

**RESOLUTION NO. 2021-24
RESOLUTION NO. PFA-02
ORDINANCE NO. 2021-01**

AGENDA

MISSION STATEMENT

“Our team is dedicated to protecting, enhancing, and developing our rich water resources to the highest beneficial use for Calaveras County, while maintaining cost-conscious, reliable service, and our quality of life, through responsible management.”

Regular Board Meeting
Wednesday, April 28, 2021
1:00 p.m.

Calaveras County Water District
120 Toma Court, (PO Box 846)
San Andreas, California 95249

Based on guidance from the California Governor’s Office and Department of Public Health, in order to minimize the potential spread of the COVID-19 virus, the Calaveras County Water District will convene its public meetings of the Board of Directors telephonically until further notice.

The following alternatives are available to members of the public to watch these meetings and provide comments to the Board before and during the meeting:

**Microsoft Teams meeting
Join on your computer or mobile app**

[Click here to join the meeting](#)

Or call in (audio only)

[+1 689-206-0281,481318333#](#) United States

Phone Conference ID: 481 318 333#

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at 209-754-3028. Notification in advance of the meeting will enable CCWD to make reasonable arrangements to ensure accessibility to this meeting. Any documents that are made available to the Board before or at the meeting, not privileged or otherwise protected from disclosure, and related to agenda items, will be made available at CCWD for review by the public.

ORDER OF BUSINESS

CALL TO ORDER / PLEDGE OF ALLEGIANCE

1. ROLL CALL

BOARD OF DIRECTORS

Jeff Davidson, President
Cindy Secada, Vice President
Scott Ratterman, Director
Bertha Underhill, Director
Russ Thomas, Director

2. PUBLIC COMMENT

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

3. CONSENT AGENDA

The following items are expected to be routine / non-controversial. Items will be acted upon by the Board at one time without discussion. Any Board member may request that any item be removed for later discussion.

3a Report on the Monthly Investment Transactions for March 2021
(Rebecca Callen, Director of Administrative Services)

4. NEW BUSINESS

4a Discussion/Action regarding Adoption of the District's 2021-2026+ Strategic Plan
(Michael Minkler, General Manager) **RES 2021-_____**

4b Discussion on Public Review Draft of 2020 Urban Water Management Plan Update
(Brad Arnold, Water Resources Program Manager)

4c Discussion/Action regarding Awarding Contract for the District's Auditing Services
(Rebecca Callen, Director of Administrative Services) **RES 2021-_____**

4d Discussion/Action regarding the purchase of Maintenance and Warehouse Building Pre-Engineered Metal Building CIP #11101
(Kevin Williams, Civil Engineer) **RES 2021-_____**

4e Discussion/Action regarding Renewal of the Lease Agreement for the Courtright/Emerson Memorial Ballpark at White Pines
(Michael Minkler, General Manager) **RES 2021-_____**

5. OLD BUSINESS

5a Discussion/Direction regarding Presentation of the Quarterly Investment Reports
(Rebecca Callen, Director of Administrative Services)

6. REPORTS

6a* General Manager's Report
(Michael Minkler)

7.* BOARD REPORTS / INFORMATION / FUTURE AGENDA ITEMS

8. NEXT BOARD MEETINGS

- Wednesday, May 12, 2021, 1:00 p.m., Regular Board Meeting
- Wednesday, May 26, 2021, 1:00 p.m., Regular Board Meeting

9. CLOSED SESSION

9a Conference with Legal Counsel-Anticipated Litigation
Significant Exposure to Potential Litigation-Government Code § 54956.9(d)(2)-1 case

9b Government Code § 54957.6 Agency Negotiators: General Manager Michael Minkler, HR
Manager Stacey Lollar and Michael Jarvis Regarding Negotiations with Employee
Organization SEIU Local 1021 and Management and Confidential Unit

10. REPORTABLE ACTION FROM CLOSED SESSION

11. ADJOURNMENT



CALAVERAS COUNTY WATER DISTRICT

Board of Directors

District 1 Scott Ratterman
District 2 Cindy Secada
District 3 Bertha Underhill
District 4 Russ Thomas
District 5 Jeff Davidson

Financial Services

Umpqua Bank
US Bank
Wells Fargo Bank

CCWD Committees

*Engineering Committee
*Finance Committee
*Legal Affairs Committee

Joint Power Authorities

ACWA / JPIA
CCWD Public Financing Authority
Calaveras-Amador Mokelumne River Authority (CAMRA)
Calaveras Public Power Agency (CPPA)
Eastern San Joaquin Groundwater Authority
Tuolumne-Stanislaus Integrated Regional Water
Management Joint Powers Authority (T-Stan JPA)
Upper Mokelumne River Watershed Authority (UMRWA)

Other Regional Organizations of Note

Calaveras LAFCO
Calaveras County Parks and Recreation
Committee
Highway 4 Corridor Working Group
Mountain Counties Water Resources
Association (MCWRA)
Mokelumne River Association (MRA)
Tuolumne-Stanislaus Integrated Regional Water
Mgt. JPA Watershed Advisory Committee (WAC)
Eastern San Joaquin Groundwater Authority-Technical
Advisory Committee

Legal Counsel

Matthew Weber, Esq.
Downey Brand, LLP

Auditor

Richardson & Company, LLP

Membership**

Davidson / Thomas (alt. Secada)
Underhill / Secada (alt. Thomas)
Ratterman / Davidson (alt. Thomas)

Ratterman (alt. Michael Minkler)
All Board Members
Ratterman / Underhill (alt. Secada)
Michael Minkler (Alt. Brad Arnold)
Thomas
Secada (alt. Thomas)
Davidson (alt. Ratterman)

Ratterman / Thomas
Thomas (alt. Ratterman)

Thomas / Underhill
All Board Members

All Board Members
Brad Arnold

Brad Arnold

* Standing committees, meetings of which require agendas & public notice 72 hours in advance of meeting.

** The 1st name listed is the committee chairperson.

Agenda Item

DATE: April 28, 2021

TO: Michael Minkler, General Manager

FROM: Rebecca Callen, Director of Administrative Services

SUBJECT: Report on the Monthly Investment Transactions for March 2021

RECOMMENDED ACTION:

For information only.

SUMMARY:

Per the District's Investment Policy, Staff will report the monthly investment activity for the preceding month. During the month of March 2021, the following investment transactions occurred:

Description	Date	Type	Amount
First American Govt Obligation Fund Class Y	3/1/2021	Dividend	10.43
John Deere Capital Corp Note	3/1/2021	Purchase	134,904.15
John Deere Owner Trust 2021-A A3	3/2/2021	Purchase	34,993.27
US Treasury Note	3/4/2021	Purchase	394,734.38
Bank of NY Mellon Corp Callable Note Cont	3/10/2021	Purchase	207,916.00
Berkshire Hathaway Callable Note Cont 1/15/2023	3/10/2021	Purchase	260,840.00
Berkshire Hathaway Callable Note Cont 1/15/2023	3/15/2021	Interest	3,437.50
Charles Schwab Corp Callable Note Cont 2/18/2024	3/16/2021	Purchase	54,972.50
Charles Schwab Corp Callable Note Cont 2/18/2024	3/19/2021	Purchase	145,487.20
FHLMC Note	3/23/2021	Interest	741.67
US Treasury Note	3/31/2021	Interest	1,000.00
Umpqua Bank Money Market	3/31/2021	Interest	34.80

LAIF rates are 0.35% as of 3/31/2021, down from as high as 2%. These rates continue to decline and as a result the District has begun transitioning funds to Chandler Asset Management to ensure continued growth in with investable reserves. The District made an initial deposit of \$10M in mid-February and Chandler began investing the funds immediately.

Staff monitors cash flow to ensure operational needs are met and excess funds are invested accordingly. Quarterly investment reports will be presented to the Board by a representative with Chandler Asset Management and further discussion is needed.

**CALAVERAS COUNTY WATER DISTRICT
INVESTMENT ACTIVITY
FOR THE MONTH ENDING MARCH 31, 2021**

INVESTMENT TRUSTEE/TYPE	MARKET VALUE	INVESTMENT COST				CM INTEREST AND DIVIDEND RECVD
		COST	PAR (PRINC)	CPN RATE	DATE INVST	
Wells Fargo Money Market	-	-	-	0.000%	divested 2/5/21	-
Umpqua Bank Money Market	819,531.00	819,531.00	819,531.00	0.050%	ongoing	34.80
Local Agency Investment Fund	21,544,207.45	21,544,207.45	21,544,207.45	0.350%	ongoing	-
Chandler Asset Management	9,926,819.64	9,988,096.74	9,893,347.30	0.370%	2/17/2021	5,189.60
Totals	32,290,558.09	32,351,835.19	32,257,085.75			5,224.40

Description	Date	Type	Amount
First American Govt Obligation Fund Class Y	3/1/2021	Dividend	10.43
John Deere Capital Corp Note	3/1/2021	Purchase	134,904.15
John Deere Owner Trust 2021-A A3	3/2/2021	Purchase	34,993.27
US Treasury Note	3/4/2021	Purchase	394,734.38
Bank of NY Mellon Corp Callable Note Cont	3/10/2021	Purchase	207,916.00
Berkshire Hathaway Callable Note Cont 1/15/2023	3/10/2021	Purchase	260,840.00
Berkshire Hathaway Callable Note Cont 1/15/2023	3/15/2021	Interest	3,437.50
Charles Schwab Corp Callable Note Cont 2/18/2024	3/16/2021	Purchase	54,972.50
Charles Schwab Corp Callable Note Cont 2/18/2024	3/19/2021	Purchase	145,487.20
FHLMC Note	3/23/2021	Interest	741.67
US Treasury Note	3/31/2021	Interest	1,000.00
Umpqua Bank Money Market	3/31/2021	Interest	34.80

**CALAVERAS COUNTY WATER DISTRICT
CHANDLER ASSET MANAGEMENT
FOR THE MONTH ENDING MARCH 31, 2021**

INVESTMENT TRUSTEE/TYPE	MARKET VALUE	INVESTMENT COST			Dividends Earned	Interest Earned	Accrued Interest on Sales	Accrued Interest on Purchases	Net Income
		BOOK	PAR Vale/Units	CPN RATE					
Agency Securities	1,181,083.20	1,193,663.22	1,200,000.00	0.54%	-	-	-	-	
Asset Backed Security	34,862.49	34,993.38	35,000.00	0.37%	-	-	-	-	
Corporate Securities	1,741,253.05	1,749,192.17	1,685,000.00	0.59%	-	3,437.50	-	(275.59)	
Money Market Fund (Cash)	2,973,347.30	2,973,347.30	2,973,347.30	0.01%	10.43	-	-	10.43	
Supernational Securities	392,523.60	397,602.52	400,000.00	0.63%	-	741.67	-	741.67	
US Treasury	3,603,750.00	3,639,298.15	3,600,000.00	0.48%	-	1,000.00	-	972.83	
Totals	9,926,819.64	9,988,096.74	9,893,347.30	0.37%	10.43	5,179.17	-	(3,740.26)	1,449.34

Agenda Item

DATE: April 28, 2021

TO: Board of Directors

FROM: Michael Minkler, General Manager

RE: Discussion/Action regarding Adoption of the District's 2021-2026+ Strategic Plan

RECOMMENDED ACTION: Motion _____ / _____ adopting Resolution No. 2021-____ adopting the District's 2021-2026+ Strategic Plan.

SUMMARY:

Since January 2021, Ellen Cross, John Woodling, and Maria Pascual have led District staff and the Board through a comprehensive and collaborative public process of determining a new Mission Statement, Vision Statement, Values, Goals, and Objectives for the District's next five plus years. Taken together, these components make up a new strategic plan that helps chart the course for the District during a unique time in the District's 75-year history.

At the Board Workshop on March 19, 2021, the Board adopted the Mission Statement, Vision Statement, and Values for the strategic plan and provided input and direction regarding the draft Goals and Objectives. The full text of the proposed new strategic plan is attached. A final version will be available once adopted.

CCWD is grateful to all who participated in the preparation of this strategic plan and appreciates the insights and professionalism the consultant team brought to this work effort. Staff recommends adoption of the resolution to approve the new strategic plan.

FINANCIAL CONSIDERATIONS: None at this time.

*Attachment: Resolution 2021- Adoption of District's 2021-2026+ Strategic Plan
Strategic Plan Text*

(COVER)

STRATEGIC PLAN 2021–2026+

Calaveras County Water District

April 28, 2021

(TEXT ONLY, FOR BOARD APPROVAL)

FOREWORD

The Calaveras County Water District (District) is commemorating its *Diamond Jubilee – 75 Years* of protecting, enhancing, and developing the county’s water resources. The District’s 5-Year Strategic Plan 2021-2026+ (SP26+) sets our course to recommit and reinvest in our communities. While the times have changed, the District’s mandate continues to be preservation our County’s beneficial uses of water for the future growth and prosperity of our towns and support for ranches and farms, as first envisioned at the Calaveras Grange on August 27, 1946.

As a Special District, we recognize our role and responsibility to provide continuous water and wastewater services, resource development and planning, and hydropower asset management for our communities. Calaveras County is home to 46,000 residents and three vibrant watersheds– the Calaveras, Mokelumne, and Stanislaus rivers. Our County is built on robust watershed development that is powered and enriched by clean, renewable, hydropower– resulting from the District’s proactive actions decades ago. We will carry this tradition into the next era to modernize our aging infrastructure and to support and connect our greatest assets– our people.

In this era defined by a tragic pandemic and catastrophic wildfires, we are reminded that water supply resiliency and reliable wastewater services are critical to our everyday lives and serve as fundamental building blocks for our communities. That is why we came together to develop this strategic plan and articulate the most important opportunities to protect and enhance our life-giving water resources. Beyond drinking water and irrigation, reliable and resilient water management is also critical to our watersheds to nurture healthy forests and prevent wildfire.

We recognize that our water assets need to be reinforced due to increasing drought vulnerability, more stringent state regulations, and economic stressors. We must manage our capital improvements for water reliability while at the same time maintaining affordable water for our communities to thrive. Our Board of Directors and District staff pledge to collaboratively protect our vital water resources and build a responsive and durable organization through the following goals:

- Positive Customer Experience
- Fiscal Responsibility
- Operational Integrity

- Effective Programs, Projects, and Initiatives
- Valued People + Partnerships
- Enduring Organization

As a countywide cornerstone, the District looks forward to serving this community for the next 75 years and beyond. With advanced planning through the SP26+ we can confidently achieve our greatest opportunities while protecting our most vital resources.

Sincerely,

Jeff Davidson
Board President

Michael Minkler
General Manager

HISTORY OF THE CALAVERAS COUNTY WATER DISTRICT

Calaveras County Water District (District) was formed on August 27, 1946, when 97-percent of the voting population affirmed it was needed, **“for the purpose of assisting residents of Calaveras County in establishing and protecting their water resources.”**

The first resolution, adopted in 1947, was a decision by the Board of Directors to file applications for water rights on the North Fork Stanislaus, Calaveras, and Mokelumne rivers – primary sources still supplying water to our customers today.

SEVENTY-FIVE YEARS LATER

Over the past 75 years, the District has grown along with the communities we serve. CCWD is a not-for-profit public agency providing water service to over 13,000 municipal, residential, and commercial customers, and wastewater collection and treatment service to about 5,000 customers. The District operates facilities throughout the County – from Copperopolis to Camp Connell and from Wallace to West Point – and many communities in between. Calaveras County voters still determine who governs the District by electing the Board of Directors. The five-member Board of Directors, each elected to four-year terms, represent distinct geographic districts to promote constituent access to their elected representatives.

CCWD is no stranger to change. The District has survived many challenges and celebrated many successes over the last 75 years. Shifting circumstances, whether driven by legislation, climate, or local economics, are a way of life in the water, wastewater, and hydropower sectors. CCWD is constantly evolving to meet the challenges of the day and prepare for an uncertain future. Through it all, CCWD’s commitment remains the same: to protect and responsibly manage our shared water resources for the benefit of Calaveras County residents.

(TIMELINE)

The first few pages of the SP26+ will include a timeline graphic. Timeline contents listed below.

Timeline Events

- 1946 – CCWD voted upon and formed
- 1947 – Applications for water rights on North Fork Stanislaus, Calaveras, and Mokelumne rivers
- 1964 – Original Ebbetts Pass water system constructed
- 1967 – Jenny Lind water treatment plant constructed
- 1972 – CCWD assumed responsibility for countywide wastewater planning and providing wastewater services to unsewered communities
- 1979 – Established recreational use of White Pines Lake
- 1979 – Sheep Ranch and West Point water treatment plants constructed
- 1984 – Construction of Arnold sewer collection system and wastewater treatment plant
- 1986 – New Hogan Power Project completed
- 1990 – North Fork Stanislaus Hydroelectric Development Project completed
- 1990 – Ebbetts Pass water treatment plant constructed
- 1990 – Formed Assessment District 604 for La Contenta wastewater infrastructure
- 1996-2004 – Founding member of the Utica Water and Power Authority
- 1998 – Copper Cove water treatment plant constructed
- 2006 – Jenny Lind water treatment plant expansion
- 2012 - Wallace Water and Sewer consolidated into CCWD
- 2013 – Created an annual scholarship program for county high school seniors
- 2014 – Partnered with other local water agencies to form Calaveras Conserves in response to historic drought conditions
- 2015 – Fly-In Acres consolidation and Blue Lake Springs wholesale water supply agreement
- 2017 – Founding member of the multi-agency Eastside Groundwater Sustainability Agency to protect the Eastern San Joaquin Groundwater Subbasin
- 2021 – Celebrated 75 years of service to Calaveras County by completing a new strategic plan to chart the course for the District’s future.

MISSION, VISION, AND VALUES

Our Mission, Vision, and Values reflect who we are, who we want to be, and how we plan to get there. They were developed through a collaborative process including surveys and interviews of District leaders, staff, and the Board of Directors. They were refined and revisited over a series of meetings and workshops including the Board, District staff, county representatives, adjacent agencies, and the public. Our Mission, Vision, and Values provide a guidepost for our collective future. They will inform the actions the District takes and inform decisions we make moving forward.

Our Mission

Protect, enhance, and develop Calaveras County’s water resources and watersheds to provide safe, reliable, and cost-effective services to our communities.

Our Vision

To be a trusted leader, to collaborate with our valued partners, and provide healthy, innovative, and resilient water resource solutions.

Our District's Values

The District's Board of Directors and staff recognize the unique roles and shared partnership required to ensure the implementation of the SP26+. Together we developed and embrace the following core values to work together and collaborate to ensure the successful delivery of the District's mission and shared vision for a resilient water future.

Values

We strive to build trust by forming transparent relationships, creating positive customer experiences, being mindful stewards of our assets and resources, and operating with teamwork and integrity.

- We seek to create a positive customer experience.
- We are transparent in our relationships.
- Communication is the foundation upon which we build.
- We are mindful stewards of our assets and resources.
- Inclusive teamwork is fundamental to our success.
- We operate with integrity.
- We value the health, wellbeing, and safety of our employees and their dedicated contributions.
- We adapt to changing conditions by assessing risk and seizing opportunity.

GOALS AND OBJECTIVES

The District, through an inclusive process involving more than 50 combined directors, staff (past and present), and public, received input through an online survey, three Board Workshops, and individual interviews to identify District opportunities and challenges anticipated in the next five years. The SP26+ Goals and priority Objectives were designed to leverage the District's identified opportunities as well as minimize the impact of anticipated threats.

The District's goals are as follows and are informed by priority objectives that will be measured on the successful implementation and delivery of SP26+ objectives over the next five years:

- **Positive Customer Experience:** Build trust and demonstrate value to customers with responsive service and positive experiences.
- **Fiscal Responsibility:** Prioritize investments based on risk and benefit to our communities and fulfill the District's services commitments.
- **Operational Integrity:** Ensure District operations deliver efficient and reliable water and wastewater services.
- **Effective Programs, Projects, and Initiatives:** Implement programs, projects, and initiatives to ensure water reliability for the prosperity and wellbeing of our residents, businesses, and watershed.
- **Valued People & Partnerships:** Engage our stakeholders and partners to best protect our water resources and infrastructure and further our shared interests.
- **Enduring Organization:** Ensure reliable and consistent services through building an evolving organization that reflects the District's values.

The presentation of the Goals and accompanying priority Objectives described in the following sections do not imply an order of importance as the District recognizes that a holistic and integrated approach is vital to serving our customers and meeting the needs of today and tomorrow. The Customer Experience goal is listed first in recognition of the District's primary reason for existing – to serve our customers – but the goals and objectives are not in order of priority as each one is uniquely important.

Positive Customer Experience

Build trust and demonstrate value to customers with responsive service and positive experiences.

Paramount to the District's success is ensuring top-notch water and wastewater services to the public through excellent customer service. The District's strong relationship with our customers and partners including ratepayers, the County, adjacent water agencies, policy makers, regulators, and state and federal technical and funding partners is the outcome of prioritizing public service.

Objectives to support the District's Positive Customer Experience Goal are presented below.

Positive Customer Experience Objectives

- CE-01** Instill a districtwide culture that fosters positive customer experiences.
- CE-02** Improve communications with customers through the following:
 - a. Seeking to understand the customer point of view to improve District service
 - b. Prioritizing responsiveness to phone calls and electronic inquiries
 - c. Enhancing access and response times through technology, especially as related to emergency situations
- CE-03** Implement strategies to get customer input (e.g., customer surveys) to inquire about experiences, obtain feedback, understand priorities, and learn preferred communication modes.
- CE-04** Engage customers and educate on District's achievements through local venues and outreach.
- CE-05** Connect with our County residents and businesses by engaging with them regularly at local events, press releases, news stations and communications that highlight how the District is serving them.
- CE-06** Provide services that are accessible and cost-effective to customers to transact business including use of the District's website, telephone, and in-person services.

Fiscal Responsibility

Prioritize investments based on risk and benefit to our communities and fulfill the District's services commitments.

The District makes a concerted effort to ensure capital improvements are keeping pace with aging infrastructure and connectivity to our customers. To maintain our options and provide consistent deliveries, it is important to provide funding and create partnerships throughout our region to leverage funding opportunities offered by federal and state sources to match our capital expenditures program. Other opportunities include leveraging our long-term investment in hydropower in order to fund water and power for our residents. In anticipation of upcoming FERC relicensing on the District's two hydropower projects, we will evaluate how this process will benefit the community county-wide.

Objectives to support the District's Fiscal Responsibility Goal are presented below.

Fiscal Responsibility Objectives

- FR-01** Develop and commit to a long-term financial strategy and framework to fund the projects identified in the CIP and other long-term District obligations and needs.
- FR-02** As part of our financial strategy, create alternative funding and financing through grants and partnerships to execute our CIP for short, mid- and long-term investments.
- FR-03** Develop and align annual budgets with prioritized projects and CIP that can be implemented based on value added and benefit to District customers.
- FR-04** Develop best management practices for budget forecasts and tracking, and base decisions on data-driven outcomes that define and reflect value and cost effectiveness.
- FR-05** Review financial budget systems and tools and update if needed.
- FR-06** Commit to responsible financial decisions during our day-to-day operations.
- FR-07** Maintain our legislative mandate to charge the appropriate fees to provide reliable services.
- FR-08** Communicate the District's fiscal obligations and accountability to our customers through transparency and effective public outreach.

Operational Integrity

Ensure District operations deliver efficient and reliable water and wastewater services.

Modernization of our water and wastewater systems is no small undertaking. It is critical that we maintain our systems for reliable delivery with a diversity of water supplies including surface and groundwater. The District has 75 years of serving our Calaveras County residents, businesses, and agri-business – our challenges will continue to stay ahead of regulations and aging infrastructure that may impact the District’s ability to provide reliable service. Cyber-security and physical security of our assets is paramount to provide continuous service – it is the behind-the-scenes as well as above and underground water assets that ensure water reliability.

Objectives to support the District’s Operational Integrity Goal are presented below.

Operational Integrity Objectives

- OI-01** Ensure our infrastructure is operated and maintained to fully realize its expected life span.
- OI-02** Implement preventive, predictive, and corrective maintenance plans to ensure safe and reliable operations.
 - a. Continue to modernize wastewater treatment and recycled water delivery systems to increase the use of recycled water which decreases the demand for raw water.
 - b. Develop a short, mid- and long-term approach to project implementation that aligns with value added, optimizes the budget, and is paced for successful outcomes.
- OI-03** Develop Standard Operating Procedures and improve technology that will create efficiencies, reduce costs and risks, and ensure consistency throughout the District.
- OI-04** Rehabilitate or replace aging infrastructure to increase reliability, capacity, and efficiencies.
- OI-05** Develop a Health and Safety Program and promote health and safety in all that the District does to protect our community and proactively manage our risk.
- OI-06** Monitor and adapt to emerging and existing regulatory requirements and mandates.
- OI-07** Communicate on the District’s operational efforts to effectively deliver water and wastewater services.

Effective Programs, Projects, and Initiatives

Implement programs, projects, and initiatives to ensure water reliability for the prosperity and wellbeing of our residents, businesses, and watershed.

The SP26+ process identified a number of programs, projects, and initiatives that are critical in ensuring county-wide water reliability. One of the District’s identified challenges is the need to build a more resilient supply to offset threats from unpredictable extreme weather and imminent dry years due to climate variability. Other threats due to climate include the increasing trend of more lethal fire hazards, due to dry years impacting our healthy forests and watersheds, as well as lack of water for overall fire-fighting. The District’s investment in improving the health of our forests and watersheds will pay forward to protect lives, property, and the environment.

Objectives to support the District’s Programs, Projects, and Initiatives Goal are presented below.

Programs, Projects, and Initiatives Objectives

- PI-01** Leverage hydropower projects to benefit the near and long-term priorities for the District and its stakeholders.
- a. Ensure hydropower resources, protect water supply reliability, and provide revenue for operations.
 - b. Determine funding mechanisms to support FERC relicensing short- and long-term processes.
 - c. Negotiate with project partners to increase financial benefit from North Fork and New Hogan hydroelectric projects in the next license term.
 - d. Continue to utilize and build the water resources fund and FERC relicensing fund to protect water rights and pre-position for FERC relicensing.
- PI-02** Responsible management of groundwater resources countywide and evaluating opportunities for conjunctive use.
- a. Continue to participate in groundwater management to protect the District’s interests.
 - b. Comply with the state-mandated Sustainable Groundwater Management Act (SGMA) for areas overlying the Eastern San Joaquin subbasin.
- PI-03** Evaluate feasibility of and implement plan to secure new water storage (e.g., conjunctive use) for water supply reliability and resiliency.

- PI-04** Consider water transfers and exchanges, as allowed by our permitted water rights, consistent with the District’s integrated water management strategy.
- PI-05** Protect, develop, and extend the District’s water rights including, but not limited to, the specific objectives below to ensure countywide water reliability and resilience.
- a. Investigate potential beneficial uses for reserved rights on the Mokelumne River.
 - b. Expand water deliveries by bringing the slurry line into service.
 - c. Work with partners in the agricultural community to ensure their water needs are met.
 - d. Develop a comprehensive watershed plan for areas such as White Pines Lake and San Antonio Creek.
 - e. Extend potable water service to underserved and underrepresented areas.
 - f. Work collaboratively with other water rights holders to protect our collective interests.
- PI-06** Protect our watersheds to adapt to climate change, promote healthy forests for wildfire protection and water yield, protect water quality, and ensure sustainability.
- PI-07** Pursue sustainable water supply projects such as recycled water.
- PI-08** Develop a comprehensive energy strategy to generate revenue or decrease cost of operations.
- PI-09** Continue to implement water conservation initiatives such as customer outreach, leak detection, and infrastructure replacement.
- PI-10** Maintain up-to-date District policies.
- PI-11** Offer low-income payment assistance.
- PI-12** Educate and engage our communities about the District’s commitment to healthy watersheds and forests.

Valued People & Partnerships

Engage our stakeholders and partners to best protect our water resources and infrastructure and further our shared interests.

People and partners are our greatest assets and include our District employees who can provide the greatest opportunities and minimize our risks. Maintaining open and transparent communication is at the heart of maximizing the effectiveness of our relationships. This holds true for communications within and outside of the District to our constituents and other interested parties.

Objectives to support the District’s People & Partnerships Goal are presented below.

Valued People & Partnership Objectives

- PP-01** Develop and execute a Communication Plan that support the District’s outreach to internal and external partners and reflect our shared values and mission.
- PP-02** Engage and facilitate partnerships to best utilize the District’s assets and promote the District’s legislative positions.
- PP-03** Create a recognizable presence in the County through thought leadership and rebranding.
- PP-04** Continue to develop relationships with local, regional, state, and federal partners to manage our District’s risk and leverage our assets.
- PP-05** Closely monitor and engage in any relevant policy developments that affect the District.
- PP-06** Continue to partner with other organizations and water agencies on grant opportunities and policy advocacy.
- PP-07** Increase District recognition and expand partnerships’ engagement through community events and outreach opportunities.

Enduring Organization

Ensure reliable and consistent services through building an evolving organization that reflects the District's values.

District staff manage and maintain an enduring organization and provide the expertise to understand where our greatest opportunities are to be cost effective and efficient while executing on the District's greatest priorities. One chief risk to the District is losing the institutional knowledge that we rely on to keep the systems running smoothly. In order to ensure a strong organization, the District will focus on succession planning that transitions the District without disruption.

Objectives to support the Enduring Organization Goal are presented below.

Enduring Organization Objectives

- EO-01** Develop a District that our customers value and our Board and staff are proud to serve through a recognizable and respected brand.
- EO-02** Create efficiencies and long-term cost effectiveness through advancing technology and modernizing business practices.
- EO-03** Protect our assets through upgrading cyber security and on-site security.
- EO-04** Ensure proactive succession planning to leverage our sustaining staff knowledge and integrate the next generation to inspire stability and innovation.
- EO-05** Invest in employee engagement and wellness for recruitment and retention.
- EO-06** Provide staff with training and professional development opportunities.
- EO-07** Develop thought leadership and a knowledge-sharing environment rooted in our mission and vision.
- EO-08** Enliven our core values and foster a trusting environment through the Strategic Plan as our guide for decision making and every aspect of our operations.
- EO-09** Evaluate the District's essential staffing and priorities, and employ District staff, partnerships, vendors, and consultants to align with strategic priorities and to provide the most effective service.
- EO-10** Value the workforce that enables us to deliver on the Strategic Plan goals and objectives and upholds the District's core values.
- EO-11** Develop and utilize performance metrics for District activities and implementation of the Strategic Plan.
- EO-12** Provide transparency by communicating frequently and broadly to unite our workforce and execute a living Strategic Plan through work that matters to our county-wide interests.

PARTICIPANTS

On behalf of Calaveras County Water District, we want to thank those who contributed to the SP26+ process including:

District Board of Directors

- Scott Ratterman, Division 1
- Cindy Secada, Vice President / Division 2
- Bertha Underhill, Division 3
- Russ Thomas, Division 4
- Jeff Davidson, President / Division 5

District Staff listed below participated in the development of the strategic plan or attended SP26+ Workshops:

- Brad Arnold, Water Resources Manager
- Holly Boehme, Customer Service Rep II
- Tiffany Burke, Administrative Technician Sr.
- Pat Burkhardt, Construction & Maintenance Manager
- Rebecca Callen, Director of Administrative Services
- Jesse Hampton, Plant Operations Manager
- Richard Hibbard, District Treatment Plant Operator / Union President
- Rebecca Hitchcock, Executive Assistant/Clerk to the Board
- Kate Jesus, Engineering Coordinator
- Stacey Lollar, Human Resources Manager
- Michael Minkler, General Manager
- Charles Palmer, District Engineer
- Jessica Self, External Affairs Manager
- Kelly Soulier-Doyle, Accounting Technician II
- Damon Wyckoff, Director of Operations
- Many other staff members who participated through anonymous surveys

Other Participants

- Albert Alt, Calaveras County Administrator
- Ellen Cross, Strategy Driver, Inc.
- Shane Dante, Foothills Conservatory
- Larry Diamond, Retired District Assistant General Manager
- Mellissa Eads, Angels Camp City Manager

- David Eggerton, Former District General Manager / ACWA Executive Director
- Larry McKenney, Amador Water Agency
- Maria Pascoal, GEI Consultants, Inc.
- Ed Pattison, Tuolumne Utilities District
- Matt Weber, General Counsel, Downey Brand
- John Woodling, GEI Consultants, Inc.

(BACK COVER)

Values Statement

We strive to build trust by forming transparent relationships, creating positive customer experiences, being mindful stewards of our assets and resources, and operating with teamwork and integrity.

RESOLUTION NO. 2021-

**A RESOLUTION OF THE BOARD DIRECTORS OF
CALAVERAS COUNTY WATER DISTRICT**

ADOPTION OF A FIVE-YEAR STRATEGIC PLAN

WHEREAS, the Board of Directors and staff has met and identified strategic objectives and goals for a District Five-Year Strategic Plan for the District to implement and address the critical needs for the District, employees, and customers; and

WHEREAS, the Five-Year Strategic Business Plan will provide direction to the General Manager and staff for evaluation and assessment of the District's operations and be used to create benchmarks and baselines to measure progress.

BE IT RESOLVED, that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT hereby accepts the Five-Year Strategic Business Plan, attached hereto and made a part hereof,

PASSED AND ADOPTED this 28th day of April 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Jeff Davidson, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk of the Board

Agenda Item

DATE: April 28, 2021

TO: Board of Directors

FROM: Brad Arnold, Water Resources Program Manager

SUBJECT: Public Review Draft of 2020 Urban Water Management Plan Update

RECOMMENDED ACTION:

Receive and discuss information regarding opening of 30-day public comment period for Calaveras County Water District's draft 2020 Urban Water Management Plan (UWMP), Water Shortage Contingency Plan, and 2015 UWMP Delta Addendum. This is an information-only item, and no action is required.

SUMMARY:

Calaveras County Water District (CCWD) has been preparing an update to its Urban Water Management Plan (UWMP) document to support CCWD's long-term water resources planning, and to help ensure there are adequate water supplies to meet existing and future water needs. The California Urban Water Management Planning Act (Act, per California Water Code §10610-10657) requires CCWD, and many other public water supply utilities in California, to submit an updated UWMP to the California Department of Water Resources (DWR) every five years. The latest 2020 update cycle, due to DWR by July 1, 2021 (Deadline), will incorporate new analyses related to water supply vulnerabilities, climate change risks, and drought water supply reliability. A component of the 2020 UWMP update will also include a Water Shortage Contingency Plan (WSCP), implementing DWR's state-wide drought water shortage stages and defining how CCWD will provide water use notices, implement water conservation members, and engage with the public during future drought conditions. Per the Act, the WSCP is separate from the UWMP update, and must be therefore adopted by CCWD as a standalone plan, even though these documents will share several water supply planning and analyses concepts. CCWD is the only water supplier in Calaveras County to prepare a UWMP and WSCP, and as such, is planning for local engagement and review during this critical update effort.

2015 UWMP Bay-Delta Addendum

CCWD was also notified by DWR that despite their October 27, 2016 confirmation of CCWD's 2015 UWMP (adopted June 22, 2016 under CCWD Board Resolution 2016-32) having been found consistent with then-applicable Act requirements, CCWD must amend this prior UWMP to include certain missing elements. California Code of Regulations §5003 required all urban water suppliers to document their reduced reliance on water supplies with a nexus to the Sacramento-San Joaquin River Delta

region (Delta), starting in 2015, consistent with California's 2009 Delta Reform Act. Many water suppliers in California did not address this requirement in their 2015 UWMPs given unclear guidance from DWR, especially for those areas which do not directly receive water supplies from the Delta region (including Calaveras County). CCWD is now preparing a brief addendum to its 2015 UWMP to resolve this missing content and plans to follow DWR's guidance regarding public review, noticing, and Board adoption. It is worth noting that even though the UWMPs are frequently called "updates", these five-year plans are considered standalone analyses subject to then-applicable Act requirements and DWR review. As such, issues with past requirements, including this Delta-related addendum, must be amended into the UWMP applicable to that time period rather than simply incorporated into the next UWMP update cycle.

Public Review

Per the Act, a Public Review Draft of CCWD's 2020 UWMP and WSCP, and 2015 UWMP Delta Addendum have been made available for public review and comment. Hardcopies will be made available for viewing at CCWD's office and at the local public library in San Andreas. Digital copies can also be found on CCWD's website at: <https://ccwd.org/water-resources/>

The public comment period is open from April 26 to May 21, 2021 (30-days) during which time CCWD will hold a virtual public hearing (during a regularly scheduled Board meeting). The May 12 hearing will provide the public an opportunity to give oral comments on the Draft 2020 UWMP, WSCP, and 2015 UWMP Delta Addendum.

CCWD will review and consider all comments and feedback received at the hearing, and all written comments received by May 21, 2021 by 5:00 pm (PST). All written comments may be submitted by to Brad Arnold, CCWD's Water Resources Program Manager, via e-mail at brada@ccwd.org or mailed to "Calaveras County Water District, Attn: 2020 UWMP Update, 120 Toma Court, San Andreas, CA 95249".

FINANCIAL CONSIDERATIONS:

None at this time.

Attachment: None

Agenda Item

DATE: April 28, 2021

TO: Michael Minkler, General Manager

FROM: Rebecca Callen, Director of Administrative Services

SUBJECT: Discussion/Action regarding Awarding Contract for the District's Auditing Services

RECOMMENDED ACTION:

Motion: _____ / _____ adopting Resolution No. 2021 - ____ Awarding Contract for Fiscal Year 2020-21 through 2022-23.

SUMMARY:

The District issued a Request for Proposal (RFP) for Professional Auditing Services on December 17, 2020, with a submittal deadline of February 26, 2021. The RFP was placed on the District's Public Purchase portal and invitations to respond were emailed to known and historically referenced Certified Public Accounting firms with experience in government accounting; 20 firms reviewed the RFP. 11 firms downloaded the documents, and 4 RFP responses were submitted. Staff reviewed the proposals for compliance with the RFP requirements, including experience of assigned personnel with similar engagements, qualifications of the firm, and approach to the engagement. Cost was considered; however, cost was not the sole selection criteria.

Per the Financial Management Policy 5.13- Financial Audit Policy section 5.13.34 states that Finance Staff and the General Manager will review the qualifications of the prospective firms and make a recommendation to the Board of Directors. The recommendation was brought to the Finance Committee on April 20, 2021, and it was recommended to bring to the full Board.

Staff recommend Richardson & Company, as they most closely meet the needs of the District and requests the Board award a three-year contract for auditing services in accordance with their proposal dated February 26, 2021 (attached). Staff also requests the Board authorize the General Manager to execute said agreement.

While Richardson & Company has been the District's Auditor for the last several years, their proposal allows for the rotation of senior staff to meet the requirements of the District's policy.

FINANCIAL CONSIDERATIONS:

The three-year agreement for auditing services, including an audit of the Calaveras County Water District Public Financing Authority, is estimated to be \$97,350.

Attachments: *Resolution 2021-____ Approving Awarding Contract for Auditing Services with Richardson & Company, LLP, Certified Public Accountants*
Richardson & Company Proposal
Response Overview Sheet

RESOLUTION NO. 2021 -

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT**

**AWARDING CONTRACT FOR
AUDITING SERVICES FOR FISCAL YEAR 2020-21 THROUGH 2022-2023**

WHEREAS, Financial Management Policy 5.13 – Financial Audit Policy requires a Request for Proposals for Auditing Services be issued at least once every six years; and

WHEREAS, the last RFP for Auditing Services was issued January 20, 2016; and

WHEREAS, the District issued a Request for Proposal (RFP) on December 17, 2020 for Auditing Services and received four (4) responses; and

WHEREAS, the Director of Administrative Services and the General Manager reviewed the proposals; and

WHEREAS, the recommendation was made to the Finance Committee and approved on April 20, 2021.

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT hereby authorizes the General Manager to execute a three-year Agreement for Auditing Services with Richardson & Company estimated to be \$104,725.

BE IT FURTHER RESOLVED, the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT authorizes the General Manager to negotiate a provision for “as needed” support beyond the level outlined in the proposal but within the constraints of the adopted FY 2021-22 Operating Budget.

PASSED AND ADOPTED this 28th day of April, 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

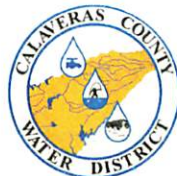
Jeff Davidson, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

Master Copy

TECHNICAL PROPOSAL TO PERFORM
INDEPENDENT AUDITING SERVICES
FOR



FOR THE YEARS ENDED
JUNE 30, 2021, 2022 AND 2023

Richardson & Company, LLP

550 Howe Avenue, Suite 210
Sacramento, California 95825

Primary Contact Person:

Ingrid Shepline or Brian Nash

lsheipline@richardsoncpas.com or bnash@richardsoncpas.com

(916) 564-8727

February 16, 2021

TABLE OF CONTENTS

Transmittal Letter.....	1
Richardson & Company, LLP Profile	
License to Practice and Perform Government Audits.....	5
Firm Qualifications and Experience.....	5
Qualifications of Our Key Personnel.....	9
Similar Engagements with Other Government Entities.....	13
Specific Audit Approach.....	17
Attachment A – Peer Review Report.....	22



550 Howe Avenue, Suite 210
Sacramento, California 95825

Telephone: (916) 564-8727
FAX: (916) 564-8728

February 16, 2021

Rebecca Callen, Director of Administrative Services
Calaveras County Water District
120 Toma Court
P.O. Box 608
San Andreas, California 95249

Thank you for your interest in our firm and the opportunity to present our proposal to serve the **Calaveras County Water District** (the District). We are genuinely enthusiastic about the prospect of continuing to serve as your auditors. Auditing special districts, especially water districts, has developed into one of our firm's major areas of expertise. If given the opportunity, you can be sure that we would serve the District with great care and pride.

Our Understanding of the Services to be Performed

We will audit and express opinions on the fair presentation of the District's financial statements in conformity with U.S. generally accepted accounting principles for the years ending June 30, 2021, 2022 and 2023. The audits will be conducted in accordance with U.S. generally accepted auditing standards, the standards set forth for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. In conjunction with our audit, we will also issue a report on internal controls and compliance, a management letter and auditor's communication letter. If the District expends more than \$750,000 of federal funds in a year, we will perform an audit under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and the Single Audit Act. We will also prepare the financial statements and annual Financial Report to the State Controller.

Benefits of Auditor Continuity vs. Rotation

Our selection to continue as your independent accountants would be the best decision you could make because audits are strengthened by audit firm continuity since there is a significant benefit to the audit process in being well acquainted with a client's operations and controls, which allows the auditor to focus on the real issues facing the organization. A study conducted by the American Institute of Certified Public Accountants (AICPA) concluded that firm rotation is disruptive, time consuming and increases an organization's overall cost because more internal resources are diverted to the audit effort instead of being directed toward achieving the organization's goals. The study also concluded that experience has shown that audit failure occurs more frequently when a firm is in its first couple of years as auditors. The U.S. General Accounting Office (GAO) was required by the Sarbanes-Oxley Act to study the potential effects of mandatory audit firm rotation. In its report released in late 2003, the GAO concluded that "mandatory audit firm rotation may not be the most efficient way to strengthen auditor independence and improve audit quality considering the additional financial costs and the loss of

institutional knowledge of the previous auditor of record, as well as the current reforms being implemented.” It went on to say, “The potential benefits of mandatory audit firm rotation are harder to predict and quantify,” though the GAO states it is fairly certain there will be additional costs if a mandatory rotation policy were to be adopted.

Auditors are required to gain and document an understanding of internal controls as part of the audit planning process. Understandably, this process is especially costly in the first year of an audit engagement, because the auditors are becoming acquainted with and documenting the internal controls for the first time. A multi-year audit contract has the advantage of allowing auditors to recover these and similar start-up costs over a longer period of time, which can lead to lower overall audit costs. Also, multi-year audit contracts can help create needed continuity in the audit process. Since we have already incurred the first-year start-up costs and are well acquainted with the District’s operations and controls, our selection to continue as your auditors would provide for better audits with less disruption to the District’s staff.

California Government Code Section 12410.6(b) requires local agencies to rotate the lead audit partner after six consecutive years of serving as the agency’s audit partner. Brian Nash has been the lead audit partner for five consecutive years. Thus, we propose Brian will be the lead audit partner in 2021 and we will rotate partners during the 2022 audit to satisfy this requirement. We are proposing that Brian Nash will return to the engagement as the lead audit partner during the 2023 audit because he is the most familiar with the District’s operations, has the institutional knowledge the PCAOB and GAO indicated is so crucial to an effective audit and the audit partner rotation requirement will have been fully satisfied. If the District would like to exceed the auditor rotation requirements under the California Government Code, Ingrid Shepline could serve as the District’s lead audit partner in 2021 and could continue to serve as the District’s lead audit partner.

Our Commitment to Perform Timely Services

We have a reputation for meeting our client’s deadlines. You have indicated that our draft reports shall be available by October 30. To ensure meeting these reporting deadlines, we will begin our preliminary planning in May and will obtain an understanding of internal controls and perform tests of controls and risk assessment procedures in May or June. We will provide the District with an audit plan, including list of schedules and other work requested in June. We will plan to commence year-end fieldwork in September, or at such time as the books have been closed and all documents and analyses have been completed. We will ensure draft reports are available no later than October and final copies of the audit reports are available by November 10. We will provide the District with the priority and timely service it deserves.

We are available through the year to answer questions and encourage our clients to ask questions as the issues surface. We are timely and responsive to our clients’ questions and requests for information. We have established a reputation with our clients for quality service, timeliness and professionalism. Accordingly, we have included some of these entities as references in this proposal and we encourage you to contact them.

Why We Are Best Qualified to be the District’s Auditors

In any service organization, it is the people who make the difference. Our team members know and understand the challenges and opportunities confronting governmental entities and our team consists of professionals who have proven their ability to provide auditing services to reclamation, water and utility districts. Serving this industry with its unique reporting requirements has developed into one of our firm’s areas of expertise. We have gained a significant understanding of the District’s operations and challenging accounting issues,

including the interfund loans between the Water and Sewer Fund and the intra-fund loans from restricted funds that self-eliminate for reporting purposes. We understand the Sewer Fund's past financial challenges that led to borrowings from the Water Fund and the rate study implemented to allow the Fund to support operations and repay the Water Fund. We understand the District's transactions with other agencies, such as the power sales through the Northern California Power Agency and FERC charges to the District, as well as water rights in New Hogan Reservoir. We understand the interaction with the special districts reported as agency funds and past inadvertent subsidy of one of the special district's expenses. We alerted prior management to this issue and monitor it during our audit. We are past the learning curve that other audit firms would face, which allows us to focus on the District's true accounting and reporting issues.

Included in the list of governmental entities we have served in the water industry are Calaveras County Water District, Tuolumne Utilities District, Amador Water Agency, Sacramento Suburban Water District, Reclamation District 1000, Reclamation District 2035, Glenn-Colusa Irrigation District, El Dorado Irrigation District, San Juan Water District, South Feather Water and Power Agency, Yolo County Flood Control and Water Conservation District, Fair Oaks Water District, Carmichael Water District, Nevada Irrigation District, Yuba County Water Agency, Del Paso Manor Water District, Merced Irrigation District, San Luis & Delta-Mendota Water Authority, Tri-Dam Project and Power Authority, Oakdale Irrigation District, South San Joaquin Irrigation District, Citrus Heights Water District, Florin Resource Conservation District, Yolo Subbasin Groundwater Agency, Rio Linda/Elverta Community Water District, American River Flood Control District, San Joaquin Valley Drainage Authority and South Yuba Water District, among other water-related entities. We have also audited cities that have water and/or sewer operations, including the Cities of Chico, American Canyon, Sutter Creek, Colfax, Lincoln, Dixon, West Sacramento, Rocklin, Folsom and Marysville.

We have audited the California Department of Water Resources on behalf of a large Southern California water agency for the past forty years, including twelve years while key personnel in our firm were with Ernst & Young. The agency is a consortium of twenty-six cities and water districts serving nearly nineteen million people in the Los Angeles and San Diego areas. It is the largest water district in the world. This large, complex audit of the multi-billion dollar State Water Project managed by the California Department of Water Resources is on a scale and nature as to rarely be performed by other than "Big Four" firms.

We also have extensive experience with performing audits of other special districts and joint powers authorities listed in this proposal. We have also provided audit services to most of the cities in the Sacramento area, which includes services provided that are similar to those the District provides. We have extensive experience with Single Audit Act procedures and reports, preparation of State Controller's Reports, pension and OPEB entries and disclosures, letters to underwriters and preparation and review of Comprehensive Annual Financial Reports for compliance with the GFOA's preparers checklist in order to receive the Certificate of Achievement for Excellence in Financial Reporting. Providing these services for these entities makes us exceptionally well qualified to provide the services you currently request and to provide you with these additional services should you request them in the future.

We are a good fit for the District due to the size of our firm. Because we have an extensive audit practice and have audited large local water agencies and the State Water Project, as well as cities with over \$1 billion in assets, we have the experience and knowledge of larger firms. Smaller local firms do not have this experience and may not understand your complex accounting issues. However, we are not so large that the District would not be an important client to our firm. We would continue to staff the audit with experienced auditors and would continue to respond timely

to the District's questions. Smaller firms would not have our depth of experience and larger firms would likely staff the audit with junior accountants, may not respond as timely to questions and would be subject to quality control reviews at a central office that could delay the audit. For this reason, we believe we are best qualified to perform the audit of the District.

Our Profile and Commitment to Quality

Richardson & Company, LLP is a regional CPA firm established in 1991 and located in Sacramento. We have a staff of twenty-eight, including fifteen CPAs. We are among the top 15 largest CPA firms operating in the Sacramento area. Richardson & Company, LLP is a certified Micro-Small Business Enterprise by the California Department of General Services and a certified Disadvantage Business Enterprise and Woman-owned Business Enterprise by Caltrans. All of our professional staff have governmental auditing experience. We provide audit services to numerous governmental entities, including water and utility districts, park and recreation districts, cities, fire districts, regional transportation planning agencies, Transportation Development Act funding recipients, joint powers authorities and other special districts. We also provide audit services to nonprofit organizations, financial institutions, real estate partnerships and several others. We provide tax services to our audit clients requiring those services. Our firm is dedicated to providing our clients with quality audit, tax, accounting and business advisory services at a reasonable cost consistent with the highest professional standards.

We are registered with the Public Company Accounting Oversight Board (PCAOB) and we are a member of the Center for Audit Quality and the Center for Public Company Audit Firms of the American Institute of Certified Public Accountants (AICPA). All firms that join the Center for Audit Quality agree to adhere to published AICPA and PCAOB quality control standards and submit to peer reviews and PCAOB inspections of their practice every three years. We have passed all nine peer reviews and all three PCAOB inspections of our practice.

* * * * *

Once again, we would like to thank you for the opportunity to discuss our services, present our qualifications, and submit our proposal to serve as independent auditors for the District. We are genuinely enthusiastic over the prospect of serving you and sincerely believe that we have the people, experience, resources and reputation to assure you of outstanding services. For the preceding reasons and many others as outlined in this proposal, we genuinely believe that your selection of our firm as the District's independent accountants is the best decision that the District could make.

If you have questions or need additional information, please contact Ms. Ingrid Sheipline or me at (916) 564-8727, fax (916) 564-8728, correspondence at 550 Howe Avenue, Suite 210, Sacramento, California 95825 or email sent to bnash@richardsoncpas.com or isheipline@richardsoncpas.com. This proposal is a firm and irrevocable offer for 60 days. We accept the District's Standard Agreement format as provided in Exhibit C of the Request for Proposal.

Very truly yours,
RICHARDSON & COMPANY, LLP



Brian Nash, CPA
Partner

RICHARDSON & COMPANY, LLP PROFILE

License to Practice

Richardson & Company, LLP and all assigned key professional staff are properly licensed to practice in the State of California, and are in good standing with the Board of Accountancy.

Firm Qualifications and Experience

Richardson & Company, LLP (successor to Richardson & Company) is a regional CPA firm established in 1991 and located in Sacramento. We have a total staff of twenty-eight, including fifteen CPAs. Our governmental audit staff totals twenty-five, all of which work on water agency audits. We plan to have a partner, senior manager, senior and two staff assigned to your audit on a full-time basis. Richardson & Company, LLP is a certified Micro-Small Business Enterprise by the California Department of General Services and a certified Disadvantage Business Enterprise and Woman-owned Business Enterprise by CalTrans. We provide audit, accounting, tax and business advisory services to governmental entities (water districts, cities, regional transportation planning agencies, special districts and joint powers authorities), nonprofit organizations, financial institutions and bank holding companies, real estate partnerships, a magazine circulation audit and others primarily located in northern California and Oregon, including the largest water district in the world located in Los Angeles. We perform Single Audit Act and grant compliance audits for both nonprofits and governmental entities. We perform audits of special districts in accordance with Minimum Audit Requirements and Reporting Guidelines for Special Districts as required by the State Controller's Office, and *Government Auditing Standards* as issued by the Comptroller General of the United States. We provide tax services to our audit clients requiring those services.

Since leaving the international CPA firm of Ernst & Young LLP, Joe Richardson (deceased), the founder of Richardson & Company, Ingrid Shepline, Brian Nash and their team have built a practice oriented toward providing services equal in caliber to those provided by firms operating on a national level. We believe we have the expertise in the governmental field to ensure high-quality service.

The services we provide to the clients above and other clients prove that we have the ability to provide the services that the District requires. Examples of these services include the following:

- We conduct the audits of the financial statements of numerous special districts, including water districts, as well as several cities, some of which have water operations and other enterprise funds similar to those of the District. Our experience performing these audits of general and special purpose governmental financial statements has made us thoroughly familiar with the application of generally accepted governmental accounting principles.
- The past several years we have provided the Cities of West Sacramento, American Canyon, Rancho Cordova, Dixon, Chico, Citrus Heights, Elk Grove and Folsom and the Cosumnes Community Services District, Fair Oaks Water District, San Juan Water District, Oakdale Irrigation District, El Dorado Irrigation District, Marin County Transit District, Florin Resource Conservation District, Mountain House Community Services District, Sacramento Metropolitan Fire District and San Joaquin Council of Governments with extensive assistance in the preparation of their Comprehensive Annual Financial Report (CAFR), including the first CAFR the City of Rancho Cordova, Cosumnes Community Services District, Sacramento Metropolitan Fire District, Florin Resource Conservation District, Mountain House Community Services District and San Joaquin

Council of Governments had ever prepared. The CAFRs for all of these agencies have received the Government Finance Officers Association's Certificate of Achievement for the years we have assisted them.

- We have provided federal compliance auditing services to numerous entities, including the South San Joaquin Irrigation District, El Dorado Irrigation District, Calaveras County Water District, Rio Linda/Elverta Community Water District, Yuba County Water Agency, Cities of Chico, Colfax, Lincoln, Elk Grove, West Sacramento, Citrus Heights, Marysville, Sutter Creek, Colusa, Amador Transit, Butte County Association of Governments, Yolo County Transportation District, El Dorado County Transit Authority, Courtland Fire Protection District, Yuba-Sutter Transit Authority, the Transport System of the University of Davis, Paratransit and to several nonprofit organizations receiving federal grants that must also comply with *Government Auditing Standards*, which are the same standards that apply to the District, and the Single Audit Act.

In addition, Ingrid Shepline has gained an extensive amount of governmental accounting and auditing experience in her previous position with Ernst & Young LLP, including the following:

- Provided auditing services to numerous state and local government units that face the same unique governmental accounting and auditing aspects as the District such as accounting for bonds and related refundings, extensive reporting requirements, basis of accounting, and budgetary and other legal compliance requirements. These entities include the California Department of Water Resources Enterprise Fund, Sacramento County, Solano County Private Industry Council, City of Woodland, City of Lodi and California Housing Finance Agency. The audits of Sacramento County and City of Woodland also involved the preparation of award winning CAFRs.
- Established an audit approach for testing for compliance with federal, state and local grant requirements, including application of the Single Audit Act, for Sacramento County, City of Lodi and California Housing Finance Agency.

Our firm and its key members presently provide or have provided auditing and consulting services to the following water districts and agencies:

- **Large Southern California Water Agency**
We perform the ongoing audit of the cost accounting records of the State Water Project on behalf of one of the world's largest water agencies, including completion of numerous special projects, reviewing the Department of Water Resources budget and representing the agency at meetings with Department of Water Resources personnel.
- **Department of Water Resources - State Water Resources Development System**
Conducted the financial audit of the State Water Resources Development System enterprise fund and provided other services associated with bond offerings and refundings, including letters to underwriters.
- **Central Valley Project Water Association (CVPWA)**
CVPWA is an association of approximately 250 water users receiving water from the Central Valley Project. The Central Valley Project is maintained and operated by the U.S. Bureau of Reclamation. We have performed audits of the Bureau's cost accounting records of the Central Valley Project on behalf of CVPWA, including the completion of numerous special projects. The Bureau uses the FERC chart of accounts.

- **Department of Water Resources - Reid Gardner Power Plant and Pine Flat Power Sales Contract**

Examination of the costs associated with the Department's Participation Agreement with Nevada Power Company for the construction and operation of Reid Gardner Unit No. 4 and the costs associated with the Pine Flat Power Sales Contract between the Department and Kings River Conservation District.

- **Santa Clara Valley Water District, East Bay Municipal Utility District, Contra Costa Water Agency, Westlands Water District and Other Federal Water Users**

Performed several special auditing and consulting projects for these districts related to their contracts with the U.S. Bureau of Reclamation for delivery of water from the Central Valley Project.

Quality Control and Peer Review: We are a member of the Center for Audit Quality of the American Institute of Certified Public Accountants (AICPA) and participate in the California Society of CPA's Peer Review Program. We are registered with the Public Company Accounting Oversight Board (PCAOB) created by the Sarbanes-Oxley Act to inspect firms that audit SEC registrants. Membership in the Center for Audit Quality is voluntary and all firms that join agree to adhere to published quality control standards and submit to peer reviews and inspections of their practice every three years. We have passed all nine of our peer reviews with a "clean opinion" and all three PCAOB inspections. The nine peer reviews cover the entire thirty-year period our firm has been in existence. Our latest peer review is attached to this proposal. All of our peer reviews have included government engagements.

The quality control policies for our auditing practice are described in detail in our firm's Quality Control Document. All employees and members of our firm are provided with a copy of our Quality Control Document and are responsible for understanding, implementing and adhering to these policies and procedures. Our policies and procedures cover each of the following six elements of quality control: 1) Leadership, 2) Relevant Ethical Requirements, 3) Acceptance and Continuance of Clients and Engagements, 4) Human Resources, 5) Engagement Performance and 6) Monitoring. The adequacy of our quality control system and our compliance with that system are independently evaluated every three years through a peer review.

We also demonstrate our commitment to providing quality service in many other ways, including:

- Organizing, staffing, and managing engagements to provide for appropriate levels of technical competence, experience, supervision and review.
- Undertaking quality control reviews of selected engagements to assure compliance with professional standards.
- Recognizing our obligation to the public as well as to our clients.
- Conducting engagements in accordance with clients whose concern for reputation and integrity is similar to our own.
- Promoting the growth of our firm primarily by referrals from existing clients satisfied with the quality of our services.

In addition to excellent peer review and inspection results, other examples of our commitment to quality include:

- Assisting numerous governmental entities with receiving the Certificate of Excellence in Financial Reporting awarded by the Government Finance Officers Association, including several that received the award on the first attempt.
- Engaging a nationally recognized accounting consultant who has authored several accounting and reporting manuals, including those dealing with SEC matters, as technical support for our firm in addition to the support customarily available through the American Institute and California Society of CPAs.
- Engaging a partner and Director of Audit and Banking Practices for a large midwestern firm to serve as the concurring reviewer for our SEC registrant bank as well as providing consultation with respect to audit and accounting issues for other clients. He has extensive experience auditing banks and public companies as result of more than twenty years with Ernst & Young, KPMG and his current firm.
- Auditing the California Department of Water Resources on behalf of a large Southern California water agency for the past thirty years, including twelve years while key personnel in our firm were with Ernst & Young. The agency is a consortium of twenty-six cities and water districts serving nearly nineteen million people in the Los Angeles and San Diego areas. It is the largest water district in the world. This large, complex audit of the multi-billion dollar State Water Project managed by the California Department of Water Resources is on a scale and nature as to rarely be performed by other than “Big Four” international CPA firms.
- Performing several special investigative audits for governmental special districts that have received extensive statewide news media attention. Being selected several times to conduct this special audit work demonstrates that our firm has the resources and expertise to successfully complete difficult, unusual auditing projects in a timely manner. Our investigations discovered several problems and our audit results were made public by the districts involved. The FBI, IRS and district attorney’s office subpoenaed our workpapers to assist them with their investigations. We have testified in federal court and given depositions related to this work which, in certain cases, resulted in managers and assistants serving federal prison sentences.
- Preparing audited financial statements and other information for inclusion in several public offering documents reviewed by the SEC and other CPA firms, including Big Four firms, with minimal insignificant changes.
- Preparing audited financial statements reviewed by the State Board of Accountancy without change.

Federal/State Reviews: Our firm has not been the subject of any federal or state desk or field reviews of its audits during the past three years or ever. The firm and its staff are not currently or has not previously been the subject of any disciplinary actions.

QUALIFICATIONS OF OUR KEY PERSONNEL

We have the personnel with the necessary professional qualifications and technical ability to provide you with the quality service you are looking for. As you can see from the resumes of our key personnel, we have developed the proficiency in the accounting principles and standards and governmental and grant compliance auditing to ensure you will receive quality work. Our firm philosophy centers around our commitment to the highest level of quality service--delivered by quality people. We have a history of providing technical excellence through teamwork responsive to clients' needs and expectations. Our commitment to quality results in satisfying the needs of our clients by providing value-added services and attracting and retaining clients of the highest caliber.

Our key audit executives will participate heavily in the audit of the District. This assures the District will receive a quality audit managed and executed on-site by seasoned professionals, knowledgeable of the government and specifically the water industry. We believe the quality of our services exceeds that of national and other firms because our audit team uses more experienced professionals to actually perform the work. National and other firms typically rely heavily on senior and staff accountants to perform audit fieldwork with minimal on-site direction from partners or managers.

The following resumes outline the qualifications and experience of our key team members.

Brian Nash, CPA (Audit Partner)

Brian, a Certified Public Accountant and partner with our firm, would serve as the audit partner during the 2021 audit. After the 2021 audit, partner rotation would be required by the California Government Code. He would have overall responsibility for planning, directing and coordinating our services for you. Since significant and timely partner involvement is a cornerstone of our quality control procedures, he will be involved in all phases of our audit work from initial planning through report preparation. He has twenty-eight years of professional accounting and auditing experience and has provided services to a variety of clients, including most of the government entities, nonprofits, banks, water agencies and other entities described in the following section of this proposal. He currently serves or has served a number of the water agencies, including Calaveras County Water District, Tuolumne Irrigation District, El Dorado Irrigation District, Florin Resource Conservation District/Elk Grove Water District, Oakdale Irrigation District, San Juan Water District, South San Joaquin Irrigation District, Sacramento Suburban Water District, Tri-Dam Project, Tri-Dam Power Authority, Yuba County Water Agency, Yolo County Flood Control and Water Conservation District, Yolo Subbasin Groundwater Agency, San Luis and Delta-Mendota Water Authority, San Joaquin Valley Drainage Authority, South Feather Water and Power Agency, Citrus Heights Water District, Solano County Water Agency, Merced Irrigation District and South Yuba Water District and numerous other governmental agencies, including cities and other special districts. Brian received a Bachelor of Science degree in accounting with honors from California State University, Sacramento. He is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants and is licensed to practice in California.

Ingrid M. Shepline, CPA (Managing Partner and Concurring Reviewer)

Ingrid serves as our Managing Partner and would be the District's concurring reviewer during the 2021 audit and would become the engagement lead partner during the 2022 audit to satisfy

partner rotation requirements under the California Government Code. Formerly an audit manager with Ernst & Young LLP, she is a Certified Public Accountant with over thirty-five years of experience. Ingrid has supervised and conducted the fieldwork for a variety of clients including governmental entities, nonprofit organizations, utilities, banks, insurance agencies, manufacturers and distributors. While with Ernst & Young LLP, she specialized in governmental entities and grant compliance auditing, and has attended or taught numerous governmental education seminars. She is currently serving or has served almost all of the governmental entities listed in this proposal, including most of the water agencies and water industry related associations, such as Amador Water Agency, American River Flood Control District, Del Paso Manor Water District, Glenn-Colusa Irrigation District, Tuolumne Utilities District, El Dorado Irrigation District, South Feather Water and Power Agency, Fair Oaks Water District, Sacramento Suburban Water District, Carmichael Water District, San Juan Water District, Citrus Heights Water District, Reclamation District 1000, Reclamation District 2035, Merced Irrigation District, Nevada Irrigation District, Rio Linda/Elverta Community Water District, South Yuba Water District, Delta Conveyance Finance Authority, Solano County Water Agency, South Sutter Water District, Sacramento Groundwater Authority, Regional Water Authority, California Urban Water Agencies, Central Valley Project Water Contractors and Central Valley Clean Water Association.

Ingrid has a Bachelor of Science degree in accounting with honors from California State University, Sacramento. She is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants, having served on the Board of Directors of the Society's Sacramento Chapter and as a member of the Government and Nonprofit Committee. She is licensed to practice in California.

David Chiaravalloti, CPA (Audit Senior Manager)

David, a senior audit manager with our firm, will organize, conduct, review and evaluate field work and will be responsible for the planning and report preparation and review under the direction of Brian or Ingrid. He will work on-site for the duration of fieldwork. He has extensive experience auditing the District and other water districts, cities and other governmental entities with Richardson & Company, LLP and another CPA firm. He has twenty-two years of professional experience, including sixteen years with our firm. The clients he has served with water and/or sewer operations include Calaveras County Water District, San Luis Delta-Mendota Water Authority, San Joaquin Valley Drainage Authority, Fair Oaks Water District, Citrus Heights Water District, South Yuba Water District, Yolo County Flood Control and Water Conservation District, Yolo Subbasin Groundwater Agency, Mountain House Community Services District, City of West Sacramento, City of Lincoln and City of Colfax. He also has experience with other public agencies including auditing proprietary funds at cities. David received a Bachelor of Science degree in accounting from California State University, Sacramento. He is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants and is licensed to practice in California.

Other Staff

We would assign senior and staff accountants to the engagement with experience working on governmental audits since everyone in our firm is required to work on a portion of our previously mentioned audits. All of the staff that have worked on the District's audits would continue to be assigned to the District's audit. We have five other managers with water agency experience should we need to rotate audit managers. Fifteen out of our twenty-five professional staff are CPAs.

Our Commitment to Staffing Continuity

Richardson & Company, LLP has proven its ability to attract and retain an excellent professional staff to serve our clients and meet our commitments. We currently have twenty-five professional staff, including fifteen CPAs, and three administrative staff. In addition, while national and other firms have high staff turnover rates, which makes it difficult to provide staffing continuity from year to year, our firm has experienced a very low turnover rate. Accordingly, we commit to maintaining a staffing level sufficient in size and experience to successfully complete the audit each year. We consider staffing to be of the utmost importance because of its significant impact on our ability to provide you with outstanding service. We have consistently demonstrated our firm's ability to recruit, train and maintain a quality staff as evidenced by our excellent peer review results and our ability to consistently attract and serve quality clients.

If selected as your auditors, Brian Nash would have overall responsibility for the 2021 audit unless you would like to rotate audit partners to Ingrid Sheipline. Brian or Ingrid would spend a substantial amount of time on site during the audit and will assist with the resolution of any issues. Ingrid would work closely with Brian and David to ensure they have all the resources necessary to provide the District with excellent service. Brian has been with the firm since 1993 and Ingrid has been with our firm since its inception in 1991.

The engagement manager would be David, who has been with our firm for sixteen years. He would work on site as the in-charge accountant during the duration of the audit fieldwork. While we would have other auditors assigned to the engagement with less experience, they will always be supervised by David.

We will strive to maintain continuity of staff as long as the individuals are employed by the firm but should there be a need to replace a key staff member, we will discuss the changes with the District. If personnel changes are for reasons other than leaving the firm, promotion or assigned to another office, we will obtain express prior written approval of the District. We understand the District retains the right to approve or reject replacements. Replacements of other personnel will have substantially the same or better qualifications or experience.

Education

Our firm regularly attends courses on government accounting and auditing issues and grant compliance auditing and is represented at the California Society of CPA's Sacramento Chapter of the Government Committee to stay abreast of current issues affecting the government industry. Consistent with *Government Auditing Standards*, each of our auditors that are responsible for planning, directing, conducting or reporting on any of our government-related audits completes 80 hours of continuing education and training every two years, including subjects directly related to the government environment and to grant compliance auditing. All personnel that will be assigned to your engagement team have attended governmental training programs. Our governmental training program consists of governmental courses offered by professional societies as well as subscription to a video training service that includes significant issues relating to governmental accounting standards and grant compliance presented by top government experts from throughout the country. We also provide internally developed classes addressing current accounting and auditing issues pertinent to our clients. Topics of these courses attended by each of the staff above over the past three years have included the following:

Annual Governmental Accounting and Auditing Conference	Communicating Internal Control in Government Audits
Government Auditing Standards	GASB, New Standards
Audit Risk Assessment Standards	Government Fraud: Profiling & Prevention
New Guidance: From Derivatives to OPEB	GASB 54 - Implementation Issues for Preparers and Auditors
Fraud: Exposures and Solutions	The Accounting Controls Guidebook
Fraud Update	Government Pension Accounting Standards
The Reporting Model - Revisiting GASB 34	GASB's Defined Benefit Pension A&A Standards
Audit Issues/Compliance Update	Auditing Standards Update
Governmental Legal Update	Government Audits: From Improper Payment to Change Agent
Internal control and Fraud Detection	How the New "Risk-Based" Audits Will Affect You
State and Local Government update on Legislation	Pension Obligations: Improving Accounting & Financial Reporting
Overview of GASB Proposals for Financial Statement Users	GASB: Continued Progress, Continued Issues
Where's GASB Headed With the Financial Reporting Model Project?	Scouting the Landscape of California Government Finance Today
Employee Fraud	OPEB and New Accounting Standards GASB 75
Single Audit: Where's It Going	GASB Update 2018
Municipal Bonds & Municipal Finance: What's Going On?	AICPA Update 2018
2018 Yellow Book: What You Need to Know	Leasing Standards (GASB 87) and Fiduciary Activities (GASB 84)
Government Auditing Standards and Single Audit Issues	2019 Yellowbook and Single Audit Update
GASB Update 2019	What the State Auditor Does
New Financial Reporting Model	2020 GASB Standards Update
Occupational Fraud and Abuse	
2020 AICPA Standards Update	
2020 Yellow Book and Single Audit Update	

SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

Most Significant Engagements

The following is a list of the most significant engagements in the last five years that are similar to the engagement described in the District's Request for Proposal.

Name of referenced entity: San Luis & Delta-Mendota Water Authority
Name of client contact and title: Joyce Machado, Director of Finance
Email: joyce.machado@sldmwa.org
Address: P.O. Box 2157
Los Banos, California 93635
Phone number: (209) 826-7867
Services performed: Audit of the financial statements in accordance with generally accepted auditing standards and *Government Auditing Standards*. \$82 million of revenues and \$89 million of assets.
Completion dates: Years ended February 28, 2018 through 2020.
Engagement partner: Brian Nash
Total hours: 605

* * * * *

Name of referenced entity: Sacramento Suburban Water District
Name of client contact and title: Jeff Ott, Director of Finance and Administration
Lynn Pham, Controller
Email: jott@sswd.org, lpham@sswd.org
Address: 3701 Marconi Avenue
Sacramento, California 95821
Phone number: (916) 972-7171
Services performed: Audit of the financial statements in accordance with generally accepted auditing standards, and *Governmental Auditing Standards*, a Single Audit and review of the CAFR. Also completed extensive special project work on behalf of the Board of Directors. \$50 million of revenues and \$356 million of assets.
Completion dates: Years ended January 31, 2003 through December 31, 2006 and 2014 through 2019.
Engagement partner: Ingrid Shepline
Total hours: 435

* * * * *

Name of referenced entity: El Dorado Irrigation District
Name of client contact and title: Tony Pasquarello, Accounting Manager
Email: tpasquarello@eid.org
Address: 2890 Mosquito Road
Placerville, California 95667
Phone number: (530) 642-4019
Services performed: Audit of the financials in accordance with generally accepted auditing standards, and *Governmental Auditing Standards*, single audit and preparation of the CAFR. \$101 million of revenues and \$838 million of assets.
Completion dates: Years ended December 31, 2002 through 2006 and December 31, 2012 through 2016.
Engagement partner: Brian Nash
Total hours: 750

* * * * *

Name of referenced entity: Tuolumne Utilities District
Name of client contact and title: Steve Sheffield, CPA, Finance Director
Address and phone number: 18885 Nugget Blvd.
Sonora, California 95370
(209) 532-5536 ext. 482
Email address: s.sheffield@tudwater.org
Services Performed: Audit of the financials in accordance with generally accepted auditing standards, and *Governmental Auditing Standards* and preparation of the State Controller's Report. \$13 million of revenues and \$87 million of assets.
Completion dates: Years ended June 30, 2013 through 2020.
Engagement Partner: Ingrid Sheipline and Brian Nash
Total hours: 500

* * * * *

The following is a list of governmental and governmental-affiliated entities we are currently serving or have served:

Water Agencies

- Calaveras County Water District
- Tuolumne Utilities District

- Amador Water Agency
- Reclamation District 1000
- Reclamation District 2035
- American River Flood Control District
- Glenn-Colusa Irrigation District
- El Dorado Irrigation District
- San Luis and Delta Mendota Water Authority
- San Joaquin Valley Drainage Authority
- Sacramento Suburban Water District
- San Juan Water District
- South Feather Water and Power Agency
- Yolo County Flood Control and Water Conservation District
- Fair Oaks Water District
- Carmichael Water District
- Nevada Irrigation District
- Yuba County Water Agency
- Del Paso Manor Water District
- Merced Irrigation District
- San Luis & Delta-Mendota Water Authority
- Tri-Dam Project
- Tri-Dam Power Authority
- Oakdale Irrigation District
- South San Joaquin Irrigation District
- Citrus Heights Water District
- Florin Resource Conservation District aka Elk Grove Water District
- Yolo Subbasin Groundwater Agency
- Rio Linda/Elverta Community Water District
- South Yuba Water District
- State Water Project Contractors Authority
- Regional Water Authority
- Sacramento Groundwater Authority
- Solano County Water Agency
- South Sutter Water District
- San Joaquin Valley Drainage Authority
- Delta Conveyance Finance Authority

Non-profits in Water Industry

- California Urban Water Agencies
- California Water Association
- Central Valley Clean Water Association

Other Governmental Agencies

- Cities of West Sacramento, Elk Grove, Chico, Lincoln, Colfax, Citrus Heights, American Canyon, Sutter Creek, Sonoma, Rocklin, Marysville, Ione, Dixon, Folsom, Rancho Cordova, Colusa and Biggs
- El Dorado County Transportation Commission
- El Dorado County Transit Authority
- El Dorado County Emergency Services Authority
- El Dorado Hills Fire Department

- California Tahoe Emergency Services Authority
- Sacramento Metropolitan Fire District
- Sacramento Area Council of Governments
- Sacramento Transportation Authority
- Sacramento Public Library Authority
- Sacramento Regional Fire/EMS Communications Center
- Stanislaus Consolidated Fire Protection District
- Amador County Transportation Commission
- Amador Transit
- Lassen County Transportation Commission
- Lassen Transit Services Agency
- Butte County Association of Governments
- Yolo-Solano Air Quality Management District
- Mountain House Community Services District
- Calaveras Council of Governments
- Yuba-Sutter Transit Authority
- Yolo County Transportation District
- Paratransit
- Placer County Transportation Planning Agency
- Regional Waste Management Authority
- Cosumnes Community Services District
- Sacramento Valley Basinwide Air Quality Control Council
- Yolo County Local Agency Formation Commission
- San Joaquin Council of Governments
- Sacramento County Waste Management and Recycling
- Wilton, Herald, Courtland and Pacific Fruitridge Fire Protection Districts
- Transport System of the University of California at Davis (Unitrans)
- Local Transportation Funds of the Counties of Sacramento, Sutter, Yolo and Yuba
- Sacramento County State Transit Assistance Fund
- Counties of Sacramento, Sutter, Yolo and Yuba Transportation Development Act Funds
- Cities of Folsom, Galt, Isleton, Sacramento, Davis, Live Oak, Rancho Cordova, Yuba City, Marysville, Wheatland, West Sacramento, Winters and Woodland Transportation Development Act Funds
- County of Calaveras Transit Fund
- City of Angels and County of Calaveras Transportation Development Act Funds
- El Dorado County and City of Placerville Transportation Development Act Fund
- El Dorado County Local Transportation and State Transit Assistance Funds
- County of Butte and Cities of Oroville, Chico, Gridley, Biggs and Paradise Transportation Development Act Funds
- Marin County Transit District
- Cities of Escalon, Lodi, Manteca, Lathrop, Ripon and Tracy and County of San Joaquin Transportation Development Act Funds
- San Joaquin County Local Transportation Fund and State Transit Assistance Fund
- San Joaquin Regional Transit District
- Cities of Manteca, Lathrop, Tracy, Lodi and Ripon Transit Systems
- The Alpha Fund (a joint powers authority and workers compensation risk pool primarily for rural hospitals) an affiliate of the Association of California Healthcare Districts, Inc.
- Funds and accounts of the California Department of Water Resources on behalf of the Metropolitan Water District of Southern California, including special analyses and projects related to its contract with the State

SPECIFIC AUDIT APPROACH

Scope of Services

We understand that the District requires an audit of its basic financial statements for the fiscal years ended June 30, 2021, 2022 and 2023, including all procedures necessary for the issuance of an opinion regarding the fairness of the presentation of the financial statements in conformity with U.S. generally accepted accounting principles. The audits will be conducted in accordance with U.S. generally accepted auditing standards, the standards set forth for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States as revised, and the Minimum Audit Requirements and Reporting Guide for California Special Districts as required by the State Controller's Office. These services will include the following:

1. Perform an audit of the District's financial statements in accordance with generally accepted auditing standards, *Government Auditing Standards* and the State Controller's Minimum Audit Requirements for California Special Districts.
2. Express opinions on the financial statements as to whether they present fairly, in all material aspects, the financial position of the District's major funds and agency funds and the changes in financial position in conformity with generally accepted accounting principles (GAAP), and issue an independent auditor's report stating this opinion.
3. We will prepare the financial statements in accordance with applicable GASB standards and the Supplementary Information included in the financial statements.
4. Test internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters, in accordance with *Government Auditing Standards*, and issue an independent auditors' report on their consideration. Any significant deficiencies and material weaknesses, if any, found during the audit will be addressed in these reports.
5. Conduct a Single Audit in accordance with Uniform Guidance 2 CFR 200, if federal awards expenditures exceed \$750,000 in one fiscal year.
6. Apply limited audit procedures to the Required Supplementary Information (RSI), including Management's Discussion and Analysis (MD&A) and RSI related to the District's pension and other postemployment benefits plan.
7. Apply audit procedures on the annual debt service rate covenant ratio.
8. Prepare a management letter and governance letter under SAS 114 to the Board of Directors and management which identifies significant audit findings, difficulties encountered in performing the audit, identify any correct and uncorrected misstatements, disagreements with management, management representations, control deficiencies, significant deficiencies and material weaknesses, if any, and our recommendations for improvements in accounting and administrative controls.
9. Communicate immediately and in writing all irregularities and illegal acts, or indications of illegal acts, of which we become aware to the Board of Directors and General Manager.
10. Prepare the Annual Reports of Financial Transactions to the State Controller's Office.
11. Issue two printed copies and an electronic version of the financial statements and letters by November 10 each year.

12. Attend one meeting of the District's Finance Committee and Board of Directors at which the financial statements are presented.

Audit Approach

Our extensive experience in auditing the District and other water agencies ensures that we will concentrate on those areas of highest risk and plan and coordinate our work with management. We will not waste your time and resources by auditing areas that have no material risk to the financial statements. We will perform an assessment of the internal controls for the purpose of determining the procedures necessary to perform our audit, and any recommended enhancements to internal controls that we note during our audit will be communicated to management and the Board of Directors.

Our audit approach to this engagement is divided into three stages as follows:

Initial Planning: We believe that a smoothly-run audit is based upon the early identification and resolution of reporting and auditing issues. Due to the extensive knowledge gained through auditing the District and other governmental organizations similar to the District, we will identify such issues in a timely manner and obtain a better understanding of your organization and the external and internal environments in which the District operates. We will examine significant contracts and agreements to determine the effect on the nature and extent of the auditing procedures and to determine laws and regulations subject to test work. Our familiarity with laws and regulations affecting water districts will also be used as a resource for determining the extent of testing needed. We will meet with your personnel to update our understanding of your internal control policies and procedures and to document the flow of information through the accounting system, including how the accounting system is used to process data, and prepare internal control questionnaires and walkthrough memos with the assistance of your staff.

In order to familiarize ourselves with the District's accounting processes, including internal controls that are in place, we will provide the District with a list of questions, and will meet with District personnel to discuss them. We will also update our understanding of the provisions of any and all federal and state and county orders; statutes; ordinances; charters; bond or loan covenants; administrative code or other rules and regulations that have a significant financial impact on the District. We will review organization charts and any accounting procedures manuals to update our understanding of the District.

Program Development: Our risk assessment and evaluation of internal controls will provide the basis for determining the nature, timing and extent of audit procedures for specific transactions and accounts. Our approach to gaining an understanding of internal control will be in accordance with Statement of Audit Standard (SAS) Nos. 104 through 111, as updated by Nos. 122 through 125. Accordingly, we will focus on obtaining an understanding of the control environment, risk assessment, information and communication, and monitoring components. We will use our experience with the District and other water agencies to document the District's control environment and will perform a walkthrough of significant areas to assess control risk for the purpose of planning our substantive tests. We will perform additional testing of internal controls as needed based on our risk assessment. An overall audit program is the end product of our initial planning. The primary purpose of this phase of our audit approach is to assess the likelihood of material error in the accounts and transactions and to determine the most cost effective and cost-efficient mix of audit procedures. In developing the audit program, our aim will be to:

- Provide a complete audit program for all important financial statement amounts.

- Eliminate redundant audit procedures.
- Use audit procedures which accomplish more than one purpose.

Our audit approach is based on an analysis and understanding of the external and internal risks currently facing the organization we are auditing. Risk analysis enables us to design the most effective and efficient audit program, which evaluates and includes audit tests in relation to the size and probability of these risks. This approach provides us with a uniform method for developing and documenting the basis for our audit program. We provide our clients with a detailed list of items needed during the audit well in advance to allow for sufficient time to gather the information. This approach minimizes disruption to District staff during the course of the audit.

Program Execution: During this stage of our audit, we will perform the tests of transactions processed through the accounting system, direct tests of account balances and tests of compliance with laws, regulations and contracts. We plan to use either random or systematic sample selection methods to perform such tests. We will utilize analytical procedures in all areas of the audit, especially for revenues and expenses. We will perform all requested tasks as one integrated engagement and will schedule the timing of our field work so that there will be minimal disruption of the day-to-day operations. We will perform testing of internal controls in the areas of water billings/cash receipts, cash disbursements and payroll, with sample sizes ranging from 25 to 40 items, which will depend on the size of the population. We will select our samples randomly from number sequences or other documents provided by the District. We will use the District's budget to determine the need for restrictions or designations as well as to perform analytical procedures for comparison to actual revenues and expenses.

We will perform analytical procedures to assist us in identifying areas of risk for which substantive procedures will be performed. However, we believe analytical procedures alone will not identify all potential significant misstatements and will detail test certain balance sheet and income statement accounts that our experience has shown are frequently misstated, such as certain receivables and subsequent payments that may need to be accrued as liabilities. We will utilize computer software during the engagement, including during the on-site fieldwork, for all workpaper preparation and for developing the lead schedules and trend analysis reports used in the audit process.

The following work plan was developed with your deadlines in mind. The timing identified in the work plan is approximate. **Upon selection as your independent auditors, we will meet with you, and together we will determine a specific timetable which ensures minimal disruption of your employees and that the District's desired deadlines are met.** As can be seen from the following work plan, the service team is composed in such a way that each member has adequate supervision and technical support.

WORK PLAN

Task	Timing	Estimated Hours				Total
		Partner	Senior Manager/ Manager	Supervisor/ Senior	Staff	
Audit Planning:	April/May	5	15	5	5	30
Begin audit planning process						
Risk assessment						
Develop audit programs						
Prepare audit assistance package and confirmation letters						
Provide audit assistance package						
Compliance Testing:	May/June	2	10	15	30	57
Tests of transactions for cash receipts, disbursements and payroll						
Tests of compliance with laws and regulations						
Substantive Testing:	September	15	75	80	75	245
Cash and investments						
Revenue and receivables						
Payroll and related liabilities						
Expenses for goods and services and related liabilities						
Capital assets						
Equity and other credits						
Reporting and Wrap-up:	October	15	20	15	15	65
Prepare financials, management letter/other reports						
Draft reports provided	No later than October 30					
Delivery of final reports	November 10					
Meeting with the Board	November	3				3
Total Annual Audit Hours		<u>40</u>	<u>120</u>	<u>115</u>	<u>125</u>	<u>400</u>

Our audit will be planned so that delivery of all required reports will be accomplished in a timely manner. We believe that the staffing of the audit is sufficient to ensure the timely completion of the audit and to ensure that the work is properly supervised. We would work closely with management to ensure that we provide timely services consistent with your requirements. We will prepare the financial statements consistent with professional standards and will review the drafts of all our reports and letters with the District prior to finalization to ensure the reports meet your requirements. Upon completion of the audit, we will provide the District with copies of our reports, as needed, for distribution to management, the Board of Directors, and other interested parties.

Our firm philosophy centers around our commitment to the highest level of quality service--delivered by quality people. Our tradition of providing technical excellence through teamwork responsive to clients' needs and expectations--and doing so to the very best of our ability--requires that our single focus be on quality. Our commitment to quality results in:

- Satisfying the District's needs by providing value-added services.

- Attracting and retaining clients of the highest caliber.
- Providing personal satisfaction and opportunity for professional growth for every member of our organization.

Some of the specific benefits the District will realize from our audit approach include:

Continuity and Experience--Our familiarity with the District and other water agencies and our prepares us to provide the most efficient audit of any firm. Our audit plan will ensure that:

- We understand the auditing procedures and accounting treatment currently in place.
- Disruption to your normal operations and time lost due to “educating” the new firm will be minimal.
- We will coordinate and plan our work closely with your staff.

A Fresh Look—The partner rotation requirement in the California Government Code will ensure that the District benefits from a “fresh look” by our Managing Partner, who has over thirty-five years of auditing experience. Our approach to partner rotation, with which we are very experienced, will result in:

- A thorough re-evaluation of your systems of internal accounting and compliance controls.
- A re-evaluation of your significant data processing systems and controls.
- A fresh review of operating practices.

Ongoing Communications with Management--We will work closely with you to resolve issues and serve as the District’s advisor on a timely basis. We do not take dogmatic, unyielding positions, and will keep the lines of communications open. We understand the concepts of materiality and will work with District personnel on all issues with materiality in mind. Members of our engagement team will be readily available to answer the District’s questions and to respond to the District’s needs.

Relevant and insightful suggestions--Our plan and approach requires us to obtain a complete knowledge of the District’s operating environment and accounting systems. This will position us well as an “advisor” to District management.

Less disruption to the District--Our audit plan and experience with the District’s operations will result in the most effective and efficient combination of internal control and account balance testing. This will eliminate duplicate procedures and unnecessary tasks, minimizing the necessary number of auditors and, consequently, result in less disruption of District personnel. As a result of our past experience auditing the District and other water agencies, we have a familiarity with transactions and operations of the District and other typical of water districts, which will ensure the most efficient and effective audit and a smooth transition.

ATTACHMENT A – PEER REVIEW REPORT



CPAs & BUSINESS ADVISORS

Report on the Firm's System of Quality Control

July 17, 2018

To the Partners of Richardson & Company, LLP
and the Peer Review Committee of the California Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Richardson & Company, LLP (the firm) in effect for the year ended March 31, 2018. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Richardson & Company, LLP in effect for the year ended March 31, 2018, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Richardson & Company, LLP has received a peer review rating of *pass*.


Eide Bailly LLP

What inspires you, inspires us. eidebailly.com

400 Pine St., Ste. 600 Abilene, TX 79601-5190 T 325.672.4000 TF 800.588.2525 F 325.672.7049 EOE

EXHIBIT A

TOTAL MAXIMUM PRICE

In accordance with the Request for Proposal for Audit Services issued by Calaveras County Water District, the firm referenced below hereby submits the following cost proposal:

	FY 2020-21	FY 2021-22	FY 2022-23	Three Year Total
District Financial Statements	\$ 29,000	\$ 29,550	\$ 30,125	\$ 88,675
(Optional) Single Audit	\$ 4,500	\$ 4,600	\$ 4,700	\$ 13,800
(Optional - Lump Sum) State Controller Reports	\$ 725	\$ 750	\$ 775	\$ 2,250
(Optional - Lump Sum) Certificate of Debt Coverage	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 34,225	\$ 34,900	\$ 35,600	\$ 104,725

Submitted By: Brian Nash

Firm Name: Richardson & Company, LLP

I hereby certify that the undersigned is authorized to represent the firm stated above, and empowered to submit this bid, and if selected, authorized to sign a contract with the District, for the services identified in the Request for Proposals.

Signature: 

Printed Name: Brian Nash

Date: February 16, 2021

EXHIBIT B

**CALAVERAS COUNTY WATER DISTRICT RFP
SUPPLEMENTAL DETAILED SCHEDULE OF PROFESSIONAL FEES
AND EXPENSES FOR THE FINANCIAL AUDIT OF THE
JUNE 30, 2021-2023 FINANCIAL STATEMENTS**

This schedule is intended to provide additional detail on the work effort to be undertaken by the firm.

	Hours	Hourly Rate	\$ Total FY 2020-21	\$ Total FY 2021-22	\$ Total FY 2022-23
Partners	40	\$ 200	\$ 8,000	\$ 8,160	\$ 8,320
Managers	120	180	21,600	22,000	22,440
Supervisory Staff	115	160	18,400	18,700	19,070
Professional Staff	125	120	15,000	15,300	15,600
Clerical/Support Staff	20	70	-	-	-
Other					
Sub-Total	420		63,000	64,160	65,430
Meals/Lodging					
Transportation			450	460	470
Other					
Sub-Total			450	460	470
Discount			(29,225)	(29,720)	(30,300)
Grand Total			\$ 34,225	\$ 34,900	\$ 35,600

Submitted By: Brian Nash

Firm Name: Richardson & Company, LLP

Agenda Item

DATE: April 28, 2021

TO: Michael Minkler, General Manager

FROM: Kevin Williams, Civil Engineer

SUBJECT: Discussion/Action regarding the purchase of Maintenance and Warehouse Building Pre-Engineered Metal Building (CIP 11101)

RECOMMENDED ACTION:

Motion: _____ / _____ to adopt Resolution No. 2021-____ Awarding the purchase of metal building package to lowest responsive and responsible proposer for the Maintenance and Warehouse Building Pre-Engineered Metal Project CIP #11101 for the Metal Building Package and authorizing the General Manager to execute a said contract accordingly.

SUMMARY:

A Request for Proposals (RFP) for the Maintenance and Warehouse Pre-Engineered Metal Building Package was advertised in the newspaper and on Public Purchase during the months of March and April 2021. The RFP included a 9,600 square foot (160'x60') metal building shell complete with doors, windows and metal partisan wall separating the mechanics area from the warehouse area. The building and foundation design is included with the building package purchase.

The District received two (2) bid proposals for the Metal Building Package. A summary of proposal amounts are listed below:

Bidders Name	Total Bid Amount
The Steel Builder	\$135,488.00
Plummerbuilt Incorporated	\$248,169.00

Staff has found the bid from The Steel Builder to be the lowest responsive and responsible proposal fully conforming to the requirements of the RFP. Staff recommends award of the Maintenance and Warehouse Pre-Engineered Metal Building purchase to The Steel Builder, of Chico, CA in the amount of \$135,488.

Upon approval of the Purchase the District will proceed with placing a deposit and ordering the metal building from The Steel Builder. The metal building package furnished by The Steel Builder will be from Ceco Building Systems which is a

Cornerstone Building Brand (CBB). CBB is the largest manufacturer of exterior building products for residential, commercial, and industrial uses in North America. CBB manufactures metal buildings under multiple brand names including Star, Heritage and Metallic Building Systems.

Lead time to receive the complete design package is 8-10 weeks and estimated lead time on delivery of the building package is 18-21 weeks.

Upon receiving the metal building design drawings from the building manufacturer, the District will be applying for a Building Permit. During the building permitting review period the District will be soliciting a construction bid for the building pad, concrete slab/foundation and building erection. Project completion is anticipated to occur before the end of FY 2022-23.

FINANCIAL CONSIDERATIONS:

There is currently \$300,000.00 allocated in this Fiscal Year's Budget for the Mechanics and Warehouse Building Project. Additional funds will need to be allocated for FY 2021-22 to complete building pad, foundation, and building erection. Completion of site and interior improvements would be allocated for FY 2022-23.

Attachment: Resolution No. ___-Awarding Construction Contract for the Pre-Engineered Metal Building for Maintenance and Warehouse Building Project, CIP 11101 Proposal



A Division of HHays, Incorporated

April 19, 2021

Mr. Kevin Williams, P.E.
Civil Engineer
Calaveras County Water District (CCWD)
120 Toma Court
San Andreas, CA 95249
(209) 419-3979

Reference: Request For Proposals (RFP) – Pre-Engineered Metal Building (CIP No. 11101)

Per your RFP's requirement for a "Building Product Catalog"... please see the enclosed **Ceco Building Systems (CBS)** brochure—which provides general and structural information on their red-iron frames, wall panels, roof panels and building colors. Specific design, structural information and data for Translucent Roof Panels, Roof Ventilators and Walk Doors are not available... however some pictures are available in our proposal (on page 4), as well, as on Google—as these types of components are unilaterally provided, installed and used by virtually every US steel building manufacturing company.

CBS's Rollup doors are manufactured by **DBCI**... please see the enclosed **DBCI Brochure** for their 2000 Series Doors—a Cornerstone Building Brands company. <https://www.dbci.com/>

Also enclosed is Ceco Building System's "**History**"... from 1947 to 2021—a **Cornerstone Building Brands (CBB)** company. CBB is the largest manufacturer of exterior building products for residential, commercial and industrial uses in North America. <https://www.cecobuildings.com/about-ceco/history/>

CBS's individual literature for its various component parts are too numerous in types and number of pages to print copies and provide with our RFP response, and may be found on CBS's website link, as follows:

<https://www.cecobuildings.com/resources/product-literature-brochures/>

Building Proposal & Drawings: 3 copies of the Proposal and Drawings are enclosed

References:

Mr. Juan Cole III Paradise Packaging Paradise, CA 95969 (530) 521-5887	44,500 SF	4 Building Structures for agricultural product storage, manufacturing, office, warehousing and accessory uses Garco & Ceco
---	-----------	---

Mr. Doug Gillis Skyway Tool Center Chico, CA 95928 (530) 519-1968	6493 SF	A Building Structure for retail, office, warehousing and accessory uses
--	---------	---

THE STEEL BUILDER
A division of HHays, Incorporated
1351 Mangrove Avenue – Suite A, Chico, CA 95926
(530) 624-5777

Mr. Jag Madare Madare Family Farms Gridley, CA 95948 (530) 301-9690	16,610 SF	5 Building Structures for Agricultural product storage, equipment maintenance and accessory uses – 4 Heritage & 1 Garco
Mr. Marc Mattox Public Works Director/Engineer Town of Paradise 5555 Skyway Paradise, CA 95969 (530) 872-6291 Ext 125	1320 SF	A Building Structure for vehicle/equipment maintenance Garco
Mr. Craig Wilson Wilson's Paradise Marine 5368 Clark Road Paradise, CA 95969 (530) 521-4171	3750 SF	A Building Structure for marine engine/boat maintenance Garco
Mr. Matt Rogers RFR Custom Fab, Inc. 1115 E. Ewald Court Paradise, CA 95969 (530) 762-2118	4872 SF	A Building Structure for Office, C&C machining, warehouse and accessory uses - Heritage

All of the building manufacturers shown above were subsidiaries of NCI Building Systems, Incorporated (NCI). Until 2019, NCI was one of the largest manufacturer's of steel buildings and their own component products in America. In November 2018, NCI merged with Ply Gem Parent, LLC and formed **Cornerstone Building Brands**.

Experience: Please see Daniel Hays resume — Enclosed

Proposed Production Schedule: *Currently* – CBS is providing the final building erection drawings and calc's in about 7 to 8 weeks (or less) with building deliveries in about 18 to 21 weeks (or less)— please see CBS's 4/17/21 Notifications below.

Company Notifications

 **EXTENDED LEAD TIMES**

Our deliveries have been extended to **18-20 weeks** for most plants and **21 weeks** for the West Coast
Our lead times for permit/approval drawings have been extended to **7-8 weeks**.

Footing plans and calc's will be provided about 10 to 14 days after **The Steel Builder** receives the final building erection drawings and calc's from CBS.

Insulation from our provider, will be delivered within 60 days of signed Purchase Order, and must be stored until erection, or Purchaser may delay its delivery, but will be subject to any manufacturer's price increase(s).

Business Information:

The Steel Builder (TSB), is a division of HHays, Incorporated (A California corporation)
1351 Mangrove Avenue – Suite A
Chico, CA 95926
(530) 624-5777

Building Erection Contractor:

WISE Company, Incorporated
1407 South Street
Orland, CA 95963
(530) 624-9006

WISE Company has completed the majority of our customer's steel building erections since 2007 in northern California. Please see their enclosed Prevailing Wage Erection Quote. ***CCWD may choose whomever they wish to erect the proposed building structure. The Steel Builder's proposal is not conditioned upon any specific erector chosen by the CCWD.***

Purchase Order Contract:

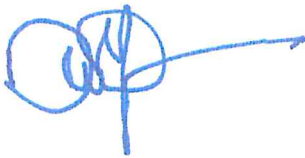
The enclosed **Proposal & Purchase Order** from TSB, a response to the RFP from the CCWD, is a contract, including it's attached TSB's **Drawings – For Approval**.

Acceptance of the Proposal by the CCWD for the Manufacturing of the Structure, its Delivery Date and Engineering Required is Conditioned by TSB, as follows:

CCWD understands that due to the current availability of steel for production and the current viral conditions of COVID-19, in California, TSB's Proposal and the above dates for the final drawings and calc's from CBS, along with the footing plan and calc's, to be provided by TSB's licensed California engineer, and the building's delivery date may fluctuate, depending on conditions that are beyond the reasonable control of TSB. TSB will contact and immediately advise the CCWD of any changes, as they may occur. The acceptance of this Proposal is made by the CCWD, with the complete understanding that all dates shown in the **Proposal** and **this letter** are current at the time of submittal and thereafter, may be subject to changes based upon any future conditions.

If you have any questions, please call me at your convenience. Thank you for the opportunity to price your building needs!, and...

Best regards,



Daniel Hays
Chief Financial Officer
530.624.5777

THE STEEL BUILDER
A division of HHays, Incorporated
1351 Mangrove Avenue – Suite A, Chico, CA 95926
(530) 624-5777



Date: 19-Apr-21
Purchaser: Mr. Kevin Williams, P.E.
Company: Calaveras County Water District
Mailing Address: 120 Toma Court
City, State & Zip: San Andreas, CA 95249
Jobsite Address: Same
Phone: (209) 419-3979
Email: KevinW@CCWD.Org

PROPOSAL & PURCHASE ORDER

Building Use: Maintenance/Warehouse **Occupancy Category:** II – Normal

BUILDING & STRUCTURAL SPECIFICATIONS:

Width – Ft:	60	Length – Ft:	160	Eave – Ft:	16	Roof Slope:	2:12
Ground Snow:	0 lbs PSF	Roof Snow:	0 lbs PSF	Live Load:	20 lbs PSF	Wind – MPH:	95
Collateral Load:	3.0 lbs PSF	2.5 lb Solar & 0.5 lb Lighting, by Others			Exposure:	B	Seismic: B Ss=42.98
Code:	CBC	Edition:	2019	Frame:	Gable – Symmetrical	S1=22.24	

Please verify that the yellow highlighted items shown above meet the Code, Use and Structural specifications requirements of your local Building, Zoning and Fire Departments before purchasing.

THIS RED-IRON BUILDING STRUCTURE INCLUDES THE FOLLOWING COMPONENTS

Square Footage:	9600	No. of Bays:	8	Bay Sizes:	60'x20' Each
Bearing Frames:	2	60	Ft Red-Iron Steel Frames @		Frame Lines: 1 & 9 of Drawings
Rigid Frames:	None				
Clear Spans:	7	60	Ft Red-Iron Steel Frames @		Frame Lines: 2 thru 8 of Drawings
Roof Sheeting:	PBR Style	26 Gauge / 40 Year Paint Warranty		Color:	Galvalume
Wall Sheeting:	PBR Style	26 Gauge / 40 Year Paint Warranty		Color:	Choice of Color
Trims:	Gable Rake, Corner, Eave, Door and Jamb Trims			Color:	Choice of Color
Walk Doors:	9	3'x7' Insulated - ADA Compliant & Field Locatable		Color:	White or Bronze
Framed Openings:	9	12'x14' Red-Iron Frames with Jamb Trim – Choice of Color (As shown on Drawings)			
Rollup Doors:	9	12'x14' DBCI Non-Insulated Door w/inside lock and Chain Hoist Color: Choice of Color			
Skylights:	16	3'x10'-8" Non-Insulated Translucent – White			
Ridge Vents:	8	9'x10' With Operable Damper, Bird Screen & Chain Operator - Galvalume Finish			
Windows:	8	3'x3' Insulated Horizontal Side (XO) – Mill or Bronze Finish			
Partition Walls:	1	Full Height, Sheeted 1 Side, with Base Angle, Non-Insulated - Choice of Color			
Eave Extensions:	Yes	2'-0" With Soffit – Choice of Color		Frame Lines:	A & D of Drawings
Gutter/Downspouts:	Yes	Along Eave Walls With 5 Downspouts – Choice of Color		Frame Lines:	A & D of Drawings
Insulation:	Yes	4" WMP-VRR+ Blanket Insulation in the Walls and Roof - White			
Footing Plan & Calc:	Yes	3 - Digitally signed and sealed sets of the Footing Plan and 2 sets of Calculations			

All buildings come complete with fasteners, bolts, nuts and washers for its erection. No welding is required.

ENGINEERING PROVIDED: 3 – Sets of Final Drawings with Digitally-Signed Engineer's signature and seal from the Manufacturer, together with 2 – Sets of Digitally-Signed & Sealed Calculations

The Purchase Order prices include delivery to your jobsite and the State and Local Sales Tax at the rate of 7.250% . If this rate changes, the current tax rate will apply at the time of delivery of the building.

Purchase Price —	\$135,488.00	\$14,1133	Cost Per Square Foot
-------------------------	--------------	-----------	-----------------------------

The non-refundable deposit of: \$40,646.40 **May be your personal or company business check or a cashier's check, the latter will expedite the processing of your building purchase.**

The final building payment of: \$94,841.60 **Must be delivered to us at least 15 days prior to delivery of the building.**

Delivery of your building and its components will occur in approximately 18 to 21 weeks from the date this Purchase Order is accepted by the Manufacturer and, solely based upon the Manufacturer's fabrication and production schedule, the Purchaser must accept its delivery on the delivery date specified by the Manufacturer. If delivery is delayed and/or not accepted by the Purchaser, the Purchaser will be subject to the additional costs of Special Handling Charges and/or Storage Charges.

Options You May Wish To Consider:

Recommend: **None**

Item	Quantity	Description	Price Each	Total
Skylights:	0	3'x10'-8" Non-Insulated Translucent – White (recommend) @	\$0.00	\$0.00
Skylights:	0	3'x11'-0" Insulated Translucent – White (recommend) @	\$0.00	\$0.00
Ridge Vent:	0	9"x10' with operable damper, bird screen & operator (recommend) @	\$0.00	\$0.00
Window:	0	3'x3' XO Insulated – Mill or Bronze Finish @	\$0.00	\$0.00
Window:	0	4'x3' XO Insulated – Mill or Bronze Finish @	\$0.00	\$0.00
Window:	0	4'x4' XO Insulated – Mill or Bronze Finish @	\$0.00	\$0.00
Window:	0	6'x3' XO Insulated – Mill or Bronze Finish @	\$0.00	\$0.00
Roof Insulation:	0	WMP-VRR+ Blanket Insulation/Vapor Barrier – White @	\$0.00	\$0.00
Wall Insulation:	0	WMP-VRR+ Blanket Insulation/Vapor Barrier – White @	\$0.00	\$0.00
Color On Roof:	0	Choice of Color on Roof Sheeting	\$0.00	\$0.00
Insulated Package:	0	WMP-VRR+ Vinyl Wrapped Blanket Insulation – White @ _" in Walls and _" in Roof, with Insulated Rollup Door(s) & Walk Door(s) @	\$0.00	\$0.00

The options above, **include sales tax and delivery** to your jobsite. For all options you choose to add, *please add 30% of its price to the non-refundable deposit shown above – the balance will be added to the final balance due, prior to the time your building is delivered.*

Customer Pickup:

Deduct \$2,260.44 from the Purchase Price shown above if you choose to pickup your building at Atwater, CA. Pickup for this building will require a 46' trailer bed length. Please advise us at the time of purchase! **Est. Weight: 55,711 Est. Miles: 86**

The Purchase Prices Offered Are Valid Until:

26-Apr-21

After this date, because steel prices are continually rising, we must re-price the building and its components.

Exclusions: The Purchase prices shown above are for the building structure only and do not include the options shown (unless quantities and total pricing are shown), unloading the building and components at job-site, erection, concrete slab, anchor bolts, jurisdictionally required building floor, electrical, elevation or foundation plans and any required engineering, soils report, foundation and footing calculations, site grading, plumbing, special inspections costs, plan check or building permit fees, development impact fees and/or any other materials or items not specifically listed herein.

I hereby affirm that I have verified with my local building, zoning and fire departments that the Use, Code, Structural Specifications and Components shown above fully comply with their requirements. Initials _____

This Purchase Order is a Contract and I confirm that I have read, understand and accept all of the use, code, specifications and components as they are shown; including the options chosen and shown, the exclusions, terms, conditions, and obligations as shown and described herein and hereby authorize The Steel Builder (TSB) to proceed with ordering my building for fabrication, as it is described and drawn (see attached Drawings, a part of this Contract). If I choose to delay fabrication of the building, until my local building jurisdiction approves the final engineered drawings and calculations, I understand that the Purchase Price will be subject to change by the manufacturer, based upon its final fabrication and/or delivery date. When advised by TSB of the building's completed fabrication and delivery date, I shall have the necessary equipment and manpower for unloading the building. If I choose to delay or not accept the delivery of the building on the date specified by the manufacturer, I understand that I will be liable for special delivery charges and/or the costs of its storage. When the building is delivered, I understand that it is my responsibility to inspect and inventory all of the components received within three (3) days, and I shall report, in writing, any missing or damaged components within five (5) days of the delivery. If any components are missing I shall provide TSB with a detailed list, including their part number(s) and quantities and if any components are damaged, I shall provide their part number(s) and a picture(s) of the damage. If my chosen delivery date for my insulation exceeds 30 days past the building delivery date, the price of the insulation shall be subject any price increases suffered by TSB. Purchaser hereby waives any and all claims for consequential damages arising out of this Contract. Purchaser, to the fullest extent permitted by California law, agrees to defend and indemnify TSB for any and all claims or actions, whatsoever, arising out of or relating to the goods described herein, except for claims and/or actions arising out of TSB's sole negligence or willful misconduct. TSB's total liability on any claims arising out of this Contract shall not exceed the Purchase Price of the goods described herein. Any disputes between or among the parties hereto shall be decided by arbitration held in accordance to Article III, Title IX of the California Code of Civil Procedure, commencing with section 1280. The prevailing party shall be entitled to recover reasonable attorney's fees and costs. This contract shall be governed under the laws of the State of California and the jurisdiction shall be Butte county, California. If I default on any of the provisions of this Contract, I understand that I may be liable for the costs of arbitration, litigation and reasonable attorney's fees. TSB is not the Engineer of Record for this project.

By my signature and initials on this Purchase Order, I have chosen the colors for the building structure and its components and approve the locations of the options, supporting columns, framed openings and rollup doors as shown in the attached Drawings—which are a part of this Purchase Order. Initials _____



Daniel Hays – Chief Financial Officer
530.624.5777 – Direct
The Steel Builder – Authorized Agent

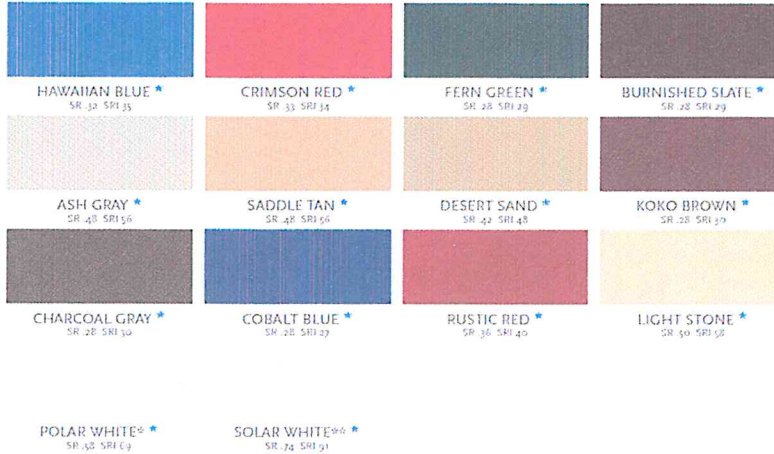
Signature: _____
Purchaser: **Mr. Kevin Williams, P.E.** Title: _____
Date: _____
Company Name: _____ Calaveras County Water District



DESIGN-BUILD SINCE 1996

SIGNATURE® 200
STANDARD COLORS
26-GAUGE MATERIAL

Siliconized Polyester
Polar White is a Straight Polyester.
* Also available in 29-gauge



PLEASE CHOOSE FROM THE ABOVE COLORS FOR YOUR WALLS, RAKE, EAVE, CORNER AND FRAMED OPENING TRIMS.
THE COLORS YOU SEE OR PRINT MAY VARY DEPENDING UPON YOUR COMPUTER MONITOR AND PRINTER COLOR SETTINGS.

PLEASE CHOOSE FROM THE COLORS BELOW FOR YOUR ROLL-UP DOORS.

Standard Colors
SILICONIZED
POLYESTER



PLEASE CHOOSE YOUR COLORS

Roof Color: Galvalume

Soffit Color:

Rake, Eave, Door Jamb & Corner Trim Color:

Wall Color:

Wainscot Color: None

Rollup Door(s) Color:

Walk Door(s) Color: Please Mark One With An "X"

Window(s) Finish: If Provided, Please Mark One With An "X"

_____ White or _____ Bronze

_____ Mill or _____ Bronze

Initials _____

Initials _____

Initials _____

Initials _____

Initials _____

Initials _____

Initials _____

END OF WRITTEN PURCHASE ORDER

THE STEEL BUILDER

1351 MANGROVE AVENUE - SUITE A, CHICO, CALIFORNIA 95926
(530) 624-5777 DAN@THESTEELBUILDER.COM WWW.THESTEELBUILDER.COM

Engineering Option:

Engineered Foundation and Footing Plan*

Included in Purchase Price

Please check one of each below

- 3 – Digitally-signed and sealed sets of the Foundation Plan and
- 2 – Sets of the Calculations for submittal to your building department

Yes X Initials _____
Slab Thickness: 4" or 6" Initials _____

Options and Design Features

RIDGE VENTS - KEEPING YOUR BUILDING COOLER IN SUMMER



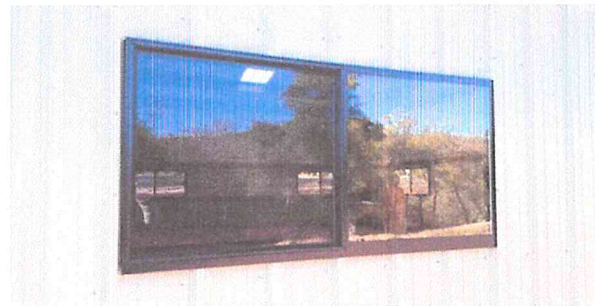
SKYLIGHTS - A NATURAL SOURCE OF PENNILESS LIGHT



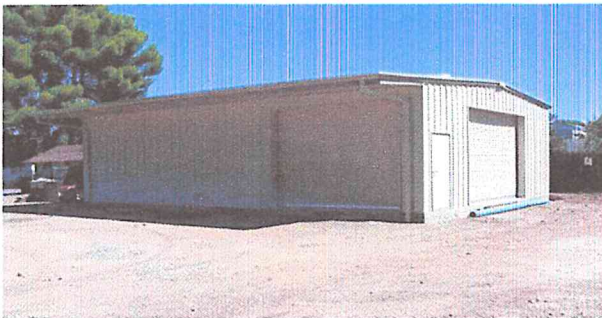
WAINSCOT - A DESIGN OPTION FEATURE



WINDOWS - A NATURAL LIGHT SOURCE



CANOPIES - SHELTERS OPENINGS INTO THE BUILDING



INSULATION - BE COOLER IN SUMMER & WARMER IN WINTER



SOLAR - DESIGN YOUR ROOF FOR IT'S INSTALLATION



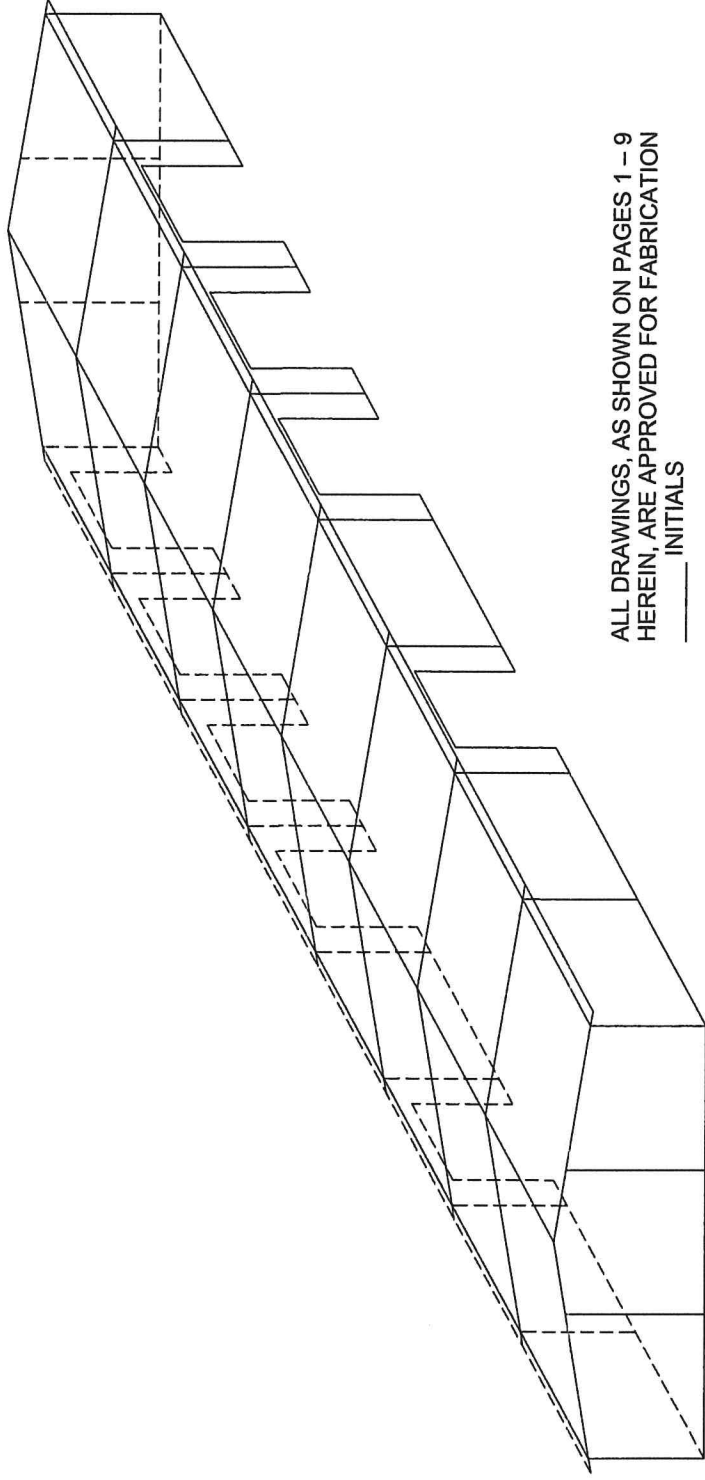
STEEL BUILDING & COMPONENT DISTRIBUTION

Our manufacturers and their distribution systems are key to our company's competitive advantage and customer service support. From their 43 manufacturing facilities locations, throughout the United States and Mexico, we can choose the closest location which is suitable for producing our customer's individual order, and can deliver to their jobsites within a 500 mile radius. Their distribution systems reduce the delivery time and expenses that relate to long-distance shipping... which also reduce the environmental effects of vehicular fuel emissions—helping to keep America Green!

Each of our manufacturers have sales and service centers at their manufacturing facilities that allow us to provide our customers with the continued prompt and efficient support—they expect from us.

THE STEEL BUILDER

1351 MANGROVE AVENUE – SUITE A, CHICO, CALIFORNIA 95926
(530) 624-5777 DAN@THESTEELBUILDER.COM WWW.THESTEELBUILDER.COM



ALL DRAWINGS, AS SHOWN ON PAGES 1 - 9
HEREIN, ARE APPROVED FOR FABRICATION
____ INITIALS

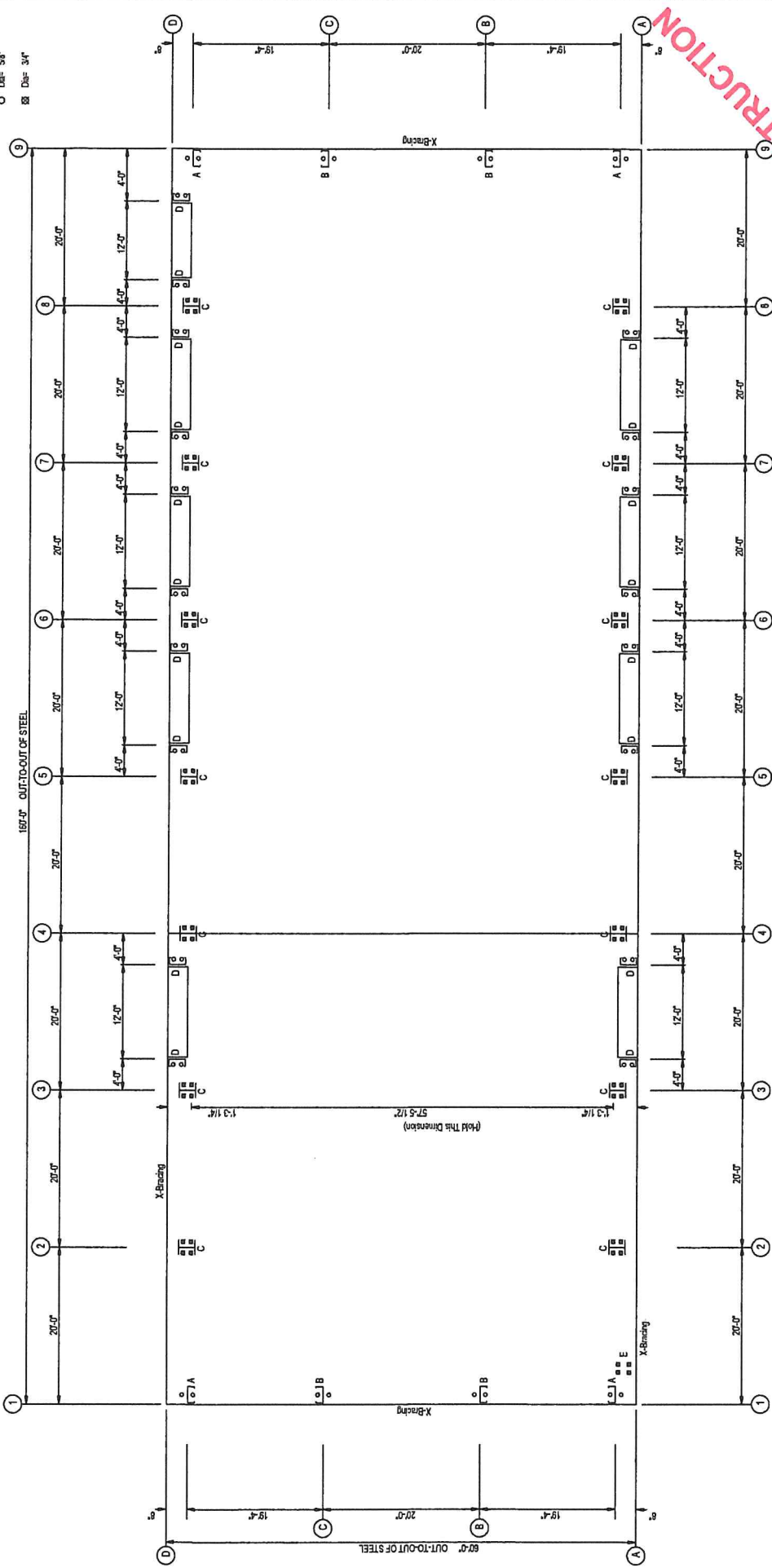
NOT FOR CONSTRUCTION

261076805

Building Layout

4/13/21

O Dia= 5/8"
⊗ Dia= 3/4"



ANCHOR BOLT PLAN
Partition Wall (See Key-Drng)

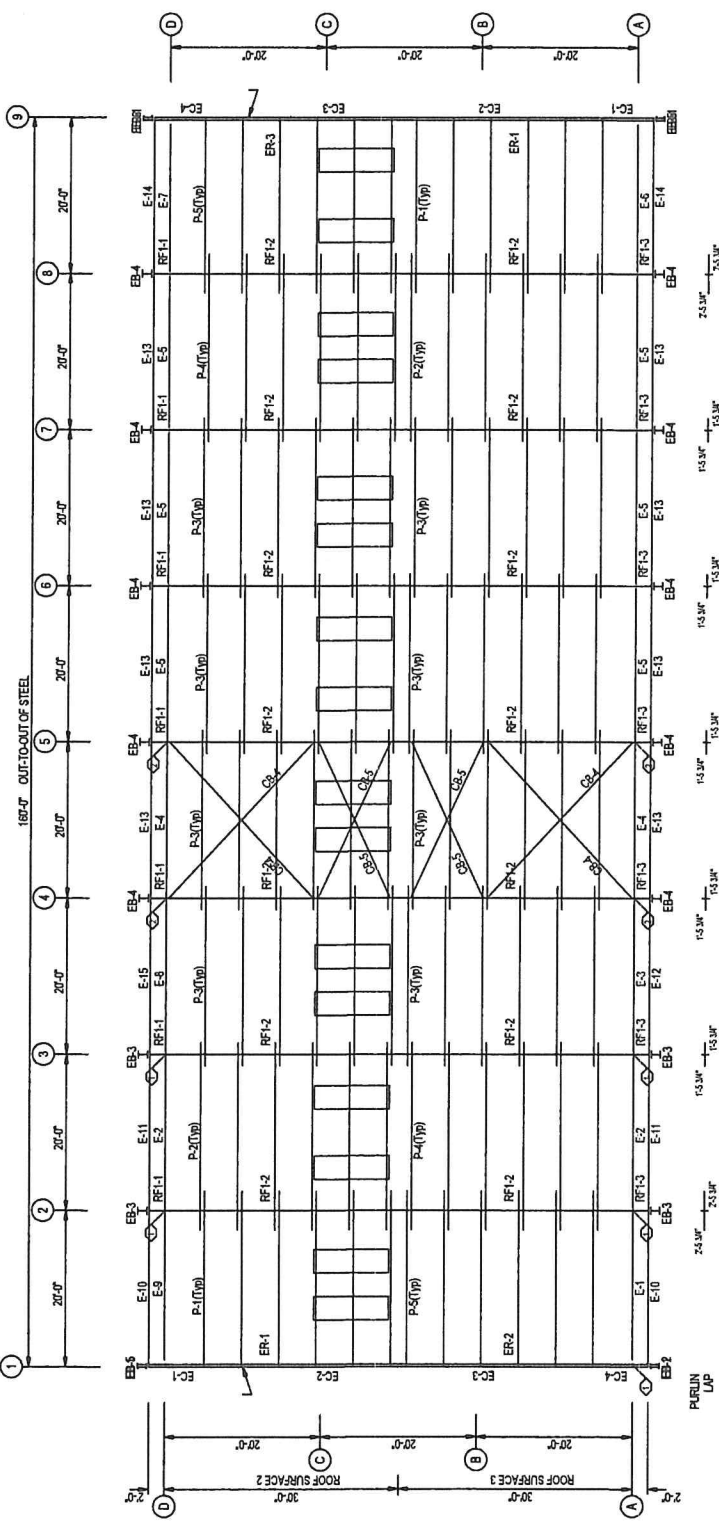
NOT FOR CONSTRUCTION

EXTENSION COPY BOLTS

MARK PLAN	QUAN	TYPE	DA	LENGTH
EB-2	6	A325	1/2"	11/4"
EB-3	4	A325	1/2"	11/4"
EB-4	6	A325	1/2"	11/4"
EB-5	6	A325	1/2"	11/4"
EB-6	6	A325	1/2"	11/4"

ESSENTIAL BOLTS

MARK PLAN	QUAN	TYPE	DA	LENGTH	WASH
O-1	4	A325	1/2"	11/4"	0
O-2	2	A325	1/2"	11/4"	2



BACK SW
SOFFIT



ROOF SHEETING
PANELS: 26 Gauge PBR
Galvalume

ROOF FRAMING PLAN

NOT FOR CONSTRUCTION

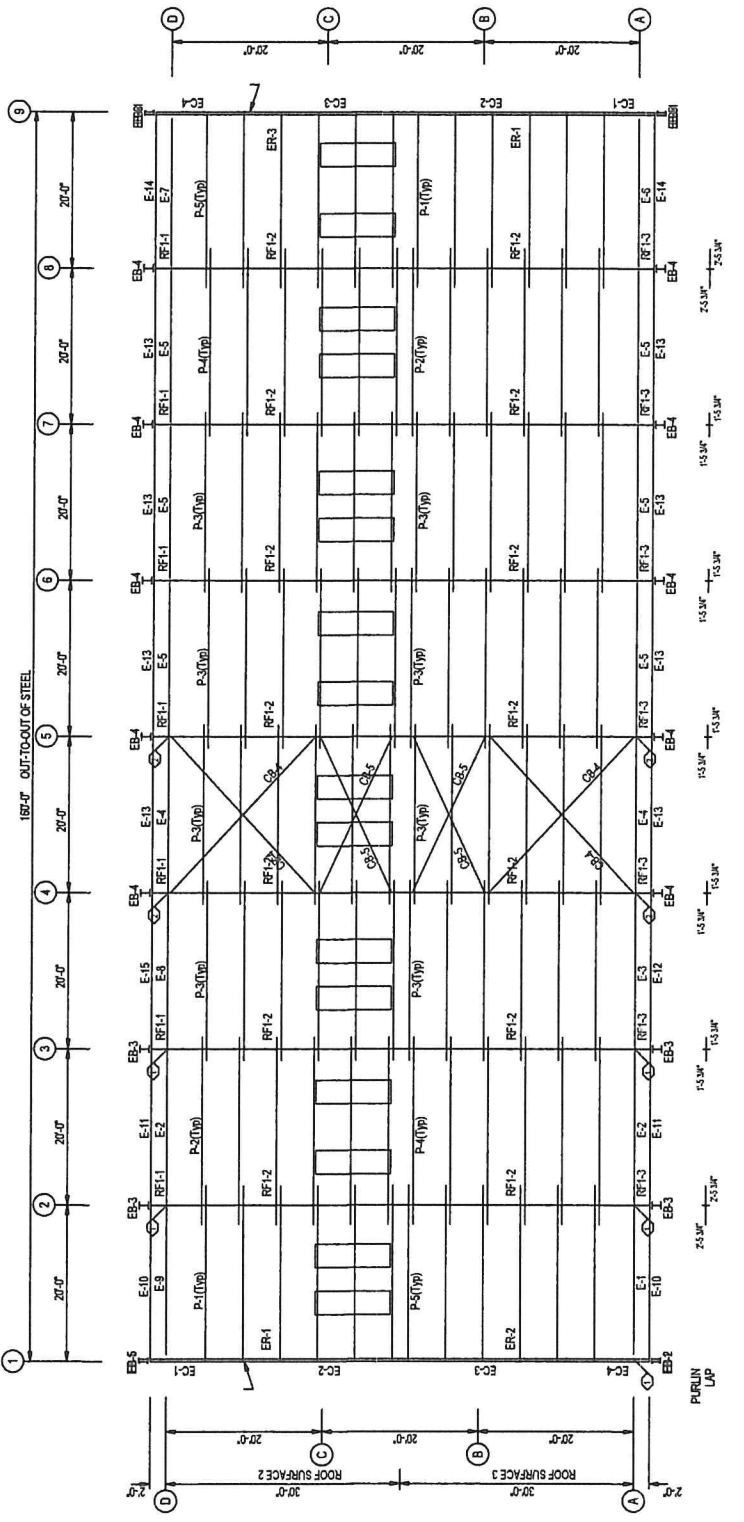
EXTENSION/COMPY BOLTS

QUAN	TYPE	DA	LENGTH	WASH
6	A325	1/2"	1 1/4"	0
4	A325	1/2"	1 1/4"	1 1/4"
4	A325	1/2"	1 1/4"	1 1/4"
6	A325	1/2"	1 1/4"	1 1/4"

QUAN	TYPE	DA	LENGTH	WASH
4	A325	1/2"	1 1/4"	0
2	A325	1/2"	1 1/4"	2

ROOF PLAN

QUAN	TYPE	DA	LENGTH	WASH
6	A325	1/2"	1 1/4"	0
4	A325	1/2"	1 1/4"	1 1/4"
4	A325	1/2"	1 1/4"	1 1/4"
6	A325	1/2"	1 1/4"	1 1/4"



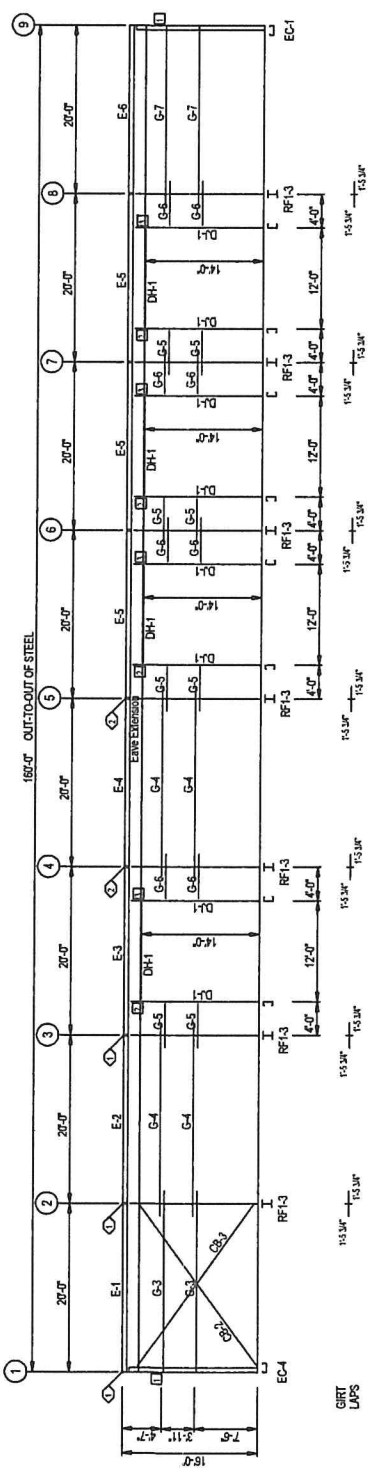
ROOF FRAMING PLAN

ROOF SHEETING
 PANELS: 26 Gauge PBR
 Galvalume

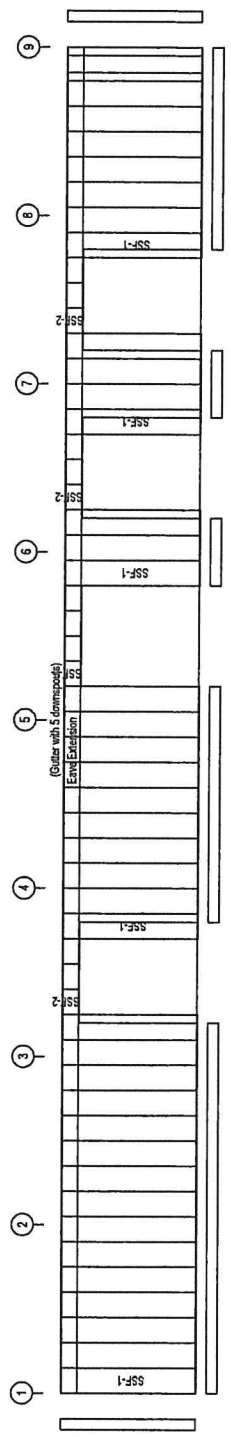
NOT FOR CONSTRUCTION

SPECIAL BOLTS		TYPE		EN		LENGTH		WASH	
ID	DOWN	A305	1/2"	A305	1/2"	1 1/4"	1 1/4"	2	2
2									

CONNECTION PLANES	
ID	MARK/PART
1	SCS
2	SCS
3	SCS



SIDEWALL FRAMING: FRAME LINE A



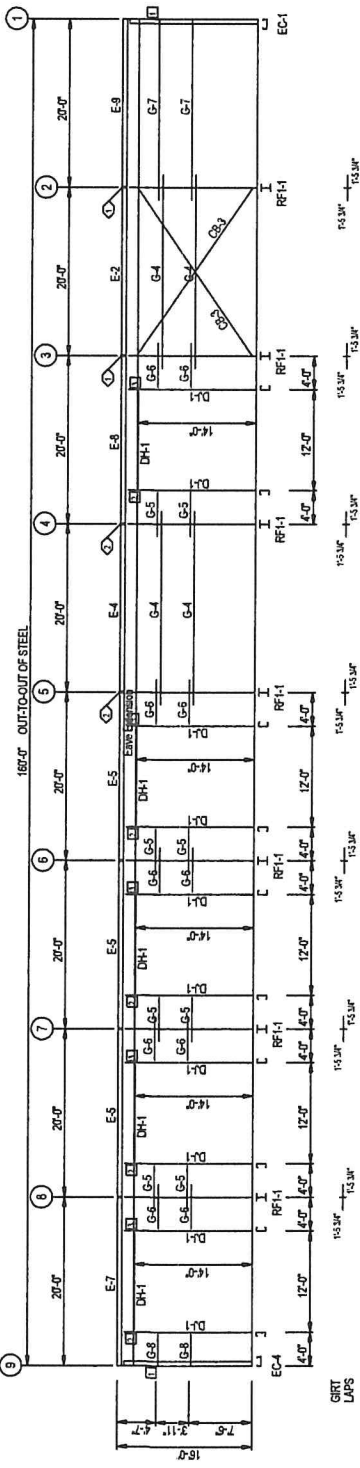
SIDEWALL SHEETING & TRIM: FRAME LINE A

PANELS: 26 Gauge PBR - Polair White

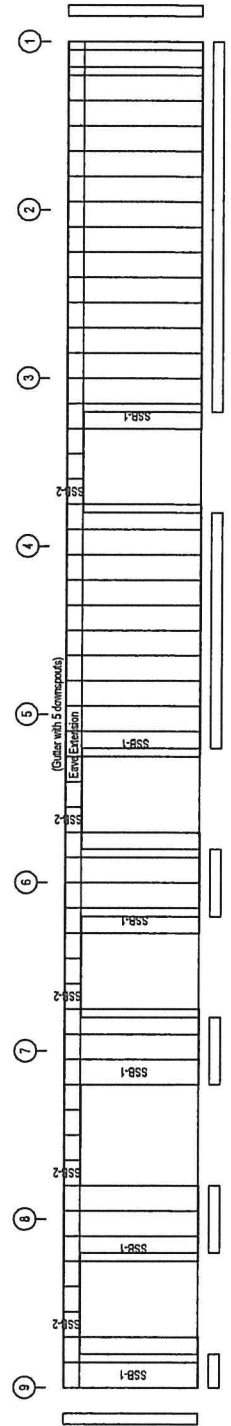
NOT FOR CONSTRUCTION

SPECIAL BOLTS			
QTY	QUANTITY	TYPE	LENGTH - WASH
2	2	A325	1 1/4"
2	2	A325	1 1/4"

CONNECTION PLATES	
QTY	DESCRIPTION
1	EC-5
2	RF-1-1
3	DS-3



SIDEWALL FRAMING: FRAME LINE D



SIDEWALL SHEETING & TRIM: FRAME LINE D

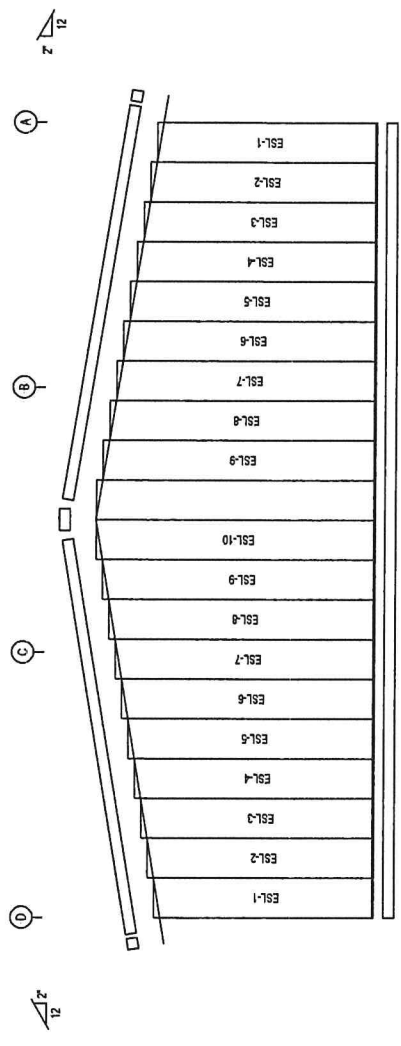
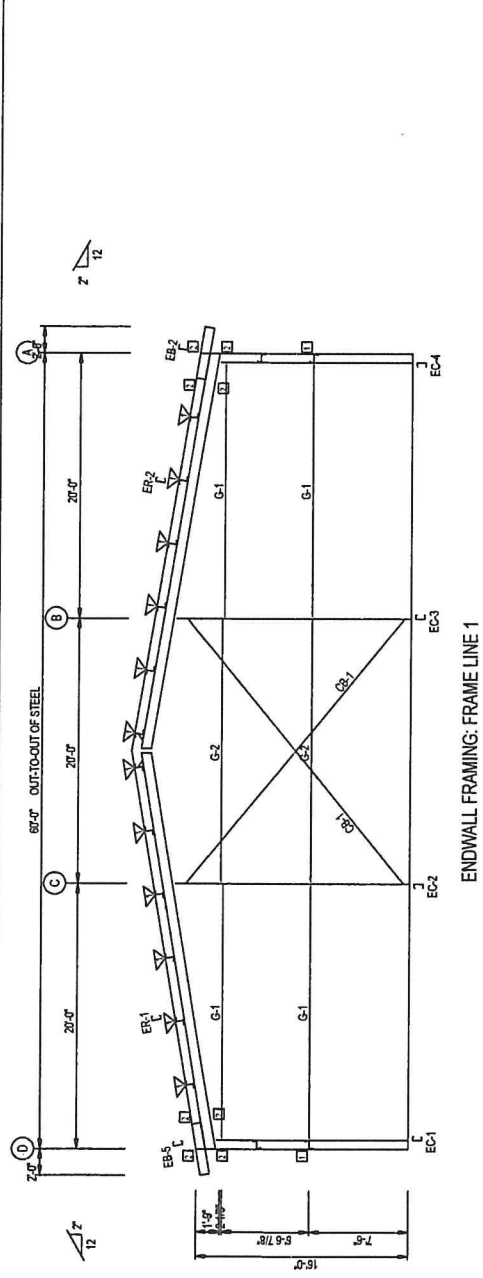
PANELS: 26 Gauge PBR - Polar White

NOT FOR CONSTRUCTION

BOLT TABLE	TYPE	DIAMETER	LENGTH
ER-1/ER-2	A305	5/8"	1 3/4"
ER-3/ER-4	A305	1/2"	1 1/4"

BRACE BRACE TABLE	FRAME LINE	LENGTH
ER-1	1	7'-5 1/2"
ER-2	1	7'-5 1/2"
ER-3	1	7'-5 1/2"
ER-4	1	7'-5 1/2"

CONNECTION PLATES	PART	LENGTH
EC-1	1	8'-0"
EC-2	1	8'-0"
EC-3	1	8'-0"
EC-4	1	8'-0"



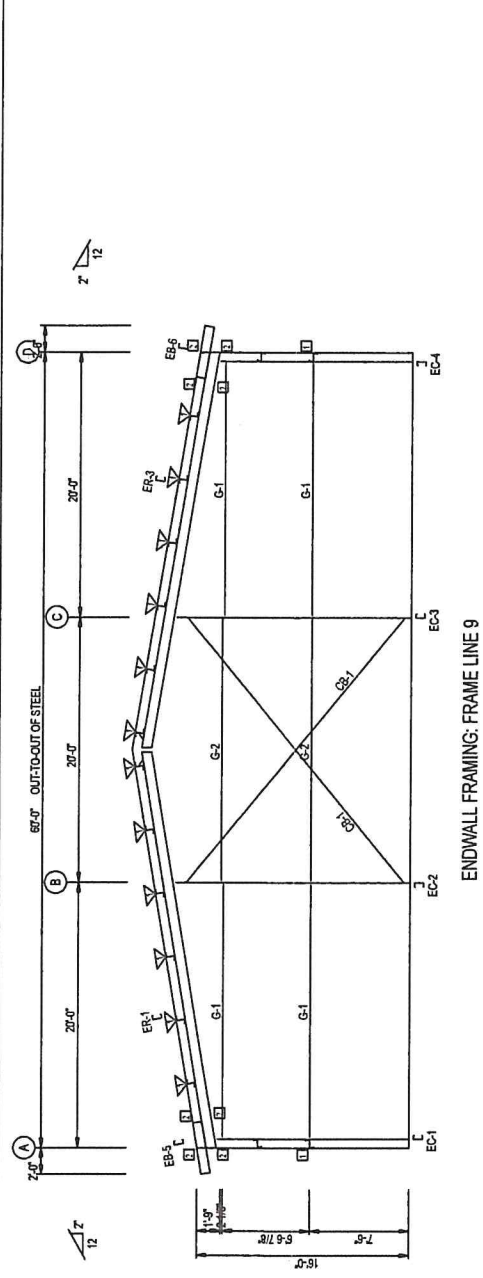
ENDWALL SHEETING & TRIM: FRAME LINE 1
 PANELS: 26 Gauge PBR - Polar White

NOT FOR CONSTRUCTION

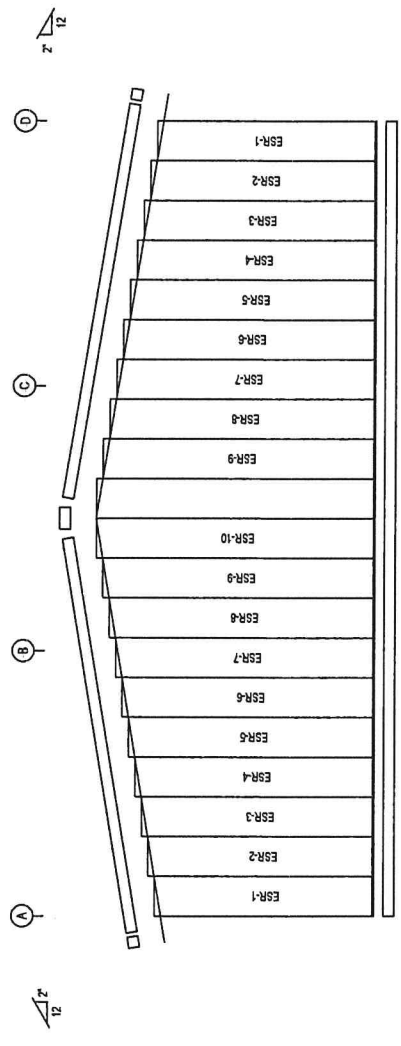
BEAM TABLE	GLASS	TYPE	DA	LENGTH
BEAM LINE 9	4	A325	3/8"	1.34"
LOCATION	4	A325	1/2"	1.14"
ER-TYP3				
Columns/Col				

BRACE BRACE TABLE	FRAM LINE	9
∇ ID	PART	LENGTH
FR233	LX202146	Z-5.14"

CONNECTION PLATES	FRAM LINE	9
FR233	1	SCS-5
	2	11"



ENDWALL FRAMING: FRAME LINE 9



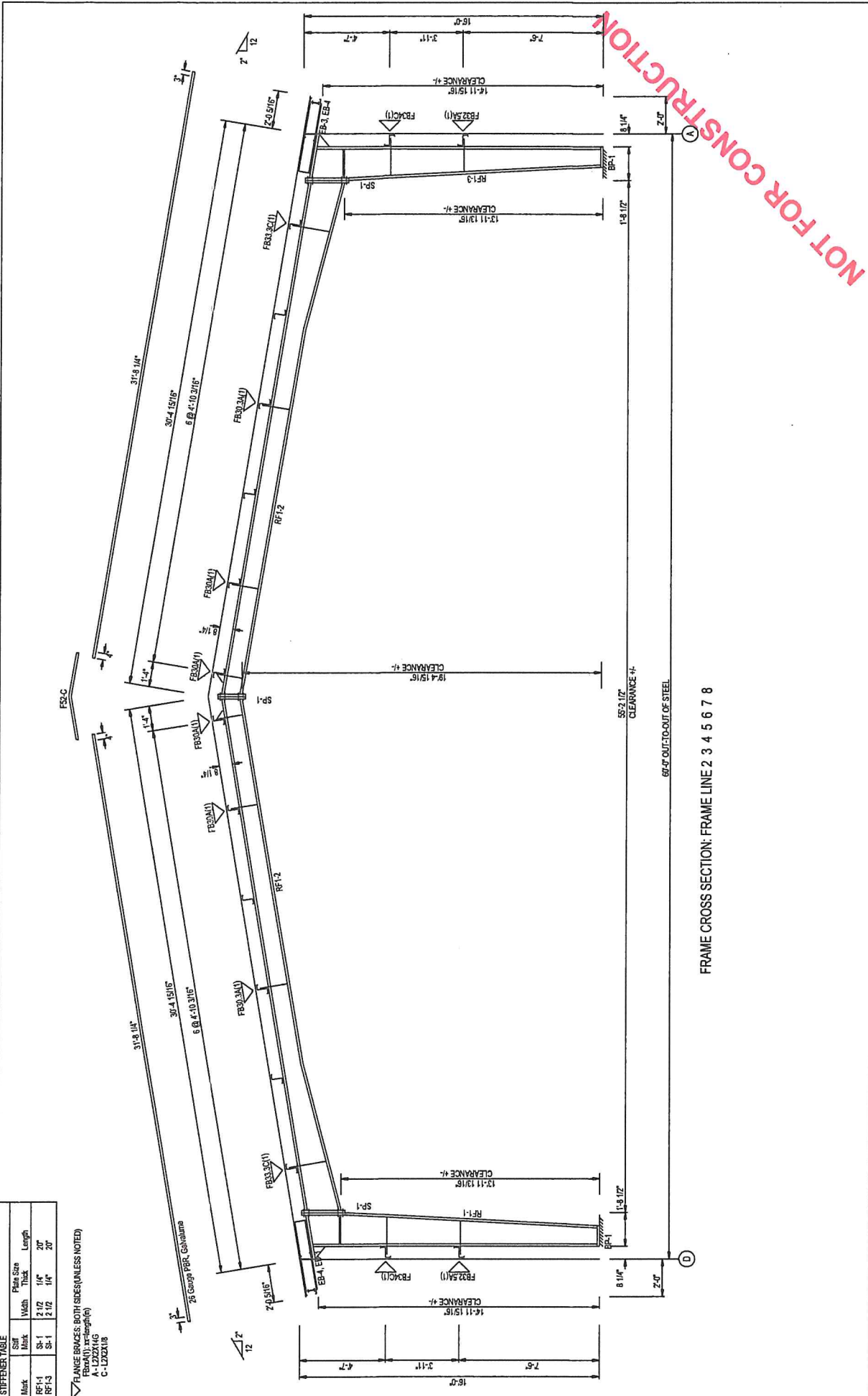
ENDWALL SHEETING & TRIM: FRAME LINE 9

PANELS: 26 Gauge PBR - Polar White

NOT FOR CONSTRUCTION

STIFFENER TABLE			
Mark	Stiffener Mark	Plate Size Width Thickness	Length
RF-1	St-1	2 1/2" x 1/4"	20'
RF-3	St-1	2 1/2" x 1/4"	20'

FLANGE BRACES: BOTH SIDES (UNLESS NOTED)
 PBR-1: 20' x 1 1/2" x 1/4" (Length)
 C-12X2X1/8



FRAME CROSS SECTION: FRAME LINE 2 3 4 5 6 7 8

NOT FOR CONSTRUCTION

RESUME OF DANIEL HAYS

PERSONAL DATA

Spouse: Hongyan (Wendy) Hays
Son: Yayun (Jerry) Zheng



HHAYS, Incorporated — Chief Financial Officer
The Steel Builder — Business and Marketing Manager
1351 Mangrove Avenue – Suite A, Chico, California 95926

Contact Number: (530) 624-5777
Email Address: Dan@TheSteelBuilder.com
Website: www.TheSteelBuilder.com

PERSONAL DATA

1967 – 1971	USMC and USMC Reserves
1969 – 1970	Business Men's Assurance Company, Licensed Agent, San Jose, CA
1969 – 1974	General Agent, National Auto and Casualty Insurance Company, Inc., Los Angeles, CA
1970 – 1973	Seaboard Equipment and Industrial Supply, Inc., Salinas, CA; CEO
1971 – 1974	Marketing American Products International, Los Angeles, CA; Sole Proprietor DBA
1974 – 1976	Marketing American Products International, Inc., Los Angeles, CA; CEO
1973 – 1977	Conlec Corporation, Inc. – San Juan Batista, CA, Marketing Director; Designed marketed and sold Hexagonal residential and Commercial building structures (C) Design/Build

1976 – 1979	Cal/American Land Exchange, Inc., A real estate development company; CEO
1979 – 1983	City of Chico – Elected Councilman
1985 – 1987	Plateau Park, LLC – Managing Member (see below)
1976 – 2014	Hays & Associates – The design, development and construction management of Residential, Commercial and Industrial projects and Sales of Steel Buildings from 1996; Sole Proprietor DBA
2015 – Current	HHays, Incorporated – Design, Development and Construction Management of Residential, Commercial and Industrial Projects – CFO; Chico, CA
2015 – Current	The Steel Builder – A Private Label Steel Building distributor of steel structures and their components to a National and International marketplace – CFO; Chico, CA Website: www.TheSteelBuilder.com (A subsidiary of HHays, Incorporated)
2001 – 2013	Butte Creek Park, LLC – Land Development Project 215 Acre Commercial, Industrial & Residential PUD – Managing Member (see below)
2008 – 2015	AFG Industries – Ravensburg, Germany and Isparta, Turkiye (see additional info below)

DEVELOPMENT PROJECTS – (P) Personal Project / (C) Consulting Project

1976 – 1978	Skypark Estates – 120 acres: 36.40 acre industrial and commercial project with 83.60 acre – 3 acre residential subdivision (P) and (C); along Cohasset Road, east of the Chico Municipal Airport – Designed/Subdivided
1977 – 1979	Subdivision of 42 acres into 4 residential parcels for Cal/American Land Exchange, Inc. (P) – Designed/Subdivided
1977 – 1978	Subdivision of 44 acres into 4 foothill residential parcels (C) – Designed/Subdivided
1977 – 1978	Subdivision of 40 acres into 4 foothill residential parcels (C) - Designed/Subdivided
1977 – 1989	10 Mile House – Subdivision of 326 acres into 17 foothill residential parcels (C) - Designed/Subdivided
1978 – 1980	Doe Mill Ridge – Subdivision of 200 acres into five – 40 acre parcels (P) - Designed/Subdivided
1978 – 1980	Doe Mill Ridge – Subdivision of 240 acres into six – 40 acre parcels (C) - Designed/Subdivided
1980 – 1986	Bidwell Heights – Subdivision of 1235 acres into 336 foothill residential parcels ranging from 3 acres to 20 acres; Developed Specific Plan with Private Airport, 70 acre vineyard, community

water system and community services district (P) and (C)
Design//Subdivided & Build (Some)

- 1981 – 1987 Plateau Park – Subdivision of 220 acres into industrial and commercial project sites; included four corners of the intersection of SR 99 and Pentz Road; Developed the Specific Plan under a Development Agreement with the County of Butte – The project included a 15000 Capacity outdoor amphitheater, including its construction drawings, a restaurant, hotel and supportive business sites (P) (D) Designed/Subdivided
- 1984 – 1985 Sunrise Estates – Subdivision into 18 residential lots; First small lot subdivision with private streets in City of Chico (P) and (C) - Designed/Subdivided
- 1984 – 1994 Timeout from development (finished personal projects – suspended all consulting)
- 1995 – 1996 Division of 2 industrial parcels into 4 parcels – Ivy Street & Seville Court; (C) Designed/Subdivided
- 1995 – 1998 Division of 1 industrial parcel into 4 parcels – Seville Court; (P) Designed/Subdivided
- 1998 – 2004 Ivy Street Business Park - Subdivision of 10 acres into 11 industrial and commercial parcels; designed and built four industrial/office buildings totaling 36,428 square feet (P) Designed/Subdivided/Built (P)
- 1999 – 2000 Subdivision of the Anderson/Madden property – 4 acres on Mariposa Avenue into 23 single family residential parcels, now Tierra Rosa Lane (P); sold approved subdivision to local builder for its construction and build-out (C) Designed/Subdivided
- 2001 – 2005 Floral Gardens Square - Subdivision of 3.3 acres into 4 commercial office and restaurant building sites (P) Design/Subdivided/Build
- 2002 – 2013 Butte Creek Park – Subdivision of 215 acres into 1200 -1400 single and multifamily residential units (portion of which was to be a retirement community) ; 68 acres Retail Commercial, with 3200 lf highway frontage; the remainder in Office, Industrial, Neighborhood commercial and open space with recreational lakes on 132 acres; and 79 acres of commercial and industrial lots along SR 99 (P) (C) – Design/Subdivided
- 2003 – 2004 Forest Hills Estates - Subdivision of 7.5 acres into five gated foothill residential parcels (C) - Designed/Subdivided
- 2003 – 2005 Subdivision of 5 acres into 2 - one acre residential parcels and 3 commercial (medical building) parcels (C) Design/Subdivided
- 2004 – 2006 Ivy Street Business Park - Subdivision of 2.034 acres into 3 industrial and commercial parcels; when completed, provided two steel buildings for the construction on two parcels. (C)

2004 – 2005	Magalia Center – Prepared Master Plan to develop 16 acres of Community Commercial vacant land in Magalia (P) and (C) - Designed
2004 – 2005	Kitty Hawk Estates – Prepared Master Plan and Subdivision map for a 68 acre development into gated residential estates of 1 acre each and open space (P)
2004 – 2005	Texas Highlands – Subdivision of property; layout and design of a 480 unit apartment/condominium project in Dallas, Texas (C)
2005	Negotiated the purchase of 68 acres for development into gated residential estates of 1 acre with recreational water skiing lake and open space (C) – Designed
2004 – 2006	Ivy Street Business Park – Subdivision of 2 – one acre parcels of industrial land into 3 parcels (C) – Designed/Subdivided
2006 – 2008	Subdivision of 4+ acres into 10 gated residential parcels in Paradise (C) – Designed/Subdivided
2013 – 2014	Subdivision of 20 residential parcels on Morseman Avenue, Chico (C) – Designed/Subdivided
2015 – 2016	Floral Gardens West – A subdivision of property; layout, design and construction drawings for 28 units of apartment /condominium buildings for a project in Chico (C) Design

DESIGN / BUILD PROJECTS

1976 – 1978	4400 SF – Hexagon Home @ 10 Mile House, Forest Ranch, CA Design/Build
1980 – 1982	3 – E2C Custom Manufactured (SIP) Homes; 1 in City of Chico and 2 in Bidwell Heights Project (P) Design/Build
1983 – 1984	Summer Village – 34 Unit student apartment complex in the City of Chico (C) Design/Build
1996 – 1997	5100 SF – Office/Caretaker Unit and Industrial Building – City of Chico (P) Design/Build
1996 – 1997	6912 SF – 6 Unit industrial complex - Offices with warehouse – City of Chico (P) Design/Build
1996 – 1997	3680 SF – Design/Remodel Express Cleaners – Chico Design/Build
1997 – 1997	485 SF – Coffee House (CuppaChico) (P) Design/Build
1997 – 1998	North Valley Disposal – Remodel the 12,600 SF vehicle maintenance building (C) Design/Build
1998 – 1999	2016 SF – Residential Duplex in Chico (C) Design/Build

1998 – 1999	Smog Busters – 6200 +/- SF Automotive Service Building on Pearson Road, Paradise (C) Design/Build
1998 – 1999	1150 SF – Coffee House (CuppaParadise) (P) Design/Build
1999 – 2001	18432 SF – 16 Unit Industrial complex - Offices with warehouse (P) Design/Build
2001 – 2001	2240 SF – Coffee House (Common Grounds) Willows (C) Design/Build
2001 – 2002	3940 SF – Office with Warehouse for Mr. Rooter (P) Design/Build
2001 – 2002	7720 SF - Office with Warehouse for Franciscan Coffee (P) Design/Build
2001 – 2002	5880 SF - Office with Warehouse for Mt. Shasta Spring Water (P) Design/Build
2001 – 2002	12880 SF – Retail/Sales Offices with Warehouse for Moss Building Center Red Bluff (C) Design/Build
2002 – 2003	Design/Remodel/Expansion Express Cleaners – Hwy 32 (C) Design/Build
2004 – 2005	6493 SF – Retail/Office/Warehouse – Skyway Tool Center for Doug and Sherry Gillis; Chico (C) Design/Build; An SBA project
2005 – 2006	18300 SF – Commercial Mini Storage Facility for Abshire & Jessen, Durham (C) Design/Build; An SBA project
2007 – 2012	Marketing Consultant for AFG, Industries in Berlin and Ravensburg, Germany; Marketing of “Green” technologies in Germany, Poland, Switzerland, Austria, Italy, Greece and Turkiye.
2013 – 2014	Designed and supervised the interior remodel of a 52,500 SF concrete tilt-up manufacturing facility to produce Structural Insulation Panels (SIP) in Isparta, Turkiye, i.e. reception, offices, laborer facilities, laid out the stages of the assembly line, component staging areas, receiving and shipping facilities, installed the hydraulic-track panel press and supervised the plants initial start-up; Initiated product design and CAD tooling drawings, marketing and sales product publications, assembly manuals and website (P) and (C); Offices in Ravensburg, Germany & Isparta, Turkiye - Design/Build
2014	Designed steel structure for the repair/retrofit/assembly of aircraft components located on a U.S. Air Force base in Okinawa, Japan (C)
2014 - 2015	Subdivision of property located at 5400 Clark Road, Paradise, CA into four community commercial lots for the subsequent construction of five commercial office buildings (P) Design/Build

2014 – Current	Designed a 2830 SF and a 3840 SF professional office building in Paradise, CA for “Paradise Garden Square”, A Town of Paradise – Community Commercial Project (P) Design
2014 – 2015	Designed a 6024 SF professional office building in Chico, CA for the “College Scheduler, LLC” software company’s international headquarters and its proposed new tenant— “Executime”, also a software company Design (C)
2014 – Current	Designed a pharmacy and retail floor plan with new drive-thru structure for an existing 4980 SF commercial building located at 5954 Clark Road, Paradise, CA.; Design (C) An SBA project
2015 – 2017	Designed and constructed a 5170 SF professional office, manufacturing and warehouse building for RFR Custom Fab. in Paradise; (P) Design/Build; An SBA project
2016 – 2017	Designed a 6024 SF professional office building in Chico, CA for the Floral & East Ave Investment Group, LLC. (C)
2016 – 2018	Designed and constructed a 4432 SF single-family home in Paradise; (P) Design/Build
2017 – 2018	Designed a 1362 SF Maintenance structure for the Town of Paradise Fire Department – Our steel structure was purchased by the successful bidder and erected; (C) Design
2017 – 2019	Provided design assistance and components for the owner’s remodel of a portion of an existing 72000 +/- SF industrial building – Capay Hops Factory; Paradise (C); An SBA project
2017 – 2018	2800 SF Commercial Retail/Warehouse Structure for Ace Hardware in Yankee Hill, CA (C) Design/Build
2018 – 2018	2250 SF Commercial Building Warehouse expansion for Hudson’s Appliance – Paradise (C) Design/Build
2019 – 2019	2244 SF Single-Family Home for Brad Perkins – Yankee Hill (C) Design
2019 – 2019	2040 SF Single-Family Home for Stacie Perkins – Yankee Hill (C) Design
2019 – 2020	3872 SF Single-Family Home for Matt and Diane Woodmansee – Oroville (C) Design
2019 – 2020	3750 SF Commercial Retail Building for Wilson’s Paradise Marine, Craig Wilson – Paradise (C) Design/Build
2019 – Current	3000 SF Commercial Retail Building for Jeannie’s Consignment, Carol Stark – Paradise (C) Design/Build
2019 – Current	2400 SF Paradise Driveline Commercial Building for Vern Jaynes – Paradise (C) Design

2019 – Current	2880 SF Commercial Automotive Service Building for James Topolinski – Paradise (C) Design
2020 – Current	44,500 SF Agricultural, Commercial and Industrial Buildings for Juan Cole III (Paradise Packaging) at 5385 Clark Road, Paradise (C) Design/Build; An SBA project
2020 – Current	2232 SF Single-Family Home for Matt and Mel Quave in Concow (C) Design/Build; An SBA project
2021 – Current	4000 SF Commercial Office and Warehouse Building for Chris Hekman at Valley Specialty Sales – Paradise (C) Design

The (P) Personal, (C) Consulting, (D) Design and/or Design/Build construction projects which are shown above, represent the major projects completed in the past 45 years. There were many other smaller projects... which are too numerous to include—in this resume.

PROPOSAL/CONTRACT



VISE COMPANY INC.

License C 1022278/DIR#:1000059699

PO BOX 344

Orland, Ca. 95963

PHONE (530) 624-9006 FAX (530) 326-2981

DATE:

4/17/2021

PROPOSAL NO:

<i>and</i> BUYER/ OWNER	NAME: Kevin Williams			
	PROJECT ADDRESS 120 Toma Court	CITY San Andreas	STATE/ZIP CA 95249	PHONE 209.419.3979
	ALTERNATE ADDRESS (IF ANY)	CITY	STATE/ZIP	PHONE

Project To Begin: N/A

Contract Completion Date: N/A

Date Of Plans: N/A

Architect: N/A

Engineer: N/A

Work performed at San Andreas Ca

(Street Address and Legal Description, If Known)

We hereby propose to furnish the following work: **Calaveras County Water District.**

Complete erection of:

(1) 60'x160'x16' Metal building

BUILDING ACCESSORIES:

- (8) Bays
- X bracing in one bay
- 2/12 roof pitch
- PBR roof and wall panels
- (9) 3070 walk doors
- (9) 12'x14' framed opening with a DBCI chain hoist roll up door
- (16) 3'x10'8" skylights in the roof
- (8) 9"x10' ridge vents (chain driven, not continuous cable)
- (8) 3'x3' self-flashing/framing windows
- (1) Full height 60' partition wall sheeted one side with purlin/girt closures
- 2' at eave extension both sidewalls with soffit panels
- 4" wmp-vrr blanket insulation in the roof and walls
- Gutters & Downspout @ eaves, Gable trim on endwalls
- PROJECT BID USING DAVIS-BACON PREVAILING WAGE!!!!!!

By other: All material, site work, electrical, plumbing, permits, HVAC, removal of debris from jobsite, removal of piece mark numbers, Washing/painting/Cleaning of steel, sheeting and trim, Performance/payment bonds, any warranty exceeding a 1 year workmanship warranty, Sanitation facilities (which shall be onsite prior to mobilization of crew), anything not specifically mentioned in the work scope listed above

PROPOSED PAYMENT: Owner agrees to pay Contractor a total price of \$182,400.00 The payment schedule will be:

(1) Down payment of \$N/A,

(2) Payment schedule as follows:

One payment of **\$182,400.00** shall be paid upon completion of work scope listed above.

A progress payment may be requested.

Price is good if installed within 6 months of date listed above. After that time, the price will have to be re-evaluated.

This price is valid if erection can begin at time of unload. If site is not ready, then extra cost will be applied for in and out of equipment and crew.

Price is based on complete access to all four sides of the building. Must have 20' clear path to all walls.

This proposal to be added to the contract as an attachment. Price does not include torque inspection cost.

All Main frame connections must be A325 bolts: If A490 bolts or any other grade are in the design the price will have to be adjusted accordingly.

WISE COMPANY WILL UNLOAD THE BUILDING. INVENTORY AND SIGNATURE FOR THE BUILDING AND ANY ADDITIONAL COMPONENTS MUST BE DONE BY THE OWNER/CONTRACTOR OR CONTRACTOR'S REPRESENTATIVES. WISE COMPANY IS NOT RESPONSIBLE FOR MISORDERED BUILDINGS OR INCORRECT MATERIAL QUANTITIES!

(if plastic covering is "baked on/stuck on" from sun exposer on trim pieces Vise Company will not be responsible for removal of covering)

Vise company assumes standard metal building installation practices: If special requirements are needed a price adjustment will be made accordingly: (i.e.: protective tire booties, limited access, rough site conditions, irregular erection sequences)

All roll up doors will have a (1) year service warranty from time of completion. After the year is over any service on doors will require a service fee.

NOTE: This proposal may be withdrawn by us if not accepted within 10 days.

ACCEPTANCE OF PROPOSAL

You are hereby authorized to return a formal contract between us to accomplish the work described in the above proposal, for which the undersigned agrees to pay the amount stated in said proposal and according to the terms thereof.

X _____
OWNER/BUYER SIGNATURE DATE

X _____
OWNER/BUYER SIGNATURE DATE

CONTRACTOR SIGNATURE

RESOLUTION NO. 2021-
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CALAVERAS COUNTY WATER DISTRICT
AWARDING CONSTRUCTION CONTRACT FOR THE PRE-ENGINEERED METAL
BUILDING FOR MAINTENANCE AND WAREHOUSE BUILDING PROJECT, CIP
11101

WHEREAS, upon issuing a Request for Proposals (RFP) on April 5, 2021 that was advertised in the local newspaper and on Public Purchase for the purchase of a 9,600 square foot pre-engineered metal building for future construction of a maintenance and warehouse building, the District received two (2) sealed bids as of the due date of April 21, 2021, and

WHEREAS, the lowest responsive and responsible bid conforming to the requirements of the RFP was submitted by The Steel Builder in the amount of \$135,488 to purchase the building materials and the design for the building and foundation, and

WHEREAS, the 2021-22 Fiscal Year's Budget has allocated \$300,000 for the Mechanics and Warehouse Building Project with additional funds to be allocated for FY 2021-22 to complete the building pad, foundation, and building erection, and

BE IT RESOLVED, the CALAVERAS COUNTY WATER DISTRICT Board of Directors hereby approves the proposal submitted by The Steel Builder attached hereto and made a part hereof, and authorizes the General Manager to enter into a Construction Contract with The Steel Builder in the amount of \$135,488.00 for the pre-engineered metal building for said project.

PASSED AND ADOPTED this 28th day of April, 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Jeff Davidson, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

Agenda Item

DATE: April 28, 2021
TO: Board of Directors
FROM: Michael Minkler, General Manager
SUBJECT: Discussion/Action regarding Renewal of the Lease Agreement for the Courtright/Emerson Memorial Ballpark at White Pines

RECOMMENDED ACTION:

Motion: _____/_____ adopting Resolution No. 2021 - ____ Renewing the Lease Agreement between the District and the County of Calaveras for Courtright/Emerson Ballpark.

SUMMARY:

On October 14, 2009, the Board approved a lease agreement regarding the Courtright-Emerson Memorial Ballpark between the District and Calaveras County that began May 1, 2010. The term of this lease was for 10 years and may be extended by mutual consent of all parties. The lease was not extended in 2020 due to the COVID-19 restrictions. The Courtright-Emerson Memorial Foundation would like to extend the lease for another 10-year term. All terms of the original lease remain the same.

FINANCIAL CONSIDERATIONS:

The annual rent of this lease shall be \$450.00 for the first year. The annual rent will be increased by \$10.00 each year during the term of the lease.

Attachments: *Resolution No. 2021-__ Adopting Lease Agreement Regarding Courtright-Emerson Memorial Ballpark Lease Agreement*

RESOLUTION NO. 2021-

**ADOPTION OF LEASE AGREEMENT REGARDING THE
COURTRIGHT- EMERSON MEMORIAL BALLPARK
BETWEEN THE
CALAVERAS COUNTY WATER DISTRICT
AND
CALAVERAS COUNTY**

WHEREAS, the Calaveras County Water District (CCWD) owns property designated as APN 025-044-038 which includes, as part of a larger parcel of land a portion designated as the Courtright-Emerson Memorial Ballpark, located north of White Pines Lake near the community of Arnold; and

WHEREAS, CCWD has, since 2002 leased a portion of APN 025-044-038, to wit N 88° 21' 40" E; S 28° 42' 15", S 29° 05' 40" E, N80° 6' 402" E, of said property, to the Courtright-Emerson Memorial Ballpark Committee, a not-for-profit group interested in the promotion of recreational activities including, but not limited to, baseball; and

WHEREAS, the Courtright-Emerson Memorial Ballpark Committee, the current Lessee, has requested CCWD as Lessor to permit assignment of its interest in the property to Calaveras County as permitted by the existing lease; and

WHEREAS, it is the desire of Calaveras County to enter into a new Lease Agreement with CCWD for the same leasehold property for the purpose of continuing and enhancing recreational opportunities.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of CALAVERAS COUNTY WATER DISTRICT does hereby authorize the execution of a revised Lease Agreement with Calaveras County with regard to the operation of a ballpark per the terms and conditions set forth in the Lease Agreement, attached hereto and made a part hereof.

BE IT FURTHER RESOLVED, that the Lease Agreement with the County supersedes and terminates any and all prior Lease Agreements with the Courtright-Emerson Memorial Ballpark Committee and its predecessors.

BE IT FURTHER RESOLVED, that the General Manager is authorized to negotiate, modify, and execute said Lease Agreement with the County for the Courtright-Emerson Memorial Ballpark with a resulting document substantially similar to form to that presented to the Board of Directors on this date.

PASSED AND ADOPTED this 28th day of April 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CALAVERAS COUNTY WATER DISTRICT

Jeff Davidson, President
Board of Directors

ATTEST:

Rebecca Hitchcock
Clerk to the Board

PROPERTY LEASE FOR THE USE OF CALAVERAS COUNTY WATER DISTRICT PROPERTY FOR THE COURTWRIGHT-EMERSON MEMORIAL PARK, Part of the WHITE PINES LAKE RECREATIONAL AREA, NORTH OF WHITE PINES LAKE, ARNOLD, CA

THIS LEASE made and entered into this 1st day of May 2021 (the “*Commencement Date*”) by and between CALAVERAS COUNTY WATER DISTRICT hereinafter called LESSOR, and CALAVERAS COUNTY hereinafter called COUNTY and Courtwright-Emerson Foundation hereinafter called FOUNDATION. LESSOR leases to COUNTY and COUNTY hires from LESSOR the PREMISES hereinafter described. COUNTY and LESSOR agree that the PREMISES shall be operated and maintained by FOUNDATION and FOUNDATION agrees to operate and maintain the PREMISES in accordance with this lease.

IT IS AGREED AS FOLLOWS:

1. LEASE.

LESSOR owns real property designated as a portion of APN 025-004-038 (to whit located in the NW corner of said parcel, N 88° 21' 40" E; S 28° 42' 15", S 29° 05' 40" E, N80° 6' 402" E, as shown in *EXHIBIT A* (CCWD drawing B-0054, Sheet 1 of 2), attached hereto and made a part hereof. LESSOR is a public agency dedicated to protecting, enhancing and developing the county’s water resources to the highest beneficial uses, while maintaining cost-conscious, reliable service and quality of life through responsible management. A portion of the real property described in *EXHIBIT A* will be leased to COUNTY and operated by FOUNDATION for the operation of a ballpark and foot-type recreational facility for activities such as baseball, football, soccer, and softball under the terms and conditions contained within this lease agreement. That portion of the real property subject to this Lease is outlined on *EXHIBIT A*, and hereinafter is referred to as “PREMISES”. This lease does not include White Pines Park, White Pines Lake, the Moose Lodge, the Logging Museum, or any other nearby operation under separate leases with the District.

PARTIES.

COUNTY and LESSOR agree that the PREMISES shall be developed, operated and maintained by FOUNDATION and FOUNDATION agrees to develop, operate and maintain the PREMISES in accordance with this lease. In the event that FOUNDATION does not operate the PREMISES as required herein, COUNTY may, at its option and upon written notice to LESSOR, assume control of the PREMISES for development, operation and maintenance thereof, and in such case, COUNTY shall assume all obligations of the FOUNDATION. In such event, COUNTY may assign obligation of operation and maintenance to a third party, subject to the reasonable approval of LESSOR. If, in the opinion of LESSOR and the COUNTY, the FOUNDATION is deemed not to be developing, operating and maintaining the PREMISES in accordance with this lease, LESSOR may, at its option, and upon notice to PARTIES assign County, as the LESSEE, to take responsibility for development, operation and maintenance thereof.

2. TERM.

The term of this Lease shall begin on May 1, 2021 and shall be for a period of ten (10) years, subject to

earlier termination as provided herein. The term may be extended by mutual consent of all parties. If COUNTY (directly or through any transferee or other successor-in-interest of COUNTY) remains in possession of the PREMISES after the expiration or termination of this Lease, COUNTY'S continued possession shall be on the basis of a tenancy at the sufferance of LESSOR. Acceptance by LESSOR of rent after such termination shall not constitute a renewal of this Lease and nothing contained in this provision shall be deemed to waive LESSOR'S right of re-entry or any other right hereunder or at law.

COUNTY shall indemnify, defend and hold LESSOR harmless from and against all claims, costs, and losses arising or resulting directly or indirectly from COUNTY'S failure to timely surrender the PREMISES.

3. USE OF PREMISES.

A. COUNTY shall have the right to use the PREMISES only for recreational purposes outlined in Article 1., above, and for uses associated therewith; provided, however, in no event shall the COUNTY use the PREMISES for any purpose or use (nor shall the COUNTY carry on any activity upon the Premises) which in any manner causes, creates or results in a public or private nuisance or which violates an applicable law. COUNTY anticipates that the following uses may be established on the PREMISES:

- Baseball
- Football,
- Soccer
- Softball
- Other such recreational activities that may be appropriately undertaken on a ballpark.
- Toddler playground
- Parking for participants and guests.

B. For the protection of the PREMISES from vandalism and destruction, the following uses are, without limitation, expressly prohibited on the Premises: motorized vehicle use for sport, open fires, the possession or discharge of firearms or fireworks; all overnight use of the PREMISES; consumption of alcoholic beverages on the premises. The prohibitions and limitations noted in CCWD Recreation Ordinance (Exhibit C) or as the Ordinance may be amended, also apply. However, FOUNDATION may request permission from LESSOR to make exception to the prohibitions for overnight use of the PREMISES and/or the sale of alcohol solely for a limited duration special event. LESSOR may accept or reject such requests and place any such special requirements on the special event that LESSOR deems appropriate as a condition for an exception. LESSOR at LESSOR'S sole discretion shall determine whether an exemption shall be granted.

C. COUNTY AND LESSOR shall resolve any disagreements relating to FOUNDATION'S proposed improvements in timely fashion prior to FOUNDATION'S completion and submittal of final plans for permits. FOUNDATION agrees that any improvements it installs on the PREMISES shall be

constructed substantially in accordance with plans submitted to and approved in writing by COUNTY and LESSOR. Failure to obtain such prior approval shall be considered a material breach of the lease agreement and LESSOR may, without limitation, take such actions as are provided herein up to and including terminating the lease agreement and may seek any and all remedies available in law or equity.

D. FOUNDATION shall adopt reasonable rules and regulations for the use of the PREMISES. Such rules and regulations shall include, but not be limited to specific requirements relating to the use of the ballpark and associated facilities installed by the Foundation. Said rules shall be in compliance with CCWD Recreation Ordinance, Exhibit C or as the ordinance may be amended. Hours of operation on the PREMISES shall not exceed the period from sunrise to sunset, except where scheduled adult team activities may require time extensions.

E. Neither the COUNTY, FOUNDATION nor LESSOR shall discriminate by race or ethnicity, religion, gender or sexual orientation, national origin, or any other criterion protected by federal or state statute with regard to requests for use of the ballpark.

F. LESSOR reserves the right to utilize portions of LEASED PROPERTY for purposes of installing water well, water and/or sewer pipelines and associated twenty-foot wide pipeline maintenance and construction easements; for purposes of irrigation with treated effluent consistent with state standards; for the construction and operation of pump/lift stations; and for such other purposes consistent with the LESSOR's responsibility to provide water and/or wastewater services to the community, hereinafter called INFRASTRUCTURE. LESSOR will consult with FOUNDATION prior to the installation of these facilities in an effort to avoid any conflict with existing facilities constructed by FOUNDATION. Provided, however, LESSOR reserves the right to construct facilities in locations it deems necessary at LESSOR's sole discretion. INFRASTRUCTURE shall not be considered improvements or IMPROVEMENTS under this Lease and COUNTY and FOUNDATION shall have no obligation whatsoever regarding such INFRASTRUCTURE, including but not limited to its construction, maintenance, operation, damage, injury, or indemnification. FOUNDATION's indemnification obligations under Section 10. shall not include or extend to and claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever in any way related to any rights or activities under this subsection G.

G. Neither FOUNDATION nor County shall undertake improvements, use, or maintain PREMISES in such a manner as to degrade any environmentally sensitive habitat on the PREMISES. FOUNDATION shall take precautions reasonably necessary to protect environmentally sensitive habitats from degradation during construction of any improvements. Failure to correct a damage situation to environmentally sensitive areas within thirty (30) calendar days after notice by LESSOR shall be considered a breach of this lease.

4. RENT.

The annual rent of this Lease shall be

- Four-hundred-fifty dollars (\$450.00) for the first year
- Such annual rent shall be increased by ten dollars (\$10.00) each year during the term of the lease, including any such term extensions as may be agreed between the parties.

Such rent shall be payable within thirty (30) calendar days after the *Commencement Date* of this Lease and on or before each annual anniversary date thereafter. If any payment of rent is not received by LESSOR within ten (10) calendar days after its due date (and whether or not LESSOR has notified FOUNDATION of such delinquency), FOUNDATION shall pay to LESSOR on demand as a late charge an additional amount equal to six percent (6%) of the overdue payment. LESSOR'S acceptance of any such late charge shall not constitute a waiver of FOUNDATION'S default with respect to the overdue amount or prevent LESSOR from exercising any of the rights and remedies available to LESSOR under this Lease. A late charge may not be imposed more than once on any particular installment not paid when due, but imposition of a late charge on any payment not made when due does not eliminate or supersede late charges imposed on other (prior) payments not made when due or preclude imposition of a late charge on other installments or payments not made when due. In addition to the late charges referred to above, which are intended to defray LESSOR'S costs resulting from late payments, any payment from FOUNDATION to LESSOR not paid when due shall at LESSOR'S option bear interest from the date due until paid to LESSOR by FOUNDATION at the lesser of ten percent (10%) or the highest amount permitted by law. Acceptance of any late charge or interest shall not constitute a waiver of FOUNDATION'S default with respect to the overdue sum or prevent LESSOR from exercising any of its other rights and remedies under this Lease.

In addition to the rent described in this Section 4, FOUNDATION shall pay to the parties respectively entitled thereto all impositions, insurance premiums, operating charges, maintenance charges, construction costs, and any other charges, costs, and expenses that arise or may be contemplated under any provisions of this Lease during the term hereof.

5. IMPROVEMENTS.

With the prior written approval of LESSOR first obtained in accordance with Article 3.C, COUNTY shall provide FOUNDATION notice to proceed for construction or installation of improvements related to the ballpark's intended use, hereinafter referred to as IMPROVEMENTS on the PREMISES. Construction of said IMPROVEMENTS shall be completed at FOUNDATION's sole cost and expense. The approximate locations of improvements are shown on the aerial map which is attached as EXHIBIT B. FOUNDATION agrees to submit final construction plans to COUNTY and LESSOR for review approval prior to the construction of any IMPROVEMENTS. All such IMPROVEMENTS shall be constructed substantially in accordance with approved plans and specifications and in compliance with appropriate building, grading and any other County, State or Federal regulations and permits required for the particular activity. It shall be the sole responsibility of FOUNDATION to obtain such required permits and FOUNDATION shall provide copies of same to LESSOR on request. Upon termination of this Lease and unless otherwise specified, all such improvements shall become the property of LESSOR and shall not be removed by FOUNDATION without prior written approval of LESSOR. Upon termination of this Lease, if requested by the LESSOR, FOUNDATION shall, at its own cost and expense, remove all improvements as specified by LESSOR and restore the PREMISES to its condition on the Commencement Date. Improvements constructed or installed by FOUNDATION on the PREMISES shall be maintained by FOUNDATION in good order to serve the intended function(s) and not become safety hazard(s) to the public through misuse or disrepair or removed by FOUNDATION.

Should any work of the IMPROVEMENTS or maintenance of the PREMISES be performed by volunteers, FOUNDATION certifies that said volunteers have executed a waiver discharging LESSOR and COUNTY from liability and indemnity.

6. WASTE.

FOUNDATION agrees that it will not commit or permit construction waste or other debris upon the PREMISES, and assumes responsibility for removing any such waste or debris that may arise or appear on the PREMISES.

7. UTILITIES.

FOUNDATION shall pay all costs for construction, operation and maintenance of existing utilities and for construction of any new utilities proposed by FOUNDATION to serve the PREMISES.. Water for irrigation, human consumption, drinking fountains, and restrooms shall be obtained from the Ebbetts Pass Improvement District system, shall be metered, and shall be paid for at the same consumptive rate as any other domestic service within said District. Sewer service shall be obtained from the Arnold sewer system and paid for at the same rate as any other domestic sewer service connected to said system.

8. MAINTENANCE.

FOUNDATION, at its sole cost and expense, shall be responsible for the repair and maintenance of the PREMISES and of FOUNDATION IMPROVEMENTS of every type and kind and all landscaping on the PREMISES and shall at all times keep the same in good repair and in an orderly, safe and usable condition. FOUNDATION shall be solely responsible for causing all such improvements to remain in compliance with all applicable laws, LESSOR having no responsibility with respect thereto. LESSOR shall not be obligated to make any repairs, or replacements of any kind, nature, or description, whatsoever, to the PREMISES or to any IMPROVEMENTS thereon. In addition, LESSOR may, at any reasonable time and from time to time during the term of the Lease, enter upon the PREMISES for the purpose of inspecting the IMPROVEMENTS located thereon and for such other purposes as may be necessary or proper for the reasonable protection of its interests. Improvements constructed by FOUNDATION on the PREMISES shall be maintained by FOUNDATION in good order to serve the intended function and not become safety hazard(s) to the public through misuse or disrepair. FOUNDATION shall have the right to remove any FOUNDATION Improvements in the event FOUNDATION determines it is in the best interests of safety, maintenance or use of the PREMISES.

9. LIENS.

FOUNDATION covenants that (i) the construction of any IMPROVEMENTS on the PREMISES shall be at FOUNDATION'S sole cost and expense, and (ii) it will permit no liens to be filed against the PREMISES with respect to any IMPROVEMENTS thereto. The prohibition on liens shall include both mechanics liens as well as financial liens such as loans secured by IMPROVEMENTS on the leasehold. In the event any lien is filed against the PREMISES, then and in that event, FOUNDATION shall cause such lien to be discharged.

10. INDEMNIFICATION.

To the fullest extent permitted by law, FOUNDATION shall indemnify and hold harmless and defend LESSOR, its directors, officers, employees, or authorized volunteers, and each of them from and against:

A. Any and all claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever for, but not limited to, injury to or death of any person including LESSOR and/or FOUNDATION, or any directors, officers, employees,

or authorized volunteers of LESSOR or FOUNDATION, and damages to or destruction of property of any person, including but not limited to, LESSOR and/or FOUNDATION or their directors, officers, employees, or authorized volunteers, arising out of or in any manner directly connected with FOUNDATION's activities on the PREMISES, however caused, regardless of any negligence of LESSOR or its directors, officers, employees, or authorized volunteers, except the sole or gross negligence or willful misconduct of LESSOR and / or its directors, officers, employees, and / or authorized volunteers.

B. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of FOUNDATION.

D. FOUNDATION shall reimburse LESSOR or its directors, officers, employees, or authorized volunteers, for any reasonable legal expenses and costs incurred by each of them in enforcing the indemnity herein provided., provided that such enforcement is successful in obtaining indemnification. FOUNDATION's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the LESSOR, or its directors, officers, employees, or authorized volunteers.

E. Indemnified parties shall fully cooperate with FOUNDATION in the defense of all claims, shall not incur any expenses without the written consent of FOUNDATION and shall not make any statements against the interest of FOUNDATION. FOUNDATION's obligations hereunder shall exclude costs, expenses or liability resulting directly or indirectly from any actions by any indemnified party taken without the prior written consent of FOUNDATION.

F. In no event shall FOUNDATION'S obligations under this Lease extend to any claims, demands, causes of action, damages, costs, expenses, losses or liabilities, in law or in equity, of every kind or nature whatsoever of any indemnified party caused directly or indirectly caused by any indemnified party.

G COUNTY and LESSOR mutually indemnify one another. The indemnity and contribution provisions of Government Code section 895.6, regarding Tort Liability under Agreements Between Public Entities, shall apply.

11. INSURANCE.

A. Workers' Compensation Insurance - By signing this agreement, the parties certify that they are aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions in connection with any work performed on the premises.

B. Commercial General Liability and Automobile Liability Insurance - The FOUNDATION shall provide and maintain the following commercial general liability and automobile liability insurance:
Coverage - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

1. Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

2. Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

Limits - The FOUNDATION shall maintain limits no less than the following:

1. General Liability - Two million dollars (\$2,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply to PREMISES leased (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the LESSOR) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability - Two million dollars (\$2,000,000) for bodily injury and property damage each accident limit.
3. In the event that FOUNDATION obtains approval from LESSOR to sell alcohol for any event FOUNDATION is required to obtain Liquor Liability coverage with a liability limit of no less than one million dollars and provide LESSOR certification of such coverage.

D. Required Provisions - The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The COUNTY, its elected officials, officers, employees, the LESSOR, its directors, officers, employees, and authorized volunteers are to be given insured status (via ISO endorsement CG 2011, CG 2024 (if land only), or insurer's equivalent for general liability coverage) as respects: liability arising out of PREMISES leased by the FOUNDATION; and automobiles owned, leased, hired or borrowed by the FOUNDATION. The coverage shall contain no special limitations on the scope of protection afforded to the LESSOR, its directors, officers, employees, or authorized volunteers.
2. For any claims related to this lease, the FOUNDATION's insurance shall be primary insurance as respects the LESSOR, its directors, officers, employees, or authorized volunteers. Any insurance, self-insurance or other coverage maintained by the LESSOR, its directors, officers, employees, or authorized volunteers shall not contribute to it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the LESSOR, its directors, officers, employees, or authorized volunteers.
4. The FOUNDATION's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this agreement shall state or be endorsed to state that coverage shall not be canceled by the insurance carrier or the FOUNDATION, except after thirty (30) calendar days (10 calendar days for non-payment of premium) prior written notice by U.S. mail has been given to the LESSOR.
6. Such liability insurance shall indemnify the FOUNDATION and his/her contractors against loss from liability imposed by law upon, or assumed under contract by, the FOUNDATION or his/her contractors for damages on account of such bodily injury (including death), property damage, and personal injury.
7. The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, and blanket contractual liability.
8. The automobile liability policy shall cover all owned, non-owned, and hired automobiles.
9. All of the insurance shall be provided on policy forms and through companies satisfactory to the LESSOR.

E. Deductibles and Self-Insured Retentions - Any deductible or self-insured retention must be declared to and approved by the LESSOR. At the option of the LESSOR, the insurer shall either reduce or eliminate such deductibles or self-insured retentions, but in no event shall LESSOR require deductibles of less than \$100,000.

Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by the LESSOR.

F. Property Insurance - The FOUNDATION shall provide and maintain property insurance covering all risks of direct physical loss, damage or destruction to:

- Real Property in the amount of \$100,000
- IMPROVEMENTS and Betterments in the amount of \$100,000

2. The FOUNDATION shall provide and maintain property insurance covering all risks of direct physical loss, damage or destruction to:

- Personal Property in the amount of \$100,000

3. The FOUNDATION shall waive all rights of subrogation against the LESSOR, its directors, officers, employees, and authorized volunteers.

G. Evidences of Insurance and Cancellation - Prior to execution of the agreement, the FOUNDATION shall file with the LESSOR a certificate of insurance (Acord Form 25-S or equivalent) signed by the insurer's representative evidencing the coverage required by this agreement. Such evidence shall include an additional insured endorsement signed by the insurer's representative and evidence of waiver of rights of subrogation against the LESSOR. Such evidence shall also include confirmation that coverage includes or has been modified to include Required Provisions 1-5.

Said insurance (an endorsement) shall name LESSOR, its directors, officers, employees and authorized volunteers as additional insured's, and shall have a 30-day advance notice of cancellation or change in policy terms. FOUNDATION, upon demand of LESSOR, shall deliver to LESSOR entire policy, proof of payment of premiums, etc., as appropriate. FOUNDATION shall maintain such insurance during the entire duration of this Lease, and failure of FOUNDATION to maintain such insurance shall be considered noncompliance with the terms of this Lease Agreement, and shall constitute sufficient grounds for LESSOR to terminate and cancel this Lease Agreement, as provided herein.

H. Continuation of Coverage - If any of the required coverages expire during the term of this agreement, the FOUNDATION shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against the LESSOR to the LESSOR at least ten (10) calendar days prior to the expiration date.

12. GENERAL CONDITIONS.

A. Laws, Regulations and Permits - The FOUNDATION shall give all notices required by law and comply with all laws, ordinances, rules, and regulations pertaining to the PREMISES. The FOUNDATION shall be liable for all violations of the law in connection with the lease, except violations caused by LESSOR.

B. Safety & Environmental Protection - The FOUNDATION shall execute and maintain the PREMISES so as to avoid injury or damage to any person or property. FOUNDATION shall be responsible for security of the PREMISES.

In carrying out its work, the FOUNDATION shall at all times exercise all necessary precautions for the safety and environmental protection of PREMISES, and be in compliance with all applicable federal, state and local statutory and regulatory requirements including State of California, Department of Industrial Relations (Cal/OSHA) regulations, Cal/EPA, U.S./EPA and the U.S. Department of Transportation including the Omnibus Transportation Employee Testing Act.

The FOUNDATION shall not use or allow anyone else to use the PREMISES to generate, manufacture, refine, transport, treat, store, handle, recycle, release or dispose of any hazardous material, other than as reasonably necessary for the operation of the FOUNDATION's activities as contemplated under this agreement. The term "hazardous material" means any hazardous substance, material or waste, including but not limited to those listed in 49 CFR 172.101 (U.S. Department of Transportation), the Cal/EPA Chemical Lists, or petroleum products and their derivatives. However, this shall not apply to the use of petroleum products and related substances incidental to operation of motorized equipment and vehicles whose operation on the PREMISES is contemplated by this agreement.

The FOUNDATION shall immediately notify the LESSOR in writing upon becoming aware of any release of hazardous material, violation of any environmental law or actions brought by third parties against the FOUNDATION alleging environmental damage. LESSOR represents that the PREMISES is currently in compliance with all local, state and federal laws and shall indemnify FOUNDATION against any damages resulting from non compliance. FOUNDATION acknowledges that the PREMISES are adjacent to a body of water that is used as public water supply, for which FOUNDATION, in performance of its recreational activities and its development, operation and maintenance of the PREMISES, shall take appropriate care and precautions to protect, as a matter of public health and safety.

13. NOTIFICATION OF SPECIAL EVENTS.

As a result of more stringent insurance requirements, FOUNDATION shall, SIXTY (60) calendar days prior to any significant planned event, notify LESSOR in writing of such event. Depending on the nature of the event it may be necessary to go before LESSOR's Joint Power Insurance Authority Executive Board for review relative to insurance considerations. If this is not complied with, LESSOR may not allow the event under consideration.

14. NOTICES.

All notices, demands and communications required by this Lease shall be in writing and shall be given by one party to the other parties at the following addresses, respectively. FOUNDATION shall notify LESSOR and County of its any changes to its 501(c) 3 status, its elected officers and their authorities, and any change(s) thereto. If the contact information under this section changes, that party shall promptly notify the other parties of such change in writing. Notice shall be deemed served when personally delivered or mailed to the following addresses:

Calaveras County Water District
General Manager
120 Toma Court
San Andreas CA 95249

Calaveras County
County Administrative Officer
891 Mountain Ranch Road
San Andreas CA 95249

Courtwright-Emerson Memorial Ball Park Foundation
1869 HWY 4
Arnold, CA 95223-2565

15. ASSIGNMENT.

This Lease cannot be assigned nor sublet by the COUNTY or FOUNDATION without the prior written consent of LESSOR, which shall not be unreasonably withheld, first had and obtained. Any such assignment or sublease shall be in writing, duly executed and acknowledged by COUNTY and the assignee or subassignee, in form satisfactory to LESSOR. No sublease shall be made for a term extending beyond the last day of the term of the Lease, except with the written consent of LESSOR, which shall be granted or withheld in LESSOR'S sole and complete discretion. Nothing in this paragraph, however, shall restrict the FOUNDATION from charging a reasonable fee for the use of said PREMISES.

16. DAMAGE OR DESTRUCTION.

No loss or damage by cause required to be insured against hereunder resulting in either partial or total destruction of any improvement on the Property, shall operate to terminate this Lease, or to relieve or discharge FOUNDATION from the payment of rents or amounts payable as rent as they become due and payable, or from the performance and observance of any of the agreements, covenants and conditions herein contained on the part of FOUNDATION to be performed and observed.

17. THIRD PARTY MANDATES.

FOUNDATION agrees that in the event a third-party mandate that certain conditions be met or complied with, it will immediately meet those conditions, or the Lease will be subject to termination. That third party includes the mandates, laws or ordinances of any governmental agency and includes any requirements or prohibitions placed on LESSOR by LESSOR's liability insurance carrier. FOUNDATION specifically agrees to comply with all Federal, State, and local laws, statutes, regulations and ordinances in exercising its rights under this Lease Agreement. COUNTY may, upon 60 days written notice to LESSOR, terminate this Lease, without penalty, in the event any third-party mandate is imposed on LESSOR or COUNTY.

18. SALE OF PROPERTY.

In the event that LESSOR desires to sell said real property that includes all or a portion of the PREMISES, the subject of this Lease, LESSOR will so notify COUNTY and give COUNTY the first right to purchase said real property on terms acceptable to LESSOR. Upon written notification of its offer to sell to COUNTY by LESSOR, they shall have sixty (60) calendar days to exercise its first right to purchase by responding to LESSOR with a written offer to purchase. Failure of the PARTIES to reach agreement on the sale of the property within the sixty (60) calendar day period, or failure of COUNTY to submit a written offer within sixty (60) calendar days shall relieve LESSOR of any obligations under this provision of the Lease and LESSOR may sell the property to any other party. Provided, however, and consistent with applicable law, LESSOR will give COUNTY the first right to

match any bona fide offer made by any other party. LESSOR shall notify FOUNDATION and COUNTY of an acceptable offer. COUNTY shall then have fifteen (15) business days to send a written offer matching the offer acceptable to LESSOR. Upon sale of the PREMISES to a party other than the COUNTY the Lease shall terminate on the earlier of the end of the lease term or eighteen (18) months after the date of property transfer to the new owner.

19. TERMINATION / NONCOMPLIANCE.

This Agreement may be terminated by the mutual consent of all parties concerned, as expressly provided in this Lease, or for cause as defined by a Court of competent jurisdiction. In the event FOUNDATION or COUNTY fails to comply with the terms and conditions of this Agreement, LESSOR shall give notice to the other parties to this Lease and this Lease shall be in default as provided in said notice. In no event shall the defaulting party have less than twenty-five (25) or more than thirty (30) calendar days from the date of Notice of Noncompliance (or ten (10) business days for monetary default) to cure any such noncompliance. Failure to cure such noncompliance within the time prescribed in the Notice, which time shall be reasonable under the circumstances, shall constitute a material breach of this Lease Agreement and LESSOR shall have the right to immediately terminate or cancel the Lease without forfeiting, waiving, or limiting any rights or remedies, including all damages, available under applicable law

20. SUCCESSORS.

This Lease is binding upon the successors, assigns and transferees of the respective parties hereto.

21. INTERPRETATION AND CONSTRUCTION OF LEASE.

It is agreed by LESSOR, County, and FOUNDATION that the provisions of this Lease have been arrived at through negotiation, and that each party has had a full and fair opportunity to seek revision of the provisions of this Lease and to have such provisions reviewed by legal counsel. Therefore, all parties agree that the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing and interpreting this Lease.

22. ENTIRE AGREEMENT.

This Lease, together with all the attached exhibits, constitutes the entire agreement between the parties. All other representations or statements made, either verbal or written, are superseded by this Lease.

23. MODIFICATION.

This Lease may only be modified or amended by mutual written consent of the parties.

24. SIGNATURES IN COUNTERPART.

This Lease may be signed in counterpart, and all parties signing certify that they have the authority given by their respective governing bodies to execute agreements.

IN WITNESS WHEREOF the parties have hereunto set their hands the day and year first hereinabove written.

CALAVERAS COUNTY WATER DISTRICT "LESSOR"

ATTEST:

Michael Minkler, General Manager

Clerk of the Board


CALAVERAS COUNTY "LESSEE"

Benjamin Stopper, Board Chair

ATTEST:

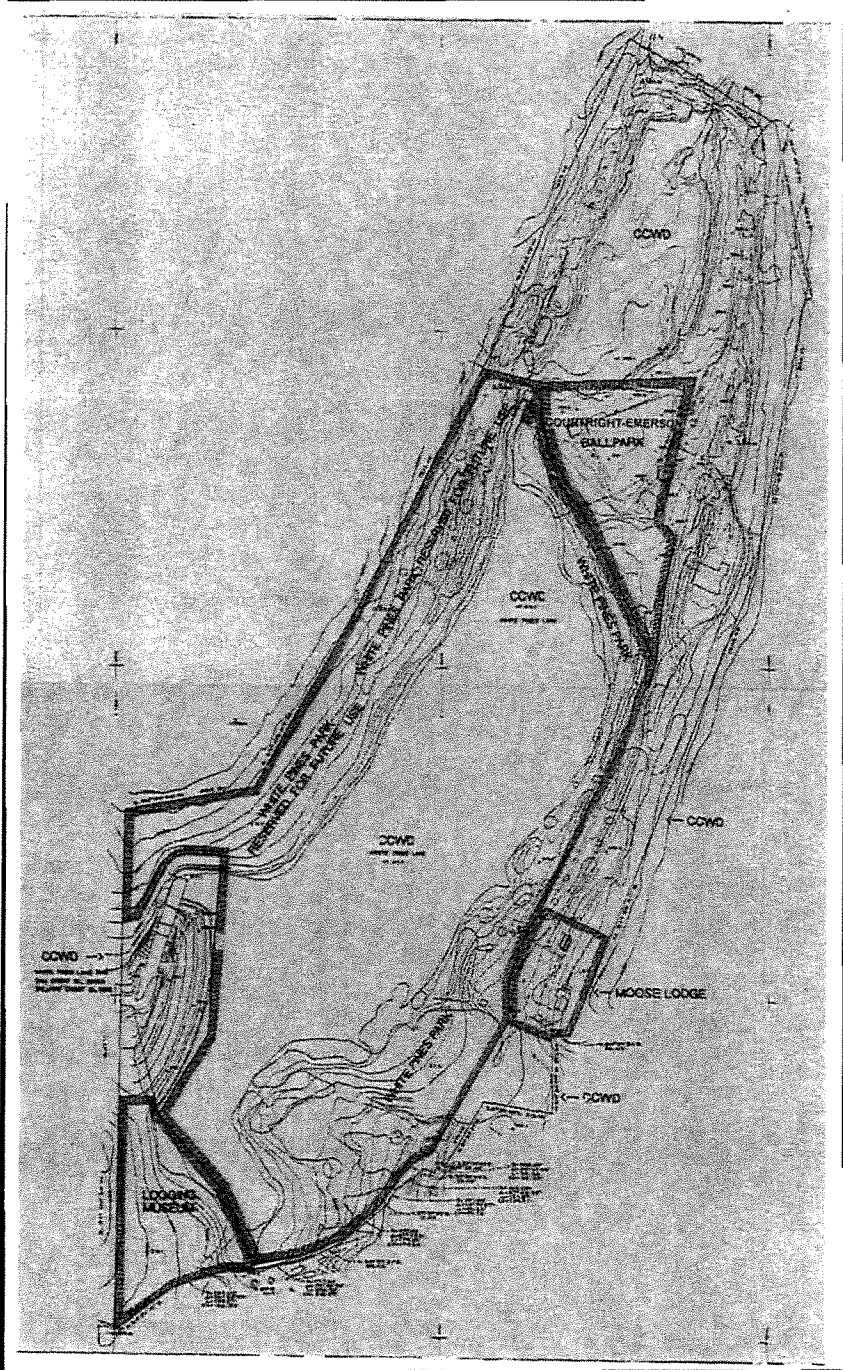
Clerk of the Board

COURTWRIGHT-EMERSON MEMORIAL BALL
PARK FOUNDATION



Chairperson

EXHIBIT A. PREMISES



Courtwright-Emerson Memorial Park Location

EXHIBIT B. Site Plan



ORDINANCE NO. 2006-07

ORDINANCE ESTABLISHING RECREATIONAL USE
OF WHITE PINES LAKE
BY CALAVERAS COUNTY WATER DISTRICT

SCANNED

WHEREAS, it is the desire of the Board of Directors of CALAVERAS COUNTY WATER DISTRICT to clarify the recreational use of White Pines Lake,

NOW, THEREFORE, BE IT RESOLVED that all prior ordinances establishing or amending recreational use of White Pines Lake including but not limited to, Ordinances 1-79; 89-3, 91-04, and 91-13 are hereby rescinded and replaced in its entirety by this Ordinance, and

BE IT FURTHER RESOLVED that the Board of Directors of the CALAVERAS COUNTY WATER DISTRICT does establish recreational use of White Pines Lake as follows:

Section 1. Allowed Uses. White Pines Lake may be used for the following recreational purposes:

- a. Picnicking from dawn to dusk each day that the park may be safely accessed.
- b. Fishing each day in accordance with the laws of the State of California governing the same, but in no event earlier than dawn, or later than dusk each day.
- c. Swimming from dawn to dusk of each day that the lake may be safely accessed and used for swimming.

Section 2. Swimming. All persons shall swim at their own risk, as no lifeguard will be provided by the CALAVERAS COUNTY WATER DISTRICT. Signs to this effect shall be posted in at least two (2) conspicuous places near White Pines Lake.

Section 3. Parking of Vehicles. All motor vehicles of users of White Pines Lake shall park in areas indicated by signage and shall not park in any other areas.

Section 4. Prohibited Uses. The following uses are prohibited unless a permit is obtained from the CALAVERAS COUNTY WATER DISTRICT Board of Directors or its designated agent:

- a. Overnight parking of any vehicle or trailer of any type or size is prohibited on the property of the CALAVERAS COUNTY WATER DISTRICT adjacent to White Pines Lake.
- b. Overnight camping is prohibited on the property of the CALAVERAS COUNTY WATER DISTRICT adjacent to White Pines Lake.
- c. Operation of highway-approved or off-highway vehicles, trail bikes, motorcycles, all-terrain vehicles, mopeds and any other motorized vehicle, on property of the CALAVERAS COUNTY WATER DISTRICT adjacent to White Pines Lake, other than on existing roads upon said property or within designated parking areas, is prohibited. Operation of vehicles in designated areas in excess of posted speed limits is prohibited.
- d. No motor-driven boat of any type or kind shall be operated on White Pines Lake. Only sail boats and row boats shall be operated upon White Pines Lake.
- e. The use or possession of firearms on CALAVERAS COUNTY WATER DISTRICT property at White Pines Lake is prohibited.

EXHIBIT D

f. All dogs must be on leashes and dog owners shall ensure that dogs do not become a nuisance or safety risk to persons or other dogs visiting said property or using White Pines Lake.

g. Use of radios, disk and tape players, televisions, public address systems, or any similar sound reproduction or sound distribution equipment, which may cause a nuisance with other users of White Pines Lake or adjoining properties is prohibited.

h. The use of glass containers is prohibited.

i. Possession or consumption of alcohol is prohibited on the property of CALAVERAS COUNTY WATER DISTRICT adjacent to White Pines Lake. Written permission for consumption of alcohol may be granted through approval of the CALAVERAS COUNTY WATER DISTRICT Board of Directors and as required by local ordinances.

j. Open fires are prohibited. Fires are limited to barbeque grilles and park-provided fire pits.

Section 5. Prohibited Activities. Vandalism including any damage to personal or real property through carving or marking, graffiti or painting, breakage or equipment or buildings, intentional or willful misuse of equipment and property, and willful or intentional conduct that causes a nuisance to other users or potential users of White Pines Lake or persons on adjacent properties is prohibited.

Section 6. Applicability of Ordinance. This ordinance applies to the real property embracing White Pines Lake, which is more particularly described as follows:

Parcel 1 as shown on that Parcel Map of a portion of the E 1/2 of Section 20 and the NW 1/4 of Section 29, T-5-N, R-15-E, MDB&M, filed for record on June 7, 1977 in Book 3 of Parcel Maps, pages 102-102A, Calaveras County Records.

Section 7. Violations. Any violation of this Ordinance is an infraction, and every person convicted of violating this Ordinance shall be punished for a first violation by a fine not exceeding \$100.00 and for a second conviction within a period of one year by a fine not exceeding \$250.00, and for a third or any subsequent conviction within a period of one year by a fine not exceeding \$500.00. Nothing in this Section shall limit the Calaveras County Water District or its authorized agents from seeking restitution for any damages caused to property or persons at the White Pines Lake property.

Section 8. Effective Date. The foregoing ordinance shall, before the expiration of fifteen (15) working days of the passage of same, be published with the names of the Board of Directors voting for and against the same once in the Calaveras Enterprise, a newspaper of general circulation printed and published in the County of Calaveras, State of California, and said Ordinance shall take effect and be in force thirty (30) days after the passage thereof.

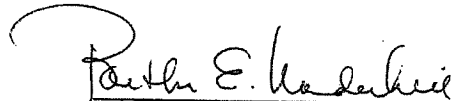
PASSED AND ADOPTED this 13th day of December, 2006, by the following vote:

AYES: Directors Dean, Hebrard, Rich, Davidson, Underhill
NOES:
ABSTAIN:
ABSENT:

By:

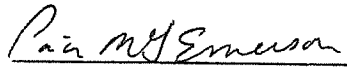
CALAVERAS COUNTY WATER DISTRICT

EXHIBIT D



Bertha E. Underhill, President

ATTEST:



Patricia G. Emerson, Secretary

EXHIBIT D

3 of 3

Agenda Item

DATE: May 2, 2019

TO: Michael Minkler, General Manager

FROM: Rebecca Hitchcock, Clerk to the Board

SUBJECT: Discussion/Direction regarding Presentation of the Quarterly Investment Reports

DISCUSSION and DIRECTION:

Discussion and direction on the Board of Director's preference on the Quarterly Investment Report presentation.

SUMMARY:

The District has started moving a part of the treasury under active management by Chandler Asset Management. With this shift, the treasury is now separated into a passive investment model, focusing on LAIF (Local Agency Investment Fund) and an active portfolio under Chandler. The Board has the option to receive the reports, included with this item as a formal presentation, have the formal presentation made to the Finance Committee, or receive a report on consent quarterly for review. The monthly investment activity will continue to come to the Board the second meeting of every month. However, the monthly investment report is a detail of transactions whereby the quarterly report is an overall economic outlook, trends in bond yields, trends in US Treasury yield, a compliance review, and a balance, duration, and benchmark review of the District's investments. Going forward, the report will include BOTH, the passive portfolio, and the actively managed account for total treasury.

A full presentation of this report will take 20-30 minutes plus questions by the Board and public. The report is thorough enough that a presentation may not be called for. However, staff are fully supportive to report on consent, present to the Finance Committee, or present to the full Board.

FINANCIAL CONSIDERATIONS:

None.

Attachments: Period Ending March 31, 2021, Investment Report

Calaveras County Water District

Period Ending March 31, 2021

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Portfolio Holdings
SECTION 4	Transactions

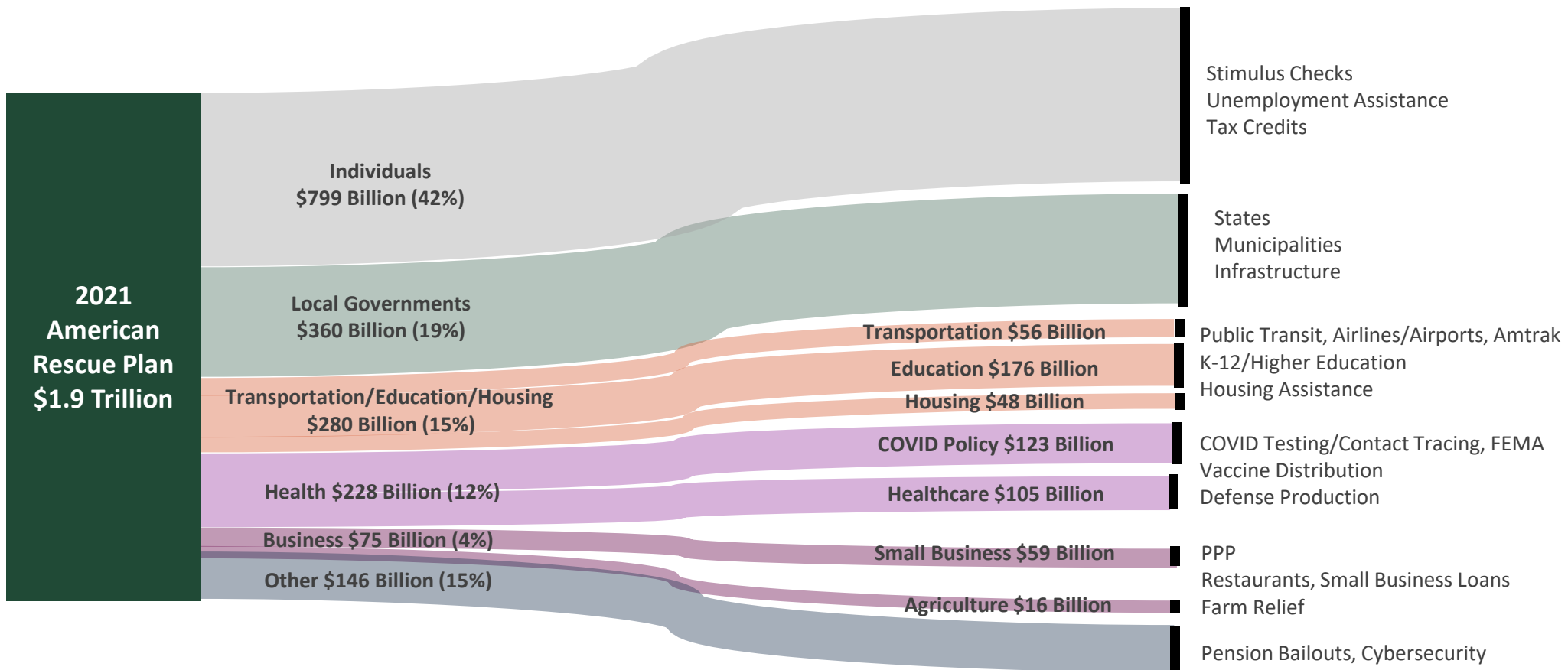
Section 1 | Economic Update

Economic Update

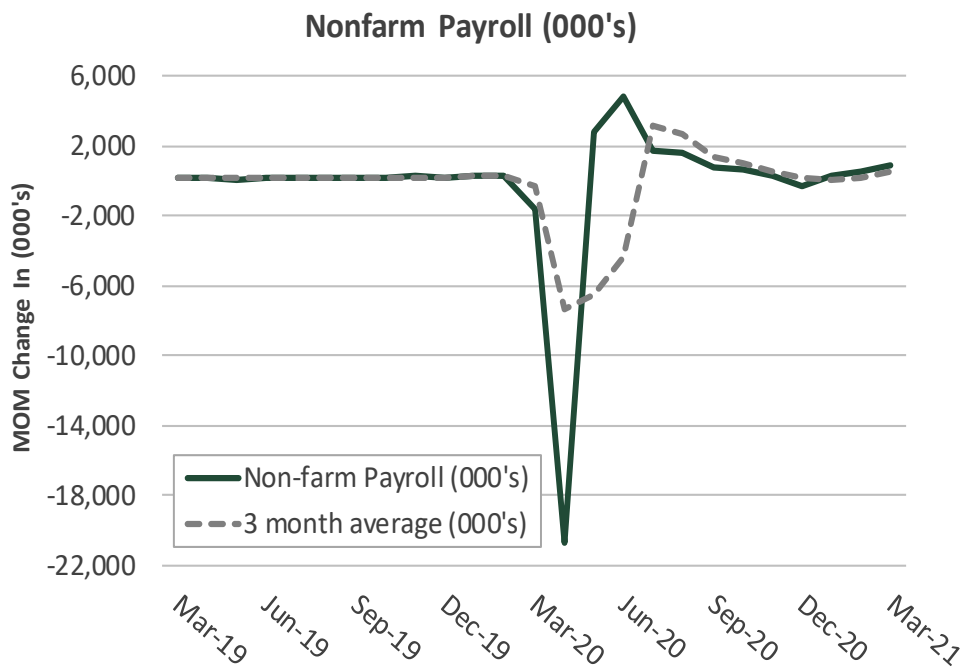
- Economic growth is poised to accelerate meaningfully in the current quarter as vaccine distribution becomes more widespread in the US amid an ongoing backdrop of robust fiscal support, low interest rates, and accommodative monetary policy. The vaccine rollout has been faster than expected and more than 25% of the US population is now fully vaccinated, and about 40% have received at least one dose. Meanwhile, robust fiscal spending along with the Federal Reserve's highly accommodative monetary policy continues to provide support for the economy and financial markets. In March, President Biden signed a \$1.9 trillion fiscal relief plan (bringing the total amount of pandemic-related fiscal relief legislation in the last year to about \$5.5 trillion) and at the end of the month he unveiled a \$2.3 trillion infrastructure spending proposal. We expect some version of an infrastructure spending bill to come to fruition later this year. Estimates for US gross domestic product (GDP) growth this year continue to migrate higher. The current Bloomberg consensus estimate for 2021 US GDP growth is now 6.2%.
- The Federal Open Market Committee kept monetary policy unchanged at their March meeting as expected, with the fed funds target rate in a range of 0.0% to 0.25%. The Fed also continues to purchase \$80 billion of Treasuries per month, and \$40 billion of agency mortgage-backed securities per month. The Fed intends to remain highly accommodative until the labor market has made a strong recovery and inflation is sustainably on track to achieve their 2.0% longer-run target. The majority of Fed policymakers expect to keep the fed funds rate unchanged through 2023. Though inflation rates are likely to increase in the coming months (due to low inflation last year and near-term supply constraints), the Fed believes the increase will be transitory and the Fed intends to remain on the sidelines. Fed Chair Powell emphasized that policymakers will clearly telegraph their outlook for monetary policy well in advance of any future policy changes.
- The yield curve has steepened. As of March month-end, the yield on 2-year Treasuries was about four basis points higher while the yield on 10-year Treasuries was nearly 83 basis points higher, on a year-to-date basis. In April, we have seen a modest retreat in longer-term Treasury yields. Nevertheless, we believe the Treasury yield curve is poised to modestly steepen further as the year progresses, which would be consistent with an improving economic outlook, more widespread vaccine distribution, the anticipation of ongoing fiscal spending, and a moderate pick-up in inflation.

Will \$5.5 Trillion Stimulus Propel Growth and Inflation?

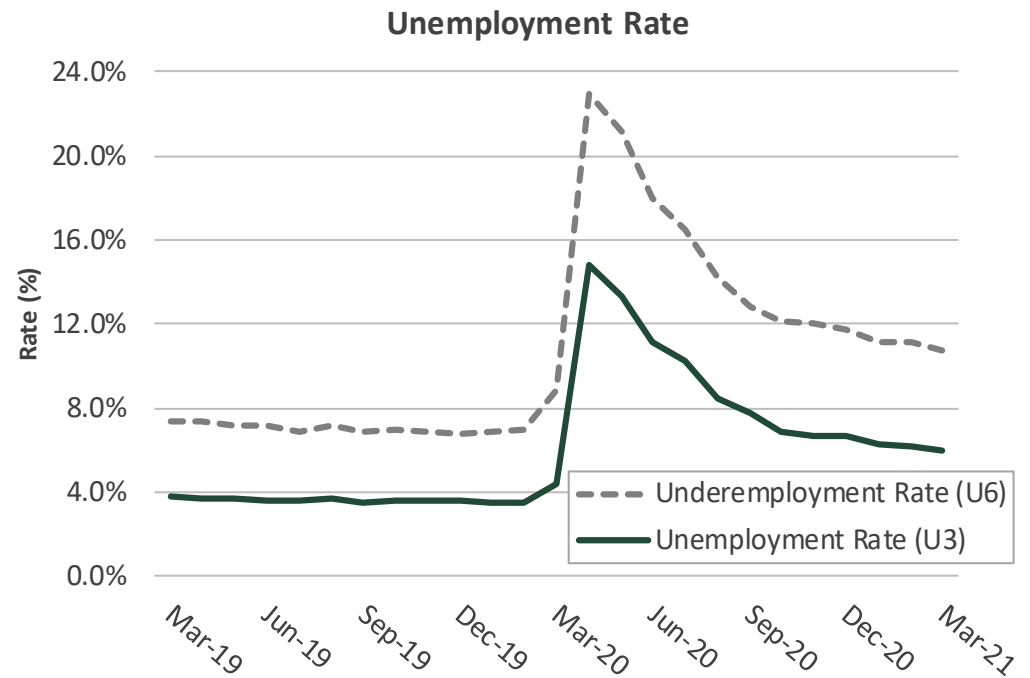
Fiscal Package	Amount
CARES Act	\$2.23 Trillion
Coronavirus Relief Bill	\$484 Billion
Phase 4 Stimulus	\$908 Billion
American Rescue Plan	\$1.9 Trillion
Total So Far	\$5.5 Trillion



Employment



Source: US Department of Labor

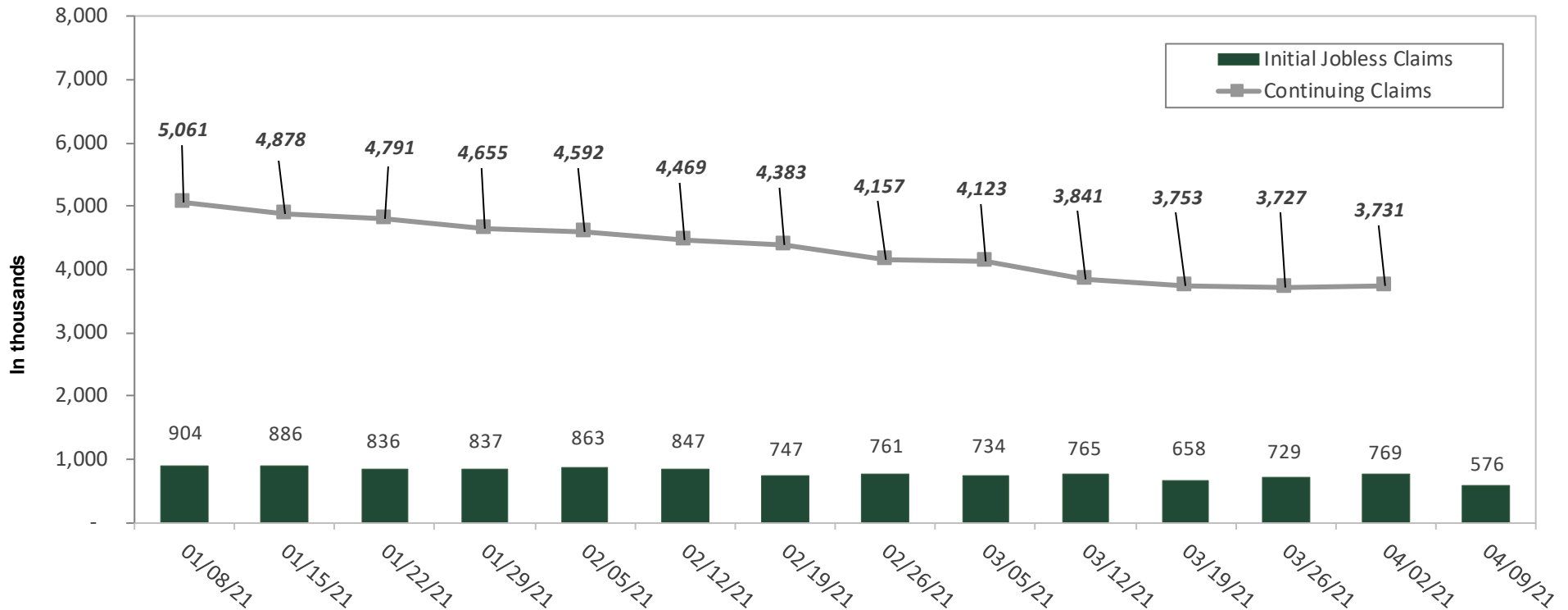


Source: US Department of Labor

U.S. nonfarm payrolls were much stronger than expected in March, up 916,000, versus the Bloomberg consensus forecast of 660,000. February payrolls were also revised higher reflecting a 468,000 gain. Payrolls in the leisure and hospitality sector showed the strongest gains adding another 280,000 jobs. As expected, the unemployment rate declined to 6.0% in March from 6.2% in February. The participation rate increased in March to 61.5% from 61.4% last month but remains below pre-pandemic levels. Although the employment picture continues to improve, payrolls are approximately 8.4 million below the 152.5 million level prior to the pandemic. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, declined to 10.7% in March from 11.1% in February.

Initial Claims for Unemployment

Initial Claims For Unemployment January 08, 2021 - April 09, 2021

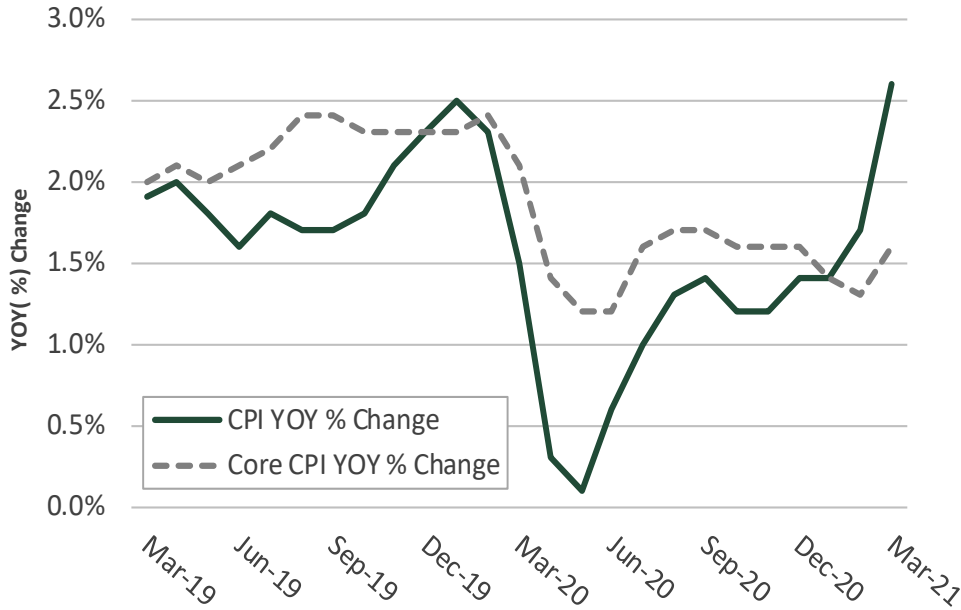


Source: US Department of Labor

In the most recent week, the number of initial jobless claims declined to 576,000 versus 769,000 in the prior week. The level of continuing unemployment claims (where the data is lagged by one week) was little changed at 3.731 million versus 3.727 million in the prior week. Although continuing jobless claims are much lower than the peak of nearly 25 million last May, they remained above the 2019 (pre-pandemic) average of 1.7 million.

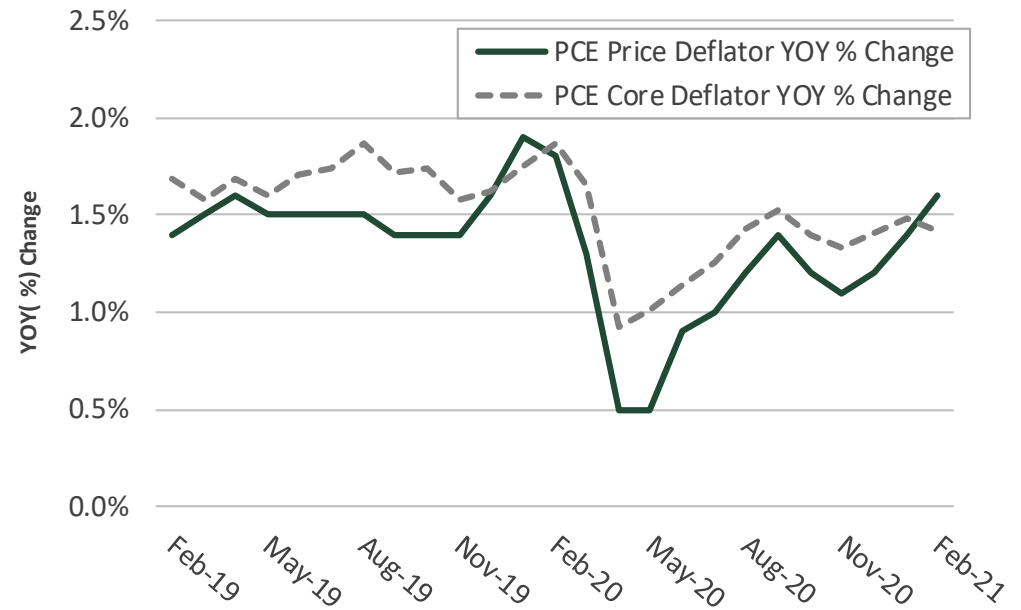
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

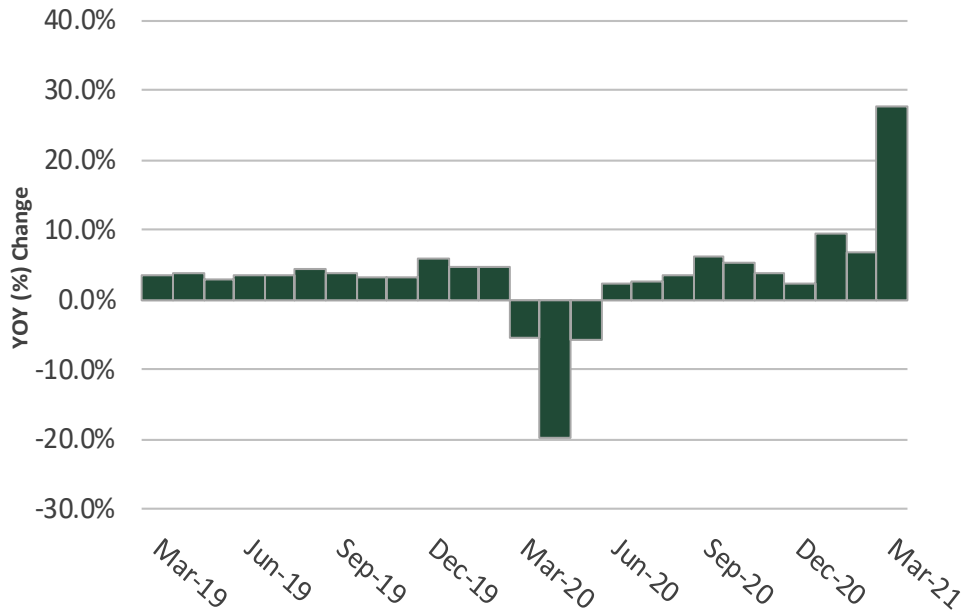


Source: US Department of Commerce

The Consumer Price Index (CPI) was up 2.6% year-over-year in March, versus up 1.7% year-over-year in February. The increase in March was driven by higher energy prices and the base effects of deflationary pressures in the initial stage of the pandemic last year. Core CPI (CPI less food and energy) was up just 1.6% year-over-year in March, versus up 1.3% in February. The Personal Consumption Expenditures (PCE) index was up 1.6% year-over-year in February, versus up 1.4% year-over-year in January. Core PCE, which is the Fed's primary inflation gauge, was up 1.4% year-over-year in February, versus up 1.5% year-over-year in January. Inflation rates are likely to increase as we begin to cycle through the deflationary impact of the pandemic last year, but for now inflation remains below the Fed's longer-run 2.0% target.

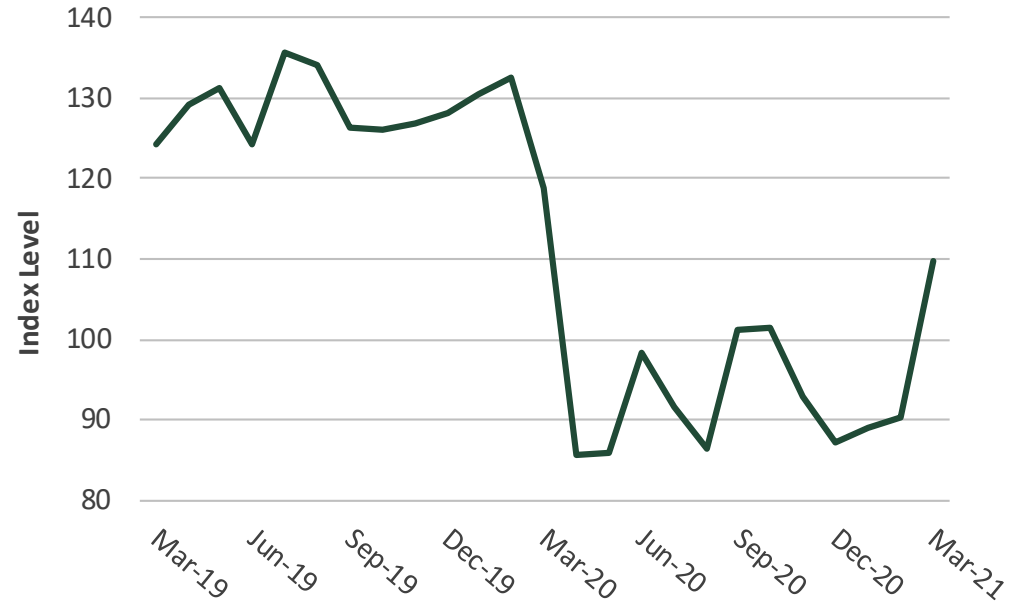
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

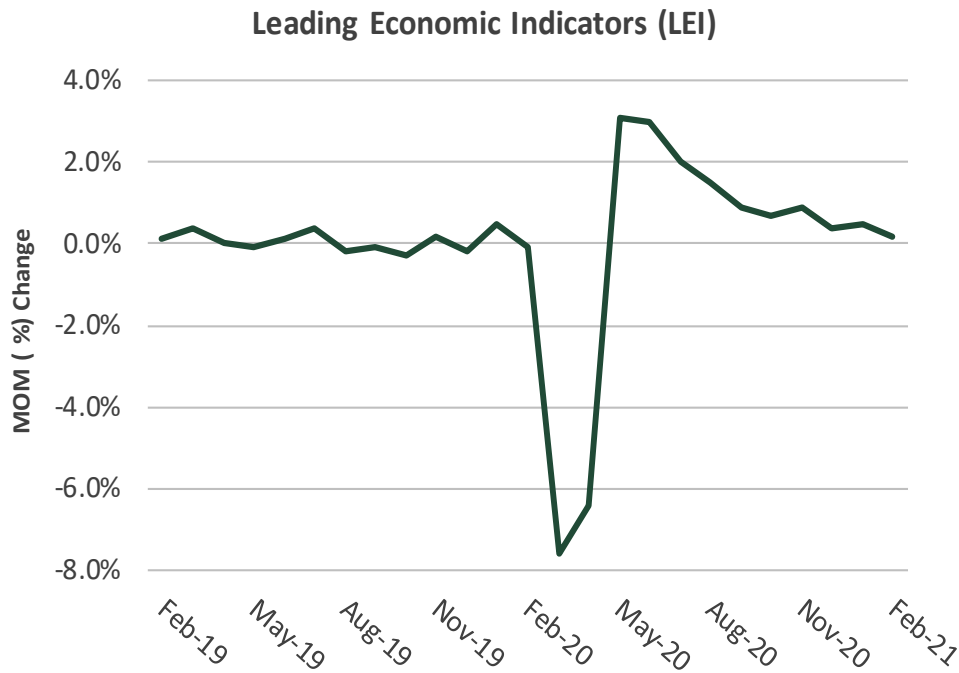
Consumer Confidence



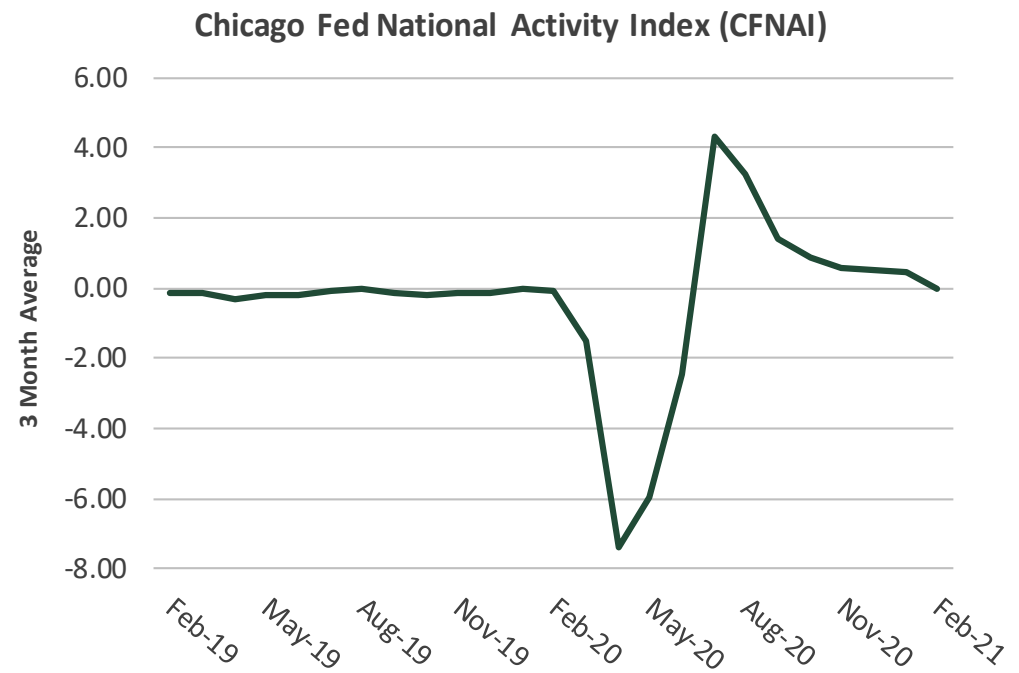
Source: The Conference Board

On a year-over-year basis, retail sales were up 27.7% in March versus up 6.7% in February. On a month-over-month basis, retail sales were even stronger than expected in March, surging 9.8%, following a 2.7% decline in February. The March increase was likely fueled by federal stimulus checks which were delivered early in the month. Pent-up demand, following severe winter weather in February, likely also helped drive March sales. The increase was broad-based across all major categories in March, with particular strength in sporting goods, hobby, instrument & book stores, clothing & accessories, and motor vehicle & parts. The Consumer Confidence index jumped to 109.7 in March from 90.4 in February, which likely helped drive March sales as well.

Economic Activity



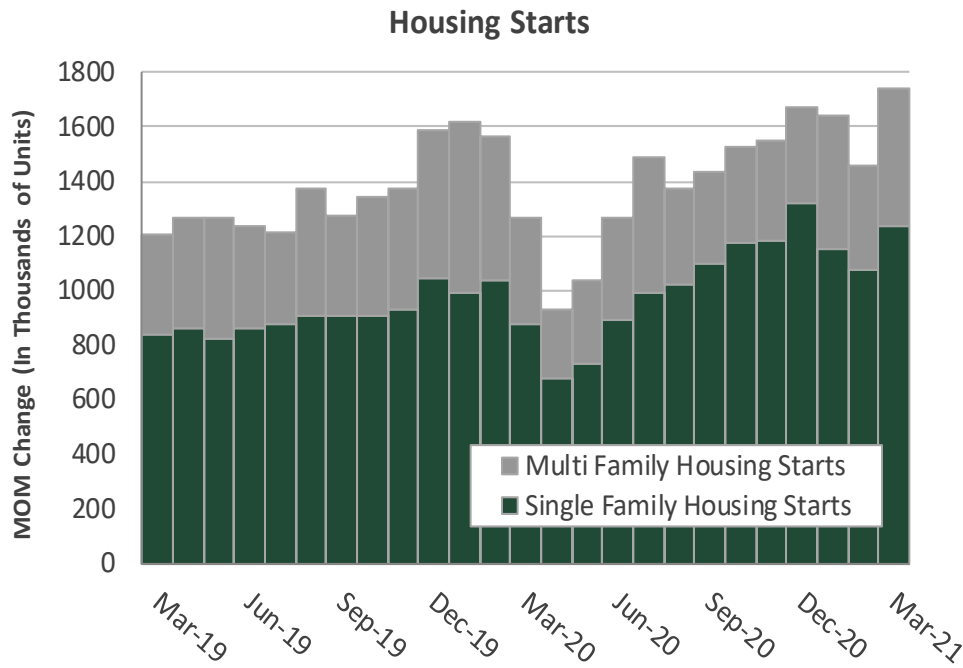
Source: The Conference Board



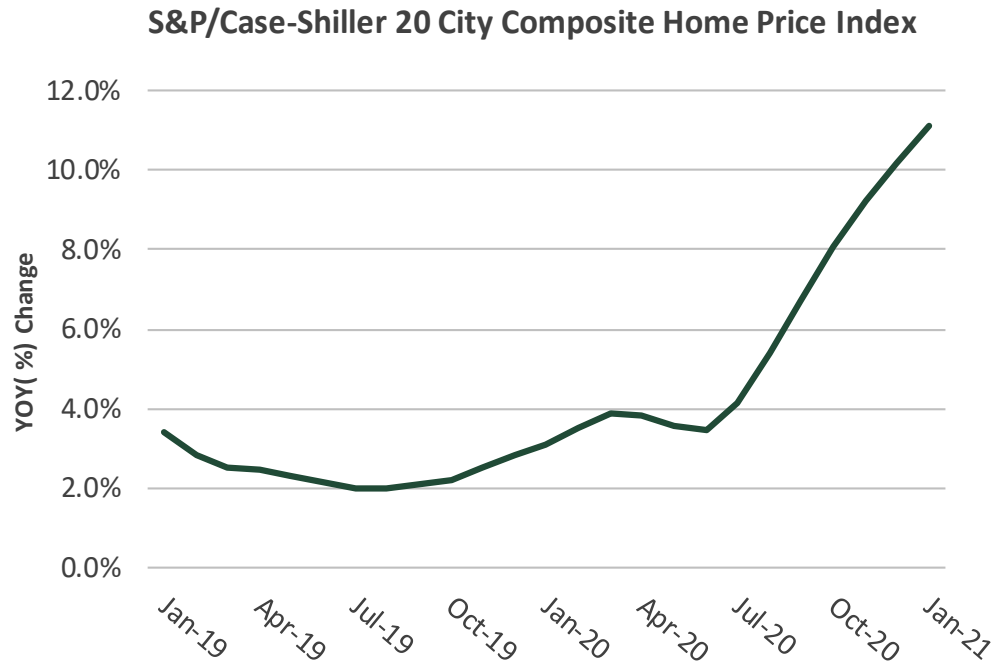
Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) rose 0.2% month-over-month in February (following a 0.4% increase in January) but remained down 1.3% on a year-over-year basis. According to the Conference Board, the index suggests the economy should continue to improve this year. While some components of the LEI showed signs of weakness in February, the Conference Board believes it may have been due to transitory factors such as bad weather and supply-chain disruptions. Severe winter weather likely had a negative impact on the Chicago Fed National Activity Index (CFNAI) in February as well. The CFNAI dropped to -1.09 in February from +0.75 in January. On a 3-month moving average basis, the CFNAI declined to -0.02 in February from 0.46 in January. The index turned negative on both a one month and 3-month basis in February, and a negative index reading corresponds to below trend growth.

Housing



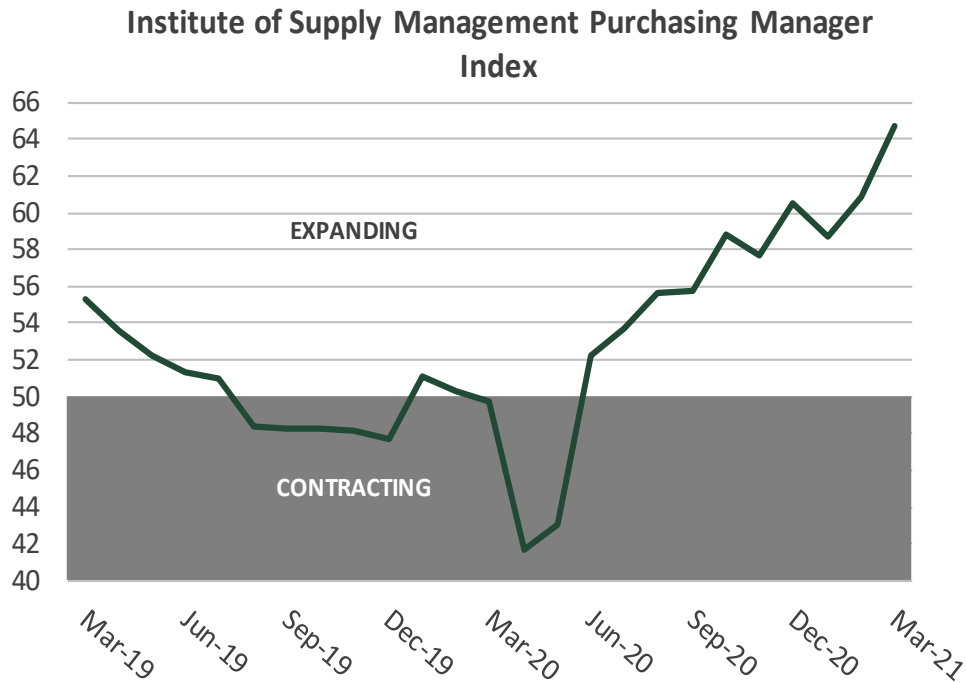
Source: US Department of Commerce



Source: S&P

Total housing starts were stronger than expected in March, up 19.4% to an annual pace of 1,739,000. Single-family starts rose 15.3% in March and multi-family starts were up 30.8%. On a year-over-year basis, housing starts were up 37.0% in March. Permits were also stronger than expected in March, up 2.7% to an annualized rate of 1,766,000. According to the Case-Shiller 20-City home price index, home prices were up 11.1% year-over-year in January versus up 10.2% year-over-year in December. We believe rising mortgage rates may put pressure on home prices in the months ahead.

Manufacturing



Source: Institute for Supply Management



Source: Federal Reserve

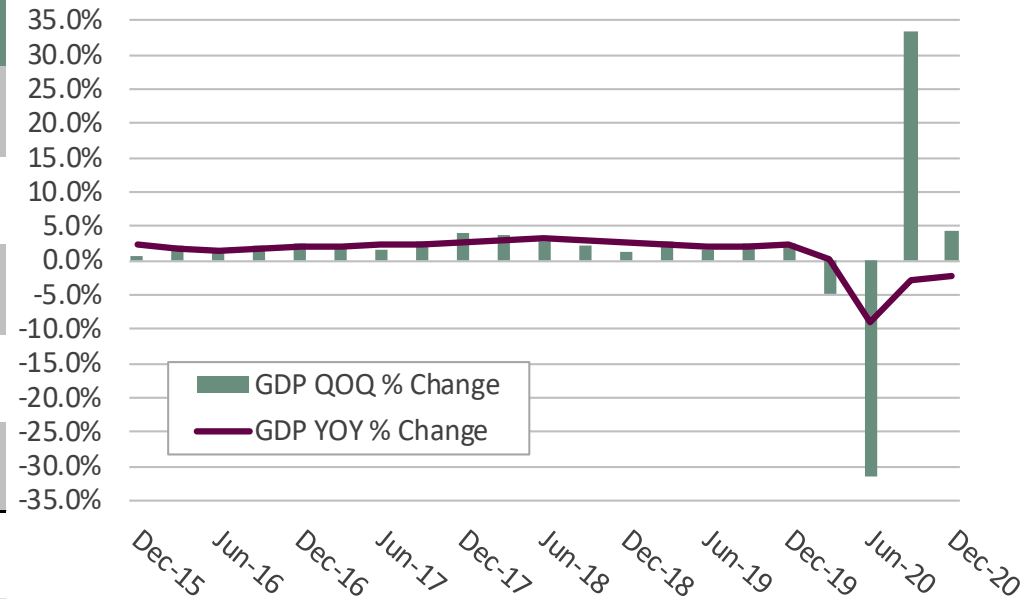
The Institute for Supply Management (ISM) manufacturing index increased to 64.7 in March from 60.8 in February. Readings above 50.0 are indicative of expansion in the manufacturing sector. We believe a weaker US dollar has been supportive of the US manufacturing sector throughout the past year. The Industrial Production index was up 1.0% year-over-year in March, versus down 4.8% in February. On a month-over-month basis, the Industrial Production index increased 1.4% in March, following a 2.6% decline in February. The March rebound was likely driven in part by weather. Capacity Utilization increased to 74.4% in March from 73.4% in February but remains well below the long-run average of 79.8%.

Gross Domestic Product (GDP)

Components of GDP	3/20	6/20	9/20	12/20
Personal Consumption Expenditures	-4.8%	-24.0%	25.4%	1.6%
Gross Private Domestic Investment	-1.6%	-8.8%	12.0%	4.4%
Net Exports and Imports	1.1%	0.6%	-3.2%	-1.5%
Federal Government Expenditures	0.1%	1.2%	-0.4%	-0.1%
State and Local (Consumption and Gross Investment)	0.1%	-0.4%	-0.4%	-0.1%
Total	-5.0%	-31.4%	33.4%	4.3%

Source: US Department of Commerce

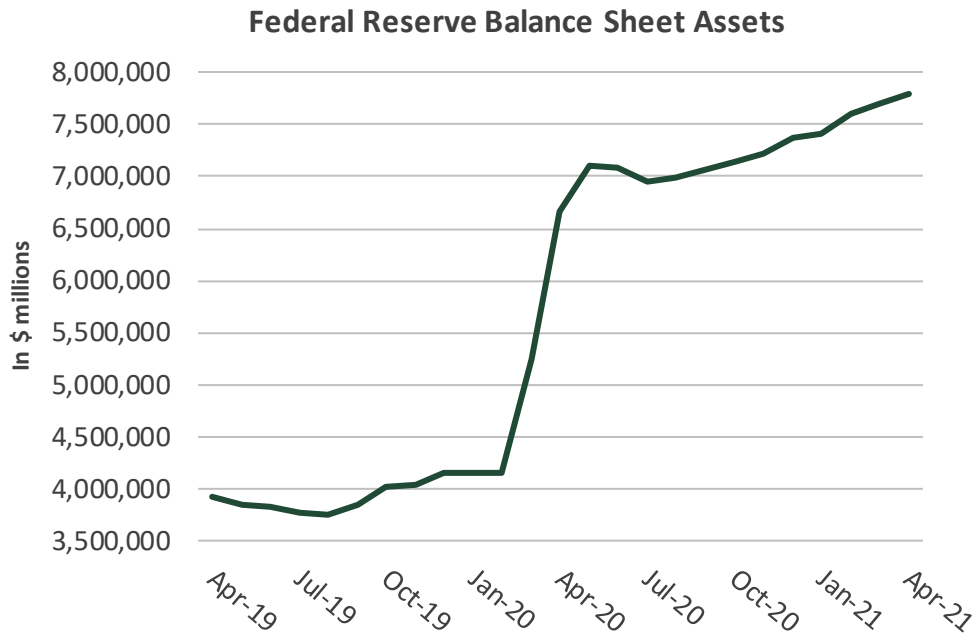
Gross Domestic Product (GDP)



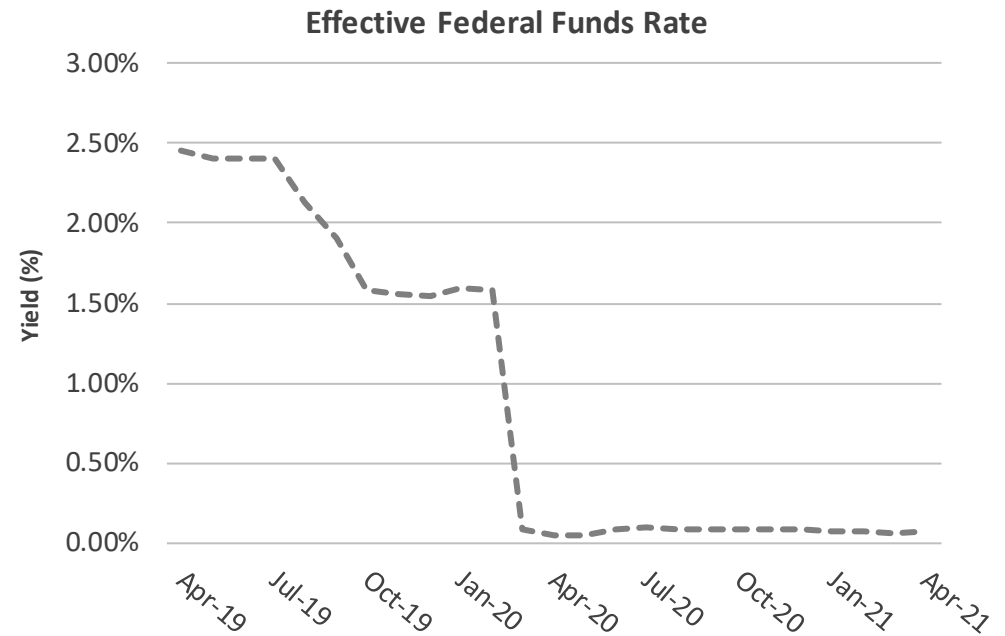
Source: US Department of Commerce

According to the third estimate, real US gross domestic product (GDP) grew at an annualized rate of 4.3% in the fourth quarter of 2020 (slightly higher than the second estimate of 4.1%), following 33.4% growth in the third quarter and a 31.4% annualized decline in the second quarter. Personal consumption expenditures rose at an annual rate of 2.3% in the fourth quarter. The consensus forecast for US gross domestic product growth in 2021 is 6.2%, following a 3.5% decline in 2020.

Federal Reserve



Source: Federal Reserve

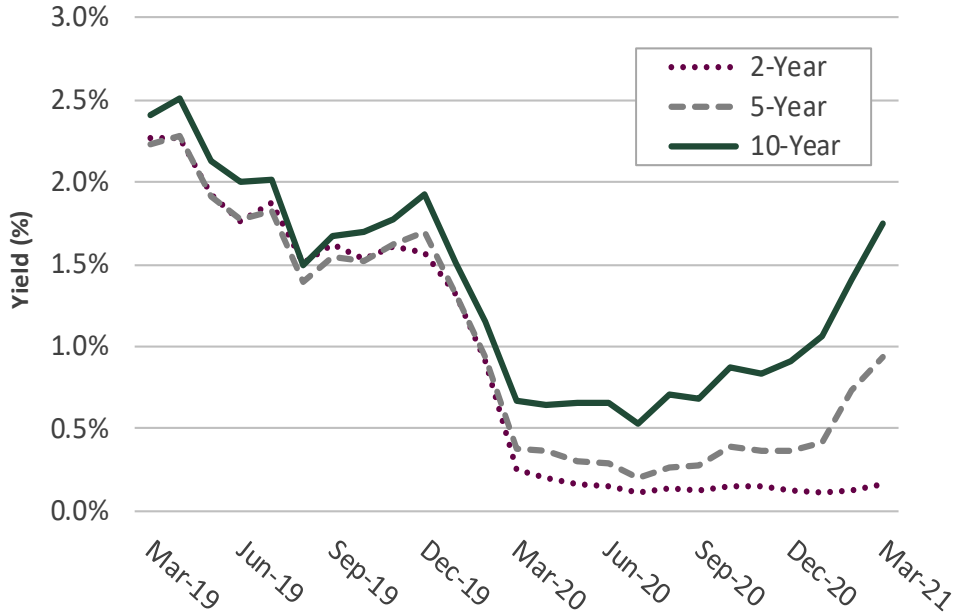


Source: Bloomberg

Last year, the Fed took a wide range of aggressive actions to help stabilize and provide liquidity to the financial markets. The Fed lowered the fed funds target rate to a range of 0.0%-0.25% and continues to purchase Treasury and agency mortgage-backed securities to support smooth market functioning. Last year, policymakers reinstated the Commercial Paper Funding Facility and Money Market Mutual Fund Liquidity Facility. The Fed also established the Primary Market Corporate Credit Facility, Secondary Market Corporate Credit Facility, Term Asset-Backed Securities Loan Facility, Paycheck Protection Program Liquidity Facility, Main Street Lending Facility, and Municipal Liquidity Facility. The Fed has also provided short-term funding through large-scale repo operations and lowered the reserve requirement for depository institutions. Notably, many of the Fed's lending facilities expired at the end of 2020, including the Fed's corporate credit, asset-backed securities, municipal lending, and Main Street Lending programs.

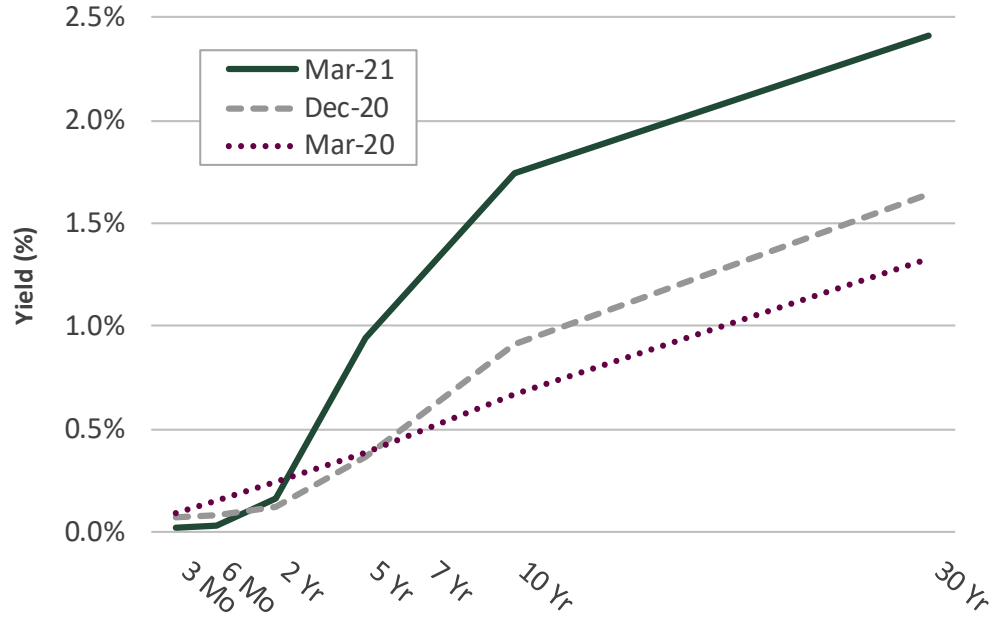
Bond Yields

US Treasury Note Yields



Source: Bloomberg

US Treasury Yield Curve



Source: Bloomberg

The treasury yield curve is much steeper relative to this time last year. The 3-month T-bill yield is about four basis points lower, and the 2-year Treasury yield is about four basis points higher, while the 10-Year Treasury yield is about 83 basis points higher, year-over-year, as of March month-end. Yields declined precipitously in March 2020, with the Fed cutting rates by a total of 150 basis points and a flight to safe-haven assets driving down yields across the curve. Since late 2020, longer-term yields have been rising and the yield curve has steepened. The Fed has signaled plans to keep the front end of the Treasury yield curve anchored near zero until at least 2023.



Section 2 | Account Profile

Investment Objectives

Safety of principal is the foremost objective of the investment program. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

Calaveras County Water District Consolidated Account

This portfolio is a consolidation of assets managed by Chandler Asset Management and assets managed internally by Client. Chandler relies on Client to provide accurate information for reporting assets and producing

Category	Standard	Comment
U.S. Treasury Issues	No limitations; Full faith and credit of the U.S. are pledged for the payment of principal and interest	Complies
Federal Agencies	25% max per Agency/GSE issuer; 20% max callable agency securities; Federal agencies or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued or fully guaranteed as to principal and interest by federal agencies or U.S. government sponsored enterprises.	Complies
Supranational Obligations	"AA" rating category or higher by a Nationally Recognized Statistical Rating Organization ("NRSRO"); 30% max; 10% max per issuer; USD denominated senior unsecured unsubordinated obligations; Issued or unconditionally guaranteed by International Bank for Reconstruction & Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB)	Complies
Municipal Securities (CA, Local Agency)	"A" rating category or better by a NRSRO; 30% max; 5% max per issuer; Include bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by a California local District, or by a department, board, District or authority of the state or such a local District	Complies
Municipal Securities (CA, Other States)	"A" rating category or better by a NRSRO; 30% max; 5% max per issuer; Include bonds including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state, or by a department, board, agency, or authority of any of the other 49 states, in addition to California.	Complies
Corporate Medium Term Notes	"A" rating category or better by a NRSRO; 30% max; 5% max per issuer; Obligations of corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies *
Non-Agency Asset-Backed Securities (ABS), Mortgage-Backed (MBS), Mortgage Pass Through, Collateralized Mortgage Obligation (CMO)	"AA" rating category or better by a NRSRO; 20% max (combined ABS/MBS/CMO); 5% max per Asset-Backed or Commercial Mortgage issuer; Asset-Backed Securities, Mortgage-Backed, Mortgage Pass Through Securities, Collateralized Mortgage Obligation not defined in Sections 5.01.19.02 (US Treasuries) and 5.01.19.03 (Federal Agencies) of the authorized investments section of the policy	Complies
Negotiable Certificates of Deposit (NCD)	The amount of NCD insured up to the FDIC limit does not require any credit ratings; Any amount above FDIC insured limit must be issued by institutions with "A-1" short-term debt rating or better by a NRSRO; or "A" long-term rating category or better by a NRSRO; 30% max; 5% max per issuer; Issued by a nationally or state-chartered bank, or a savings association or federal association, a state or federal credit union, or by a federally-licensed or state-licensed branch of a foreign bank; Any deposit shall not exceed the total paid-up capital and surplus of any depository bank, nor shall the deposit exceed the total net worth of any institution	Complies
FDIC Insured Time Deposits (Non-negotiable CD/TD)	Deposits of up to \$250,000 are allowable in any institution that insures its deposits with the Federal Deposit Insurance Corporation, regardless of Moody's or S&P ratings; 2 years max maturity	Complies
Collateralized Time Deposits (Non-negotiable CD/TD)	"A" rating category or better by a NRSRO in commercial banks and savings and loans; In the event a bank does not meet the minimum ratings, a tri-party collateral arrangement may be substituted in lieu of a rating lower than "A"; The third-party institution must be acceptable to the District and have account in the name of the Calaveras County Water District; The market value of the collateral in the account must not fall below 110% of the value of the deposit(s) at any time; The securities in the account must conform to Government Code 53651 with the exception that real estate mortgages are not acceptable collateral; The District will maintain a first perfected security interest in the securities pledged against the deposit and shall have a contractual right to liquidation of pledged securities upon the bankruptcy, insolvency, or other default of the counter party; Collateralized certificates of deposits issued by a state or nationally chartered bank, a state or federal association or a state or federal credit union; 2 years max maturity	Complies
Passbook Deposits	As authorized by Government Code 53637	Complies
Banker's Acceptances	"A-1" short-term debt rated or better by a NRSRO; or "A" long-term debt rating category or better by a NRSRO; 40% max; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" rated or higher by a NRSRO; "A" rated issuer or higher by a NRSRO, if any long-term debt; 25% max; 5% max per issuer; 270 days max maturity; 10% max outstanding commercial paper of any single issuer; The entity that issues the commercial paper shall meet all conditions in either (A) or (B): (A) 1. Organized and operating in the U.S. as a general corporation; 2. Has total assets >\$500 million; 3. Has debt other than commercial paper, if any, that is "A" rating category or higher by a NRSRO; (B) 1. Organized within the U.S. as a special purpose corporation, trust, or LLC; 2. Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit or surety bond; and 3. "A-1" rated or higher by a NRSRO	Complies

Compliance - Continued

As of March 31, 2021

Money Market Mutual Funds	20% max; Registered with SEC under Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria: (i) Highest rating by two NRSROs; or (ii) Retained an investment adviser registered or exempt from SEC registration with > 5 years experience managing money market mutual funds with AUM >\$500 million	Complies
Local Agency Investment Fund (LAIF)	Fees charged by LAIF as well as investment limits are limited by the Statute; Not used by investment adviser	Complies
Local Government Investment Pool (LGIP)	Share of beneficial interest in a Joint Powers Authority as authorized by Government Code section 53601(p)	Complies
Repurchase Agreements	20% max; 102% Collateralized; 1 year max maturity; Not used by investment adviser	Complies
Mitigating Credit Risk; Security Downgrade	If securities owned by the District are downgraded to a level below the quality required by the investment policy, it will be the District's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio; If a security is downgraded, the General Manager or designee will use discretion in determining whether to sell or hold the security based on its current maturity, economic outlook for the issue, and other relevant factors; If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the Board of Directors.	Complies
Max Per Issuer	5% max per issuer, unless otherwise specified in the policy	Complies
Maximum Maturity	5 years maximum maturity, unless matched to a specific requirement and approved by the Board of Directors	Complies

* Security inherited from previous manager: Lehman Brothers (525ESC6J3); Defaulted; NR

Calaveras County Water District

	3/31/2021		2/28/2021
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.66	2.78	2.42
Average Modified Duration	2.59	2.71	2.37
Average Purchase Yield	n/a	0.37%	0.29%
Average Market Yield	0.36%	0.50%	0.38%
Average Quality**	AAA	AA+/Aa1	AAA/Aaa
Total Market Value		9,942,365	9,961,008

*ICE BAML 1-5 Year US Treasury/Agency Index

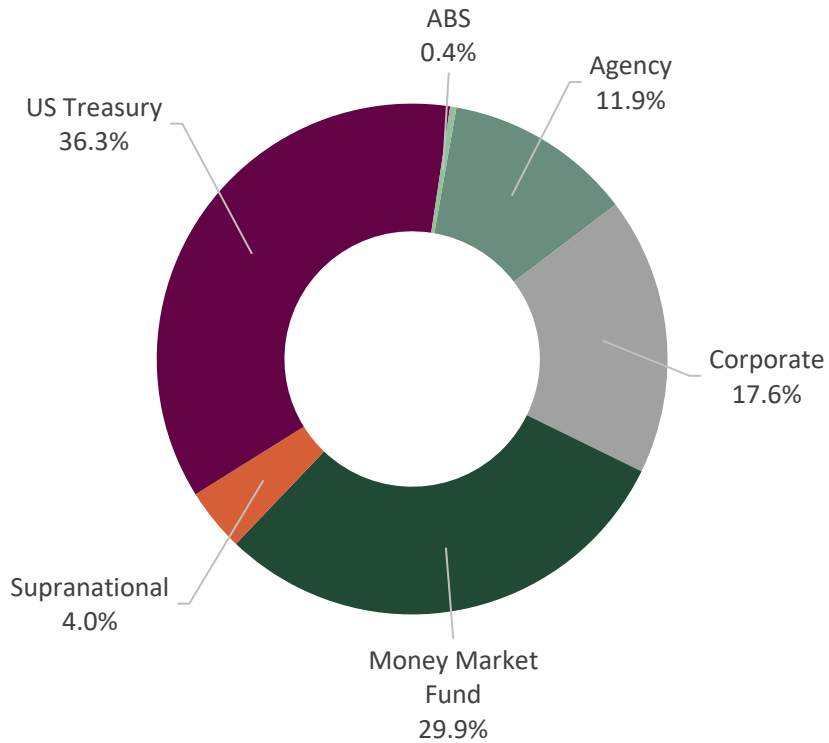
**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

Sector Distribution

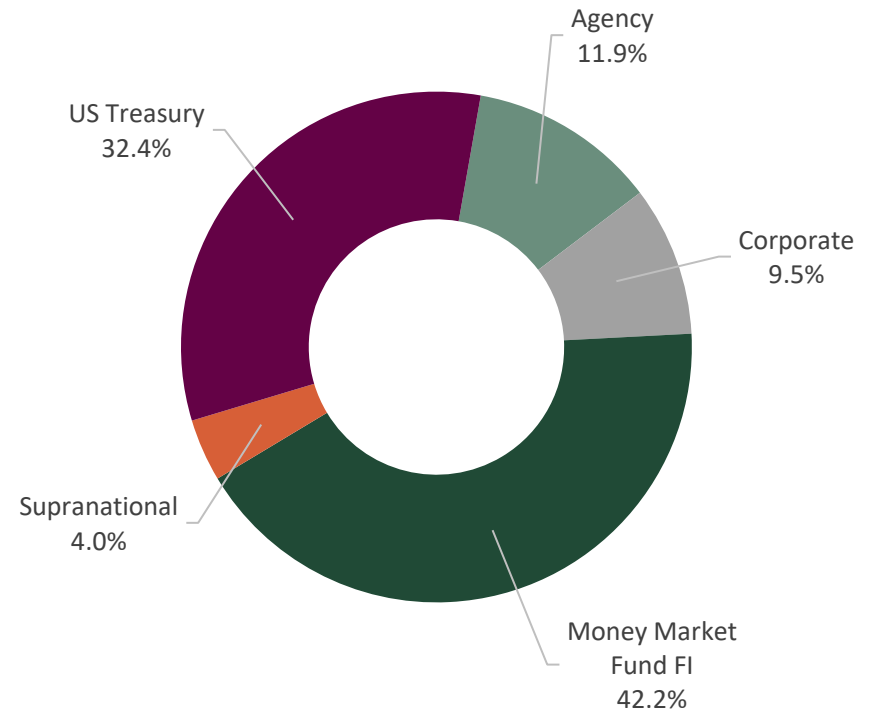
As of March 31, 2021

Calaveras County Water District

March 31, 2021



February 28, 2021



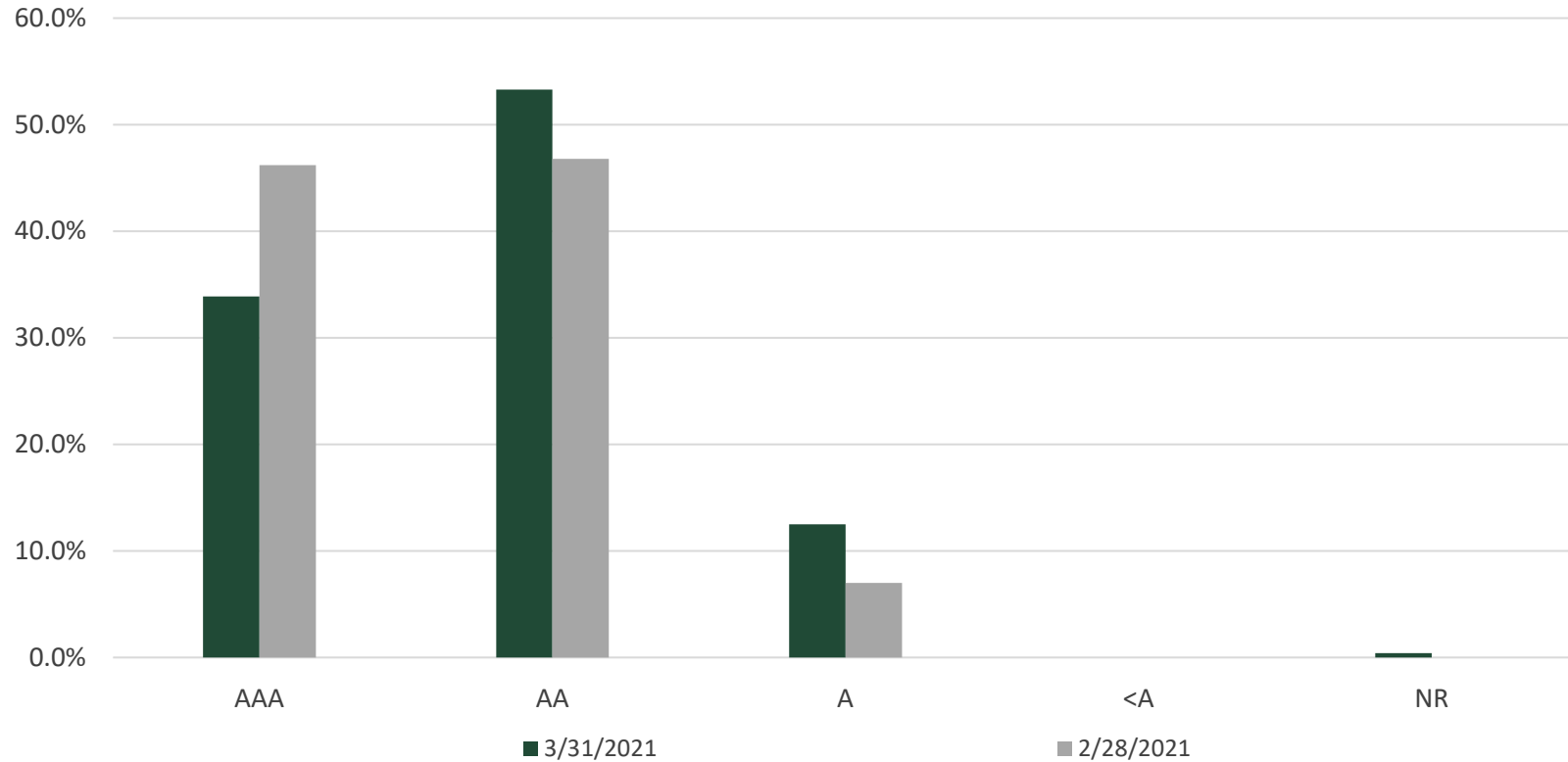
Calaveras County Water District – Account #10767

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	36.31%
First American Govt Oblig Fund	Money Market Fund	29.91%
Federal National Mortgage Association	Agency	7.94%
Intl Bank Recon and Development	Supranational	3.96%
Federal Home Loan Mortgage Corp	Agency	3.95%
Royal Bank of Canada	Corporate	2.66%
Berkshire Hathaway	Corporate	2.63%
Apple Inc	Corporate	2.47%
JP Morgan Chase & Co	Corporate	2.22%
US Bancorp	Corporate	2.13%
Bank of New York	Corporate	2.10%
Charles Schwab Corp/The	Corporate	2.02%
Deere & Company	Corporate	1.36%
John Deere ABS	ABS	0.35%
TOTAL		100.00%

Quality Distribution

As of March 31, 2021

Calaveras County Water District March 31, 2021 vs. February 28, 2021



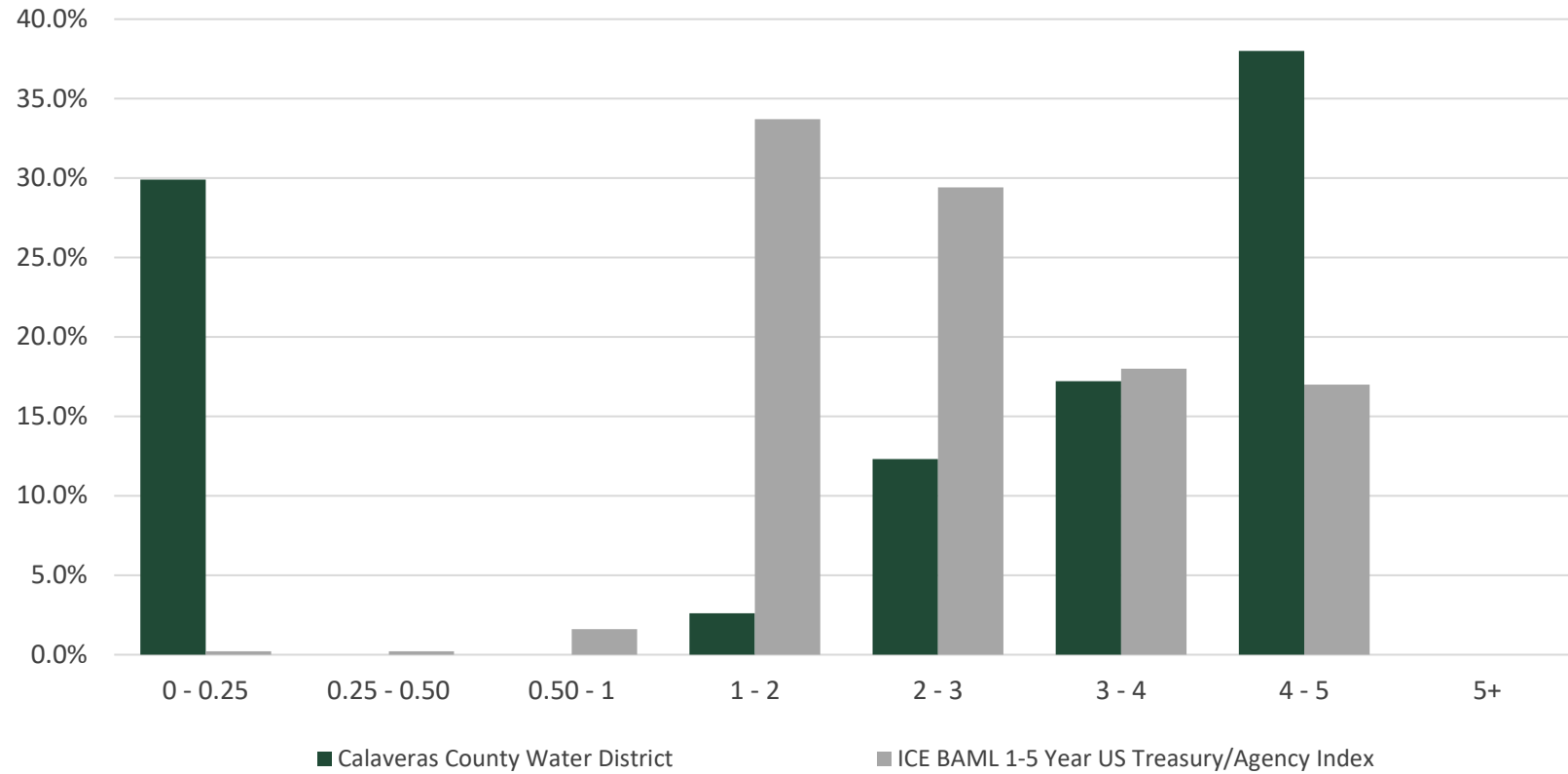
	AAA	AA	A	<A	NR
03/31/21	33.9%	53.3%	12.5%	0.0%	0.4%
02/28/21	46.2%	46.8%	7.0%	0.0%	0.0%

Source: S&P Ratings

Duration Distribution

As of March 31, 2021

Calaveras County Water District
Portfolio Compared to the Benchmark as of March 31, 2021



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	29.9%	0.0%	0.0%	2.6%	12.3%	17.2%	38.0%	0.0%
Benchmark*	0.2%	0.2%	1.6%	33.7%	29.4%	18.0%	17.0%	0.0%

*ICE BAML 1-5 Year US Treasury/Agency Index



Section 3 | Portfolio Holdings

Holdings Report

As of March 31, 2021

Calaveras County Water District - Account #10767

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
47788UAC6	John Deere Owner Trust 2021-A A3 0.360% Due 09/15/2025	35,000.00	03/02/2021 0.37%	34,993.27 34,993.38	99.61 0.52%	34,862.49 7.35	0.35% (130.89)	Aaa / NR AAA	4.46 2.43
TOTAL ABS		35,000.00	0.37%	34,993.38	0.52%	7.35	(130.89)	Aaa / NR Aaa	4.46 2.43
Agency									
3135G04Z3	FNMA Note 0.500% Due 06/17/2025	400,000.00	02/18/2021 0.53%	399,506.80 399,519.61	99.00 0.74%	396,008.80 577.78	3.99% (3,510.81)	Aaa / AA+ AAA	4.22 4.15
3135G05X7	FNMA Note 0.375% Due 08/25/2025	400,000.00	02/18/2021 0.53%	397,185.20 397,255.23	98.16 0.80%	392,633.20 150.00	3.95% (4,622.03)	Aaa / AA+ AAA	4.41 4.35
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	400,000.00	02/18/2021 0.55%	396,810.40 396,888.38	98.11 0.81%	392,441.20 33.33	3.95% (4,447.18)	Aaa / AA+ AAA	4.48 4.43
TOTAL Agency		1,200,000.00	0.54%	1,193,502.40 1,193,663.22	0.78%	761.11 1,181,083.20	11.89% (12,580.02)	Aaa / AA+ Aaa	4.37 4.31
Corporate									
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.750% Due 03/15/2023	250,000.00	03/10/2021 0.58%	260,840.00 260,544.23	104.48 0.24%	261,202.00 305.56	2.63% 657.77	Aa2 / AA A+	1.96 1.76
06406FAD5	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.200% Due 08/16/2023	200,000.00	03/10/2021 0.56%	207,916.00 207,737.51	104.00 0.38%	207,992.80 550.00	2.10% 255.29	A1 / A AA-	2.38 2.16
24422EVN6	John Deere Capital Corp Note 0.450% Due 01/17/2024	135,000.00	03/01/2021 0.47%	134,904.15 134,906.71	99.95 0.47%	134,932.50 45.56	1.36% 25.79	A2 / A A	2.80 2.77
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.750% Due 03/18/2024	200,000.00	Various 0.67%	200,459.70 200,456.03	100.51 0.57%	201,022.80 54.17	2.02% 566.77	A2 / A A	2.97 2.85
46625HJX9	JP Morgan Chase Note 3.625% Due 05/13/2024	200,000.00	02/22/2021 0.54%	219,678.00 219,074.59	108.99 0.70%	217,983.00 2,779.17	2.22% (1,091.59)	A2 / A- AA-	3.12 2.94
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.400% Due 07/30/2024	200,000.00	02/18/2021 0.50%	212,960.00 212,567.27	105.38 0.72%	210,755.20 813.33	2.13% (1,812.07)	A1 / A+ A+	3.33 3.12
78015K7C2	Royal Bank of Canada Note 2.250% Due 11/01/2024	250,000.00	02/18/2021 0.56%	265,435.00 264,999.89	104.89 0.86%	262,223.50 2,343.75	2.66% (2,776.39)	A2 / A AA	3.59 3.42

Holdings Report

As of March 31, 2021

Calaveras County Water District - Account #10767

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
037833EB2	Apple Inc Callable Note Cont 1/8/2026 0.700% Due 02/08/2026	250,000.00	02/18/2021 0.79%	248,882.50 248,905.94	98.06 1.11%	245,141.25 257.64	2.47% (3,764.69)	Aa1 / AA+ NR	4.86 4.75
TOTAL Corporate		1,685,000.00	0.59%	1,751,075.35 1,749,192.17	0.65%	1,741,253.05 7,149.18	17.59% (7,939.12)	A1 / A+ A+	3.16 2.99
Money Market Fund									
31846V203	First American Govt Obligation Fund Class Y	2,973,347.30	Various 0.01%	2,973,347.30 2,973,347.30	1.00 0.01%	2,973,347.30 0.00	29.91% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund		2,973,347.30	0.01%	2,973,347.30	0.01%	2,973,347.30 0.00	29.91% 0.00	Aaa / AAA Aaa	0.00 0.00
Supranational									
459058JL8	Intl. Bank Recon & Development Note 0.500% Due 10/28/2025	400,000.00	02/18/2021 0.63%	397,548.00 397,602.52	98.13 0.92%	392,523.60 850.00	3.96% (5,078.92)	Aaa / AAA AAA	4.58 4.50
TOTAL Supranational		400,000.00	0.63%	397,548.00 397,602.52	0.92%	392,523.60 850.00	3.96% (5,078.92)	Aaa / AAA Aaa	4.58 4.50
US Treasury									
912828X70	US Treasury Note 2.000% Due 04/30/2024	400,000.00	02/25/2021 0.38%	420,453.13 419,853.12	104.94 0.39%	419,750.00 3,359.12	4.26% (103.12)	Aaa / AA+ AAA	3.08 2.98
912828U3	US Treasury Note 1.875% Due 08/31/2024	400,000.00	02/22/2021 0.31%	421,828.13 421,199.62	104.71 0.48%	418,859.20 652.17	4.22% (2,340.42)	Aaa / AA+ AAA	3.42 3.31
912828Z52	US Treasury Note 1.375% Due 01/31/2025	400,000.00	02/18/2021 0.38%	415,593.75 415,150.38	102.86 0.62%	411,422.00 911.60	4.15% (3,728.38)	Aaa / AA+ AAA	3.84 3.73
912828ZF0	US Treasury Note 0.500% Due 03/31/2025	400,000.00	02/24/2021 0.44%	401,046.88 401,022.37	99.32 0.67%	397,281.20 5.46	4.00% (3,741.17)	Aaa / AA+ AAA	4.00 3.95
912828ZL7	US Treasury Note 0.375% Due 04/30/2025	400,000.00	02/18/2021 0.43%	399,125.00 399,148.43	98.71 0.70%	394,828.00 629.83	3.98% (4,320.43)	Aaa / AA+ AAA	4.08 4.03
91282CAT8	US Treasury Note 0.250% Due 10/31/2025	400,000.00	02/18/2021 0.52%	394,953.13 395,073.78	97.33 0.85%	389,312.40 419.89	3.92% (5,761.38)	Aaa / AA+ AAA	4.59 4.54
91282CBC4	US Treasury Note 0.375% Due 12/31/2025	400,000.00	02/18/2021 0.55%	396,640.63 396,718.18	97.61 0.89%	390,453.20 377.07	3.93% (6,264.98)	Aaa / AA+ AAA	4.76 4.69
91282CBH3	US Treasury Note 0.375% Due 01/31/2026	400,000.00	02/18/2021 0.57%	396,234.38 396,319.82	97.47 0.91%	389,875.20 248.62	3.92% (6,444.62)	Aaa / AA+ AAA	4.84 4.77

Holdings Report

As of March 31, 2021

Calaveras County Water District - Account #10767

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91282CBQ3	US Treasury Note 0.500% Due 02/28/2026	400,000.00	03/04/2021 0.77%	394,734.38 394,812.45	97.99 0.92%	391,968.80 173.91	3.94% (2,843.65)	Aaa / AA+ AAA	4.92 4.84
TOTAL US Treasury		3,600,000.00	0.48%	3,640,609.41 3,639,298.15	0.71%	3,603,750.00 6,777.67	36.31% (35,548.15)	Aaa / AA+ Aaa	4.15 4.08
TOTAL PORTFOLIO		9,893,347.30	0.37%	9,991,075.73 9,988,096.74	0.50%	9,926,819.64 15,545.31	100.00% (61,277.10)	Aa1 / AA+ Aaa	2.78 2.71
TOTAL MARKET VALUE PLUS ACCRUALS						9,942,364.95			



Section 4 | Transactions

Transaction Ledger

As of March 31, 2021

Calaveras County Water District - Account #10767

February 28, 2021 through March 31, 2021

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	03/04/2021	24422EVN6	135,000.00	John Deere Capital Corp Note 0.45% Due: 01/17/2024	99.929	0.47%	134,904.15	0.00	134,904.15	0.00
Purchase	03/05/2021	91282CBQ3	400,000.00	US Treasury Note 0.5% Due: 02/28/2026	98.684	0.77%	394,734.38	27.17	394,761.55	0.00
Purchase	03/10/2021	47788UAC6	35,000.00	John Deere Owner Trust 2021-A A3 0.36% Due: 09/15/2025	99.981	0.37%	34,993.27	0.00	34,993.27	0.00
Purchase	03/12/2021	06406FAD5	200,000.00	Bank of NY Mellon Corp Callable Note Cont 6/16/2023 2.2% Due: 08/16/2023	103.958	0.44%	207,916.00	317.78	208,233.78	0.00
Purchase	03/12/2021	084670BR8	250,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due: 03/15/2023	104.336	0.58%	260,840.00	3,380.21	264,220.21	0.00
Purchase	03/18/2021	808513BN4	55,000.00	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due: 03/18/2024	99.950	0.77%	54,972.50	0.00	54,972.50	0.00
Purchase	03/23/2021	808513BN4	145,000.00	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due: 03/18/2024	100.336	0.63%	145,487.20	15.10	145,502.30	0.00
Subtotal			1,220,000.00				1,233,847.50	3,740.26	1,237,587.76	0.00
TOTAL ACQUISITIONS			1,220,000.00				1,233,847.50	3,740.26	1,237,587.76	0.00

Important Disclosures

As of March 31, 2021

2021 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE permits use of the ICE indices and related data on an "as is" basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and licensee's use it at licensee's own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

ICE BAML 1-5 Year US Treasury/Agency Index

The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVAO. Please visit www.mlindex.ml.com for more information)