client agrees to compensate Consultant for all costs and fees for the Services incurred up to the time Consultant is directed to cease work.
3. Client and Consultant may amend the Services to be provided only by a written Change Order executed by both parties. All Services authorized by a written Change Order shall be subject to all of the terms and conditions of this Agreement except as set forth in the Change Order. Consultant shall not perform any item of work outside the scope of the Services without a written Change Order.
4. Client hereby acknowledges and agrees that all original papers, documents, designs, plans, specifications, drawings and other work product of Consultant (collectively, the "Documents"), and copies thereof, produced by Consultant pursuant to this Agreement, except documents which are required to be filed with public agencies, shall remain the property of Consultant. Such Documents shall not be used by Consultant for any purposes other than what is set forth in this Agreement without the prior written consent of Client. Client has the right to use the Documents for any and all purposes deemed appropriate by the Client. Consultant shall be deemed the author of all Documents and shall retain all common law, statutory, and other reserved rights including, but not limited to, the copyright. Upon request and payment of the costs involved, Client is entitled to a copy of all Documents, provided Client's account is paid current; provided, however, that the payment of any such costs shall not give Client any ownership or proprietary rights in the Documents.
5. Consultant shall only act as an advisor to the Client in all governmental relations.
6. Consultant makes no warranty, either expressed or implied, as to its findings, recommendations, plans, specifications, or professional advice except that the services or work product were performed pursuant to generally accepted standards of practice in effect at the time of performance.
7. Consultant is providing services under the following engineering licenses:

Nicholas F. Bonsignore, California C39422
Robert C. Wagner, California C52903
8. This Agreement may be terminated at any time by either party upon verbal notice, followed by written notice delivered by overnight mail or other overnight delivery service or email within 72 hours of verbal notice.
9. Severability: The Client and Consultant have entered into this Agreement of their own free will, to communicate to one another mutual understandings and responsibilities. Any element of this Agreement later held to violate a law or regulation shall be deemed void, and all remaining provisions shall continue in force. The waiver by either party of any term, condition, covenant in the Agreement, or any breach thereof, shall not constitute the waiver of any other term, condition or covenant or breach thereof.
10. Information Provided by Others: Consultant shall indicate to the Client the information required to render the Services hereunder. Client shall provide such information to Consultant and Consultant shall be entitled to rely upon the accuracy and completeness thereof. Consultant shall not be responsible for the accuracy, completeness and

sufficiency of such information. Client agrees, to the fullest extent permitted by law, to indemnify and hold Consultant and its sub-consultants harmless from any claim, liability or cost including reasonable attorneys' fees and costs of defense for injury or loss arising or allegedly arising from errors, omissions or inaccuracies in documents or other information provided by Client to Consultant.

11. Changed conditions: Consultant has the right to call for renegotiation of this Agreement in the event of occurrences or discoveries that were not originally contemplated by or known to Consultant. Each party has the duty to inform the other party of any changed conditions of which such party has become aware. Each party shall identify the changed conditions necessitating renegotiation, and Consultant and Client shall promptly and in good faith enter into renegotiation of this Agreement. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement.

12. Right to Retain Sub-Consultants: Consultant may use the services of sub-consultants when, in Consultant's sole opinion, it is appropriate and customary to do so. Such persons and entities include, but are not limited to, surveyors, specialized consultants and testing laboratories. Consultant's use of sub-consultants for additional Services shall not be unreasonably restricted by Client provided Consultant notifies the Client in advance.

13. Public Responsibility: Should Client be advised by Consultant as to the presence of a risk to public health and safety or the noncompliance with applicable codes, standards, regulations or ordinances, and should Client then decide to disregard Consultant's recommendations with respect to these items, Client then agrees Consultant has the right to employ its best judgment in deciding whether or not to notify public officials or take other appropriate action. Consultant shall not take such action without at least five (5) business days prior written notice to Client. Client agrees Consultant should not be held liable in any respect for reporting or failing to report said conditions. Accordingly, Client agrees, to the fullest extent permitted by law, to indemnify and hold Consultant harmless from any claim, liability or cost including reasonable attorneys' fees and costs of defense for injury or loss arising or allegedly arising from Consultant's notifying or failure to notify public officials.

14. Consultant's opinions of probable construction cost are to be made on the basis of Consultant's experience and qualifications and represent Consultant's best judgment as an experienced and qualified professional generally familiar with the industry. However, since Consultant has no control over the cost of labor, materials, equipment, or services furnished by others, or over third parties methods of determining prices, or over competitive bidding or market conditions, Consultant cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable construction cost prepared by Consultant.

15. Copies of documents that may be relied upon by Client are limited to the printed copies (also known as hard copies) that are signed by Consultant. Files in electronic media format of text, data, graphics, or of other types that are furnished by Consultant to Client are only for the convenience of the Client. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. Consultant shall endeavor to make sure that electronic media format is identical to hard copies but assumes no liability for any differences between the printed copies and the electronic media format.

16. To the fullest extent permitted by law, Client shall indemnify and hold harmless Consultant and Consultant's officers, directors, partners, employees, and sub-consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by the negligent acts or omissions of Client or Client's officers, directors, partners, employees, and consultants with respect to this Agreement or the Project.

17. To the fullest extent permitted by law, Consultant shall indemnify and hold harmless Client and Client's officers, directors, partners, and employees from and against any and all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) caused by the negligent acts or omissions of Consultant or Consultant's officers, directors, partners, employees, and sub-consultants with respect to this Agreement or the Project.

18. In the event Consultant's fee schedule changes due to any increase of costs such as the granting of wage increases and/or other employee benefits to field or office employees due to the terms of any labor Agreement, or rise in the cost of living, during the lifetime of this Agreement, a percentage increase shall be applied to all remaining compensation.

19. Consultant shall not be liable for damages resulting from the actions or inactions of governmental agencies including, but not limited to, permit processing, environmental impact reports, dedications, general plans and amendments thereto, zoning matters, annexations or consolidations, use or conditional use permits, project or plan approvals, and building permits. Client agrees that it is the responsibility of Client to maintain in good standing all governmental approvals and permits and to apply for any extensions thereof.
20. Client agrees to pay a monthly late payment charge, which will be the lesser of, one and one-half (1½%) per month or a monthly charge not to exceed the maximum legal rate, which will be applied to any unpaid balance commencing thirty (30) days after the date of the original billing.
21. (a) Notwithstanding any other provision of this Agreement and except for the provisions of (b) and (c) below, if any dispute or controversy arises out of this Agreement and if the dispute or controversy cannot be settled within thirty (30) days by discussions between Client and Consultant, both Client and Consultant agree to submit the matter to JAMS (formerly known as Judicial Arbitration & Mediation Services) for mediation. The parties shall each pay an equal share of the costs of mediation. If resolution is not achieved through mediation, then it shall be submitted to JAMS for final and binding arbitration in accordance with JAMS' Rules and Procedures in effect at the time of submission. To the extent allowed by law, Consultant's liability under any arbitration proceeding shall be limited to the total compensation received by Consultant under this Agreement. Any mediation or arbitration proceedings shall be held within the boundaries of Sacramento County, unless Consultant and Client mutually agree to an alternative location.
- (b) Subdivision (a) does not preclude or limit Consultant's right to elect to file an action for collection of fees if the amount in dispute is within the jurisdiction of the Small Claims Court.
- (c) Subdivision (a) does not preclude or limit Consultant's right to elect to perfect or enforce applicable mechanics lien remedies.
- (d) The prevailing party in any arbitration, Small Claims action or complaint to enforce a mechanic's lien shall be entitled to recover all of its reasonable costs, losses, and damages including, but not limited to, all fees and expenses of engineers, architects, attorneys, and other professionals, and all arbitration and mediation costs.
22. Client represents and warrants that it has the power and authority to enter into this Agreement on behalf of itself and Client and to bind Client to this Agreement and that the individual(s) signing on behalf of Client has the power and authority to do so. Consultant represents and warrants that it has the power and authority to enter into and perform this Agreement and that the individual(s) signing on behalf of Consultant has the power and authority to do so.
23. This Agreement contains the entire understanding of the parties relating to the subject matter contained herein and supersedes all prior agreements, both oral and written. This Agreement can only be modified or changed by a writing that is signed by all parties.
24. Consultant is an independent contractor, not an agent or employee. Consultant shall be solely responsible for the compensation, benefits, contributions and taxes, if any, of its employees, agents and subcontractors.
25. This Agreement shall be binding upon and inure to the benefit of the parties, their affiliates and any party controlling, controlled by or under common control with, the parties and the parties' respective principals, agents, directors, officers, employees, partners, attorneys, successors, predecessors, parent corporations, subsidiaries, distributors, licensees and assigns.
26. The parties agree that this Agreement will be governed by and construed in accordance with the laws of the State of California.
27. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute a single, integrated instrument. A faxed, photocopied or digitally scanned copy of a signature shall have the same force and effect as an original signature.

IN WITNESS WHEREOF, the parties hereby execute this Agreement upon the terms and conditions stated above.

Foresthill Public Utility District

**Wagner & Bonsignore, Consulting
Civil Engineers, A Corporation**

By: _____
Hank White

By: _____
Nicholas F. Bonsignore, P.E.

Title: General Manager

Title: Principal

Date Signed: _____

Date Signed: _____

Exhibit "A"

Consultant's Standard Fee Schedule

Nicholas F. Bonsignore, P.E.
Robert C. Wagner, P.E.
Paula J. Whealen
Henry S. Matsunaga

David H. Peterson, CEG, CHG
David P. Lounsbury, P.E.
David Houston, P.E.
Vincent Maples, P.E.
Patrick W. Ervin, P.E.
Ryan E. Stolfus

James C. Hanson
Consulting Civil Engineer
A Corporation

FEE SCHEDULE

EFFECTIVE JANUARY 1, 2017

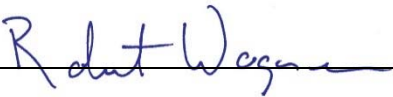
1. Personal Services of Principals & Supporting Services
 - a) Principals including Registered Civil Engineers and Water Right Specialist billed on an hourly rate in accordance with the Schedule of Fees attached hereto; for public hearings and court appearances requiring qualifications and services as expert witness and for assistance to attorneys during course of such hearings and depositions, to be billed at 1.5 times the regular hourly rate, plus transportation and subsistence expenses set forth under (2); Eight hour minimum to be billed for depositions, court appearances and administrative hearings.
 - b) Registered Civil Engineers, Sub-professional Engineers, Technicians and Drafters billed on an hourly rate in accordance with the Schedule of Fees attached hereto, plus transportation and subsistence expenses set forth under (2);
 - c) Special engineering, geotechnical services, testing, surveying and other similar services employed specifically for performance of work at direct invoice cost plus 15 percent.

2. Reimbursable Expenses
 - a) Transportation, direct out-of-pocket expense for public transportation, 75¢ per mile for private auto.
 - b) Subsistence, direct out-of-pocket expense.

The foregoing compensation will include compensation for all general office secretarial services, supplies and overhead including office space required for performance of personal and supporting engineering services. Invoices for Personal and Supporting Services and Reimbursable Expenses will be submitted on a calendar month basis and are due and payable upon receipt.

All work performed will be considered as personal professional engineering and supporting services and will be performed and furnished as an independent contractor.

WAGNER & BONSIGNORE
CONSULTING CIVIL ENGINEERS
A CORPORATION



Robert C. Wagner, President

SCHEDULE OF FEES

EFFECTIVE JANUARY 1, 2017

Principal Engineer	\$205 - \$250/hr.
Principal Scientist Geology Hydrology Fluvial Geomorphology	\$165 - \$205/hr.
Project Manager Water Rights Construction Management Project Management	\$160 - \$235/hr.
Water Right Specialist	\$125 - \$175/hr.
Project Engineer – Registered	\$140 - \$195/hr.
Staff Engineer	\$80 - \$135/hr.
Water Right Assistant	\$95 - \$135/hr.
Senior Technician	\$85 - \$135/hr.
CAD Design/Graphics	\$65 - \$115/hr.
Clerical	\$65 - \$75/hr.

Proposal/Estimate

Brian Patterson dba Fence Connection
115 P & S Lane
Newcastle, CA 95658

T: 530 885-9671 F: 530 885-1805
C-13 LIC #783962

Date	4/3/2017	Proposal No.	1712
FOB	Terms		Rep

Name/Address		Ship To		
Foresthill P.U.D. 24540 Main st. Foresthill Ca. 95631		Sugar Pine Dam		
Customer Phone	530 3672511			
Description	Qty	Rate	Total	
Repair existing 5' chain link fence on dam spill way and existing security fence on left side of the spill way	150	8.50	1,275.00T	
labor	150	58.00	8,700.00	
Sales Tax		7.50%	95.63	
ALL CREDIT CARD CHARGES WILL BE SUBJECT TO A 3% SURCHARGE.		The final price would be adjusted to actual footage upon completion of job.		Total \$10,070.63

Any alterations or deviations involving extra costs will be executed only upon written order and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Note: This estimate may be withdrawn by us if not accepted within twenty (20) days.

We/I have read and understand the "Terms and Responsibilities of the Customer" in regards to the Proposal/Estimate. We/I have signed in agreement to those Terms and Conditions.

ACCEPTANCE: Brian Patterson dba Fence Connection is hereby authorized to furnish all materials and /or labor required to complete the work mentioned in the above Proposal/Estimate, for which I/we agree to pay the contract price mentioned in this Proposal/Estimate and according to the terms thereof. I/we acknowledge that before entering into this contract, I/we have read and agree to the provisions contained in this contract and those contained in the "Terms and Responsibilities of the Customer".

ACCEPTED: _____ DATE: _____

ACCEPTED: _____ DATE: _____

Customer's Terms & Responsibilities

Customer Name: _____

Service Address: _____

Location of shut off valves: _____

- A. Property Lines: Owner shall locate and point out property lines to contractor. Contractor may, at his option, require owner to provide a licensed land surveyor's map of property.
- B. Commencement/Completion of work:
 - a. Owner shall have jobsite ready for commencement of the work.
 - b. The approximate date when work will begin will be: _____
 - c. The approximate date when work is to be completed: _____
- C. Contract price to be on actual work performed and footage installed.
- D. Final payment is due at completion of job.
- E. ***Credit card purchases are subject to a 3% fee.***
- F. Permits Not Included.
- G. Clear line and access required. (Fence Connection will charge \$75.00 per hour to clear lines if not done). Idle time due to owner's indecision will be billed at \$75.00 per hour.
- H. ***Above prices are based upon normal drilling conditions only. Drilling and excavation, which requires extra labor or equipment, such as rock, concrete, or hardpan will be at an additional cost.***
- I. ***It is the responsibility of the Owner to contact USA (800-227-2600) to determine if there are any underground utilities in the vicinity of any fence line.***
- J. The contractor is not responsible for any underground utilities unless clearly marked by USA or the Owner. **If any owner-installed sprinkler lines are broken, we will repair for a minimum charge of \$75.00 per hour plus materials. We will not repair any Utility lines.**
- K. Delay: Contractor shall be excused for any delay in completion of the contract caused by Acts of God, acts of owner's agent, stormy weather, labor troubles, acts of public utilities, public bodies or inspectors, extra work, failure of Owner to make progress payments promptly, or other contingencies unforeseen by Contractor and beyond the reasonable control of Contractor.
- L. Right to Stop Work: Contractor shall have the right to stop work if any payment shall not be made to contractor under this agreement; contractor may keep the job idle until all payments are received.
- M. Failure by Contractor without lawful excuse to substantially commence work within (20) Twenty days from the approximate date specified in this proposal and contract when work will begin is a violation of the Contractor's license law.
- N. Notice to Owner: Contractors are required by law to be licensed and regulated by the Contractors State License Board. Any questions concerning a Contractor may be referred to the Contractors State License Board at 9835 Goethe Rd. Sacramento, CA 95827.
- O. Any alteration or deviation from the above specifications involving extra cost will be executed only upon written order and will become an extra charge over and above the original proposal/contract.

Acceptance: Fence Connection is hereby authorized to furnish all materials and labor required to complete the work mentioned in Proposal # _____, for which I/we agree to pay the contract price mentioned in the proposal, and according to the terms thereof. I/we acknowledge that before entering into this contract, I/we have read and agree to the provisions contained in this Contract.

ACCEPTED: _____

Date: _____

ACCEPTED: _____

Date: _____

From: [Ron Mills](#)
To: [Hank White](#)
Subject: FW: Sugar Pine Spillway
Date: Wednesday, June 28, 2017 11:31:02 AM

[Hank here are the answers for the fence questions you had](#)

From: Brian Patterson [mailto:brian@thefenceconnection.net]
Sent: Wednesday, June 28, 2017 10:29 AM
To: rmills@foresthillpud.com
Subject: Sugar Pine Spillway

Hi Ron,

Thank you for your patience on this project. Please see answers to the questions Hank had on the Sugar Pine Spillway project.

Gauge of proposed post: Schedule 40 galvanized steel post to match existing. Post will be welded to an 8" x 8" galvanized plate, welded at approximately 30 degree angle (varies per post location to keep all posts vertical and level). All welds will be treated with a 95% zinc cold galvanized primer, then finished with silver spray paint.

Post block-outs: Attempting to remove old posts will require use of jackhammer or heavy power tools. Our proposal is to cut off flush and fill any pockets or divots with epoxy to reduce any integrity issues to the spillway.

Wedge anchor material: Stainless steel wedge anchors were not included in the original quote, but can be added for an additional \$200.

Galling of material should not occur with hot-dipped galvanized plates.

Wedge anchor comes with standard coarse thread.

We will be willing to use anti-seize lubricant during installation.

We will need to use a roto-hammer with a half-inch bit to drill for the wedge anchors. We do not anticipate any damage to the spillway by the use of the roto-hammer.

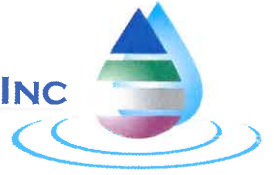
All wedge anchors come with a standard nut and flat washer.

We hope this answers your concerns.

Please let us know what the next steps are.

Thanks,
Keith

Fence Connection
115 P&S Lane
Newcastle, CA 95658
530-885-9671



July 5, 2017

Hank White, P.E.
General Manager
Foresthill Public Utility District
24540 Main Street
Foresthill, CA 95631

Subject: 1 Million Gallon (MG) Tank Construction Management – Amendment Request

Dear Hank:

We are submitting this request to address the additional time requirements anticipated to complete the 1 Million Gallon Tank project. Our construction management services are provided on a time and materials basis with a not to exceed maximum contract amount. The duration to complete the proposed improvements has exceeded that identified in the revised construction schedule provided by the Contractor. We have worked diligently with District staff to minimize costs; however, with the continued delays by the Contractor we have reached our contract ceiling amount and will need an additional amendment to be able to adequately support the District and fulfill our original scope of work.

The Contractor resumed work on May 15, 2017 and was to have the tank substantially complete (tank in service) by May 28, 2017 and achieve final completion by June 13, 2017. The Contractor has failed to achieve these milestones and as a result has increased the costs for the District and PBI to manage the construction efforts. The Contractor achieved substantial completion on June 7th and final completion remains outstanding. The construction delays are non-excusable delays and have been the result of the Contractor's inability to adequate staff and manage the construction efforts.

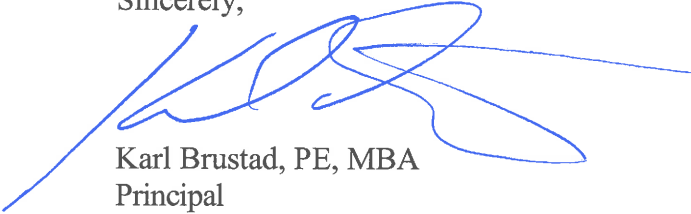
The Contract Documents included a liquidated damages provision to allow the District to recover additional costs if the Contractor is unable to achieve the identified completion dates; substantial completion \$1,500/day and final completion \$1,000/day. To date the liquidated damages have included 10 days for substantial completion and 22 days for final completion, which total to \$37,000 in liquidated damages.

The detailed cost estimate for the additional services is identified in the attached Estimated Work Effort and Cost table. This effort assumes that the Contractor will achieve final completion by July 28, 2017, on-site inspection will be provided by District staff, 3 additional site visits for geotechnical materials testing and construction management support services.

July 5, 2017

If you have any questions or desire any additional information, please do not hesitate to contact me at (916) 608-2212 x 113.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Karl Brustad', with a long horizontal flourish extending to the right.

Karl Brustad, PE, MBA
Principal

Attachments:

Table 1 – Estimated Work Effort and Cost

Estimated Work Effort and Cost
Foresthill 1MG Tank - CM Amendment 2

Task No.	Task Description	Construction Manager/Principal	Project Engineer 1	Staff Engineer 1	Construction Inspector 2	Admin 4	PBI Labor Hours	Total PBI		Geotechnical Services	PBI		Total Cost (\$)
								Labor (\$)			Expenses (\$)		
Task 1 - Construction Management Services													
		Rates	\$240	\$151	\$114	\$100	\$92						
1.1	Additional Services	24	12	6		4	46	\$ 8,624				\$ 862	\$ 9,486
	Subtotal Task 1	24	12	6	0	4	46	\$ 8,624	\$ -			\$ 862	\$ 9,486
Task 2 - On-Site Inspection													
2.1	On-Site Inspection	2		24		2	28	\$ 3,400	\$ 3,850			\$ 340	\$ 7,590
	Subtotal Task 2	2	0	24	0	2	28	\$ 3,400	\$ 3,850			\$ 340	\$ 7,590
	COLUMN TOTALS	26	12	30	0	6	74	\$ 12,024	\$ 3,850			\$ 1,202	\$ 17,076