

**AGENDA**  
**REGULAR MEETING**  
**PARADISE IRRIGATION DISTRICT**  
**BOARD OF DIRECTORS**  
**PID BOARD ROOM**  
**6332 CLARK ROAD, PARADISE, CA 95969**

**WEDNESDAY, JUNE 17, 2020 – 6:30 PM**

- ❖ *Members of the public may fully participate in the meeting via Livestream. Join us at <https://Facebook.com/pidwater>. To improve participation during the meeting, we will be selecting public comments from Facebook viewers to be read to PID's Board of Directors during the meeting. Online participants must post their comments for items not on the agenda on the Livestream thread by 6:40 p.m. At 6:40 the President of the Board will request public comments be read to the Board members. The Board cannot take action on any matter not on the agenda. Public comments specific to an agenda item will be read directly after the agenda item and before the Board votes on an item.*
- ❖ *The Board of Directors or its President pursuant to Government Code section 54954.3 reserves the right to impose reasonable regulations governing public participation on agenda and non-agenda items, including limiting the total amount of time allocated to public testimony on particular issues and for each individual speaker.*
- 1. **OPENING:**
  - a. Call to Order
  - b. Public & Board Members; please silence your cell phones
  - c. Invocation and Pledge of Allegiance
  - d. Roll Call
- 2. **APPROVAL OF CONSENT CALENDAR:** *Action may be taken.*
  - a. Approval of Meeting Agenda Order
  - b. Approval of Minutes: Regular Meeting of May 20, 2020
- 3. **PUBLIC PARTICIPATION:**

Individuals will be given an opportunity to address the Board regarding matters not scheduled on the agenda, although the Board cannot take action on any matter not on the agenda. Comments will be limited to 5 minutes per speaker. Opportunity for public comment on agenda items will be provided at the time they are discussed by the Board with comments limited to 5 minutes per agenda item.
- 4. **AUDIT PRESENTATION:**
  - a. Fiscal Year 2017-2018 Audit (Ross Gilb): Presentation by Fechter and Company for review and acceptance of Financial Statements for the year ended June 30, 2018. *Action may be taken.*
  - b. Fiscal Year 2018-2019 Audit (Ross Gilb): Presentation by Fechter & Company for review and acceptance of the Financial Statements for the year ended June 30, 2019. *Action may be taken.*
- 5. **RECOVERY PROCESS STATUS UPDATE:** Informational update provided by Engineering Consultants Sami Kader and Colleen Boak with Water Works Engineers. *Information item only.*
- 6. **DISTRICT MANAGER / STAFF AND FACILITY REPORT UPDATE - JUNE 2020:** A written report by Manager Phillips. *Information item only.*
- 7. **TREASURER'S REPORT (Ross Gilb):** Review and acceptance of Treasurer's Report for the period ending May 31, 2020. *Action may be taken.*

8. **EXPENSE APPROVAL REPORT:** Approval of General Fund Check Numbers 54835 through 54963 for the month of May 2020 totaling \$891,659.11, exclusive of voided check numbers 54857, 54858, 54960, 54889, and 54952, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of June. *Action may be taken.*
9. **LEGAL REPORT:** A verbal update from Legal Counsel. *Information item only.*
10. **COMMITTEE REPORTS:** *Information Item Only.*  
Board oral report(s) regarding their representation on Commissions/Committees/Conferences:
  1. Administration & Personnel Committee (Directors Hansen & Mowers)
11. **UNFINISHED BUSINESS:**
  - a. PID Mobile Device Policy (Manager Phillips): Approval to authorize amendment to PID Mobile Telephone Use Policy and Chapter 11.9 of the PID Policies & Procedures Manual. *Action may be taken.*
  - b. Customer Assistance Program (Manager Phillips): Review and provide direction regarding the future of the program. *Action may be taken.*
  - c. District Engineering Services Proposal (Manager Phillips): Authorize approval to award contract to Water Works Engineers to provide District engineering services for one (1) year from date of Agreement in an amount not to exceed \$150,000, and authorize the District Manager to execute said Agreement subject to legal review. *Action may be taken.*
  - d. Debris Removal Services for Document Storage Building (Manager Phillips): Authorize award of contract for debris removal services of the document storage building located off Skyway near the Reservoir B property site. *Action may be taken.*
  - e. Purchase Request for Upgrades to Board Conference Room Audio / Video (Mickey Rich): Authorize approval of the purchase and installation request for audio, video, and sound-proofing upgrades by Sounds by Dave for an amount not-to-exceed \$17,987.31. *Action may be taken.*
12. **NEW BUSINESS:**
  - a. Resolution Declaring Assets Written Off (Ross Gilb): Adopt PID Resolution No. 2020-06 declaring property destroyed or damaged by the Camp Fire as assets written off the District's fixed asset ledger. *Action may be taken. (Roll Call Vote)*
  - b. Policy Revision - Nomination Process for Vacancies in Board of Directors (Manager Phillips): Authorize approval to adopt policy revisions to Chapter 2.4 – Vacancies in Board of Directors as an amendment to the District's Policies and Procedures Chapter 2, Directors and Officers. *Action may be taken.*
13. **DIRECTORS' COMMENTS:** *Information Item Only.*
14. **CLOSED SESSION:**
  - a. Public Employee Performance Evaluation and Public Employee Employment (California Government Code § 54957. Title: Distribution Superintendent.
  - b. LABOR NEGOTIATIONS (California Government Code section 54957.6)  
Agency designated representatives – Kevin Phillips and PID Legal Counsel  
Negotiations with IBEW Local 1245

- c. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code section 54956.9). Paradise Irrigation District v. Pacific Gas & Electric.
- d. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Paragraph (a) of subdivision (d) of Government Code section 54956.9): Neil Essila et al. v. Paradise Irrigation District et al. Butte County Superior Court Case No. 17CV02546.

**15. ANNOUNCEMENT FROM CLOSED SESSION**

**16. ADJOURNMENT**

Please Take Notice, as a result of the COVID-19 pandemic, California Governor Gavin Newsom issued Executive Order (EO) N-29-20, which waives certain requirements of the Ralph M. Brown Act (Brown Act). Specifically:

(EO) N-29-20 waives the requirement that local public agencies (1) notice each teleconference location from which a Board member will participate, (2) make each teleconference location accessible to the public, (3) allow the public to address the agency from each teleconference location, (4) post the agenda at each teleconference location, and (5) ensure that a quorum of the board participate in locations within the boundary of the agency. EO N-29-20 requires local public agencies that conduct public meetings telephonically to allow members of the public to observe and address the meeting telephonically or otherwise electronically.

In order to protect the health and safety of the public and District employees, District facilities, including the District office building located at 6332 Clark Road, Paradise, CA 95969, is closed to the public until further notice. In accordance with EO N-29-20, the public may fully participate in the May 20, 2020 meeting via Livestream. Join us at <https://Facebook.com/pidwater>. Members of the public will be given the opportunity to provide public comment on the agenda item. Online participants must post their comments for items not on the agenda on the Livestream thread by 6:40 p.m. The meeting materials are available to view or download from the District's website at [www.pidwater.com/meetings](http://www.pidwater.com/meetings).

CONSENT CALENDAR  
REGULAR MEETING  
PARADISE IRRIGATION DISTRICT  
BOARD OF DIRECTORS

WEDNESDAY, JUNE 17, 2020

- A. APPROVAL OF MEETING AGENDA ORDER
- B. APPROVAL OF MINUTES: Regular Meeting of May 20, 2020



## MINUTES

### REGULAR MEETING BOARD OF DIRECTORS PARADISE IRRIGATION DISTRICT MAY 20, 2020

The regular meeting of the Board of Directors of the Paradise Irrigation District was called to order at 6:31 p.m. by President Marc Sulik, followed by an Invocation and the Pledge of Allegiance to the Flag of the United States of America.

OPENING

BOARD MEMBERS  
PRESENT: Directors Dan Hansen, Gregg Mowers, Brian Shaw, Vice-President Shelby Boston, and President Marc Sulik

ROLL CALL

BOARD MEMBERS  
ABSENT: None

STAFF PRESENT: District Manager Kevin Phillips, IT Manager Mickey Rich, and Secretary Georgeanna Borrayo

ALSO PRESENT: Finance & Accounting Manager Ross Gilb, PID Legal Counsel (Participating Attorney Emily LaMoe, Consultants Sami Kader & Colleen Remotely) Boak with Water Works Engineers, and members of the public

President Sulik announced due to risks associated with COVID-19, community members may fully participate in the meeting via Facebook Livestream. Online participants must post their comments regarding items not on the agenda on the Livestream thread by 6:45 p.m. at which time public comments will be read to the Board members. Public comment regarding agenda items will be read directly after the agenda item and before the Board votes on an item.

President Sulik announced closed session item 2.a. As there were no public comments, the Board adjourned to closed session at 6:33 p.m. regarding the following:

CLOSED SESSION:  
CONFERENCE  
WITH LEGAL  
COUNSEL –  
EXISTING  
LITIGATION  
(Item 2.a.)

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code section 54956.9). Paradise Irrigation District v. Pacific Gas & Electric.

President Sulik reconvened the regular meeting at 7:07 p.m. and announced direction has been given to Legal Counsel regarding closed session item 2.a. above.

CLOSED SESSION  
ANNOUNCEMENT

Board members reviewed consent calendar items as follows:

APPROVAL OF  
CONSENT  
CALENDAR  
(Item 3)

- 3.a. Approval of Meeting Agenda Order
- 3.b. Approval of Minutes: Regular Meeting of April 15, 2020

It was moved by Director Mowers and seconded by Director Shaw to approve the Consent Calendar as presented.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

**Motion passes 5-0**

PUBLIC  
PARTICIPATION  
(Item 4)

Customer Leslie Cook stated she feels PID has been very inefficient and unhelpful to victims of the Camp Fire. In February, they paid for a backflow assembly and are still waiting for it to be installed; adding, this has held up construction on their house so severely they may not be able to rebuild there. Board members indicated staff will review the situation and contact her.

RECOVERY  
PROCESS STATUS  
UPDATE  
(Item 5)

Consultants Sami Kader and Colleen Boak with Water Works Engineers provided an informational update on the PID Water Supply Recovery Program.

Project 1 – Standing Structure: To date, 100% of mains and meters serving standing structures have been cleared and issued letters lifting the Water Quality Advisory. The remaining 145 dead end mains which serve no standing structure, are slated for clearing.

Over 1,500 Interim Water Services have been installed and new requests continue at a rate of 75-90 per month. The current backlog of outstanding Interim Water Requests is 430. The District is working to move through the backlog more efficiently by categorizing the requests based on main clearance status. Circumstances that can slow installation include the following factors: 1) Many are on uncleared mains, which have to wait for main clearance, and 2) Many are damaged at the service due to the fire or lot clearing activities.

Project 2 – Service Lateral Replacement Program Update: To date, 286 service laterals have been replaced by the contractor, Sutton Enterprises. An additional 239 service laterals have been replaced by PID crews since the November 8, 2018 Camp Fire.

Project 3 – Meter and Service Assembly Replacement has two parts:  
Part 1 – Meter and AMI system selection and purchase (Spring/Summer 2020)  
Part 2 – Installation contractor selection and construction (late 2020/early 2021).

Project 4 – Reservoir B Replacement Project Update: The District is in communication with FEMA regarding the District's project funding application. The targeted timeframe for Reservoir B replacement is summer 2021.

DISTRICT  
MANAGER'S  
REPORT  
(Item 6)

Manager Phillips provided a verbal update on the following: 1) FEMA claim process and anticipated timeline for obligation of funds. FEMA issued a letter denying the District's time extension request through July 8, 2020 under the Public Assistance (Section 428) Application pertaining to water meters and AMI system, and Water transmission and distribution pipes and appurtenances. FEMA has also reassigned a majority of its staff working with PID and assigned new representatives; 2) Backfill funding update regarding the Governor's new budget proposal to cut \$7.3 million promised to PID; and 3) COVID-19 response update.

TREASURER'S  
REPORT ACCEPTED  
PERIOD ENDING  
APRIL 30, 2020  
(Item 7)

Board members reviewed a written Treasurer's Report prepared by Treasurer Ross Gilb for the period ending April 30, 2020 highlighting the District's cash position, debt service analysis, and operational and recovery related expenditures. A cash flow analysis review showed various scenarios showing a worst-case scenario with no backfill funding and FEMA funds, and a best-case scenario where the state backfill funding to PID is reinstated into the state's budget.

It was moved by Director Boston and seconded by Director Mowers to accept the Treasurer's Report as presented for the period ending April 30, 2020.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

Members of the Board reviewed accounts payable expense reports for the month of April 2020. It was moved by Director Boston and seconded by Director Shaw to approve General Fund Check Numbers 54745 through 54834 for the month of April 2020 totaling \$964,414.65, and authorization of a similar amount allowing or adjusting for extraordinary budget or Board approved items during the month of May.

APPROVAL OF  
EXPENSE REPORT  
FOR THE MONTH  
OF APRIL 2020  
(Item 8)

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

**Motion passes 5-0**

Attorney Emily LaMoe indicated there is no legal report update for open session this evening.

LEGAL REPORT  
(Item 9)

Community Relations Committee: Directors Boston and Sulik reported meeting on May 5, 2020. Discussion included updates regarding the Sustainability Study, COVID-19 response and phasing back into operations at the District office, removal of trees near the PID Demonstration Garden, and the Consumer Confidence Report and communication ideas for distribution of this information. Katie Salcido with the Census Bureau discussed the desire to partner with PID to get the word out for residents to complete the Census 2020. The next committee meeting is scheduled on July 7<sup>th</sup> at 8:00 a.m.

COMMITTEE  
REPORTS  
(Item 10)

Manager Phillips confirmed the District has a building located at the B Reservoir that was used for document storage, which was destroyed during the Camp Fire. The District received three bids for debris removal services; however, his recommendation is to table this item to complete and file the necessary CEQA documentation with the Butte County Clerk-Recorder. Board members concurred to table this item until the June Board meeting.

UNFINISHED  
BUSINESS:  
DEBRIS REMOVAL  
SERVICES FOR  
STORAGE  
BUILDING  
(Item 11.a. Tabled)

Consultant Sami Kader with Water Works Engineers outlined information regarding consideration of Amendment 2 to allow for continuation of the services being provided under the original Agreement through October 2020, as well as additional scope of services as follows:

NEW BUSINESS:

1. Continued Program Management and GIS maintenance for the Recovery Program.
2. Planning and support of Long-Term System Surveillance Support.
3. Continued contract management of the Service Lateral Replacement Program.
4. Development of Bid Documents for the Customer Water Meter Replacement Project.

AMENDMENT 2 -  
PROFESSIONAL  
SERVICES  
AGREEMENT FOR  
DISASTER  
RECOVERY  
MANAGEMENT  
SERVICES  
APPROVED  
(Item 12.a.)

It was moved by Director Boston and seconded by Director Hansen to authorize approval of Amendment 2 subject to legal review, and direct staff to increase Water Works Engineers contract not-to-exceed amount to \$2,850,000.00 for disaster recovery engineering services being provided under the original Agreement dated March 14, 2019.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

**Motion passes 5-0**

Colleen Boak with Water Works Engineers reported Children's Community Charter School (CCCS) has completed the construction of a water main extension, public fire hydrant, and service stub as outlined in the terms of the Water Service Facilities Agreement approved by the Board in October of 2018. The additional infrastructure will serve to support improvements to the existing charter school located at 6830 Pentz Road, APN

CONVEYANCE OF  
PIPELINE –  
CHILDREN'S  
COMMUNITY  
CHARTER SCHOOL

CONTINUED –  
CONVEYANCE OF  
PIPELINE FOR  
CHILDREN'S  
COMMUNITY  
CHARTER SCHOOL  
(Item 12.b.)

050-220-126. All improvements fell within an existing 60' wide non-exclusive easement along Rockhouse Lane including proper setbacks.

It was moved by Director Mowers and seconded by Director Shaw to authorize acceptance of the Conveyance of Pipeline from the Children's Community Charter School consisting of approximately 180 feet of 8-inch C-900 pipe and public hydrant located within the non-exclusive easement along Rockhouse Lane at 6830 Pentz Road.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik

NOES: None

ABSENT: None

**Motion passes 5-0**

DISTRICT  
ENGINEERING  
SERVICES  
PROPOSAL  
(Item 12.c. Tabled  
until next month)

Manager Phillips indicated the District does not currently have an engineer in-house to provide general engineering support tasks for the District's needs. The proposal provided by Water Works Engineers is intended to be a flexible tool to support the District as needed and requested for services such as project management, engineering support for the District and GIS Maintenance and Water Modeling.

As a result of the Governor's new budget proposal to cut \$7.3 million backfill funding to PID, Board members concurred to table this item until next month when the District may have a better fiscal picture regarding the state backfill funding.

UPDATE TO WATER  
QUALITY ADVISORY  
APPROVED  
(Item 12.d.)

Staff reported the District issued a Do-Not-Drink Water Quality Advisory on December 20, 2018 following the 2018 Camp Fire. Since the Camp Fire, PID has performed extensive recovery work and developed and implemented a massive water quality testing program. As a result of this testing and analysis of the data gathered, the District is revising the Water Quality Advisory originally issued December 20, 2018 with three categories:

**Category 1: Surviving Structures** (The home or business existed before the 2018 Camp Fire and remained standing after).

**Category 2: New Builds/Rebuilds** (Built after November 2018, has a permanent backflow device and certificate of occupancy).

**Category 3: Temporary/Pre-build** (Lots with interim water service. May have a temporary camping permit or in process of rebuild).

It was moved by Director Shaw and seconded by Director Mowers to accept the amended Water Quality Advisory to be effective May 20, 2020.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik

NOES: None

ABSENT: None

**Motion passes 5-0**

UPDATE TO  
CHAPTER 7 OF PID  
POLICY &  
PROCEDURES –  
DISCONTINUANCE  
OF WATER  
(Item 12.e.)

Staff reported last year, the California Legislature passed SB 998 and the Governor signed into law – The Water Shut Off Protection Act. SB 998 changes the requirements and procedures for the discontinuation (i.e., termination) of water service to a residence. To meet compliance under California law, the proposed revision to Chapter 7 of the PID Policy and Procedures manual is presented for Board consideration and has been vetted through the District's legal counsel.

It was moved by Director Hansen and seconded by Director Boston to accept the revisions to Chapter 7 of the District's policy and procedures manual following completion of legal review.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

**Motion passes 5-0**

Staff indicated the proposed temporary policy and short-term telecommuting agreement are an important part of the District's pandemic response. The attached policy outlines the proposed requirements and procedures to allow telework arrangements. Discussion included a suggestion to amend the wording in the first sentence under the Safety section to indicate, "safe and ergonomic manner" and providing an ergonomic training document for all employees.

It was moved by Director Mowers and seconded by Director Boston to accept the Temporary Telecommuting Policy and Short-term Telecommuting Agreement as presented with the addition of ergonomic training.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

**Motion passes 5-0**

Manager Phillips reported the District has an Emergency Response Plan that contains various action plans for staff to refer to when planning for and responding to a natural or other emergency. Staff desires to add the following Pandemic Response Plan to be included in the District's existing Emergency Response Plan. Additional recommendations included adding employee temperature screening and verbiage regarding cleaning shared workspaces under section 9.4 – Disinfection.

It was moved by Director Hansen and seconded by Director Mowers to accept the Pandemic Response Plan with additional recommendations as noted above.

AYES: Directors Hansen, Boston, Mowers, Shaw, and Sulik  
NOES: None  
ABSENT: None

**Motion passes 5-0**

Information Systems Manager Mickey Rich reported audio and video upgrades to the District's Board room are recommended. The existing system was installed in 2012 and uses outdated technology and was not designed for streaming or telecommunication. The proposed updates include improvements to allow for better sound and video quality for broadcasting and telemeetings, as well as necessary audio and video upgrades to existing equipment. The quote also includes soundproofing to decrease the echo in the room. The proposed not to exceed cost for all upgrades is \$17,987.31. The not to exceed cost for minimum improvements of soundproofing and sound feed for audio only to allow for better communication for distant or online participants is \$4,910.14.

Board members concurred to table this item until the District has a better fiscal picture regarding the state backfill funding. Staff will contact Sounds by Dave about extending the pricing. In the interim, Director Mowers offered to reach out to Rotary about possible sponsorship of this project and IT Manager Mickey Rich will contact the North Valley Community Foundation about grant funding opportunities. **Item tabled.**

CONTINUED –  
CHAPTER 7  
POLICY REVISION  
APPROVED RE:  
DISCONTINUANCE  
OF WATER

TEMPORARY  
TELECOMMUTING  
POLICY & EMPLOYEE  
AGREEMENT  
APPROVED  
(Item 12.f.)

PANDEMIC RESPONSE  
PLAN ACCEPTED  
(Item 12.g.)

PURCHASE REQUEST  
FOR UPGRADES TO  
BOARD CONFERENCE  
ROOM AUDIO / VIDEO  
(Item 12.h. Tabled)

COMMUNITY  
DISASTER LOAN  
PROGRAM –  
AUTHORIZING  
RESOLUTION NO.  
2020-04 ADOPTED  
(Item 12.i.1.)

Staff reported Resolution No. 2020-04 authorizes the District Manager to request a loan under the Community Disaster Loan (CDL) Program through the Federal Emergency Management Agency (FEMA). The CDL Program loan would be an emergency fund the District can later draw on with Board approval. The CDL Program makes available low interest loans and interest does not accrue on the loan until funds are drawn down. The loan can also be forgiven.

It was moved by President Sulik and seconded by Director Shaw to adopt Resolution No. 2020-04 to authorize the District Manager of Paradise Irrigation District, Kevin Phillips, to request a loan under the Community Disaster Loan Program of the Federal Emergency Management Agency for a maximum amount of \$1,329,504.00, with the Loan only to be drawn on upon Board approval. Directors' votes were polled as follows by roll call:

AYES: Directors Mowers, Boston, Hansen, Shaw, and Sulik

NOES: None

ABSENT: None

**Motion passes 5-0**

COMMUNITY  
DISASTER LOAN  
COLLATERAL  
SECURITY  
RESOLUTION NO.  
2020-05 ADOPTED  
(Item 12.i.2.)

Staff reported the Community Disaster Loan (CDL) Collateral Security Agreement Resolution is to pledge collateral security to the Federal Emergency Management Agency on the Promissory Note for a Community Disaster Loan for \$1,329,504.00.

It was moved by Director Boston and seconded by Director Mowers to adopt Resolution No. 2020-05 authorizing the Local Government Resolution – Collateral Security to the Federal Emergency Management Agency on the Promissory Note for a Community Disaster Loan. Directors' votes were polled as follows by roll call:

AYES: Directors Mowers, Boston, Hansen, Shaw, and Sulik

NOES: None

ABSENT: None

**Motion passes 5-0**

APPROVAL TO  
PURCHASE GLASS  
BARRIER FOR  
DISTRICT OFFICE  
(Item 12.j.)

Staff indicated the District office is presently closed to the public due to the health concerns surrounding the COVID-19 pandemic. The current configuration of the front counter is open with no protection from the public. To protect the employees from any security or health concerns, staff is recommending installation of a glass barrier that would seal off the public area from the staff area. The District requested proposals from three companies and received two bids. Board members would like to have the full enclosure design with sliding windows and the speaker feature. Additional comments included postponement of installation until the District has information regarding reinstatement of the backfill funding and having the glass barrier in place before the District office opens fully to the public.

Contingent upon PID's backfill funding being reinstated by the state, it was moved by Director Boston and seconded by Director Shaw to approve the purchase and installation of a glass barrier at the PID Administration Building from Miller Glass for an amount not to exceed \$14,400.00.

AYES: Directors Mowers, Boston, Hansen, Shaw, and Sulik

NOES: None

ABSENT: None

**Motion passes 5-0 subject to backfill funding being reinstated by the state.**



Director Mowers: Reinstatement of the backfill funding to PID has been mentioned very often this evening as a factor for the Board's decision to table Board action on some agenda items. It is important for the public to know PID is here for the duration and may have to make some decisions that may not seem quite user friendly. The intention is to keep PID whole and make responsible decisions.

DIRECTORS'  
COMMENTS  
(Item 13)

Director Boston: Going back to earlier discussion this evening around customer concerns about trying to get their needs met through the District's great Customer Service staff, we are all hear to help, including members of the Board. It has been almost 2 years since the Camp Fire, and it is pretty impressive how far we have come.

Director Hansen: Indicated he would like the District's contractors to know the District is behind them. The Board will do its best to look at everything and examine all possibilities to keep the water flowing.

Director Shaw: Stated he realizes there is a lot of public fear and concern regarding decisions the Governor has made regarding budget cuts. The District is pushing to get the community rebuilt and will do its best to make that process as seamless as possible to move the recovery efforts forward.

President Sulik: Addressed the employees, stating the news has not been positive this past week. The Board is here to move the District forward and will do everything possible to keep the District whole.

President Sulik announced closed session items 14.a. and 14.b. As there were no public comments, the Board adjourned to closed session at 10:25 p.m. regarding the following:

CLOSED SESSION  
(Item 14.a. & 14.b.)

14.a. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (California Government Code section 54956.9). Neil Essila et al. v. Paradise Irrigation District et al. Butte County Superior Court Case No. 17CV02546.

*Closed Session Announcement: There was no discussion in closed session pertaining to this item.*

14.b.. CONFERENCE WITH LABOR NEGOTIATORS (California Government Code section 54957.6). Agency designated representative – Kevin Phillips and PID Legal Counsel. Negotiations with IBEW Local 1245 and Teamsters Local 137.

*Closed Session Announcement: Direction has been given to the agency designated representative.*

President Sulik reconvened the regular meeting at 10.47 p.m. and provided closed session announcement information regarding agenda items 14.a. and 14.b. as listed above in italicized print.

CLOSED SESSION  
ANNOUNCEMENT

It was moved by President Sulik to adjourn the meeting. The regular meeting was adjourned at 10:49 p.m.

ADJOURNMENT

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Georgeanna Borrayo, Secretary

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Marc Sulik, President

**PARADISE  
IRRIGATION DISTRICT  
MANAGEMENT REPORT  
FOR THE YEAR ENDED JUNE 30, 2018**



**PARADISE IRRIGATION DISTRICT**

Management Report  
For the Year Ended June 30, 2018

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Board of Directors of the  
Paradise Irrigation District  
Paradise, California

We have audited the financial statements of the Paradise Irrigation District for the year ended June 30, 2018, and have issued our report thereon dated June 5, 2020. As part of our audit, we made a study and evaluation of the District's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the District's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of the Paradise Irrigation District is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of the Paradise Irrigation District taken as a whole. Our study and evaluation disclosed no condition that we believed to be a material weakness.

This report is intended solely for the use of management and should not be used for any other purpose.

Fechter & Company,  
Certified Public Accountants



June 5, 2020  
Sacramento, CA

**PARADISE IRRIGATION DISTRICT**  
**Required Communications**  
**For the Year Ended June 30, 2018**

**The Auditor's Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated February 5, 2020, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the District financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

**Significant Accounting Policies**

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

**Accounting Estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

- Accrual and disclosure of compensated absences
- Capital asset lives and depreciation expense
- Other Post-Employment Benefits (OPEB) actuarial study to estimate the annual required contribution and net OPEB obligation.

**PARADISE IRRIGATION DISTRICT**  
**Required Communications**  
**For the Year Ended June 30, 2018**

**Audit Adjustments**

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the District's financial reporting process (that is, cause future financial statements to be materially misstated). The following audit adjustment, in our judgment, indicate matters that could have a significant effect on the District's financial reporting process:

- To record additional payables of \$50,923 for the current year.
- To record current year change in other post-employment benefits liability of \$90,317 and to record a prior period adjustment of \$292,642 for the implementation of GASB Statement No. 75.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated June 5, 2020.

**Consultations with Other Independent Auditors**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Issues Discussed Prior to Retention of Independent Auditors**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing our audit.

**PARADISEIRRIGATION DISTRICT**  
**Required Communications**  
**For the Year Ended June 30, 2018**

**Other Matters**

We were not engaged to report on the supplementary operating statements and the cost of service rate report, which accompany the financial statements but are not required supplementary information. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

**Restriction on Use**

This information is intended solely for the use of the Board of Directors and management of the Paradise Irrigation District and is not intended to be, and should not be, used by anyone other than these specified parties.

**PARADISE IRRIGATION DISTRICT  
PARADISE, CALIFORNIA**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
WITH  
INDEPENDENT AUDITOR'S REPORTS**

**JUNE 30, 2018**

**PARADISE IRRIGATION DISTRICT**

Financial Statements  
Year Ended June 30, 2018

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Paradise Irrigation District  
Paradise, California

### Report on the Financial Statements

We have audited the accompanying financial statements of Paradise Irrigation District (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the California State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2018, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's Office and state regulations governing special districts.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of funding progress for other post-employment benefits plan listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Implementation of New Accounting Standards*

As disclosed in Note 1 of the financial statements, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, during fiscal year 2018. Our opinion is not modified with respect to this matter.

### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Fechter & Company  
Certified Public Accountants



Sacramento, California  
June 5, 2020

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2018

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Paradise Irrigation District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

#### Financial Highlights

- In 2018, the District's net position increased 2.53% or \$767,308 from \$30,353,355 to \$31,120,663.
- The District's operating revenues increased 13.69% or \$992,923 from \$7,254,581 to \$8,247,504.
- The District's operating expenses increased 2.36% or \$171,780 from \$7,273,599 to \$7,445,377.

#### Required Financial Statements

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, noncapital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

#### Financial Analysis of the District

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2018

These two statements report the District's *net position* and changes in the net position. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality. The District's annual budget is based on a cash basis. This allows the Board to make annual decisions based on the District's cash reserves, not just the effect of Net Position.

#### Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

#### Statement of Net Position

	2018	2017	Change
Assets:			
Current assets	\$ 4,196,233	\$ 3,710,048	\$ 486,185
Noncurrent assets	311,954	339,719	(27,765)
Capital assets - Net of depreciation	36,163,650	36,217,790	(54,140)
Total Assets	<u>40,671,837</u>	<u>40,267,557</u>	<u>404,280</u>
Deferred Outflows of Resources:	<u>157,878</u>	<u>-</u>	<u>157,878</u>
Liabilities:			
Current liabilities	2,073,522	2,091,151	(17,629)
Noncurrent liabilities	<u>7,635,530</u>	<u>7,823,051</u>	<u>(187,521)</u>
Total Liabilities	<u>9,709,052</u>	<u>9,914,202</u>	<u>(205,150)</u>
Net Position:			
Net investment in capital assets	29,347,577	28,406,037	941,540
Restricted for debt service	-	570,000	(570,000)
Restricted for capacity fees	-	220,071	(220,071)
Unrestricted	<u>1,773,086</u>	<u>1,157,247</u>	<u>615,839</u>
Total Net Position	<u>\$ 31,120,663</u>	<u>\$ 30,353,355</u>	<u>\$ 767,308</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$31,120,663 as of June 30, 2018.

One of the largest portions of the District's net position (94.30% as of June 30, 2018) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to customers within the District's service area; consequently, these assets are *not* available for future spending.

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2018

At the end of fiscal year 2018, the District showed a positive balance in its unrestricted net position of \$1,773,086.

#### Statement of Revenues, Expenses, and Changes in Net Position

	2018	2017	Change
Revenues:			
Operating revenues	\$ 8,247,504	\$ 7,254,581	\$ 992,923
Nonoperating revenues	442,942	629,732	(186,790)
Total Revenues	<u>8,690,446</u>	<u>7,884,313</u>	<u>806,133</u>
Expenses:			
Operating expenses excluding depreciation	5,578,112	5,421,557	156,555
Depreciation	1,867,265	1,852,042	15,223
Nonoperating expenses	185,119	374,628	(189,509)
Total Expenses	<u>7,630,496</u>	<u>7,648,227</u>	<u>(17,731)</u>
Net Income Before Capital Contributions	1,059,950	236,086	823,864
Capital Contributions:	-	166,917	(166,917)
Change in Net Position	1,059,950	403,003	656,947
Net Position, Beginning of Year, restated	<u>30,060,713</u>	<u>29,950,352</u>	<u>110,361</u>
Net Position, End of Year	<u><u>\$ 31,120,663</u></u>	<u><u>\$ 30,353,355</u></u>	<u><u>\$ 767,308</u></u>

The statement of revenues, expenses, and changes in net position shows how the District's net position changed during the fiscal year. Net position increased by \$767,308 for the fiscal year ended June 30, 2018.

A closer examination of the sources of changes in net position reveals that in 2018, the District's total revenues increased by \$806,133 and total expenses decreased by \$17,731.

#### Operating Revenues

	2018	2017	Change
Operating Revenues			
Service fee	\$ 4,937,820	\$ 4,399,417	\$ 538,403
Quantity charge	3,085,273	2,629,210	456,063
Fees & adjustments	49,741	40,202	9,539
Outside water sales	117,373	128,186	(10,813)
Recreation fees	39,790	38,814	976
Backflow charges	10,960	10,940	20
Meter charges	6,547	7,812	(1,265)
Total Operating Revenues	<u><u>\$ 8,247,504</u></u>	<u><u>\$ 7,254,581</u></u>	<u><u>\$ 992,923</u></u>

In 2018, operating revenues increased by \$992,923. This is due to an increase in service fee revenue and quantity charge revenue. Service fee revenue increased due to the District's newly enacted rates which were implemented on January 1, 2018, which increased the monthly charge for water services.

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2018

Quantity charge revenue increased due to increased customer water usage in 2018 compared to 2017. Nonoperating revenues decreased due to a reduction in the amount of property tax revenue received. The District received a share of property taxes in the prior year that were related to bonds that were paid through property tax funds. These bonds were paid off after the fiscal year ended June 30, 2017.

#### Operating Expenses

	2018	2017	Change
Operating Expenses			
Salaries and benefits	\$ 3,869,265	\$ 3,693,198	\$ 176,067
Professional fees	401,874	269,189	132,685
Depreciation	1,867,265	1,852,042	15,223
Other	1,306,973	1,459,168	(152,195)
Total Operating Expenses	<u>\$ 7,445,377</u>	<u>\$ 7,273,597</u>	<u>\$ 171,780</u>

In 2018, total operating expenses increased by \$171,780, or 2.36%, primarily due to increased salary and employee related costs. There was also an increase in legal fees due to increased legal matters involving general counsel. These operating expenses were partially offset by a reduction in other operating expenses including reduced inventory expenses and the elimination of board election expenses as a board election was held in 2017 and not in 2018. Nonoperating expenses decreased primarily due to a reduction in interest expense as a result of the refinance of the Water Revenue Certificates of Participation.

#### Capital Asset Administration

At the end of fiscal years 2018, the District's investment in capital assets amounted to \$36,163,650 (net of accumulated depreciation). This investment in capital assets includes land, land rights, transmission and distribution systems, wells, tanks, reservoirs, pumps, buildings and structures, equipment, vehicles and construction-in-process, etc. There were numerous capital asset additions in fiscal year 2018.

Changes in capital asset amounts for 2018 were as follows:

	Balance 6/30/2017	Additions	Transfers/ Deletions	Balance 6/30/2018
Capital Assets:				
Non-depreciable assets	\$ 4,340,160	\$ 1,111,271	\$ -	\$ 5,451,431
Depreciable assets	65,449,590	701,854	-	66,151,444
Accumulated depreciation and amortization	(33,571,960)	(1,867,265)	-	(35,439,225)
Total Capital Assets, Net	<u>\$ 36,217,790</u>	<u>\$ (54,140)</u>	<u>\$ -</u>	<u>\$ 36,163,650</u>

For additional information on capital assets, refer to Note 3.

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2018

#### Debt Administration

In 2018, the Water Revenue Certificates of Participation were refinanced with a Private Placement loan. The District also obtained a planning loan from the California State Water Resource Control Board (SWRCB) to fund the design of a project to replace the District's Reservoir B. Changes in long-term debt amounts for 2018 were as follows:

	Balance 6/30/2017	Additions	Retirements	Balance 6/30/2018
2016 Private Placement Loan Payable	\$ 2,438,000	\$ -	\$ (187,000)	\$ 2,251,000
CIEBD Loan Payable	1,233,202	-	(97,429)	1,135,773
Water Revenue Certificate of Participation	4,140,000	-	(4,140,000)	-
2009 COP Premium	16,836	-	(16,836)	-
SWRCB Loan Payable	-	279,178	-	279,178
2017 Private Placement Loan Payable	-	3,361,900	(53,900)	3,308,000
Total	<u>\$ 7,828,038</u>	<u>\$ 3,641,078</u>	<u>\$ (4,495,165)</u>	<u>\$ 6,973,951</u>

For additional information on long-term debt, refer to Note 4.

#### Conditions Affecting Current Financial Position

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history, swept through the Town of Paradise and destroyed roughly 90 percent of the Town's residences and businesses. This has resulted in significant damages to the District's capital assets and material effects to the District's future revenues and finances. Refer to Note 12 – Evaluation of Subsequent Events in the notes to the financial statements for further details.

Management is unaware of any other conditions, which could have significant impact on the District's current financial position, net assets or operating results in terms of past, present, and future.

#### Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders, and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Finance and Accounting Manager/Treasurer at 6332 Clark Road, Paradise, CA 95967 or by phone (530) 877-4971.

**PARADISE IRRIGATION DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2018**

**ASSETS**

Current Assets:

Cash and cash equivalents	\$ 2,641,691
Accounts receivable	1,223,655
Other receivables	25,370
Prepaid expenses	42,431
Inventories	250,284
Note receivable	12,802
Total current assets	<u>4,196,233</u>

Non-Current Assets:

Investments	54,805
Note receivable - net of current portion	257,149
Capital assets - net of accumulated depreciation	36,163,650
Total non-current assets	<u>36,475,604</u>

**TOTAL ASSETS**

40,671,837

**DEFERRED OUTFLOW OF RESOURCES**

Gain from debt refunding	<u>157,878</u>
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**LIABILITIES**

Current Liabilities:

Accounts payable	266,048
Accrued payroll liabilities	80,504
Accrued interest	40,900
Funds held for others	525,798
Deposits	262,974
Compensated absences liability	444,070
Current portion of long-term debt	453,228
Total current liabilities	<u>2,073,522</u>

Non-current Liabilities:

Long-term debt - net of current portion	6,520,723
Other post employment benefits	1,114,807
Total non-current liabilities	<u>7,635,530</u>

**TOTAL LIABILITIES**

9,709,052

**NET POSITION**

Net investment in capital assets	29,347,577
Unrestricted	1,773,086
<b>TOTAL NET POSITION</b>	<u><u>\$ 31,120,663</u></u>

The accompanying notes are an integral part of these financial statements.



**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**OPERATING REVENUES:**

Water sales and service	\$ 8,072,834
Outside water sales	117,373
Other operating revenues	<u>57,297</u>
Total operating revenues	<u>8,247,504</u>

**OPERATING EXPENSES:**

Salaries and benefits	3,869,265
Supplies	208,782
Office	214,887
Utilities	231,398
Repairs and maintenance	172,476
Gas and oil	55,304
Insurance	114,036
Training	60,431
Service charges	122,172
Professional fees	401,874
License and fees	111,571
Other	15,916
Depreciation	<u>1,867,265</u>
Total operating expenses	<u>7,445,377</u>
Operating loss	<u>802,127</u>

**Non-operating revenues and (expenses):**

Gain on investments	36
Interest income	46,980
Interest expense	(185,119)
Property taxes and assessments	301,184
Connection fees	43,760
Other income	<u>50,982</u>
Total non-operating revenues	<u>257,823</u>

Change in net position 1,059,950

Beginning net position	30,353,355
Prior period adjustment	<u>(292,642)</u>
Beginning net position, restated	<u>30,060,713</u>
Ending net position	<u><u>\$ 31,120,663</u></u>

The accompanying notes are an integral part of these financial statements.

**PARADISE IRRIGATION DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2018**

**Cash flows from operating activities:**

Cash received from customers for water sales	\$ 8,122,164
Cash received from others	56,393
Cash paid to suppliers	(1,575,852)
Cash paid to employees	(3,690,106)
Net cash provided by operating activities	<u>2,912,599</u>

**Cash flows from non-capital financing activities:**

Payment on funds held for others	30,730
Taxes and assessments received	301,184
Other revenue received	50,982
Net cash provided by non-capital financing activities	<u>382,896</u>

**Cash flows from capital and related financing activities:**

Purchase of capital assets	(1,813,125)
Principal payments on long-term debt	(4,483,020)
Issuance of long-term debt	3,471,055
Interest paid	(212,169)
Connection fees	43,760
Net cash used by capital and related financing activities	<u>(2,993,499)</u>

**Cash flows from investing activities:**

Interest received	46,980
Principal received on note receivable	11,998
Investment income received	15,000
Net cash provided by investing activities	<u>73,978</u>

Net increase in cash and cash equivalents	375,974
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Cash and cash equivalents, beginning of year	<u>2,265,717</u>
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Cash and cash equivalents, end of year	<u><u>\$ 2,641,691</u></u>
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The accompanying notes are an integral part of these financial statements.

**PARADISE IRRIGATION DISTRICT  
STATEMENT OF CASH FLOWS (Continued)  
FOR THE YEAR ENDED JUNE 30, 2018**

**Reconciliation of operating income to net cash**

**provided by operating activities:**

Operating income	\$ 802,127
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Adjustments to reconcile operating income to net  
cash provided by operating activities:

Depreciation	1,867,265
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Changes in assets and liabilities:

Accounts receivable	(131,319)
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Other receivables	(904)
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Prepaid expenses	55,444
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Inventories	(32,629)
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Accounts payable	110,180
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Customer deposits	63,276
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Salaries payable	66,516
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Compensated absences liability	22,326
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Post-employment benefit obligations	90,317
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<b>Net cash provided by operating activities</b>	<b>\$ 2,912,599</b>
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The accompanying notes are an integral part of these financial statements.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Paradise Irrigation District (District) conform to generally accepted accounting principles as they apply to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The District's significant accounting policies are described below.

#### **Financial Reporting Entity**

The District was established as an independent enterprise special district in March 1916 under the California Water Code. The District is a public water utility district and therefore, falls under the guidelines of a special district governmental entity. The District is governed by a five member Board of Directors that are elected by the voting citizens of the town of Paradise, California.

The District stores, treats, transports, and distributes water to the residents of the Paradise, California community. The primary source of revenues for the District is water service and sales.

The District entered into an agreement with the Town of Paradise (Town) in 1991 for fire hydrant maintenance. The District collects fees from metered customers as defined by the Town. The District is required to use these funds for installation and maintenance of hydrants in the town. The District reports the amount as funds held for others on the financial statements.

These financial statements present the financial data of Paradise Irrigation District and its component unit, Paradise Irrigation District Public Facilities Financing Corporation. Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

Paradise Irrigation District Public Facilities Financing Corporation (the Corporation) was incorporated in January 1993. The Corporation is a nonpublic benefit corporation whose primary purpose is to provide assistance to the District by financing acquisition, construction, and installation of public facilities for use of the District. Separate financial statements for the Corporation are not issued. The Corporation had no activity for the year ended June 30, 2018.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Basic Financial Statements

These financial statements are presented in accordance with GASB Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB No. 34). The District is engaged only in business-type activities and is required to present the financial statements required for enterprise funds which are part of proprietary funds.

#### Basis of Presentation

Proprietary funds account for activities of the District similar to those found in the private sector, where cost recovery and the determination of net income are useful or necessary for sound fiscal management. The focus of proprietary fund measurement is upon the determination of operating income, changes in net position, financial position and cash flows. Currently enterprise funds are the only type of proprietary fund that the District uses.

#### Measurement Focus and Basis of Accounting

The statement of net position and statement of revenues, expenses, and changes in fund net position are reported using the flow of economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been made. Such revenue is subject to review by the funding agency, which may result in disallowance in subsequent periods.

All of the District's activities are accounted for in a single proprietary or business-type fund. Proprietary funds distinguish operating revenues and expenses from non-operating items and capital contributions. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as either non-operating revenues and expenses or capital contributions.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the District's cash and cash equivalents include restricted and unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **Restricted Assets**

The restricted cash and cash equivalents are certain resources set aside for repayment of debt obligations and are classified as restricted assets on the Statement of Net Position, because they are maintained in separate bank accounts and their use is limited by applicable debt covenants. There were no restricted assets as of June 30, 2018.

#### **Receivables**

Accounts receivable consists of amounts due on water services from customers. Delinquent receivables are submitted annually to the Butte County Tax Assessor to be encumbered on secured property tax bills. As a result of the process, no doubtful account allowance was deemed necessary on June 30, 2018. Other receivables consist primarily of grants receivable for expenses incurred on pipeline projects.

#### **Inventory**

Inventories consist primarily of materials and supplies used in the maintenance and improvement of the District's water distribution system. Inventories are valued at cost using an average price method. Inventories are expensed when the resources are used.

#### **Prepaid Expenses**

Certain payments for insurance and to other vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the statement of net position and expensed as the items are used.

#### **Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$10,000 and a useful life of three years or more. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at estimated fair market value on the date donated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest is capitalized on assets acquired with debt. The amount of interest to be capitalized is offset by the interest earned on invested debt proceeds over the construction period.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Capital Assets - continued

Depreciation on all capital assets is computed using a straight-line basis over the estimated useful lives of the various classes of depreciable capital assets as follows:

Dams and Property	25 – 75 years
Recreation Facilities	7 – 10 years
Pumping Plant	25 years
Water Treatment Plant	7 – 40 years
Transmission and Distribution System	25 – 35 years
General Plant and Office Facilities	5 – 10 years
Vehicles	5 – 10 years

#### Compensated Absences Liability

Vacation and sick leave is accumulated for District employees at varying amounts per year depending on length of employment. Upon termination of employment the District will pay out vacation at 100% of accumulated amounts and sick leave at varying amounts from 25% to 75%, depending on the length of employment. The District has accrued a liability for accrued vacation and sick leave that has been earned but not taken by District employees.

#### Long-Term Debt

Obligations with terms over one year are reported as long term obligations. Long term debt consists primarily of Certificates of Participation and other notes related to capital asset additions.

Certificates of Participation premiums and discounts are deferred and amortized over the life of the issuance. Gains or losses on prior refundings are amortized over the remaining life of the debt.

#### Net Position

Net position in the proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **Net Position - continued**

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Unrestricted net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”. When both restricted and unrestricted net assets are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Operating Revenues and Expenses**

Operating revenues and expenses generally result from providing services in connection with the District’s principal ongoing operations, which is water sales and services. Operating expense for the District includes the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **Property Tax Revenue**

Butte County is responsible for assessing, collecting, and apportioning property taxes. Property taxes are recognized as revenues in the year they are levied to the extent that they result in current receivables. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied on July 1 and are payable in two installments, December 10 and April 10. Property taxes are remitted to the District in installments during the year.

#### **Unbilled Service Revenues**

Operating revenues for the District include sales of water. These revenues are billed to customers monthly. Unbilled revenue is recorded based on usage as of June 30, 2018, that is billed during the month of July 2018. Unbilled revenue in the amount of \$810,760 is included in revenues for the year ended June 30, 2018.

#### **Facility Contributions**

Facility contributions are comprised of water system property and facilities that have been donated to the District. Amounts are recorded in the year they are received.



## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### New Accounting Pronouncement

During the year ended June 30, 2018, the District implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.

### NOTE 2: CASH AND INVESTMENTS

Cash and investments are reported in the accompanying financial statements as follows:

Cash and cash equivalents	\$ 2,641,691
Investments	<u>54,805</u>
Total Cash and Investments	<u><u>\$ 2,696,496</u></u>

Cash and investments at June 30, 2018, consist of the following:

Petty cash	\$ 1,000
Demand deposits	415,195
Local Agency Investment Fund	2,225,496
Investments	<u>54,805</u>
Total Cash and Investments	<u><u>\$ 2,696,496</u></u>

#### Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The California Government Code and the District's investment policy do not contain legal or policy requirements limiting exposure to custodial risk for deposits or investments. The California Government Code requires that a bank secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 2: CASH AND INVESTMENTS - CONTINUED

#### Deposits - continued

As of June 30, 2018, all of the District's deposits in excess of the federal depository insurance limits were collateralized as required by law. As of June 30, 2018, the carrying amount of the District's deposits, were \$415,195, and the bank balances were \$519,358.

#### Investments

As of June 30, 2018, the District had the following investments:

Investment Description	Fair Value	Investment Maturities (in Years)	
		Less than 1	1 to 5
Municipal bonds	\$ 54,805	\$ -	\$ 54,805
Total Investments	<u>\$ 54,805</u>	<u>\$ -</u>	<u>\$ 54,805</u>

Investments are reported at fair value. The Local Agency Investment Fund (LAIF) is a special fund for the California State Treasury through which local governments may voluntarily pool investments. For the purpose of these financial statements, the fair value of amounts in LAIF is equivalent to dollars held.

The District has adopted a formal investment policy as required by Section 53600 of the California Government Code. The District's Treasurer has responsibility for selecting depositories and investing idle funds in accordance with the adopted investment policy.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code 53601 through 53659 and contractual agreements.

Investments held by the bond/COP fiscal agents (trustees) are governed by the provisions of the various debt indenture agreements rather than the general provisions of the District's investment policy or the California Government Code.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 2: CASH AND INVESTMENTS - CONTINUED

#### Investments - continued

The table below identifies the investment types that are authorized by the District's investment policy:

	Maximum Maturity	Maximum Specified Percentage of Portfolio	Minimum Quality Requirements
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State Obligations - CA and Others	5 Years	None	None
CA Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
Bankers' Acceptances	180 Days	0.4	None
Commercial Paper - Select Agencies	270 Days	0.25	A-1/P-F-1
Negotiable Certificates of Deposit	5 Years	0.3	None
CD Placement Service	5 Years	0.3	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20% of Base	None
Medium-Term Notes	5 Years	0.3	"A" Rating
Mutual Funds and Money Market	N/A	0.2	Multiple
Funds Collateralized Bank Deposits	5 Years	None	None
Mortgage Pass-Through Securities	5 Years	0.2	"AA" Rating
Bank/Time Deposits	5 Years	None	None
County Pooled Investment Funds	N/A	None	None
Joints Powers Authority Pool	N/A	None	Multiple
Local Agency Investment Fund (LAIF)	N/A	None	None

#### Credit Risk

California Government Code Section 53601 limits investments in commercial paper to "prime" quality of the highest ranking or of the highest letter and numerical rating as provided by Nationally Recognized Statistical Rating Organizations (NRSROs), and limits investments in medium-term notes to a rating of A or better. The District has no investment policy that would further limit its investment choices. The District's investment in the local agency investment pool is unrated. As of June 30, 2018, the District's investments were in compliance with the ratings required by the District's investment policy and the Bond/COP Indenture Agreements.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 2: CASH AND INVESTMENTS - CONTINUED

#### Interest Rate Risk

California Government Code Section 53601 limits the District's investments to maturities of five years. The District manages its exposure to interest rate risk by purchasing a combination of shorter and longer-term investments. The District also manages cash flows by purchasing investments so that the portfolio is maturing evenly over time to provide adequate cash flow and liquidity needed for District operations.

### NOTE 3: NOTE RECEIVABLE

Note receivable at June 30, 2018, consisted of the following:

Note receivable from the ARC of Butte Co. Inc., in monthly Installments of \$2,498 including interest at 6.50%. The note is due in January 2032 and is secured by real property

\$ 269,951

Less: Current Portion

(12,802)

Note Receivable, Net of Current Portion

\$ 257,149

# PARADISE IRRIGATION DISTRICT

## Notes to the Financial Statements For the Year Ended June 30, 2018

### NOTE 4: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018, is shown below:

	Balance 6/30/2017	Additions	Deductions	Balance 6/30/2018
Capital assets, not being depreciated:				
Land	\$ 2,071,692	\$ -	\$ -	\$ 2,071,692
Construction in progress	2,268,468	1,111,271	-	3,379,739
Total capital assets, not being depreciated	<u>4,340,160</u>	<u>1,111,271</u>	<u>-</u>	<u>5,451,431</u>
Capital assets, being depreciated:				
Dams & dam property	7,499,535	-	-	7,499,535
Recreation facilities	202,868	-	-	202,868
Pumping plant	495,980	-	-	495,980
Water treatment plant	19,284,968	-	-	19,284,968
Transmission and distribution system	31,659,615	640,552	-	32,300,167
General plant	3,286,094	29,936	-	3,316,030
Vehicles	1,796,199	31,366	-	1,827,565
Office facilities	1,224,331	-	-	1,224,331
Total capital assets, being depreciated	<u>65,449,590</u>	<u>701,854</u>	<u>-</u>	<u>66,151,444</u>
Less accumulated depreciation for:				
Dams & dam property	4,845,717	115,618	-	4,961,335
Recreational facilities	167,764	5,890	-	173,654
Pumping plant	375,733	13,287	-	389,020
Water treatment plant	10,102,697	477,788	-	10,580,485
Transmission and distribution system	15,230,142	1,082,717	-	16,312,859
General plant	728,213	85,735	-	813,948
Vehicles	1,685,810	38,268	-	1,724,078
Office facilities	435,884	47,962	-	483,846
Total accumulated depreciation	<u>33,571,960</u>	<u>1,867,265</u>	<u>-</u>	<u>35,439,225</u>
Total capital assets, being depreciated, net	<u>31,877,630</u>	<u>(1,165,411)</u>	<u>-</u>	<u>30,712,219</u>
Capital assets, net of depreciation	<u>\$ 36,217,790</u>	<u>\$ (54,140)</u>	<u>\$ -</u>	<u>\$ 36,163,650</u>

Depreciation expense for the year ended June 30, 2018 totaled \$1,867,265.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

## NOTE 5: LONG-TERM DEBT

Long-term debt at June 30, 2018, consisted of the following:

2016 Private Placement Loan Payable to Capital One Public Funding, LLC with principal and interest payments at 2.42% due semi-annually in November and May. The loan is due in November 2028.	\$ 2,251,000
Loan payable to the California Infrastructure and Economic Development Bank, with principal payments due annually in September and interest payable semi-annually at 2.77%. The note is due in September 2027.	1,135,773
Loan payable to the State Water Resources Control Board (SWRCB) for the Reservoir "B" Replacement Project. Principal payments are due semi-annually in January and July and interest is payable semi-annually at 1.6%.	279,178
2017 Private Placement Loan Payable to Branch Banking and Trust Company with principal and interest payments at 2.28% due semi-annually in October and April. The loan is due in October 2024.	<u>3,308,000</u>
Subtotal	6,973,951
Less: Current Portion	<u>(453,228)</u>
Long-Term Debt, Net of Current Portion	<u><u>\$ 6,520,723</u></u>

A schedule of changes in long-term debt is shown below:

	Balance July 1, 2017	Additions	Retirements	Balance June 30, 2018	Due Within One Year
2016 Private Placement					
Loan Payable	\$ 2,438,000	\$ -	\$ (187,000)	\$ 2,251,000	\$ 95,000
CIEBD Loan Payable	1,233,202	-	(97,429)	1,135,773	100,128
Water Revenue Certificate of Participation	4,140,000	-	(4,140,000)	-	-
2009 COP Premium	16,836	-	(16,836)	-	-
SWRCB Loan Payable	-	279,178	-	279,178	-
2017 Private Placement					
Loan Payable	-	3,361,900	(53,900)	3,308,000	258,100
Total	<u>\$ 7,828,038</u>	<u>\$ 3,641,078</u>	<u>\$ (4,495,165)</u>	<u>\$ 6,973,951</u>	<u>\$ 453,228</u>

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### NOTE 5: LONG-TERM DEBT- CONTINUED

Annual requirements to amortize long-term debt outstanding as of June 30, 2018, are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 453,228	\$ 155,879	\$ 609,107
2020	724,200	131,866	856,066
2021	741,200	100,645	841,845
2022	1,015,200	83,368	1,098,568
2023	771,300	59,857	831,157
2024-2028	2,106,677	143,254	2,249,931
2029-2033	700,275	24,811	725,086
2034-2035	182,693	2,006	184,699
Total	<u>\$ 6,694,773</u>	<u>\$ 701,686</u>	<u>\$ 7,396,459</u>

\* The loan payable to SWRCB was forgiven in March 31, 2020, and therefore is not included in the amortization schedule above.

### NOTE 6: FUNDS HELD FOR OTHERS

On June 5, 1991, the District entered into an agreement with the Town of Paradise Fire Department (the Town) to collect a surcharge to maintain hydrants. This agreement was amended in 1999 to include pre-approved relocation and/or replacement of water mains. The agreement was most recently amended on July 1, 2004, to address changes in administrative fees charged by the District. Funds collected and not expended or returned to the Town are reflected as a liability. The amount owed to the Town at June 30, 2018, is \$525,798.

### NOTE 7: DEFERRED COMPENSATION AND MONEY PURCHASE RETIREMENT PLANS

The District participates in a 457 Deferred Compensation Plan and 401(a) Money Purchase Retirement Plan, both of which are administered by the ICMA Retirement Corporation for the benefit of its employees. The District's manager has a separate 401(a) plan administered by the ICMA Retirement Corporation. The purpose of these programs is to provide deferred compensation for employees that elect to participate in the plans. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseen emergency. The District will contribute 9% of the employees' base pay to the 457 Plan and will match up to 3% of the employees' elected deferral into the 401(a) Plan. Employees may elect to defer up to 3% of their base pay to the 457 Plan. The District's retirement contribution expense for the year ended June 30, 2018, was \$279,167.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**

#### **Plan Description**

The District provides post-employment health care benefits to eligible employees through a single employer defined benefit health care plan administered by the District. The District provides post-employment health care benefits to all employees who retire from the District on or after attaining the age of 55 with at least 20 years of service in the District. The District provides medical benefits to retirees and their qualified dependents until normal full Medicare benefits become available for the employee. The District will contribute a percentage of the cost based on their age plus their years of service as follows: 75 = 50%; 80 = 75%; and 85+ = 100%. The difference in District contribution and like coverage shall be borne by the retiree.

On June 30, 2018, 4 retirees met these eligibility requirements and were participants. The District currently has 32 additional active employees who may become eligible to retire and receive benefits in the future.

#### **Funding Policy**

While GASB Statement 75 requires that the liability for all post-employment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The District will pay for the post-employment healthcare cost on a “pay-as-you-go” basis. The provisions of GASB Statement 75 determine the amount that must be presented as an annual expense and accrued liability on the District’s financial statements. The contributions made on behalf of the plan members for the year ended June 30, 2018 were \$50,765.

The District’s net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018.

#### **Net OPEB Liability**

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Assumed retirement age	62
Discount rate *	3.80 percent
Salary increases	2.75 percent
Healthcare cost trend rate	4.00 percent

\* The discount rate is based on the Bond Buyer 20 Bond Index.



# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

## NOTE 8: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) - CONTINUED

### Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position, and the net OPEB liability during the measurement period ending on June 30, 2018 for the District.

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)
Balance at June 30, 2017, restated	\$ 1,024,490	\$ -	\$ 1,024,490
Changes recognized for the measurement period:			
Service cost	101,245	-	101,245
Interest	39,837	-	39,837
Employer contributions	-	50,765	(50,765)
Benefit payments	(50,765)	(50,765)	-
Net Changes	90,317	-	90,317
Balance at June 30, 2018	<u>\$ 1,114,807</u>	<u>\$ -</u>	<u>\$ 1,114,807</u>

### Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current discount rate:

	1% Decrease 2.80%	Discount Rate 3.80%	1% Increase 4.80%
District's proportionate share of the net OPEB liability	\$ 1,168,698	\$ 1,114,807	\$ 1,058,793

### Sensitivity of the District's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (3 percent) or 1 percentage-point higher (5 percent) than the current healthcare cost trend rates:

	Healthcare Cost Trend - 1%	Healthcare Cost Trend Assumed	Healthcare Cost Trend + 1%
District's proportionate share of the net OPEB liability	\$ 1,073,563	\$ 1,114,807	\$ 1,139,077

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 9: RISK MANAGEMENT**

The District is exposed to various risks including loss or damage to property, general liability, and injuries to employees. The District participates in a public entity risk pool as a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). Each ACWA/JPIA member agency shares surpluses and deficits proportionally to their participation. The District pays retrospectively rated annual premiums to ACWA/JPIA for its insurance coverage and has met all obligations since participation began. Requests for additional financial information should be addressed to ACWA/JPIA, P.O. Box 619082, Roseville, CA 95661-9082.

### **NOTE 10: CONTINGENCIES**

#### **NPDES Permit**

The United States Environmental Protection Agency operates the National Pollutant Discharge Elimination System (NPDES) permit program. The NPDES has notified the District that certain aluminum levels in the water system are higher than allowed under the permit. Fines have been assessed but the District was able to offset the fines with proof of money spent on correcting the problem. The District is in the design phase of system modifications to correct the problem. The District has estimated that the cost of the project will be approximately \$17,500,000 and will be completed over the next few years. The District is in the process of exploring financing opportunities for the project.

#### **Water Rights**

The District contracted for a review of its water use under its Appropriative Water Rights Permits in preparation for the filing of its Petitions for Extension of Time with the State Water Board in December 2007. The resulting consultant report presented to the District Board on July 18, 2007, revealed certain permit compliance exceptions. These exceptions are potentially subject to civil liability by the State Water Board. The State Water Board enforcement division has historically not prosecuted permit exceptions unless harm has been shown to another user of water, typically brought to the Board's attention in related proceedings. However, even where enforcement action is taken, liability imposed is mitigated by factual circumstances, including the extent of harm caused, the nature and persistence of the violation, the length of time over which the violation occurs, and the corrective action taken. No user of water has come forward claiming harm and the District has taken corrective action regarding the permit compliance exceptions.

Upon re-evaluation, the District believes that there have been no exceptions to its permit compliance, as the water exceedances can be accounted for through the use of recycled water within the District's water system. The District's Petitions for Extension of Time, within which is to perfect its water rights permits, are still pending before the California State Water Board. The risk of enforcement action still exists, but liability exposure should be minimal due to the District's accounting for the permit exceedances.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 10: CONTINGENCIES – CONTINUED**

#### **Water Rights – Continued**

At this time, the District is still in the process of completing its environmental work on the water rights permit extensions. Once completed, the environmental analysis will be published for public review and comment, including review by the State Water Board. An actual decision on the granting of the District's petition for extension of its water rights permits will likely take several more years due to the backlog of pending petitions with the State Water Board.

#### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

### **NOTE 11: COMMITMENTS**

As of June 30, 2018, the District is committed under numerous contracts related to various construction projects. The total amount of the contracts was \$1,697,212. As of June 30, 2018, the District has paid \$1,361,373 on the contracts. The remaining liability of the District for the construction projects at June 30, 2018, was \$335,839.

### **NOTE 12: EVALUATION OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 5, 2020, the date which the financial statements were available to be issued. Based upon this evaluation, except for the following, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history, swept through the Town of Paradise and destroyed roughly 90 percent of the Town's residences and businesses. This has resulted in significant damages to the District's capital assets and material effects to the District's future revenues and finances. The District is actively working to repair the damage incurred as a result of the Camp Fire with both internal crews and outside contractors as part of a long-term recovery plan. The District has entered into contracts for engineering and project management services related to the recovery process, public assistance consulting services, and service line replacement construction services. The District is actively working with Federal, State, and local partners, as well as insurance, to secure funding for long-term recovery projects.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2018

### **NOTE 12: EVALUATION OF SUBSEQUENT EVENTS – MANAGEMENT REVIEW – CONTINUED**

The District is also working with insurance and the State of California to secure short term backfills of lost revenue. Additionally, the District has filed a claim against the Pacific Gas and Electric Company for property damages and long-term lost revenues. The outcome of the pending claim is currently unknown. The District has also obtained postponement and forgiveness of long-term debt including: forgiveness of the entire balance of the loan payable to the State Water Resource Control Board, deferral until the end of the term of the loan of interest and principal payments from August 1, 2019 through August 1, 2024 for the loan payable to the California Infrastructure and Economic Development Bank, deferral until April 1, 2022 of the principal and interest payments due April 1, 2019 for the 2017 Private Placement loan payable to Branch Banking and Trust Company, and deferral until November 1, 2028 of principal and interest payments due May 1, 2019 for the 2016 Private Placement Loan payable to Capital One Public Funding, LLC.

In January 2020, the virus SARS-CoV-2 was transmitted to the United States from overseas sources. This virus, responsible for the Coronavirus disease COVID-19, has proven to be extremely virulent with transmission rates as yet unknown. The economic impact in the State of California and the County of Butte as yet has not been determined and therefore any potential impact on the District is not yet known.

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REQUIRED SUPPLEMENTARY INFORMATION

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**PARADISE IRRIGATION DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2018**

Last 10 Fiscal years\*

	2018
Net OPEB liability	
Service cost	\$ 101,245
Interest	39,837
Benefit payments	(50,765)
Net change in Net OPEB liability	<u>90,317</u>
Net OPEB liability - beginning, restated	<u>1,024,490</u>
Net OPEB liability - ending	<u><u>\$ 1,114,807</u></u>
Covered payroll	\$ 2,470,326
Net OPEB liability (asset) as a percentage of covered payroll	45.13%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%

\* Fiscal year ended June 30, 2018 was the first year of implementation.  
Additional years will be presented as they become available.

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OTHER INDEPENDENT AUDITOR'S REPORT

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors  
Paradise Irrigation District  
Paradise, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Paradise Irrigation District (District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 5, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that we have not identified.



Board of Directors  
Paradise Irrigation District  
Paradise, California

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fechter & Company,  
Certified Public Accountants

A handwritten signature in cursive script that reads "Fechter & Company, CPAs".

Sacramento, California  
June 5, 2020

**PARADISE  
IRRIGATION DISTRICT  
MANAGEMENT REPORT  
FOR THE YEAR ENDED JUNE 30, 2019**

**PARADISE IRRIGATION DISTRICT**

Management Report  
For the Year Ended June 30, 2019

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Board of Directors of the  
Paradise Irrigation District  
Paradise, California

We have audited the financial statements of the Paradise Irrigation District for the year ended June 30, 2019, and have issued our report thereon dated June 5, 2020. As part of our audit, we made a study and evaluation of the District's system of internal accounting control to the extent we considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the District's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of the Paradise Irrigation District is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of the Paradise Irrigation District taken as a whole. Our study and evaluation disclosed no condition that we believed to be a material weakness.

This report is intended solely for the use of management and should not be used for any other purpose.

Fechter & Company,  
Certified Public Accountants



June 5, 2020  
Sacramento, CA

**PARADISE IRRIGATION DISTRICT**  
**Required Communications**  
**For the Year Ended June 30, 2019**

**The Auditor's Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated February 5, 2020, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the District financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit.

**Significant Accounting Policies**

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

**Accounting Estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

- Accrual and disclosure of compensated absences
- Capital asset lives and depreciation expense
- Other Post-Employment Benefits (OPEB) actuarial study to estimate the annual required contribution and net OPEB obligation.

**PARADISE IRRIGATION DISTRICT**  
**Required Communications**  
**For the Year Ended June 30, 2019**

**Audit Adjustments**

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the District's financial reporting process (that is, cause future financial statements to be materially misstated). The following audit adjustment, in our judgment, indicate matters that could have a significant effect on the District's financial reporting process:

- To record additional payables of \$204,870 for the current year.
- To record current year change in liability of \$73,412 and to record a deferred outflow of resources of \$22,404 for other post-employment benefits.

**Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Management Representations**

We have requested certain representations from management that are included in the management representation letter dated June 5, 2020.

**Consultations with Other Independent Auditors**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

**Issues Discussed Prior to Retention of Independent Auditors**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing our audit.

**PARADISE IRRIGATION DISTRICT**  
**Required Communications**  
**For the Year Ended June 30, 2019**

**Other Matters**

We were not engaged to report on the supplementary operating statements and the cost of service rate report, which accompany the financial statements but are not required supplementary information. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

**Restriction on Use**

This information is intended solely for the use of the Board of Directors and management of the Paradise Irrigation District and is not intended to be, and should not be, used by anyone other than these specified parties.

**PARADISE IRRIGATION DISTRICT  
PARADISE, CALIFORNIA**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION  
WITH  
INDEPENDENT AUDITOR'S REPORTS**

**JUNE 30, 2019**



# PARADISE IRRIGATION DISTRICT

Financial Statements  
Year Ended June 30, 2019

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Paradise Irrigation District  
Paradise, California

### Report on the Financial Statements

We have audited the accompanying financial statements of Paradise Irrigation District (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the California State Controller's *Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2019, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the California State Controller's Office and state regulations governing special districts.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of changes in net other post-employment benefits liability listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Board of Directors  
Paradise Irrigation District  
Paradise, California

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Fechter & Company  
Certified Public Accountants

A handwritten signature in cursive script that reads "Fechter & Company, CPAs". The signature is written in dark ink and is positioned above the printed name and address of the firm.

Sacramento, California  
June 5, 2020

## **PARADISE IRRIGATION DISTRICT**

### **Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2019**

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the Paradise Irrigation District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

#### **Financial Highlights**

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history, swept through the Town of Paradise and destroyed roughly 90 percent of the Town's residences and businesses. This has resulted in significant damages to the District's capital assets and material effects to the District's current year and future revenues and finances. The following are financial highlights for the year ended June 30, 2019:

- In 2019, the District's net position decreased 53.22% or \$16,562,789 from \$31,120,663 to \$14,557,874.
- The District's operating revenues decreased 39.25% or \$3,236,948 from \$8,247,504 to \$5,010,556.
- The District's operating expenses increased 24.77% or \$1,843,994 from \$7,445,377 to \$9,289,371.

#### **Required Financial Statements**

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies.

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine if the District has successfully recovered all of its costs through its rates and other charges. This statement can also be used to evaluate profitability and credit worthiness. The final required financial statement is the Statement of Cash Flows, which provides information about the District's cash receipts and cash payments during the reporting period. The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, noncapital financing, and capital and related financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

#### **Financial Analysis of the District**

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2019

Revenues, Expenses, and Changes in Net Position report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in the net position. You can think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning, and new or changed government legislation, such as changes in Federal and State water quality. The District's annual budget is based on a cash basis. This allows the Board to make annual decisions based on the District's cash reserves, not just the effect of Net Position.

### Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

### Statement of Net Position

	2019	2018	Change
Assets:			
Current assets	\$ 4,849,141	\$ 4,196,233	\$ 652,908
Non-current assets excluding capital assets	100,995	311,954	(210,959)
Capital assets - net of depreciation	20,117,963	36,163,650	(16,045,687)
Total Assets	<u>25,068,099</u>	<u>40,671,837</u>	<u>(15,603,738)</u>
Deferred Outflows of Resources:	<u>155,993</u>	<u>157,878</u>	<u>(1,885)</u>
Liabilities:			
Current liabilities	3,262,117	2,073,522	1,188,595
Non-current liabilities	7,404,101	7,635,530	(231,429)
Total Liabilities	<u>10,666,218</u>	<u>9,709,052</u>	<u>957,166</u>
Net Position:			
Net investment in capital assets	13,333,874	29,347,577	(16,013,703)
Unrestricted	1,224,000	1,773,086	(549,086)
Total Net Position	<u>\$ 14,557,874</u>	<u>\$ 31,120,663</u>	<u>\$ (16,562,789)</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$14,557,874 as of June 30, 2019.

One of the largest portions of the District's net position (91.59% as of June 30, 2019) reflects the District's investment in capital assets (net of accumulated depreciation) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2019

to customers within the District's service area; consequently, these assets are *not* available for future spending.

At the end of fiscal year 2019, the District showed a positive balance in its unrestricted net position of \$1,224,000.

#### Statement of Revenues, Expenses, and Changes in Net Position

	2019	2018	Change
Revenues:			
Operating revenues	\$ 5,010,556	\$ 8,247,504	\$ (3,236,948)
Non-operating revenues	454,969	442,942	12,027
Total Revenues	<u>5,465,525</u>	<u>8,690,446</u>	<u>(3,224,921)</u>
Expenses:			
Operating expenses excluding depreciation	7,846,450	5,578,112	2,268,338
Depreciation	1,442,921	1,867,265	(424,344)
Non-operating expenses	165,261	185,119	(19,858)
Total Expenses	<u>9,454,632</u>	<u>7,630,496</u>	<u>1,824,136</u>
Net (Loss) Income Before Extraordinary Items	(3,989,107)	1,059,950	(5,049,057)
Extraordinary items	<u>(12,573,682)</u>	<u>-</u>	<u>(12,573,682)</u>
Change in Net Position	(16,562,789)	1,059,950	(17,622,739)
Net Position, Beginning of Year, restated	<u>31,120,663</u>	<u>30,060,713</u>	<u>1,059,950</u>
Net Position, End of Year	<u><u>\$ 14,557,874</u></u>	<u><u>\$ 31,120,663</u></u>	<u><u>\$(16,562,789)</u></u>

The statement of revenues, expenses, and changes in net position shows how the District's net position changed during the fiscal year. Net position decreased by \$16,562,789 for the fiscal year ended June 30, 2019.

A closer examination of the sources of changes in net position reveals that in 2019, the District's total revenues decreased by \$3,224,921 and total expenses increased by \$1,824,136.

#### Operating Revenues

	2019	2018	Change
Operating Revenues			
Service fee	\$ 3,038,372	\$ 4,937,820	\$ (1,899,448)
Quantity charge	1,587,485	3,085,273	(1,497,788)
Fees & adjustments	22,176	49,741	(27,565)
Outside water sales	68,689	113,192	(44,503)
Recreation fees	39,686	39,790	(104)
Backflow charges	5,840	10,960	(5,120)
Meter charges	248,308	10,728	237,580
Total Operating Revenues	<u><u>\$ 5,010,556</u></u>	<u><u>\$ 8,247,504</u></u>	<u><u>\$ (3,236,948)</u></u>



## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2019

In 2019, operating revenues decreased by \$3,236,948 or 39.25%. This is primarily due to a decrease in service fee and quantity charge revenue. The decrease in service revenue is due to a loss in customer base and a decrease in the base service charge as a result of the November 2018 Camp Fire. The loss in customer base was due to customers permanently disconnecting service after the fire. The decrease in base service charge was due to the District's Board of Directors placing all customers on a sealed meter rate after the 2018 Camp Fire, which is one-half of the standard rate, based on the fact that all customers of the District were placed on a do not drink water quality advisory due to contamination of the distribution system following the 2018 Camp Fire. The decrease in water consumption revenue is due to the District not charging for water consumption after the November 2018 Camp Fire due to contamination and physical damage to the meter reading system. The decrease in service fee and quantity charge revenue was partially offset by an increase in meter charge revenues related to billings for interim water devices installed by the District. This is a new service that was approved by the board on May 3, 2019, in response to the November 2018 Camp Fire. The interim water device is a backflow unit that is required to be installed on burned properties before water service is returned to that property.

#### Operating Expenses

	2019	2018	Change
Operating Expenses			
Salaries and benefits	\$ 3,920,239	\$ 3,869,265	\$ 50,974
Professional fees	999,413	401,874	597,539
Depreciation	1,442,921	1,867,265	(424,344)
Other	2,926,798	1,306,973	1,619,825
Total Operating Expenses	<u>\$ 9,289,371</u>	<u>\$ 7,445,377</u>	<u>\$ 1,843,994</u>

In 2019, operating expenses increased by \$1,843,994, or 24.77%, primarily due to an increase in professional fees and other operating expenses. Professional fees increased due to recovery related engineering and project management services and costs associated with sampling the distribution system for contamination resulting from the 2018 Camp Fire. Other operating expenses increased due to the cost of mutual aid reimbursement for labor assistance from outside water agencies in response to the 2018 Camp Fire, smoke cleaning services, and increased inventory and construction expenses to repair the fire related damage to the distribution system. The increase to operating expenses was partially offset by a decrease in depreciation expense due to the disposal of capital assets that were damaged by the 2018 Camp Fire.

#### Capital Asset Administration

At the end of fiscal years 2019, the District's investment in capital assets amounted to \$20,117,963 (net of accumulated depreciation). This investment in capital assets includes land, land rights, transmission and distribution systems, wells, tanks, reservoirs, pumps, buildings and structures, equipment, vehicles and construction-in-process, etc. There were numerous capital asset additions and deletions in fiscal year 2019. The capital asset deletions were a result of the damages caused by the Camp Fire.

## PARADISE IRRIGATION DISTRICT

### Management's Discussion and Analysis (Unaudited) For the Year Ended June 30, 2019

Changes in capital asset amounts for 2019 were as follows:

	Balance 6/30/2018	Additions	Transfers/ Deletions	Balance 6/30/2019
Capital Assets:				
Non-depreciable assets	\$ 5,451,431	\$ 180,722	\$ -	\$ 5,632,153
Depreciable assets	66,151,444	357,598	(31,605,922)	34,903,120
Accumulated depreciation and amortization	(35,439,225)	(1,442,921)	16,464,836	(20,417,310)
Total Capital Assets, Net	<u>\$ 36,163,650</u>	<u>\$ (904,601)</u>	<u>\$ (15,141,086)</u>	<u>\$ 20,117,963</u>

For additional information on capital assets, refer to Note 3.

### Debt Administration

In 2019, the District received additional debt proceeds relating to the planning loan from the California State Water Resource Control Board (SWRCB) to continue the design of a project to replace the District's Reservoir B. The District also obtained postponement of long-term debt including: deferral until April 1, 2022 of the principal and interest payments due April 1, 2019 for the 2017 Private Placement loan payable to Branch Banking and Trust Company, and deferral until November 1, 2028 of principal and interest payments due May 1, 2019 for the 2016 Private Placement Loan payable to Capital One Public Funding, LLC. Changes in long-term debt amounts for 2019 were as follows:

	Balance 6/30/2018	Additions	Retirements	Balance 6/30/2019
2016 Private Placement Loan Payable	\$ 2,251,000	\$ -	\$ (95,000)	\$ 2,156,000
CIEBD Loan Payable	1,135,773	-	(100,128)	1,035,645
SWRCB Loan Payable	279,178	396,955	-	676,133
2017 Private Placement Loan Payable	3,308,000	-	(258,100)	3,049,900
Total	<u>\$ 6,973,951</u>	<u>\$ 396,955</u>	<u>\$ (453,228)</u>	<u>\$ 6,917,678</u>

For additional information on long-term debt, refer to Note 4.

### Conditions Affecting Current Financial Position

The District is still building following the devastation of the Camp Fire. Refer to Note 11 – Extraordinary Items and Note 12 – Evaluation of Subsequent Events in the notes to the financial statements for further details. Management is unaware of any other conditions, which could have a significant impact on the District's current financial position, net assets, or operating results in terms of past, present, and future.

### Requests for Information

This financial report is designed to provide the District's funding sources, customers, stakeholders, and other interested parties with an overview of the District's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the District's Finance and Accounting Manager/Treasurer at 6332 Clark Road, Paradise, CA 95967 or by phone (530) 877-4971.

**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

**ASSETS**

Current Assets:

Cash and cash equivalents	\$ 3,950,479
Investments	30,234
Accounts receivable	616,727
Other receivables	58,694
Prepaid expenses	23,253
Inventories	169,754
Total current assets	<u>4,849,141</u>

Non-Current Assets:

Investments	100,995
Capital assets - net of accumulated depreciation	<u>20,117,963</u>
Total non-current assets	<u>20,218,958</u>

<b>TOTAL ASSETS</b>	<u>25,068,099</u>
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**DEFERRED OUTFLOW OF RESOURCES**

Gain from debt refunding	133,589
Deferred other post employment benefits	<u>22,404</u>

<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<u>155,993</u>
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**LIABILITIES**

Current Liabilities:

Accounts payable	1,165,371
Accrued payroll liabilities	69,396
Accrued interest	25,994
Funds held for others	570,902
Deposits	298,400
Compensated absences liability	407,854
Current portion of long-term debt	724,200
Total current liabilities	<u>3,262,117</u>

Non-Current Liabilities:

Long-term debt - net of current portion	6,193,478
Other post employment benefits	<u>1,210,623</u>
Total non-current liabilities	<u>7,404,101</u>

<b>TOTAL LIABILITIES</b>	<u>10,666,218</u>
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**NET POSITION**

Net investment in capital assets	13,333,874
Unrestricted	<u>1,224,000</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 14,557,874</u></u>

The accompanying notes are an integral part of these financial statements.

**PARADISE IRRIGATION DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED JUNE 30, 2019**

**OPERATING REVENUES:**

Water sales and service	\$ 4,648,033
Outside water sales	68,689
Other operating revenues	<u>293,834</u>
Total operating revenues	<u>5,010,556</u>

**OPERATING EXPENSES:**

Salaries and benefits	3,920,239
Supplies	539,988
Office	162,265
Utilities	205,777
Repairs and maintenance	241,599
Gas and oil	83,324
Insurance	122,776
Training	50,926
Service charges	108,458
Professional fees	999,413
License and fees	101,165
Other	1,310,520
Depreciation	<u>1,442,921</u>
Total operating expenses	<u>9,289,371</u>
Operating loss	<u>(4,278,815)</u>

**Non-operating revenues and (expenses):**

Gain on investments	1,424
Interest income	92,300
Interest expense	(165,261)
Property taxes and assessments	310,164
Connection fees	35,008
Other income	<u>16,073</u>
Total non-operating revenues	<u>289,708</u>

Net loss before extraordinary items	<u>(3,989,107)</u>
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**Extraordinary items:**

Loss on disposal of assets	(15,141,084)
Insurance reimbursements	1,350,000
Cal OES grants	<u>1,217,402</u>
Total extraordinary items	<u>(12,573,682)</u>

Change in net position	<u>(16,562,789)</u>
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Beginning net position	<u>31,120,663</u>
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Ending net position	<u><u>\$ 14,557,874</u></u>
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The accompanying notes are an integral part of these financial statements.

**PARADISE IRRIGATION DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2019**

**Cash flows from operating activities:**

Cash received from customers for water sales	\$ 5,359,076
Cash received from others	260,510
Cash paid to suppliers	(2,927,180)
Cash paid to employees	(3,894,151)
Net cash used by operating activities	<u>(1,201,745)</u>

**Cash flows from non-capital financing activities:**

Payment on funds held for others	45,104
Taxes and assessments received	310,164
Other revenue received	16,073
Net cash provided by non-capital financing activities	<u>371,341</u>

**Cash flows from capital and related financing activities:**

Purchase of capital assets	(538,318)
Insurance reimbursements	1,350,000
Cal OES grants	1,217,402
Principal payments on long-term debt	(428,939)
Issuance of long-term debt	396,955
Interest paid	(180,167)
Connection fees	35,008
Net cash provided by capital and related financing activities	<u>1,851,941</u>

**Cash flows from investing activities:**

Interest received	92,300
Principal received on note receivable	269,951
Investment income received	(75,000)
Net cash provided by investing activities	<u>287,251</u>

Net increase in cash and cash equivalents 1,308,788

Cash and cash equivalents, beginning of year 2,641,691

Cash and cash equivalents, end of year \$ 3,950,479

The accompanying notes are an integral part of these financial statements.

**PARADISE IRRIGATION DISTRICT  
STATEMENT OF CASH FLOWS (Continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

**Reconciliation of operating loss to net cash  
used by operating activities:**

Operating loss	\$ (4,278,815)
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Adjustments to reconcile operating income to net  
cash provided by operating activities:

Depreciation	1,442,921
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Changes in assets and liabilities:

Accounts receivable	606,928
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Other receivables	(33,324)
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Prepaid expenses	19,178
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Inventories	80,530
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Accounts payable	899,323
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Customer deposits	35,426
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Salaries payable	(11,108)
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Compensated absences liability	(36,216)
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Post-employment benefit obligations	73,412
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<b>Net cash used by operating activities</b>	<b><u><u>\$ (1,201,745)</u></u></b>
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The accompanying notes are an integral part of these financial statements.

# **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2019

## **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Paradise Irrigation District (District) conform to generally accepted accounting principles as they apply to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The District's significant accounting policies are described below.

### **Financial Reporting Entity**

The District was established as an independent enterprise special district in March 1916 under the California Water Code. The District is a public water utility district and therefore, falls under the guidelines of a special district governmental entity. The District is governed by a five member Board of Directors that are elected by the voting citizens of the town of Paradise, California.

The District stores, treats, transports, and distributes water to the residents of the Paradise, California community. The primary source of revenues for the District is water service and sales.

The District entered into an agreement with the Town of Paradise (Town) in 1991 for fire hydrant maintenance. The District collects fees from metered customers as defined by the Town. The District is required to use these funds for installation and maintenance of hydrants in the town. The District reports the amount as funds held for others on the financial statements.

These financial statements present the financial data of Paradise Irrigation District and its component unit, Paradise Irrigation District Public Facilities Financing Corporation. Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

Paradise Irrigation District Public Facilities Financing Corporation (the Corporation) was incorporated in January 1993. The Corporation is a nonpublic benefit corporation whose primary purpose is to provide assistance to the District by financing acquisition, construction, and installation of public facilities for use of the District. Separate financial statements for the Corporation are not issued. The Corporation had no activity for the year ended June 30, 2019.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Basic Financial Statements

These financial statements are presented in accordance with GASB Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (GASB No. 34). The District is engaged only in business-type activities and is required to present the financial statements required for enterprise funds which are part of proprietary funds.

#### Basis of Presentation

Proprietary funds account for activities of the District similar to those found in the private sector, where cost recovery and the determination of net income are useful or necessary for sound fiscal management. The focus of proprietary fund measurement is upon the determination of operating income, changes in net position, financial position and cash flows. Currently enterprise funds are the only type of proprietary fund that the District uses.

#### Measurement Focus and Basis of Accounting

The statement of net position and statement of revenues, expenses, and changes in fund net position are reported using the flow of economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been made. Such revenue is subject to review by the funding agency, which may result in disallowance in subsequent periods.

All of the District's activities are accounted for in a single proprietary or business-type fund. Proprietary funds distinguish operating revenues and expenses from non-operating items and capital contributions. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as either non-operating revenues and expenses or capital contributions.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the District's cash and cash equivalents include restricted and unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.



## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **Restricted Assets**

The restricted cash and cash equivalents are certain resources set aside for repayment of debt obligations and are classified as restricted assets on the Statement of Net Position, because they are maintained in separate bank accounts and their use is limited by applicable debt covenants. There were no restricted assets as of June 30, 2019.

#### **Receivables**

Accounts receivable consists of amounts due on water services from customers. Delinquent receivables are submitted annually to the Butte County Tax Assessor to be encumbered on secured property tax bills. As a result of the process, no doubtful account allowance was deemed necessary on June 30, 2019. Other receivables consist primarily of grants receivable for expenses incurred on pipeline projects.

#### **Inventory**

Inventories consist primarily of materials and supplies used in the maintenance and improvement of the District's water distribution system. Inventories are valued at cost using an average price method. Inventories are expensed when the resources are used.

#### **Prepaid Expenses**

Certain payments for insurance and to other vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the statement of net position and expensed as the items are used.

#### **Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the District as assets with an initial individual cost of \$10,000 and a useful life of three years or more. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at estimated fair market value on the date donated.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest is capitalized on assets acquired with debt. The amount of interest to be capitalized is offset by the interest earned on invested debt proceeds over the construction period.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Capital Assets - continued

Depreciation on all capital assets is computed using a straight-line basis over the estimated useful lives of the various classes of depreciable capital assets as follows:

Dams and Property	25 – 75 years
Recreation Facilities	7 – 10 years
Pumping Plant	25 years
Water Treatment Plant	7 – 40 years
Transmission and Distribution System	25 – 35 years
General Plant and Office Facilities	5 – 10 years
Vehicles	5 – 10 years

#### Compensated Absences Liability

Vacation and sick leave is accumulated for District employees at varying amounts per year depending on length of employment. Upon termination of employment the District will pay out vacation at 100% of accumulated amounts and sick leave at varying amounts from 25% to 75%, depending on the length of employment. The District has accrued a liability for accrued vacation and sick leave that has been earned but not taken by District employees.

#### Long-Term Debt

Obligations with terms over one year are reported as long-term obligations. Long-term debt consists primarily of Certificates of Participation and other notes related to capital asset additions.

Certificates of Participation premiums and discounts are deferred and amortized over the life of the issuance. Gains or losses on prior refundings are amortized over the remaining life of the debt.

#### Net Position

Net position in the proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through State statute.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

#### **Net Position - continued**

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Unrestricted net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets”. When both restricted and unrestricted net assets are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Operating Revenues and Expenses**

Operating revenues and expenses generally result from providing services in connection with the District’s principal ongoing operations, which is water sales and services. Operating expense for the District includes the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **Property Tax Revenue**

Butte County is responsible for assessing, collecting, and apportioning property taxes. Property taxes are recognized as revenues in the year they are levied to the extent that they result in current receivables. Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied on July 1 and are payable in two installments, December 10 and April 10. Property taxes are remitted to the District in installments during the year.

#### **Unbilled Service Revenues**

Operating revenues for the District include sales of water. These revenues are billed to customers monthly. Unbilled revenue is recorded based on usage as of June 30, 2019, that is billed during the month of July 2019. Unbilled revenue in the amount of \$375,256 is included in revenues for the year ended June 30, 2019.

#### **Facility Contributions**

Facility contributions are comprised of water system property and facilities that have been donated to the District. Amounts are recorded in the year they are received.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 1: SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### NOTE 2: CASH AND INVESTMENTS

Cash and investments are reported in the accompanying financial statements as follows:

Cash and cash equivalents	\$ 3,950,479
Investments - current	30,234
Investments - noncurrent	<u>100,995</u>
Total Cash and Investments	<u>\$ 4,081,708</u>

Cash and investments at June 30, 2019, consist of the following:

Petty cash	\$ 1,200
Demand deposits	513,390
Local Agency Investment Fund	3,435,889
Investments	<u>131,229</u>
Total Cash and Investments	<u>\$ 4,081,708</u>

#### Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The California Government Code and the District's investment policy do not contain legal or policy requirements limiting exposure to custodial risk for deposits or investments. The California Government Code requires that a bank secure deposits made by state and local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 2: CASH AND INVESTMENTS – CONTINUED

#### Deposits - continued

As of June 30, 2019, all of the District's deposits in excess of the federal depository insurance limits were collateralized as required by law. As of June 30, 2019, the carrying amount of the District's deposits, were \$513,390, and the bank balances were \$602,752.

#### Investments

As of June 30, 2019, the District had the following investments:

<u>Investment Description</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>	
		<u>Less than 1</u>	<u>1 to 5</u>
Municipal bonds	<u>\$ 131,229</u>	<u>\$ 30,234</u>	<u>\$ 100,995</u>
Total Investments	<u><u>\$ 131,229</u></u>	<u><u>\$ 30,234</u></u>	<u><u>\$ 100,995</u></u>

Investments are reported at fair value. The Local Agency Investment Fund (LAIF) is a special fund for the California State Treasury through which local governments may voluntarily pool investments. For the purpose of these financial statements, the fair value of amounts in LAIF is equivalent to dollars held.

The District has adopted a formal investment policy as required by Section 53600 of the California Government Code. The District's Treasurer has responsibility for selecting depositories and investing idle funds in accordance with the adopted investment policy.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code 53601 through 53659 and contractual agreements.

Investments held by the bond/COP fiscal agents (trustees) are governed by the provisions of the various debt indenture agreements rather than the general provisions of the District's investment policy or the California Government Code.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 2: CASH AND INVESTMENTS – CONTINUED

#### Investments – continued

The table below identifies the investment types that are authorized by the District's investment policy:

	Maximum Maturity	Maximum Specified Percentage of Portfolio	Minimum Quality Requirements
Local Agency Bonds	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
State Obligations - CA and Others	5 Years	None	None
CA Local Agency Obligations	5 Years	None	None
U.S. Agency Obligations	5 Years	None	None
Bankers' Acceptances	180 Days	0.4	None
Commercial Paper - Select Agencies	270 Days	0.25	A-1/P-F-1
Negotiable Certificates of Deposit	5 Years	0.3	None
CD Placement Service	5 Years	0.3	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20% of Base	None
Medium-Term Notes	5 Years	0.3	"A" Rating
Mutual Funds and Money Market	N/A	0.2	Multiple
Funds Collateralized Bank Deposits	5 Years	None	None
Mortgage Pass-Through Securities	5 Years	0.2	"AA" Rating
Bank/Time Deposits	5 Years	None	None
County Pooled Investment Funds	N/A	None	None
Joints Powers Authority Pool	N/A	None	Multiple
Local Agency Investment Fund (LAIF)	N/A	None	None

#### Credit Risk

California Government Code Section 53601 limits investments in commercial paper to "prime" quality of the highest ranking or of the highest letter and numerical rating as provided by Nationally Recognized Statistical Rating Organizations (NRSROs), and limits investments in medium-term notes to a rating of A or better. The District has no investment policy that would further limit its investment choices. The District's investment in the local agency investment pool is unrated. As of June 30, 2019, the District's investments were in compliance with the ratings required by the District's investment policy and the Bond/COP Indenture Agreements.

#### Interest Rate Risk

California Government Code Section 53601 limits the District's investments to maturities of five years. The District manages its exposure to interest rate risk by purchasing a combination of shorter and longer-term investments. The District also manages cash flows by purchasing investments so that the portfolio is maturing evenly over time to provide adequate cash flow and liquidity needed for District operations.

# PARADISE IRRIGATION DISTRICT

## Notes to the Financial Statements For the Year Ended June 30, 2019

### NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019, is shown below:

	Balance 6/30/2018	Additions	Deletions	Balance 6/30/2019
Capital assets, not being depreciated:				
Land	\$ 2,071,692	\$ -	\$ -	\$ 2,071,692
Construction in progress	3,379,739	180,722	-	3,560,461
Total capital assets, not being depreciated	5,451,431	180,722	-	5,632,153
Capital assets, being depreciated:				
Dams & dam property	7,499,535	-	(385)	7,499,150
Recreation facilities	202,868	-	-	202,868
Pumping plant	495,980	-	-	495,980
Water treatment plant	19,284,968	27,586	(295)	19,312,259
Transmission and distribution system	32,300,167	300,064	(30,837,460)	1,762,771
General plant	3,316,030	-	(113,113)	3,202,917
Vehicles	1,827,565	29,948	(648,192)	1,209,321
Office facilities	1,224,331	-	(6,477)	1,217,854
Total capital assets, being depreciated	66,151,444	357,598	(31,605,922)	34,903,120
Less accumulated depreciation for:				
Dams & dam property	4,961,335	113,466	(385)	5,074,416
Recreational facilities	173,654	5,890	-	179,544
Pumping plant	389,020	13,287	-	402,307
Water treatment plant	10,580,485	481,001	(295)	11,061,191
Transmission and distribution system	16,312,859	686,971	(15,714,302)	1,285,528
General plant	813,948	85,735	(113,113)	786,570
Vehicles	1,724,078	31,888	(630,264)	1,125,702
Office facilities	483,846	24,683	(6,477)	502,052
Total accumulated depreciation	35,439,225	1,442,921	(16,464,836)	20,417,310
Total capital assets, being depreciated, net	30,712,219	(1,085,323)	(15,141,086)	14,485,810
Capital assets, net of depreciation	\$ 36,163,650	\$ (904,601)	\$ (15,141,086)	\$ 20,117,963

Depreciation expense for the year ended June 30, 2019 totaled \$1,442,921.

The deletion of capital assets is a result of damages caused by the Camp Fire, which swept through the Town of Paradise on November 8, 2018 and destroyed roughly 90 percent of the Town's residences and businesses. The District's transmission and distribution system, which includes large main pipelines and smaller service lines, incurred significant physical damages and contamination. Following the Camp Fire, the District performed an initial assessment of damages incurred on the transmission and distribution system, which involved physical inspection and testing a sample of main and service lines for contamination. The value of the deletion of the transmission and distribution system capital asset is based on the assessments performed. The deletions in other asset categories are based on the historic value of the assets physically damaged by the Camp Fire.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

## NOTE 4: LONG-TERM DEBT

Long-term debt at June 30, 2019, consisted of the following:

2016 Private Placement Loan Payable to Capital One Public Funding, LLC with principal and interest payments at 2.42% due semi-annually in November and May. The loan is due in November 2028.	\$ 2,156,000
Loan payable to the California Infrastructure and Economic Development Bank, with principal payments due annually in September and interest payable semi-annually at 2.77%. The note is due in September 2027.	1,035,645
Loan payable to the State Water Resources Control Board (SWRCB) for the Reservoir "B" Replacement Project. Principal payments are due semi-annually in January and July and interest is payable semi-annually at 1.6%.	676,133
2017 Private Placement Loan Payable to Branch Banking and Trust Company with principal and interest payments at 2.28% due semi-annually in October and April. The loan is due in October 2024.	<u>3,049,900</u>
Subtotal	6,917,678
Less: Current Portion	<u>(724,200)</u>
Long-Term Debt, Net of Current Portion	<u><u>\$ 6,193,478</u></u>

A schedule of changes in long-term debt is shown below:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due Within One Year
2016 Private Placement					
Loan Payable	\$ 2,251,000	\$ -	\$ (95,000)	\$ 2,156,000	\$ 195,000
CIEBD Loan Payable	1,135,773	-	(100,128)	1,035,645	-
SWRCB Loan Payable	279,178	396,955	-	676,133	-
2017 Private Placement					
Loan Payable	3,308,000	-	(258,100)	3,049,900	529,200
Total	<u>\$ 6,973,951</u>	<u>\$ 396,955</u>	<u>\$ (453,228)</u>	<u>\$ 6,917,678</u>	<u>\$ 724,200</u>



## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 4: LONG-TERM DEBT- CONTINUED

Annual requirements to amortize long-term debt outstanding as of June 30, 2019, are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 724,200	\$ 131,866	\$ 856,066
2021	741,200	100,645	841,845
2022	1,015,200	83,368	1,098,568
2023	771,300	59,857	831,157
2024	789,000	41,869	830,869
2025-2029	1,629,418	110,371	1,739,789
2030-2034	488,108	17,328	505,436
2035	83,119	505	83,624
Total	<u>\$ 6,241,545</u>	<u>\$ 545,809</u>	<u>\$ 6,787,354</u>

The loan payable to SWRCB was forgiven in March 31, 2020, and therefore is not included in the amortization schedule above.

### NOTE 5: FUNDS HELD FOR OTHERS

On June 5, 1991, the District entered into an agreement with the Town of Paradise Fire Department (the Town) to collect a surcharge to maintain hydrants. This agreement was amended in 1999 to include pre-approved relocation and/or replacement of water mains. The agreement was most recently amended on July 1, 2004, to address changes in administrative fees charged by the District. Funds collected and not expended or returned to the Town are reflected as a liability. The amount owed to the Town at June 30, 2019, is \$570,902.

### NOTE 6: DEFERRED COMPENSATION AND MONEY PURCHASE RETIREMENT PLANS

The District participates in a 457 Deferred Compensation Plan and 401(a) Money Purchase Retirement Plan, both of which are administered by the ICMA Retirement Corporation for the benefit of its employees. The District's manager has a separate 401(a) plan administered by the ICMA Retirement Corporation. The purpose of these programs is to provide deferred compensation for employees that elect to participate in the plans. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death, or unforeseen emergency. The District will contribute 9% of the employees' base pay to the 457 Plan and will match up to 3% of the employees' elected deferral into the 401(a) Plan. Employees may elect to defer up to 3% of their base pay to the 457 Plan. The District's retirement contribution expense for the year ended June 30, 2019, was \$267,933.

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### **NOTE 7: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)**

#### **Plan Description**

The District provides post-employment health care benefits to eligible employees through a single employer defined benefit health care plan administered by the District. The District provides post-employment health care benefits to all employees who retire from the District on or after attaining the age of 55 with at least 20 years of service in the District. The District provides medical benefits to retirees and their qualified dependents until normal full Medicare benefits become available for the employee. The District will contribute a percentage of the cost based on their age plus their years of service as follows: 75 = 50%; 80 = 75%; and 85+ = 100%. The difference in District contribution and like coverage shall be borne by the retiree.

On June 30, 2019, 4 retirees met these eligibility requirements and were participants. The District currently has 32 additional active employees who may become eligible to retire and receive benefits in the future.

#### **Funding Policy**

While GASB Statement 75 requires that the liability for all post-employment benefits be measured, it does not require that an agency “pre-fund” the accrued liability. The District will pay for the post-employment healthcare cost on a “pay-as-you-go” basis. The provisions of GASB Statement 75 determine the amount that must be presented as an annual expense and accrued liability on the District’s financial statements. The contributions made on behalf of the plan members for the year ended June 30, 2019 were \$70,227.

The District’s net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

#### **Net OPEB Liability**

Actuarial assumptions. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Assumed retirement age	62
Discount rate *	3.50 percent
Salary increases	2.75 percent
Healthcare cost trend rate	4.00 percent

\* The discount rate is based on the Bond Buyer 20 Bond Index.

# PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

## NOTE 7: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) - CONTINUED

### Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position, and the net OPEB liability during the measurement period ending on June 30, 2019 for the District.

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)
Balance at June 30, 2018	\$ 1,114,807	\$ -	\$ 1,114,807
Changes recognized for the measurement period:			
Service cost	104,029	-	104,029
Interest	39,610	-	39,610
Change in assumptions	22,404	-	22,404
Employer contributions	-	70,227	(70,227)
Benefit payments	(70,227)	(70,227)	-
Net Changes	95,816	-	95,816
Balance at June 30, 2019	<u>\$ 1,210,623</u>	<u>\$ -</u>	<u>\$ 1,210,623</u>

### Sensitivity of the District's Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

	1% Decrease 2.50%	Discount Rate 3.50%	1% Increase 4.50%
District's proportionate share of the net OPEB liability	\$ 1,276,029	\$ 1,210,623	\$ 1,145,579

## PARADISE IRRIGATION DISTRICT

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### NOTE 7: POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB) - CONTINUED

#### Sensitivity of the District's Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (3 percent) or 1 percentage-point higher (5 percent) than the current healthcare cost trend rates:

	Healthcare Cost Trend - 1%	Healthcare Cost Trend Assumed	Healthcare Cost Trend + 1%
District's proportionate share of the net OPEB liability	\$ 1,140,098	\$ 1,210,623	\$ 1,264,863

### NOTE 8: RISK MANAGEMENT

The District is exposed to various risks including loss or damage to property, general liability, and injuries to employees. The District participates in a public entity risk pool as a member of the Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA). Each ACWA/JPIA member agency shares surpluses and deficits proportionally to their participation. The District pays retrospectively rated annual premiums to ACWA/JPIA for its insurance coverage and has met all obligations since participation began. Requests for additional financial information should be addressed to ACWA/JPIA, P.O. Box 619082, Roseville, CA 95661-9082.

### NOTE 9: CONTINGENCIES

#### NPDES Permit

The United States Environmental Protection Agency operates the National Pollutant Discharge Elimination System (NPDES) permit program. The NPDES has notified the District that certain aluminum levels in the water system are higher than allowed under the permit. Fines have been assessed but the District was able to offset the fines with proof of money spent on correcting the problem. The District is in the design phase of system modifications to correct the problem. The District has estimated that the cost of the project will be approximately \$17,500,000 and will be completed over the next few years. The District is in the process of exploring financing opportunities for the project.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### **NOTE 9: CONTINGENCIES - CONTINUED**

#### **Water Rights**

The District contracted for a review of its water use under its Appropriative Water Rights Permits in preparation for the filing of its Petitions for Extension of Time with the State Water Board in December 2007. The resulting consultant report presented to the District Board on July 18, 2007, revealed certain permit compliance exceptions. These exceptions are potentially subject to civil liability by the State Water Board. The State Water Board enforcement division has historically not prosecuted permit exceptions unless harm has been shown to another user of water, typically brought to the Board's attention in related proceedings. However, even where enforcement action is taken, liability imposed is mitigated by factual circumstances, including the extent of harm caused, the nature and persistence of the violation, the length of time over which the violation occurs, and the corrective action taken. No user of water has come forward claiming harm and the District has taken corrective action regarding the permit compliance exceptions.

Upon re-evaluation, the District believes that there have been no exceptions to its permit compliance, as the water exceedances can be accounted for through the use of recycled water within the District's water system. The District's Petitions for Extension of Time, within which is to perfect its water rights permits, are still pending before the California State Water Board. The risk of enforcement action still exists, but liability exposure should be minimal due to the District's accounting for the permit exceedances.

At this time, the District is still in the process of completing its environmental work on the water rights permit extensions. Once completed, the environmental analysis will be published for public review and comment, including review by the State Water Board. An actual decision on the granting of the District's petition for extension of its water rights permits will likely take several more years due to the backlog of pending petitions with the State Water Board.

#### **Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

### **NOTE 10: COMMITMENTS**

As of June 30, 2019, the District is committed under numerous contracts related to various construction projects. The total amount of the contracts was \$2,697,212. As of June 30, 2019, the District has paid \$1,512,198 on the contracts. The remaining liability of the District for the construction projects at June 30, 2019, was \$1,185,014.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### **NOTE 11: EXTRAORDINARY ITEMS**

On November 8, 2018, the Camp Fire, the most destructive wildfire in California State history, swept through the Town of Paradise and destroyed roughly 90 percent of the Town's residences and businesses. This has resulted in significant damages to the District's capital assets and material effects to the District's future revenue and finances. During the year ended June 30, 2019, the District disposed of \$15,141,084 of capital assets that were damaged by the fire, which included disposal of main pipelines and service lines in the amount of \$12,224,024. Refer to Note 3: Capital Assets for additional details. Based on an initial assessment of damages to the main pipelines and service lines, the District has estimated the replacement cost of the transmission and distribution system damages to be approximately \$76,900,000, which includes estimated costs of \$29,500,000 to replace the damages to the main pipelines and estimated costs of \$47,400,000 to replace the damages to the service lines.

The District received insurance proceeds of \$1,350,000 related to the District's business interruption claim. The District received federal grants from the California Office of Emergency Services in the amount of \$1,217,402 related to reimbursements for costs incurred during emergency response efforts following the 2018 Camp Fire.

### **NOTE 12: EVALUATION OF SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 5, 2020, the date which the financial statements were available to be issued. Based upon this evaluation, except for the following, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

The District is actively working to repair the damage incurred as a result of the November 2018 Camp Fire with both internal crews and outside contractors as part of a long-term recovery plan. During the fiscal year ending June 30, 2019, the District entered into a contract for engineering and project management services related to the recovery process with a not to exceed amount of \$1,000,000. The not to exceed amount was increased by \$1,000,000 in August 2019 and increased an additional \$850,000 in May 2020. The District has also entered into contracts for public assistance consulting services and service line replacement construction services.

The District is actively working with Federal, State, and local partners, as well as insurance, to secure funding for long-term recovery projects. The District is also working with insurance and the State of California to secure short term backfills of lost revenue. Additionally, the District has filed a claim against the Pacific Gas and Electric Company for property damages and long-term lost revenues. The outcome of the pending claim is currently unknown.

## **PARADISE IRRIGATION DISTRICT**

Notes to the Financial Statements  
For the Year Ended June 30, 2019

### **NOTE 12: EVALUATION OF SUBSEQUENT EVENTS – CONTINUED**

The District has also obtained postponement and forgiveness of long-term debt including: forgiveness of the entire balance of the loan payable to the State Water Resource Control Board, and deferral until the end of the term of the loan of interest and principal payments from August 1, 2019 through August 1, 2024 for the loan payable to the California Infrastructure and Economic Development Bank.

In January 2020, the virus SARS-CoV-2 was transmitted to the United States from overseas sources. This virus, responsible for the Coronavirus disease COVID-19, has proven to be extremely virulent with transmission rates as yet unknown. The economic impact in the State of California and the County of Butte as yet has not been determined and therefore any potential impact on the District is not yet known.

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REQUIRED SUPPLEMENTARY INFORMATION

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**PARADISE IRRIGATION DISTRICT  
REQUIRED SUPPLEMENTAL INFORMATION (UNAUDITED)  
SCHEDULE OF CHANGES IN NET OPEB LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2019**

Last 10 Fiscal years\*

	2019	2018
Net OPEB liability		
Service cost	\$ 104,029	\$ 101,245
Interest	39,610	39,837
Change in assumptions	22,404	-
Benefit payments	(70,227)	(50,765)
Net change in Net OPEB liability	95,816	90,317
Net OPEB liability - beginning, restated	1,114,807	1,024,490
Net OPEB liability - ending	\$ 1,210,623	\$ 1,114,807
Covered payroll	\$ 2,632,738	\$ 2,470,326
Net OPEB liability (asset) as a percentage of covered payroll	45.98%	45.13%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

\* Fiscal year ended June 30, 2018 was the first year of implementation.  
Additional years will be presented as they become available.

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OTHER INDEPENDENT AUDITOR'S REPORT

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Board of Directors  
Paradise Irrigation District  
Paradise, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Paradise Irrigation District (District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 5, 2020.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we considered to be material weaknesses. However, material weaknesses may exist that we have not identified.

Board of Directors  
Paradise Irrigation District  
Paradise, California

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Fechter & Company,  
Certified Public Accountants

A handwritten signature in cursive script that reads "Fechter & Company, CPAs".

Sacramento, California  
June 5, 2020

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COMPLIANCE SECTION

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors  
Paradise Irrigation District  
Paradise, California

**Report on Compliance for Each Major Federal Program**

We have audited Paradise Irrigation District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Paradise Irrigation District's major federal programs for the year ended June 30, 2019. Paradise Irrigation District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Paradise Irrigation District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Paradise Irrigation District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Paradise Irrigation District's compliance.

Board of Directors  
Paradise Irrigation District  
Paradise, California

### ***Opinion on Each Major Federal Program***

In our opinion, Paradise Irrigation District's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### ***Report on Internal Control over Compliance***

Management of the Paradise Irrigation District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Paradise Irrigation District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paradise Irrigation District's internal control over compliance.

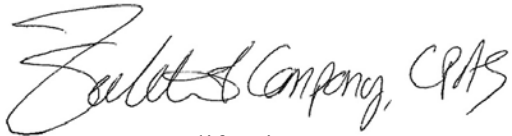
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified no material weaknesses.

Board of Directors  
Paradise Irrigation District  
Paradise, California

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Fechter & Company,  
Certified Public Accountants

A handwritten signature in cursive script that reads "Fechter & Company, CPAs". The signature is written in dark ink and is positioned above the printed text of the firm's name and location.

Sacramento, California  
June 5, 2020



**PARADISE IRRIGATION DISTRICT**

Schedule of Expenditures of Federal Awards  
For the Year Ended  
June 30, 2019

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Pass-through Entity Identifying Number</u>	<u>CFDA Number</u>	<u>Expenditures</u>
<b><u>The Department of Homeland Security</u></b>			
Passed through Governor's Office of Emergency Services:			
Public Assistance Grant	FEMA-4353-DR-CA/Cal OES ID: 083-91057	97.036	<u>\$ 1,217,402</u>
Total Department of Homeland Security			<u>1,217,402</u>
<b><u>U. S. Environmental Protection Agency</u></b>			
Passed through California State Water Resources Control Board:			
Capitalization Grants for Drinking Water State Revolving Funds	Contract # D16-02038/ Loan # 0410007-001P	66.468	<u>396,955</u>
<b>Total Expenditures</b>			<u><u>\$ 1,614,357</u></u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

## **PARADISE IRRIGATION DISTRICT**

### **Notes to the Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2019**

#### **NOTE 1: BASIS OF PRESENTATION**

The Paradise Irrigation District (the District) is an independent division of local government, authorized by California Health and Safety Code Sections 13800-13970. All significant operations of the District are included in the scope of the Uniform Guidance audit (the "Single Audit"). The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District's, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

The Federal Emergency Management Agency has been designated as the District's cognizant agency for the Single Audit.

#### **NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

For purposes of this report, certain accounting procedures were followed which help illustrate the authorizations and expenditures of the individual programs. The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. All authorizations represent the total allotments or grant awards received. All expenses and capital outlays are reported as expenditures. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Any Federal funds expended in excess of Federal funds received are recorded as a receivable from the grantor agency and any Federal funds received in excess of Federal funds expended are recorded as a payable to the grantor agency.

#### **NOTE 3: INDIRECT COST RATE**

The District has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

#### **NOTE 4: LOANS**

The District was awarded a loan from the State Water Resource Control Board (SWRCB). The federal portion of the loan proceeds expended during 2019 is reported in the accompanying schedule of expenditures of federal awards as the Drinking Water State Revolving Fund (CFDA No. 66.468). The loan balance outstanding at June 30, 2019 was \$676,133. The terms of the loan are reported in Note 4 *Long Term Debt* of the accompanying Notes to the Financial Statements. The loan was forgiven in March 2020 as a result of the damages incurred by the Camp Fire.

## PARADISE IRRIGATION DISTRICT

### Schedule of Findings and Questioned Costs For the Year Ended June 30, 2019

#### SECTION I – SUMMARY OF AUDITOR’S RESULTS

##### Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

##### Federal Awards

Type of auditor’s report issued on compliance for Major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Grant Guidance, at 1 CFR Part 200.515 (d)(1)(vi)	No
Identification of Major Program:	
Public Assistance Grant CFDA No. 97.036	
Dollar threshold used to distinguish between Type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

#### Section II- FINANCIAL STATEMENT FINDING

None reported

#### Section III- FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported

#### Section IV- PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported



# Paradise Irrigation District

6332 Clark Rd, Paradise, CA 95969 · 530-877-4971 · Fax: 530-876-0483 · [www.pidwater.com](http://www.pidwater.com)

**TO: Board of Directors**

**FROM: Kevin Phillips, District Manager**

**DATE: June 11, 2020**

**RE: District Manager Report**

## Recovery and Operational Update:

### Recent Accomplishments:

- Public drinking water filling station behind the PID office and a Potable Water Delivery Truck filling station in the Corporation Yard.
- Continue to construct Interim Water service assemblies.
- Continue to install interim water devices.
- Continue to schedule and complete residential fire flow tests.
- Repaired numerous major water main leaks and service lines.
- Continuing to maintain a weekly and monthly task schedule and calendar to improve communications between field operations, office, and our valued customers.
- Responded to numerous emergency response and after-hours callouts.
- Continue to coordinate with customer service and T & D staff to respond to customer complaints and concerns.
- Continue supporting Utilquest in completing USA requests.

### In the upcoming weeks:

- PID staff will continue to perform essential work. This includes:
  - Treatment Plant
    - Continue to produce potable water
    - All treatment plant operators are working independently.
    - The treatment plant is closed to the public
  - Transmission and Distribution
    - Staff are back to a normal work schedule
    - We continue to practice social distancing.
  - Customer Service
    - Continue to answer phones and process payments
    - Support the 5-gallon water bottle distribution
    - The office is closed to the public

## FEMA

- Emergency protective measures
  - System-wide testing (obligated)
  - Repressurizing system
  - Mutual aid support (obligated)
- Hazardous tree removal (tree marking completed)
- PID Road Damage (site inspection completed)
- Dam Repairs (Dam engineer contract signed)
- PID facilities and equipment (site inspection completed)
  - PID water treatment plant, corporation yard, and office.
  - Equipment and vehicles
  - Building contents including computers and servers
- Water Distribution Storage Tanks (site inspection completed)
- Damage Service Lines (428 Damage Description has been submitted)
  - Includes meter, AMR, meter box and backflow devices (DDD and cost estimates submitted to FEMA on Feb 12<sup>th</sup>)
- Damaged mainlines
  
- 406 Hazard Mitigation (Upgrade to damaged facilities)
  - B-Reservoir (2 Steel Tanks)
  - Service line upgrades (brass meter, concrete box, and backflow assembly)
  - Fences (fire-resistant coating)
  
- 404 Hazard Mitigation (Mitigation projects for undamaged facilities)
  - Service line replacement and upgrades (undamaged service lines) - Denied
  - Hydraulic modeling of distribution system, distribution system upgrades and water treatment plant upgrades - Denied
  - High hazard flood study and Magalia dam replacement – Planning and Design
  - B-Reservoir expansion (additional steel tank) - Denied
  - A-Zone Pipeline Project
- Community Disaster Loan
  - The District has submitted an application for a FEMA disaster loan for approximately 1.5 million.

## Sustainability Study:

Previous meetings

April 21<sup>st</sup> & May 6<sup>th</sup>

### PID Options:

1. Water Transfers
  - a. Local Treated
    - i. Chico intertie
    - ii. Assemblyman Gallagher has presented AB 1957 to help with the construction of the pipeline if feasible.

- b. Del Oro, Lime Saddle
  - c. Local Raw
  - d. Out-of-Basin Raw
- 2. New Customers
  - a. Miocene Canal
    - i. Continue meeting with PG&E, Butte County, Cal Water, and Del Oro to discuss options to deliver water to the Miocene Canal customers
- 3. Consolidation
  - a. To PID
    - i. Lime Saddle/Del Oro
    - ii. Others?
  - b. From PID
    - i. Town of Paradise
    - ii. South Feather Water & Power Agency
    - iii. Others?
- 4. New Business Lines
  - a. Hydroelectric power
    - i. De Sabla and/or Miocene (PG&E)
  - b. Sewer Service
  - c. Water Bottling
- 5. Rate Increases/Tax/Assessments
- 6. Do Nothing
  - a. PG&E Claim
  - b. FEMA
  - c. Insurance

Spillway Investigation (see attached correspondence from DSOD)

The District, with support from Genterra, had a conference call to go over the options to repair Magalia spillway. The Division of Safety of Dams is committed to working with the District. I authorized Genterra to prepare a plan and schedule for interim risk-reduction measures and long-term repairs to the Magalia dam spillway. The Spillway work plan was submitted to DSOD in early September. The District's annual dam surveillance is scheduled to take place when the consultant feels safe to travel.

Legislative Budget Request

- The State of California has allocated the District 7.3 million for backfill funding for the next 2 years. The District received the first year backfill funding on 10/25/2019.
- The District has been working hard to get the second year of backfill funding back in the current state budget.

### Long-Term Capital Projects

- Water Rights License and permit
  - We will be working with the State on getting a temporary place of use change to be able to market our raw water to a downstream user.
- Magalia Dam (HMGP planning and design application submitted)
- Replacement of B-Reservoir (FEMA)
- Mainline Replacement – Ongoing upgrades to damaged mainlines
- A-Zone pipeline and generator upgrade
  - HMGP grant is moving forward for final approval
- NPDES permit renewal
  - The final permit was issued on April 16, 2020.



# Paradise Irrigation District

6332 Clark Rd, Paradise, CA 95969 · 530-877-4971 · Fax: 530-876-0483 · www.pidwater.com

**1. Cash Position** – At 05/31/2020 the District's total cash position was \$7,611,991.

**2. Debt Service Analysis**

- a. Through 05/31/2020 the District has incurred all budgeted debt service payments for fiscal year ending 06/30/20 in the amount of \$841,723.
- b. The District's total outstanding debt is \$5,517,345.
  - i. IBank \$1,035,645
  - ii. Capital One \$1,961,000
  - iii. BB&T \$2,520,700

**Operational Overview and Highlights – FY 2019/20**

**3. Revenues**

- a. The District is not charging consumption fees due to the damage to the District's distribution system. Customers with non-potable service continue to be charged the readiness to serve charge of \$21.49 per month. As customers are cleared for potable service, they will return to the standard service charge based on the size of their service line/meter.
- b. Through 05/31/20 the District has processed 2,205 customer requests to permanently disconnect services.
- c. The District has returned approximately 1,600 customers to the active service rate based on clearing of the water quality advisory for the related property through the latest bill cycle. There are currently approximately 400 additional customer accounts that will be returned to the active rate for the next bill cycle.
- d. The District continues to bill for outside water sales delivered to Del Oro Water Company. Through 05/31/20, the District has collected \$97,363 in related fees for water sales for the periods of October 2019 through February 2020. The last billing of outside water sales through the end of the fiscal year has been sent out for March 2020.
- e. The District is collecting fees for Interim Water Supply installation. Through 05/31/20 the District has processed 1,950 total requests for Interim Water Supply and has collected \$789,429 in related fees for the current fiscal year.
- f. The District is collecting service fees for Residential Fire Flow testing. Through 05/31/20 the District has processed 659 requests for Residential Fire Flow testing and has collected \$74,632 in related fees.
- g. In April 2020, the District received debt proceeds from the State of California State Water Resource Control Board in the amount of \$76,922. The proceeds are associated with the 2018 Public Water System Improvement Planning loan that was obtained to fund the design of the Reservoir B Replacement Project. The proceeds received are reimbursement for the final design costs incurred by the District. The total balance of this loan, including the April 2020 proceeds, has been forgiven by the State Water Resource Control Board following the 2018 Camp Fire.





# Paradise Irrigation District

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## 4. Recovery Funding

- a. The District received insurance proceeds in February 2020 totaling \$4,084,707, which includes the following:
  - B Reservoir Depreciated Cost    \$1,208,733
  - Business Interruption            \$2,145,000    (\$1,355,000 received in prior year)
  - Equipment                        \$413,500
  - Smoke Cleaning                 \$292,692
  - Tank Inspection                 \$7,015
  - Temporary Office Rent         \$17,767
- b. The District has made a request to the State of California for a budget allocation of \$21 million dollars to help bridge the gap for three years for the loss of revenue due to the Camp Fire. Based on this initial request, the State of California originally allocated a total of \$14,748,660 to PID for loss of revenue for fiscal year 2019-20 and 2020-21, contingent on the Districts participation in a feasibility study to examine the possibility of consolidating the Districts operations with one or more neighboring water districts.

The District has received \$7,374,330 for the loss of revenue funding for FY 2019-20. The funding for FY 2020-21 (\$7,374,330) was originally budgeted to be available after June 30, 2020, however, the funds were removed the California State Budget during the May revise process. The District is actively working with the California State Legislature and lobbyist to include these funds in the final budget.
- c. The District continues to work with the State of California, FEMA, and insurance to fund the recovery of the District distribution system.

## 5. Expenses

- a. A mid-year budget review has been performed to examine all operating expenditures through 02/29/20. The majority of operational expenditures were within budgeted expectations for the fiscal year ending 06/30/20. Budget adjustments have been prepared as a result of the mid-year budget review, totaling \$740,000 of additional expenditures for the remainder of the fiscal year. Operating expenditures through 05/31/20 are within the revised budgeted expectations for the fiscal year ending 06/30/20.
- b. Recovery related expenditures for the first eight months of the fiscal year have exceeded the original estimated annual expenditure. A mid-year budget review has been performed to examine all recovery related expenditures through 02/29/20. Budget adjustments have been prepared as a result of the mid-year budget review, totaling \$2,875,000 of additional expenditures for the remainder of the fiscal year.

The increased expenditures are primarily the result of a greater demand than expected for interim water devices, board approval of the Service Lateral Replacement Project with Sutton Enterprises, board approval of an increase to the water works contract for project management fees, and faster water sampling than originally expected at the beginning of the fiscal year. Recovery related expenditures are within revised budgeted expectations for the fiscal year ending 06/30/20.

Paradise Irrigation District  
May 31, 2020  
Financial Summary

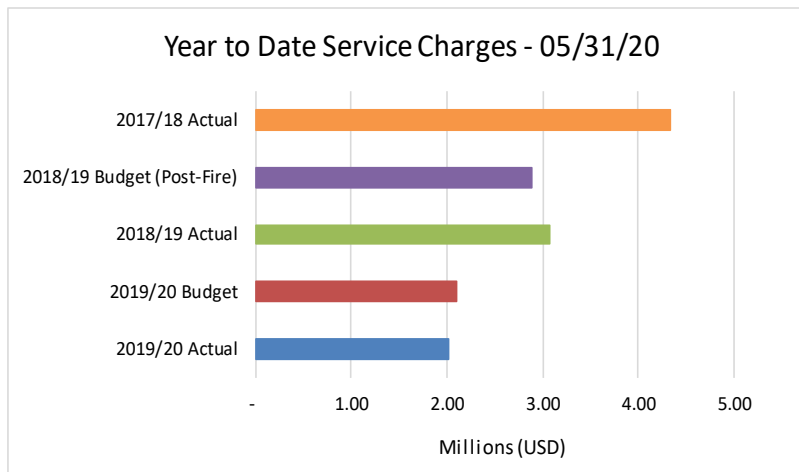
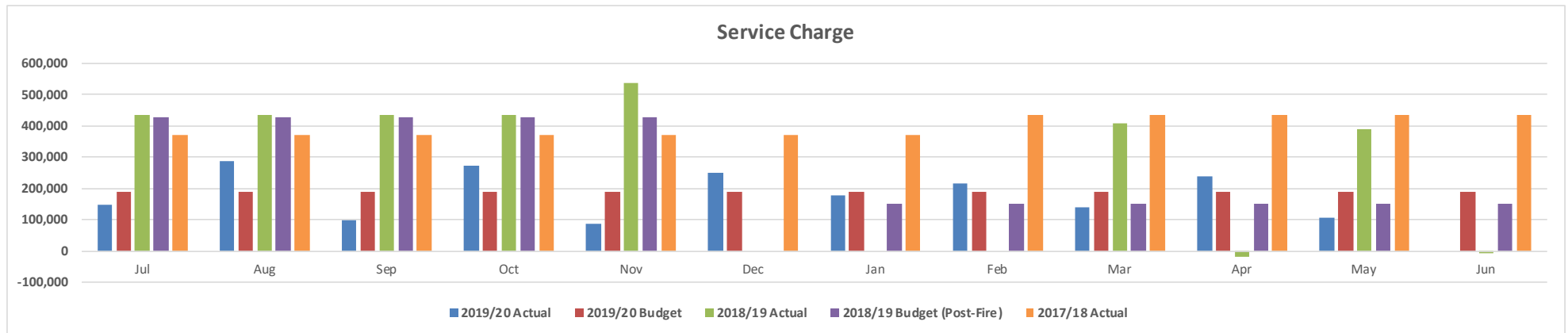
	2018/19 Actual	2019/20 Budget	2019/20 Budget Update	2019/20 Actual
<b>REVENUES:</b>				
Water Sales	5,365,105	2,301,554	2,301,554	2,033,492
Outside Water Sales	68,689	-	100,000	97,363
Other	652,634	719,240	1,019,240	982,514
Interest	12,760	60,000	60,000	93,111
Taxes - 1%	286,826	270,000	300,000	378,615
FMV Gain/Loss - Securities	1,031	-	-	(427)
Grant Rev	-	-	25,500	25,500
Inc-Save-A-Can/Buy-A-Fish	747	-	-	-
Inc-Capacity Fees	35,008	-	13,000	16,252
Revenue - PFD	73,308	-	50,000	54,322
<b>Total Revenue</b>	<b>6,496,107</b>	<b>3,350,794</b>	<b>3,869,294</b>	<b>3,680,742</b>
<b>EXPENDITURES:</b>				
Operating	4,990,364	5,311,705	6,051,705	4,785,985
Pipeline	290,729	-	-	-
Debt Service	609,108	841,723	841,723	841,723
Save a Can	-	-	-	-
PFD	8,414	-	-	34,043
<b>Total Expenditures</b>	<b>5,898,615</b>	<b>6,153,427</b>	<b>6,893,427</b>	<b>5,661,751</b>
<b>Increase/(Decrease) in Cash before Recovery, Debt Proceeds, and Capital Improvements</b>	<b>597,493</b>	<b>(2,802,633)</b>	<b>(3,024,133)</b>	<b>(1,981,009)</b>
Debt Proceeds	-	-	-	76,922
<b>Increase/(Decrease) in Cash before Recovery and Capital Improvements</b>	<b>597,493</b>	<b>(2,802,633)</b>	<b>(3,024,133)</b>	<b>(1,904,087)</b>
FEMA Reimbursements	1,217,402	2,625,000	2,625,000	-
Insurance Proceeds	1,350,000	2,950,000	4,080,000	4,084,707
State Funding	-	7,000,000	7,374,000	7,374,330
PGE Locating Reimbursements	-	-	150,000	-
<b>Cash Available for Recovery/Capital Projects</b>	<b>2,567,402</b>	<b>12,575,000</b>	<b>14,229,000</b>	<b>11,459,037</b>
<b>Cash Available for Recovery/Capital Projects</b>	<b>3,164,895</b>	<b>9,772,367</b>	<b>11,204,867</b>	<b>9,554,950</b>
Capital/Recovery Projects	(2,378,529)	(3,425,000)	(6,450,000)	(5,986,756)
<b>Increase/(Decrease) in Cash</b>	<b>786,365</b>	<b>6,347,367</b>	<b>4,754,867</b>	<b>3,568,194</b>
<b>Beginning Cash Balance</b>	<b>3,257,432</b>	<b>4,043,797</b>	<b>4,043,797</b>	<b>4,043,797</b>
<b>Ending Cash Balance</b>	<b>4,043,797</b>	<b>10,391,164</b>	<b>8,798,664</b>	<b>7,611,991</b>

Paradise Irrigation District  
May 31, 2020  
Revenue Summary

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Estimate	FY 2019/20 Estimate Update	FY 2019/20 Actual
<b><u>General Fund/Operating</u></b>						
Water - Service	4,397,207	4,871,781	3,755,354	2,295,054	2,295,054	2,025,246
Water - Consumption	2,629,210	3,070,573	1,587,485	-	-	(918)
Water - Fees & Adjustments	43,355	49,298	22,266	6,500	6,500	9,164
Outside Water Sales	110,874	115,728	68,689	-	100,000	97,363
Meter Revenue	31,915	15,225	265,156	511,300	861,300	807,337
Recreation & Boating Permits	38,814	39,789	22,778	10,000	10,000	14,222
Backflow Check	10,940	10,960	20,527	4,000	4,000	520
Rents	17,095	15,740	9,392	15,180	15,180	13,481
Revenue - Surplus Property	24,737	17,481	273,233	-	-	-
Escrow Fees	-	-	-	5,000	5,000	-
Annexation	2,140	546	-	-	-	-
Custom Work/PFD Reimbursement	94,780	200,000	15,125	173,760	123,760	76,132
Misc	52,591	30,602	46,424	-	-	70,822
Interest	-	-	-	-	-	-
<b>Total Operating Income</b>	<b>7,453,658</b>	<b>8,437,722</b>	<b>6,086,428</b>	<b>3,020,794</b>	<b>3,420,794</b>	<b>3,113,368</b>
<b><u>Special Revenue Fund</u></b>						
<b>Capital Improvement Program</b>						
Taxes - 1%	259,213	271,960	286,826	270,000	300,000	378,615
\$1 Surcharge for Capital Projects	-	-	-	-	-	-
Interest	34,783	11,326	12,760	60,000	60,000	93,111
FMV Gain/Loss - Securities	187	(514)	1,031	-	-	(427)
Inc-Capacity Fees	57,262	39,414	35,008	-	13,000	16,252
RDA Reimbursement	-	-	-	-	-	-
Grant	-	-	-	-	25,500	25,500
Inc-Save-A-Can/Buy-A-Fish	6,622	8,351	747	-	-	-
<b>Total Capital Improvement</b>	<b>358,067</b>	<b>330,538</b>	<b>336,371</b>	<b>330,000</b>	<b>398,500</b>	<b>513,051</b>
<b><u>Debt Service Fund</u></b>						
Inc-Assessment Res (PID Share)	193,420	1,756	-	-	-	-
Interest	6,907	-	-	-	-	-
<b>Total Debt Service</b>	<b>200,327</b>	<b>1,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Recovery Proceeds</u></b>						
State Backfill Funding	-	-	-	7,000,000	7,374,000	7,374,330
FEMA Reimbursements	-	-	1,217,402	2,625,000	2,625,000	-
Insurance Proceeds	-	-	1,350,000	2,950,000	4,080,000	4,084,707
PGE Locating Reimbursements	-	-	-	-	150,000	-
<b>Total Recovery Proceeds</b>	<b>-</b>	<b>-</b>	<b>2,567,402</b>	<b>12,575,000</b>	<b>14,229,000</b>	<b>11,459,037</b>
<b><u>PFD</u></b>						
Revenue - PFD	122,794	124,037	73,308	-	50,000	54,322
PFD - Interest Income	-	-	-	-	-	-
<b>Total PFD</b>	<b>122,794</b>	<b>124,037</b>	<b>73,308</b>	<b>-</b>	<b>50,000</b>	<b>54,322</b>
<b>Total Revenue</b>	<b>8,134,846</b>	<b>8,894,053</b>	<b>9,063,509</b>	<b>15,925,794</b>	<b>18,098,294</b>	<b>15,139,779</b>

Paradise Irrigation District  
May 31, 2020  
Water Revenue

	Service Charge												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Year to Date Totals
2019/20 Actual	146,492.90	286,941.77	98,612.10	272,780.57	87,685.57	248,388.56	179,279.03	216,404.86	141,753.78	240,074.79	106,832.43		2,025,246.36
2019/20 Budget	191,260.00	191,259.00	191,258.00	191,257.00	191,256.00	191,255.00	191,254.00	191,253.00	191,252.00	191,251.00	191,250.00	191,249.00	2,295,054.00
2018/19 Actual	436,392.90	436,643.38	436,273.95	436,719.47	537,251.36	-	-	-	410,683.57	(17,049.96)	391,672.04	(7,797.98)	3,060,788.73
2018/19 Budget (Post-Fire)	429,021.00	429,021.00	429,021.00	429,021.00	429,021.00	-	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	3,045,105.00
2017/18 Actual	370,414.10	371,213.98	370,772.40	371,237.20	370,130.18	371,681.00	371,421.01	436,336.33	436,122.75	436,034.97	435,797.15	435,718.87	4,776,879.94
2016/17 Actual	341,413.24	339,237.37	341,571.71	341,336.16	341,299.65	340,548.52	370,001.59	373,087.79	371,908.05	371,244.66	371,420.70	370,865.06	3,903,069.44



Paradise Irrigation District  
May 31, 2020  
Operational Expense Summary

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Estimate	FY 2019/20 Estimate Update	FY 2019/20 Actual
<b>Operational Summary</b>						
Salary and Benefits	3,715,155	3,583,708	3,834,620	3,683,437	3,878,437	3,245,430
Materials and Supplies	669,902	641,180	568,531	787,100	1,112,100	857,299
Outside Services	358,722	442,291	216,443	442,120	612,120	351,115
Utilities	260,884	290,220	241,473	286,739	286,739	194,987
Insurance	86,488	111,642	107,607	94,909	144,909	137,154
Board	89,120	23,471	21,691	17,400	17,400	-
<b>Total Operating Expense</b>	<b>5,180,270</b>	<b>5,092,511</b>	<b>4,990,364</b>	<b>5,311,705</b>	<b>6,051,705</b>	<b>4,785,985</b>

	FY 2016/17 Actual	FY 2017/18 Actual	FY 2018/19 Actual	FY 2019/20 Estimate	FY 2019/20 Estimate Update	FY 2019/20 Actual
<b>Source of Supply</b>						
Salary and Benefits	1,134	-	3,568	-	-	-
Materials and Supplies	58,344	55,247	29,461	26,500	26,500	-
Outside Services	8,387	9,138	3,926	7,070	177,070	75,481
Utilities	3,666	5,229	5,294	3,100	3,100	318
Insurance	800	492	-	-	-	-
<b>Total Source and Supply</b>	<b>72,332</b>	<b>70,106</b>	<b>42,249</b>	<b>36,670</b>	<b>206,670</b>	<b>75,799</b>
<b>Security &amp; Recreation</b>						
Salary and Benefits	192,704	173,017	143,483	-	45,000	40,777
Materials and Supplies	1,237	1,494	554	4,200	4,200	-
Outside Services	5,450	1,427	1,925	4,350	4,350	36
Utilities	10,598	6,314	3,890	2,700	2,700	1,309
Insurance	2,486	1,530	-	1,565	1,565	1,500
<b>Total Security &amp; Recreation</b>	<b>212,474</b>	<b>183,781</b>	<b>149,851</b>	<b>12,815</b>	<b>57,815</b>	<b>43,621</b>
<b>Water Treatment</b>						
Salary and Benefits	947,798	932,485	1,006,757	791,949	941,949	897,744
Materials and Supplies	191,014	183,223	196,599	231,900	231,900	151,625
Outside Services	22,381	23,262	29,931	71,250	71,250	39,997
Utilities	137,303	146,929	117,886	153,300	153,300	118,724
Insurance	19,773	12,168	-	17,740	17,740	17,000
<b>Total Water Treatment</b>	<b>1,318,268</b>	<b>1,298,068</b>	<b>1,351,173</b>	<b>1,266,139</b>	<b>1,416,139</b>	<b>1,225,089</b>
<b>Transmission &amp; Distribution</b>						
Salary and Benefits	998,301	1,103,566	1,117,209	1,689,933	1,689,933	1,176,197
Materials and Supplies	176,836	191,972	168,200	289,500	614,500	501,946
Outside Services	23,688	21,988	18,567	34,900	34,900	30,760
Utilities	56,603	64,252	64,467	80,600	80,600	21,437
Insurance	16,048	9,876	-	26,778	26,778	26,000
<b>Total Transmission and Distribution</b>	<b>1,271,476</b>	<b>1,391,655</b>	<b>1,368,444</b>	<b>2,121,712</b>	<b>2,446,712</b>	<b>1,756,340</b>
<b>Customer Service</b>						
Salary and Benefits	448,304	453,206	467,799	341,606	341,606	310,926
Materials and Supplies	6,497	27	5,132	7,000	7,000	1,491
Outside Services	4,267	3,847	3,121	10,000	10,000	3,183
Insurance	5,991	3,687	-	11,936	11,936	11,500
<b>Total Customer Service</b>	<b>465,059</b>	<b>460,766</b>	<b>476,051</b>	<b>370,542</b>	<b>370,542</b>	<b>327,100</b>
<b>Administration</b>						
Salary and Benefits	1,126,914	921,433	1,095,804	859,948	859,948	819,786
Materials and Supplies	235,975	209,216	168,585	228,000	228,000	202,237
Outside Services	294,550	382,630	158,974	314,550	314,550	201,659
Utilities	52,714	67,496	49,935	47,039	47,039	53,199
Insurance	41,389	83,889	107,607	36,890	86,890	81,154
Board	89,120	23,471	21,691	17,400	17,400	-
<b>Total Administration</b>	<b>1,840,661</b>	<b>1,688,136</b>	<b>1,602,596</b>	<b>1,503,826</b>	<b>1,553,826</b>	<b>1,358,035</b>

Paradise Irrigation District  
May 31, 2020  
Debt Service

<b>Loan Name</b>	<b>FY 2016/17 Actual Total Payments</b>	<b>FY 2017/18 Actual Total Payments</b>	<b>FY 2018/19 Actual Total Payments</b>	<b>FY 2019/20 Estimated Total Payments</b>	<b>FY 2019/20 Actual Total Payments</b>
Davis Grunsky	182,743	-	-	-	-
IBANK	130,276	130,240	130,202	-	-
2009 COP's	614,694	538,047	-	-	-
2016 Private Placement (Refi)	243,426	244,874	148,325	246,002	246,002
2017 Private Placement (Refi)	-	75,192	330,580	595,721	595,721
New Debt	-	-	-	-	-
Total	1,171,139	988,353	609,108	841,723	841,723

Paradise Irrigation District  
May 31, 2020  
Recovery Related Expenditures

**Recovery Expenditure Projection**

- Supplies and services consist of construction costs associated with repair of the distribution system. FY 2019/20 estimates are based on costs incurred during the prior year and expected costs to be incurred based on the current recovery plan.
- Professional Services/Engineering costs consist of professional services, engineering fees, mutual aid support, legal fees, and public assistance consulting fees. Year to date actual expenditures include approximately:
  - Smoke Cleaning Fees \$ 301,000
  - Mutual Aid Reimbursements \$ 584,100
  - Recovery Related Legal Fees \$ 260,900
  - Project Management Costs \$ 1,961,700
  - Public Assistance Consulting Fees \$ 372,400
  - PG&E Locating Services \$ 59,600
- Water sampling costs are estimated based on the number of water samples expected to be completed during FY 2019/20.

	FY 2018/19 Actual	FY 2019/20 Estimate	FY 2019/20 Estimate Update	FY 2019/20 Actual
<u>Materials and Supplies</u> Supplies and Services	714,209	750,000	2,500,000	2,068,029
<u>Outside Services</u> Professional Services/Engineering	1,309,242	2,425,000	3,450,000	3,539,701
Water Sampling	147,345	250,000	500,000	379,025
	2,170,796	3,425,000	6,450,000	5,986,756

Paradise Irrigation District  
May 31, 2020  
Outstanding Contracts

Contracts	Project	Total Contract Price	Total Paid	Remaining
Wagner & Bonsignore	Water Rights Engineer	Open	100,254.11	Open
De Novo Planning Group	Water Rights Engineer	306,430.00	204,558.74	101,871.26
Genterra Consultants	Spillway Investigation	360,214.00	351,966.82	8,247.18
Genterra Consultants	Magalia Dam Piezometers Cleaning	12,349.00	12,349.00	-
Genterra Consultants	Magalia Dam Piezometers Evaluation & Establishment of Threshold Limits	59,015.00	18,595.00	40,420.00
Genterra Consultants	Magalia Dam Replacement Construction Cost Estimate	5,000.00	5,000.00	-
Genterra Consultants	Magalia Dam Interim Risk Reduction Measures & Long-term Repairs	114,558.00	20,453.75	94,104.25
Genterra Consultants	Fire Investigation and 19/20 Surveillance Reports	29,690.00	2,223.75	27,466.25
Water Works	B-Reservoir	773,964.00	773,962.00	2.00
Water Works	NPDES Permit	158,906.00	103,442.92	55,463.08
Water Works	Project Management Services	2,850,000.00	1,999,972.79	850,027.21
APTIM	Public Assistance Services	874,596.00	372,416.45	502,179.55
Firestorm	Arborist Services	26,880.00	10,210.00	16,670.00
Sutton Enterprises	Service Lateral Replacement	4,282,452.50	975,660.48	3,306,792.02
<b>TOTAL OUTSTANDING OBLIGATIONS</b>				<b><u>5,003,242.80</u></b>



Paradise Irrigation District  
May 31, 2020  
Monthly Investment Report of Transactions

	<b>Beginning Balance 05/01/20</b>	<b>Interest Received</b>	<b>Gain / (Loss)</b>	<b>Transferred to Cash</b>	<b>Ending Balance 05/31/20</b>
<b>LAIF</b>					
Regular	\$ 7,777,574.61	-	-	(625,000.00)	\$ 7,152,574.61
DWR Reserve Fund	\$ 270,072.76	-	-	-	\$ 270,072.76
<b>Brandis Tallman</b>					
Municipal Bonds	\$ 130,802.10	-	-	-	\$ 130,802.10



Paradise Irrigation District

# Expense Approval Report

By Vendor Name

Payment Dates 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
<b>Vendor: 01024 - Adecco Employment Services</b>			
05/01/2020	54837	Salaries - Direct	862.40
05/08/2020	54863	Salaries - Direct	843.92
05/15/2020	54887	Salaries - Direct	862.40
05/27/2020	54911	Salaries Direct	887.04
05/29/2020	54937	Salaries - Direct	770.00
<b>Vendor 01024 - Adecco Employment Services Total:</b>			<b>4,225.76</b>
<b>Vendor: 02957 - Aflac</b>			
05/01/2020	DFT0003964	Montly Aflac Invoice	307.20
05/15/2020	DFT0003989	Montly Aflac Invoice	307.20
05/29/2020	DFT0004012	Montly Aflac Invoice	307.20
<b>Vendor 02957 - Aflac Total:</b>			<b>921.60</b>
<b>Vendor: 03066 - Airgas USA, LLC</b>			
05/15/2020	54888	Welding Supplies	541.90
<b>Vendor 03066 - Airgas USA, LLC Total:</b>			<b>541.90</b>
<b>Vendor: 02847 - American Conservation &amp; Billing Solutions</b>			
05/19/2020	54909	Aquahawk Alerting	100.00
<b>Vendor 02847 - American Conservation &amp; Billing Solutions Total:</b>			<b>100.00</b>
<b>Vendor: 03090 - APTIM Environmental &amp; Infrastructure LLC</b>			
05/08/2020	54864	Job#18-F1 - Public Assistance	26,377.00
05/08/2020	54864	Job#18-F1 - HMGP	875.00
<b>Vendor 03090 - APTIM Environmental &amp; Infrastructure LLC Total:</b>			<b>27,252.00</b>
<b>Vendor: 01068 - Aramark Uniform Services</b>			
05/08/2020	54865	Uniforms	278.47
05/08/2020	54865	Uniforms	110.33
05/15/2020	54890	Uniforms	110.33
05/27/2020	54912	Uniforms	212.47
05/27/2020	54912	Uniforms	303.88
05/27/2020	54912	Uniforms	110.33
05/29/2020	54938	Uniforms	213.27
05/29/2020	54938	Uniforms	110.33
<b>Vendor 01068 - Aramark Uniform Services Total:</b>			<b>1,449.41</b>
<b>Vendor: 01082 - AT&amp;T</b>			
05/08/2020	54866	Phone Line - Office/Shop/TP	690.40
05/29/2020	54939	Phone Line - Office/Shop/TP	244.88
<b>Vendor 01082 - AT&amp;T Total:</b>			<b>935.28</b>
<b>Vendor: 01083 - AT&amp;T</b>			
05/27/2020	54913	Bres/A Tank Alarm	33.03
05/27/2020	54913	Bres/A Tank Alarm	33.03
<b>Vendor 01083 - AT&amp;T Total:</b>			<b>66.06</b>
<b>Vendor: 03071 - BC Laboratories, Inc.</b>			
05/15/2020	54891	Job #18-F1 - Water Sampling	1,170.00
05/15/2020	54891	Job #18-F1 - Water Sampling (4)	82.52
05/15/2020	54891	Job #18-F1 - Water Sampling (10)	80.00
05/15/2020	54891	Job #18-F1 - Water Sampling	1,507.00
05/15/2020	54891	Job #18-F1 - Water Sampling (5)	128.15
05/15/2020	54891	Job #18-F1 - Water Sampling (15)	1,462.50

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
05/15/2020	54891	Job #18-F1 - Water Sampling (1)	45.63
05/15/2020	54891	Job #18-F1 - Water Sampling (9)	877.50
05/15/2020	54891	Job #18-F1 - Water Sampling (14)	1,390.00
05/29/2020	54940	Job #18-F1 - Water Sampling (11)	740.00
05/29/2020	54940	Job #18-F1 - Water Sampling (15)	1,462.50
05/29/2020	54940	Job #18-F1 - Water Sampling (3)	86.89
05/29/2020	54940	Job #18-F1 - Water Sampling (16)	1,040.00
05/29/2020	54940	Job #18-F1 - Water Sampling (4)	107.52
05/29/2020	54940	Job #18-F1 - Water Sampling (19)	1,877.50
05/29/2020	54940	Job #18-F1 - Water Sampling (6)	148.78
05/29/2020	54940	Job #18-F1 - Water Sampling (4)	55.00
Vendor 03071 - BC Laboratories, Inc. Total:			12,261.49
Vendor: 03098 - Berkeley Research Group, LLC			
05/01/2020	54838	Job #18-F1 - Professional Services	7,133.00
Vendor 03098 - Berkeley Research Group, LLC Total:			7,133.00
Vendor: 02870 - Boot Barn, Inc			
05/27/2020	54914	Safety Supplies - Shop (JL) (CL) (NR)	375.00
Vendor 02870 - Boot Barn, Inc Total:			375.00
Vendor: 01185 - Borges & Mahoney Co.			
05/27/2020	54915	Chlorine Analyzer Repair	1,679.64
Vendor 01185 - Borges & Mahoney Co. Total:			1,679.64
Vendor: 03108 - Broad & Gusman			
05/29/2020	54941	Lobbyist Retainer	4,000.00
Vendor 03108 - Broad & Gusman Total:			4,000.00
Vendor: 01122 - Butte County Assessor			
05/07/2020	54862	Misc. Service - Admin	30.50
Vendor 01122 - Butte County Assessor Total:			30.50
Vendor: 03065 - Comcast Business			
05/15/2020	54892	Internet - Office	851.43
Vendor 03065 - Comcast Business Total:			851.43
Vendor: 01320 - Comcast			
05/08/2020	54867	Internet	625.98
Vendor 01320 - Comcast Total:			625.98
Vendor: 01552 - Davi, Bruce			
05/01/2020	54839	Weed Control	700.00
05/01/2020	54839	Pest Control	425.00
05/08/2020	54868	Pest Control	1,375.00
Vendor 01552 - Davi, Bruce Total:			2,500.00
Vendor: 02888 - Elecsys International Corporation			
05/08/2020	54869	Misc. Supplies - TP	10.00
Vendor 02888 - Elecsys International Corporation Total:			10.00
Vendor: 01489 - Ellis Art and Engineering Supplies			
05/15/2020	54893	Construction & Maint. Supplies	145.65
Vendor 01489 - Ellis Art and Engineering Supplies Total:			145.65

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
<b>Vendor: 01480 - Employment Development Dept.</b>			
05/04/2020	DFT0003973	State Income Tax Withholding	3,635.34
05/04/2020	DFT0003976	State Disability Withholding	928.87
05/08/2020	DFT0003983	State Income Tax Withholding	28.66
05/08/2020	DFT0003986	State Disability Withholding	16.00
05/18/2020	DFT0003998	State Income Tax Withholding	3,816.28
05/18/2020	DFT0004001	State Disability Withholding	922.24
05/23/2020	DFT0004006	State Income Tax Withholding	5.61
05/23/2020	DFT0004009	State Disability Withholding	0.78
<b>Vendor 01480 - Employment Development Dept. Total:</b>			<b>9,353.78</b>
<b>Vendor: 03109 - Experts In Your Home</b>			
05/27/2020	54916	Rental Repair - 6350 Clark	376.74
<b>Vendor 03109 - Experts In Your Home Total:</b>			<b>376.74</b>
<b>Vendor: 01527 - Ferguson Enterprises, Inc</b>			
05/01/2020	54840	Pipe - HDPE - 1"	193.95
05/01/2020	54840	Pipe - HDPE - 2"	560.30
05/01/2020	54840	Pipe - HDPE - 1"	180.00
05/01/2020	54840	Pipe - HDPE - 2"	854.40
05/08/2020	54870	Pipe - HDPE - 2"	574.25
05/08/2020	54870	Pipe - HDPE - 1"	180.00
05/08/2020	54870	Coupling - Serv Brass - 2' Comp	614.18
05/08/2020	54870	Coupling Flex - CI - 1 1/2'	245.67
05/08/2020	54870	Coupling Flex - CI - 1 1/2'	144.51
05/29/2020	54942	Pipe - HDPE - 1"	193.95
05/29/2020	54942	Pipe - HDPE - 2"	840.45
05/29/2020	54942	Coupling Flex - CI - 1 1/2'	272.61
<b>Vendor 01527 - Ferguson Enterprises, Inc Total:</b>			<b>4,854.27</b>
<b>Vendor: 01528 - FGL Environmental</b>			
05/15/2020	54894	Job #18-F1 - Water Sampling (2)	276.00
05/29/2020	54943	Job #18-F1 - Water Sampling	24.00
<b>Vendor 01528 - FGL Environmental Total:</b>			<b>300.00</b>
<b>Vendor: 02945 - Fiserv Solutions, LLC</b>			
05/01/2020	54841	Bank Charges	11.05
<b>Vendor 02945 - Fiserv Solutions, LLC Total:</b>			<b>11.05</b>
<b>Vendor: 01587 - Genterra Consultants, Inc.</b>			
05/08/2020	54871	Magalia Spillway Risk Reduction & Long-Term Repair	6,127.50
05/08/2020	54871	Magalia Dam Piezometer Evaluation	10,388.00
<b>Vendor 01587 - Genterra Consultants, Inc. Total:</b>			<b>16,515.50</b>
<b>Vendor: 01594 - Government Finance Officers Association</b>			
05/27/2020	54917	Membership Renewal - 07/01/20 - 06/30/21	150.00
<b>Vendor 01594 - Government Finance Officers Association Total:</b>			<b>150.00</b>
<b>Vendor: 01616 - Grainger Inc</b>			
05/15/2020	54895	Equipment Repairs	62.36
<b>Vendor 01616 - Grainger Inc Total:</b>			<b>62.36</b>
<b>Vendor: 02889 - Health Equity, Inc.</b>			
05/01/2020	szj8ds1	Monthly Fee - 2019-12	17.70
<b>Vendor 02889 - Health Equity, Inc. Total:</b>			<b>17.70</b>
<b>Vendor: 01673 - Herc Rentals</b>			
05/01/2020	54842	Job #18-F1 - Equipment Rental	2,198.31
05/01/2020	54842	Job #18-F1 - Equipment Rental	1,577.61
05/08/2020	54872	Job #18-F1 - Equipment Rental	2,080.05
05/08/2020	54872	Job #18-F1 - Equipment Rental	3,017.92
05/08/2020	54872	Job #18-F1 - Equipment Rental	2,735.93
05/15/2020	54896	Job #18-F1 - Equipment Rental	2,171.16

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
05/29/2020	54944	Job #18-F1 - Equipment Rental	2,198.31
05/29/2020	54944	Job #18-F1 - Equipment Rental	1,577.61
Vendor 01673 - Herc Rentals Total:			17,556.90
Vendor: 01688 - Home Depot Credit Services			
05/27/2020	54918	Construction & Maint. Supplies	126.28
Vendor 01688 - Home Depot Credit Services Total:			126.28
Vendor: 01705 - Hunt & Sons, Inc.			
05/01/2020	54843	Fuel	423.04
05/08/2020	54873	Fuel	-36.01
05/08/2020	54873	Fuel	227.41
05/08/2020	54873	496gals. unleaded gasoline	1,129.60
05/08/2020	54873	375gals. dyed diesel	657.61
05/27/2020	54919	263gals. unleaded gasoline	630.57
05/29/2020	54945	295gals. unleaded gasoline	727.02
Vendor 01705 - Hunt & Sons, Inc. Total:			3,759.24
Vendor: 01713 - I.B.E.W. Local Union 1245			
05/01/2020	54844	Union Dues	718.96
05/01/2020	54844	Union Dues	-38.00
05/15/2020	54897	Union Dues	-36.00
05/15/2020	54897	Union Dues	689.07
05/29/2020	54946	Union Dues	-36.00
05/29/2020	54946	Union Dues	689.07
Vendor 01713 - I.B.E.W. Local Union 1245 Total:			1,987.10
Vendor: 01716 - ICMA Retirement Trust-401			
05/01/2020	DFT0003966	Retirement - 401(a) Match	2,095.64
05/05/2020	DFT0003980	Retirement - 401(a) Match	42.54
05/15/2020	DFT0003991	Retirement - 401(a) Match	2,016.48
05/20/2020	DFT0004003	Retirement - 401(a) Match	2.18
05/29/2020	DFT0004014	Retirement - 401(a) Match	2,019.68
Vendor 01716 - ICMA Retirement Trust-401 Total:			6,176.52
Vendor: 01715 - ICMA Retirement Trust-457			
05/01/2020	DFT0003967	Retirement Trust - 457	2,095.64
05/01/2020	DFT0003968	Deferred Comp 457	6,874.07
05/01/2020	DFT0003969	Retirement Trust - 457	612.92
05/01/2020	DFT0003970	Retirement Trust - 457	1,142.28
05/01/2020	DFT0003971	Loan Payment	447.82
05/01/2020	DFT0003972	Loan Payment	125.00
05/05/2020	DFT0003981	Retirement Trust - 457	42.54
05/05/2020	DFT0003982	Deferred Comp 457	127.61
05/15/2020	DFT0003992	Retirement Trust - 457	2,016.48
05/15/2020	DFT0003993	Deferred Comp 457	6,636.57
05/15/2020	DFT0003994	Retirement Trust - 457	612.92
05/15/2020	DFT0003995	Retirement Trust - 457	1,142.28
05/15/2020	DFT0003996	Loan Payment	447.82
05/15/2020	DFT0003997	Loan Payment	125.00
05/20/2020	DFT0004004	Retirement Trust - 457	2.18
05/20/2020	DFT0004005	Deferred Comp 457	6.55
05/29/2020	DFT0004015	Retirement Trust - 457	2,019.68
05/29/2020	DFT0004016	Deferred Comp 457	6,646.20
05/29/2020	DFT0004017	Retirement Trust - 457	612.92
05/29/2020	DFT0004018	Retirement Trust - 457	1,142.28
05/29/2020	DFT0004019	Loan Payment	447.82
05/29/2020	DFT0004020	Loan Payment	125.00
Vendor 01715 - ICMA Retirement Trust-457 Total:			33,451.58
Vendor: 01721 - Industrial Equipment			
05/15/2020	54898	Repair Parts	201.65
05/29/2020	54947	Construction & Maint. Supplies	106.19
Vendor 01721 - Industrial Equipment Total:			307.84

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
<b>Vendor: 01731 - Internal Revenue Service</b>			
05/04/2020	DFT0003974	FICA Withholding	11,436.24
05/04/2020	DFT0003975	Fed Withholding	9,949.65
05/04/2020	DFT0003977	Medicare Withholding	2,674.66
05/08/2020	DFT0003984	FICA Withholding	198.36
05/08/2020	DFT0003985	Fed Withholding	126.56
05/08/2020	DFT0003987	Medicare Withholding	46.40
05/18/2020	DFT0003999	FICA Withholding	11,316.90
05/18/2020	DFT0004000	Fed Withholding	10,205.06
05/18/2020	DFT0004002	Medicare Withholding	2,646.72
05/23/2020	DFT0004007	FICA Withholding	9.84
05/23/2020	DFT0004008	Fed Withholding	11.12
05/23/2020	DFT0004010	Medicare Withholding	2.30
<b>Vendor 01731 - Internal Revenue Service Total:</b>			<b>48,623.81</b>
<b>Vendor: 03057 - International Brotherhood of 137 TCWH</b>			
05/01/2020	54845	Union Dues Teamsters	218.77
05/15/2020	54899	Union Dues Teamsters	218.77
05/29/2020	54948	Union Dues Teamsters	218.77
<b>Vendor 03057 - International Brotherhood of 137 TCWH Total:</b>			<b>656.31</b>
<b>Vendor: 01742 - J C Nelson Supply Co.</b>			
05/01/2020	54846	Janitorial Supplies	134.69
05/01/2020	54846	Janitorial Supplies	102.91
05/28/2020	54933	Janitorial Supplies	134.69
<b>Vendor 01742 - J C Nelson Supply Co. Total:</b>			<b>372.29</b>
<b>Vendor: 01765 - J W Wood Co., Inc</b>			
05/01/2020	54847	Plug - Brass - 1 1/4'	11.98
05/01/2020	54847	Valve Ball - Brass - 2"	845.87
05/01/2020	54847	Valve Ball - Brass - 1 1/2"	789.56
05/01/2020	54847	Plug - Brass - 1 1/2'	289.73
05/01/2020	54847	90 Street Ell - Brass - 2'	33.15
05/01/2020	54847	Bushing - Brass - 2" x 3/4"	45.37
05/01/2020	54847	Valve Ball -Brass - 1"	260.37
05/01/2020	54847	90 - Brass - 2'	111.18
05/01/2020	54847	90 Street Ell - Brass - 1'	68.73
05/01/2020	54847	Tee - Brass - 2'	62.90
05/01/2020	54847	90 Street Ell- Brass - 3/4'	59.38
05/01/2020	54847	Coupling - Brass - 2'	41.39
05/01/2020	54847	Coupling - Brass - 1 1/2'	50.26
05/01/2020	54847	Valve Ball - Brass - 3/4"	1,288.37
05/01/2020	54847	Coupling - Brass - 1 1/4'	14.40
05/01/2020	54847	Plug - Brass - 1'	19.99
05/01/2020	54847	Valve Ball - Brass - 1 1/2"	157.91
05/01/2020	54847	Valve Ball - Brass - 2"	221.20
05/01/2020	54847	Valve Ball -Brass - 1"	390.56
05/08/2020	54874	90 - Brass - 1 1/2'	167.43
05/08/2020	54874	Coupling - Brass - 2'	455.25
05/08/2020	54874	Tee - Brass - 2'	691.89
05/08/2020	54874	45 - Brass - 1 1/2'	184.71
05/08/2020	54874	Bushing - Brass - 2" x 3/4"	710.85
05/08/2020	54874	Bushing - Brass - 2' x 1'	1,868.04
05/08/2020	54874	Coupling - Brass - 1 1/2'	251.28
05/08/2020	54874	Plug - Brass - 1 1/2'	59.48
05/08/2020	54874	Plug - Brass - 1'	75.98
05/08/2020	54874	90 Street Ell- Brass - 3/4'	83.13
05/08/2020	54874	90 - Brass - 2'	155.66
05/08/2020	54874	Coupling - Brass - 1 1/4'	158.42
05/08/2020	54874	45 - Brass - 1'	159.85
05/08/2020	54874	90 Street Ell - Brass - 1'	166.92
05/08/2020	54874	Tee - Brass - 1 1/2'	197.47

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
05/08/2020	54874	Plug - Brass - 1 1/4'	59.91
05/08/2020	54874	90 Street Ell - Brass - 2'	364.65
05/08/2020	54874	24" flex hose	778.64
05/08/2020	54874	Construction & Maint. Supplies	-446.16
05/29/2020	54949	Valve Gate - Brass - 2"	416.96
Vendor 01765 - J W Wood Co., Inc Total:			11,322.66
Vendor: 03102 - Johnny on the Spot Portable Toilets Inc.			
05/27/2020	54920	Equipment Rental	289.35
Vendor 03102 - Johnny on the Spot Portable Toilets Inc. Total:			289.35
Vendor: 01790 - Knife River Construction			
05/29/2020	54950	Construction & Maint. Supplies	777.30
Vendor 01790 - Knife River Construction Total:			777.30
Vendor: 01905 - Minasian, Meith, Soares, Sexton & Cooper, LLP			
05/15/2020	54900	Legal	5,350.04
05/15/2020	54900	Job#18-F1 - Legal	3,488.00
Vendor 01905 - Minasian, Meith, Soares, Sexton & Cooper, LLP Total:			8,838.04
Vendor: 01908 - MJB Welding Supply			
05/29/2020	54951	Welding Supplies	172.81
Vendor 01908 - MJB Welding Supply Total:			172.81
Vendor: 03045 - N.C.G.T. SECURITY FUND			
05/28/2020	54934	Health	13,899.00
05/28/2020	54934	Health	13,899.00
Vendor 03045 - N.C.G.T. SECURITY FUND Total:			27,798.00
Vendor: 01960 - Normac			
05/01/2020	54848	inverted hose bib	965.79
05/01/2020	54848	1" x 30" galv nipple	1,258.74
05/01/2020	54848	1" backflows	15,443.10
05/01/2020	54848	1" x 4" galv nipple	226.80
05/01/2020	54848	1" galv 90	223.02
05/01/2020	54848	1" galv cap	163.80
05/01/2020	54848	1" close galv nipple	147.42
05/01/2020	54848	1" galv tee	330.12
05/01/2020	54848	sharp shooter shovel	108.65
05/27/2020	54921	Construction & Maint. Supplies	630.10
05/27/2020	54921	inverted hose bib	935.13
05/27/2020	54921	1" galv 90	215.94
05/27/2020	54921	1" galv cap	1,386.46
05/27/2020	54921	1" x 30" galv nipple	1,218.78
05/27/2020	54921	1" backflow	13,725.00
05/27/2020	54921	1" galv tee	319.64
05/27/2020	54921	1" x 4" galv nipple	219.60
05/27/2020	54921	1" x close galv nipple	142.74
05/27/2020	54921	Nipple - Galv - 3/4" x 1 1/2"	23.20
05/27/2020	54921	Nipple - Galv - 2' x 12'	72.50
05/27/2020	54921	Reducer - Galvanized - 1" x 3/4"	98.49
05/27/2020	54921	Nipple - Galv - 3/4" x 2"	45.57
05/27/2020	54921	1" x 10" brass nipple	271.40
05/27/2020	54921	1" x 8" brass nipple	222.01
05/27/2020	54921	1" brass tee	168.11
05/27/2020	54921	Nipple - Galv - 2' x 10'	234.95
Vendor 01960 - Normac Total:			38,797.06
Vendor: 01989 - North Valley Tree Service			
05/01/2020	54849	Tree Removal	4,400.00
Vendor 01989 - North Valley Tree Service Total:			4,400.00
Vendor: 01980 - Northern Recycling & Waste Svcs			
05/15/2020	54901	Job#18-F1 - Debris Storage	140.00
05/15/2020	54901	Garbage - Lake	97.33

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
05/15/2020	54901	Garbage -TP	42.83
05/15/2020	54901	Garbage - Shop	167.89
05/15/2020	54901	Garbage - Office	55.99
Vendor 01980 - Northern Recycling & Waste Svcs Total:			504.04
Vendor: 01950 - Northstate Aggregate, Inc.			
05/01/2020	54850	Construction & Maint. Supplies	474.59
05/15/2020	54902	Construction & Maint. Supplies	449.00
Vendor 01950 - Northstate Aggregate, Inc. Total:			923.59
Vendor: 01995 - Office Depot			
05/01/2020	54851	Office Supplies - Office	236.88
05/08/2020	54875	Office Supplies - Shop	129.86
05/29/2020	54953	Office Supplies - Office	-82.84
05/29/2020	54953	Office Supplies - Shop	72.48
05/29/2020	54953	Office Supplies - Shop	108.88
05/29/2020	54953	Office Supplies - Shop	131.00
Vendor 01995 - Office Depot Total:			596.26
Vendor: 01538 - O'Reilly Auto Parts			
05/01/2020	54852	Equipment Repairs - #54	13.27
05/01/2020	54852	Vehicles - Oil	103.18
05/01/2020	54852	Equipment Repairs - #1	279.54
05/01/2020	54852	Equipment Repairs - #54	229.41
05/01/2020	54852	Equipment Repairs - #5	17.32
05/01/2020	54852	Equipment Repairs - Vac Unit	149.97
05/27/2020	54922	Equipment Repairs - 2005 Ford Ranger	205.45
05/27/2020	54922	Equipment Repairs #15-M	141.45
05/27/2020	54922	Equipment Repairs #15-M	110.69
05/27/2020	54922	Equipment Repairs #32 2007 Chevy	61.71
05/27/2020	54922	Equipment Repairs #26 2010 Ford F-150	56.89
05/27/2020	54922	Small Hand Tools	172.39
05/27/2020	54922	Construction & Maint. Supplies	8.61
05/27/2020	54922	Equipment Repairs #11 2017 F150	67.98
05/27/2020	54922	Equipment Repairs - #26 2000 Ford F150	117.08
Vendor 01538 - O'Reilly Auto Parts Total:			1,734.94
Vendor: 02030 - Pace Supply			
05/01/2020	54853	Wye-Serv Brass 2" MIP x 1" Comp	2,553.33
05/08/2020	54876	Construction & Maint. Supplies	410.48
05/27/2020	54923	Construction & Maint. Supplies	-158.02
05/27/2020	54923	tap clamp 6 x 7-1/2 x 2, 7.05-7.46	1,168.01
05/27/2020	54923	A34 Meter - Serv Brass	1,979.00
05/27/2020	54923	A23 Meter - Serv Brass	1,900.00
05/27/2020	54923	1-1/4" PE inserts	81.00
05/27/2020	54923	3/4" PE inserts	110.00
05/27/2020	54923	2" PE inserts	1,787.43
05/27/2020	54923	1" PE inserts	470.00
05/27/2020	54923	1-1/2" PE inserts	18.40
05/28/2020	54935	Construction & Maint. Supplies	234.58
05/28/2020	54935	Construction & Maint. Supplies	-158.02
05/29/2020	54954	FC Clamp 16' x 20"	1,038.84
05/29/2020	54954	FC CLAMP 16 X 25	1,487.51
05/29/2020	54954	tap clamp 6 x 7-1/2 x 2, 7.05-7.46	1,157.24
05/29/2020	54954	FC Clamp 8' x 7 1/2' 9.27- 9.57 RB AC	481.59



## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
05/29/2020	54954	Repair Clamp 4' x 3' 3.95-4.20 OD	1,053.80
Vendor 02030 - Pace Supply Total:			15,615.17
Vendor: 02081 - Pacific Gas & Electric Company			
05/27/2020	54924	Geppetto North End - Electric	53.47
05/27/2020	54924	Paradise Dam #2 Park - Electric	42.89
05/27/2020	54924	Mag Res Filtration Plant - Electric	9,124.46
05/27/2020	54924	Skyway W/S N/Clark Tank Res #A - Electric	22.76
05/27/2020	54924	Frank Turner Way Tank Res #C - Electric	16.67
05/27/2020	54924	Lovely Ln. N/End Tank Res #D - Electric	18.50
05/27/2020	54924	Moore Rd. ES Forest Serv. Rd. - Electric	2,597.66
05/27/2020	54924	6344 Clark Rd. - Gas	281.30
05/27/2020	54924	Frank Turner Way Tank Res #C - Electric	23.71
05/27/2020	54924	Nunnely Rd. Ext. Tank Res #E - Electric	23.29
05/27/2020	54924	6332 Clark Rd. - Electric	2,147.94
05/27/2020	54924	6332 Clark Rd. - Gas	267.33
Vendor 02081 - Pacific Gas & Electric Company Total:			14,619.98
Vendor: 02114 - Paradise Ridge Chamber of Comm			
05/01/2020	54854	Misc. Services	125.00
Vendor 02114 - Paradise Ridge Chamber of Comm Total:			125.00
Vendor: 02049 - Parcel Quest			
05/27/2020	54925	Subscription - 5/1/20 - 4/30/21	2,500.00
Vendor 02049 - Parcel Quest Total:			2,500.00
Vendor: 02059 - Payless Building Supply			
05/29/2020	54955	Construction & Maint. Supplies	242.98
Vendor 02059 - Payless Building Supply Total:			242.98
Vendor: 02090 - Pitney Bowes Global Financial Services LLC			
05/15/2020	54903	Misc. Fees	32.00
Vendor 02090 - Pitney Bowes Global Financial Services LLC Total:			32.00
Vendor: 03048 - Plan B Professional Answering Service			
05/08/2020	54877	Job#18-F1 - Answering Service	214.00
Vendor 03048 - Plan B Professional Answering Service Total:			214.00
Vendor: 03096 - Rankin Stock Heaberlin Oneal			
05/15/2020	54904	Legal	1,858.00
05/15/2020	54904	Legal	1,279.00
05/15/2020	54904	Legal	2,077.00
05/15/2020	54904	Legal	211.85
05/15/2020	54904	Legal	266.00
Vendor 03096 - Rankin Stock Heaberlin Oneal Total:			5,691.85
Vendor: 03070 - Reed Smith LLP			
05/27/2020	54926	Job#18-F1 - Professional Services	39,900.20
Vendor 03070 - Reed Smith LLP Total:			39,900.20
Vendor: 02185 - Roberts & Brune Company			
05/29/2020	54956	2" meter flange kit	345.19
05/29/2020	54956	Angle Stop - Serv Brass - 2 ' FIP	444.59
Vendor 02185 - Roberts & Brune Company Total:			789.78
Vendor: 02263 - Sinclair Towing			
05/27/2020	54927	Towing	150.00
Vendor 02263 - Sinclair Towing Total:			150.00

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
<b>Vendor: 03061 - Sterling Health Services, Inc DBA</b>			
05/01/2020	DFT0003965	HSA Contribution	653.76
05/15/2020	DFT0003990	HSA Contribution	653.76
05/29/2020	DFT0004013	HSA Contribution	653.76
<b>Vendor 03061 - Sterling Health Services, Inc DBA Total:</b>			<b>1,961.28</b>
<b>Vendor: 03088 - Sutton Enterprises and Bank of Stockton</b>			
05/28/2020	54936	Job#18-F1 - Service Lateral Replacement	331,052.28
<b>Vendor 03088 - Sutton Enterprises and Bank of Stockton Total:</b>			<b>331,052.28</b>
<b>Vendor: 02362 - Thomas Ace Hardware</b>			
05/01/2020	54855	Small Hand Tools	30.99
05/01/2020	54855	Equipment Repairs #5	2.75
05/01/2020	54855	Small Hand Tools	83.23
05/01/2020	54855	Small Hand Tools	19.63
05/08/2020	54878	Construction & Maint. Supplies	45.50
05/08/2020	54878	Construction & Maint. Supplies	28.58
05/08/2020	54878	Small Hand Tools	8.46
05/08/2020	54878	Construction & Maint. Supplies	7.41
05/08/2020	54878	Construction & Maint. Supplies	84.05
05/08/2020	54878	Construction & Maint Supplies	33.46
05/08/2020	54878	Construction & Maint. Supplies	12.71
05/08/2020	54878	Construction & Maint. Supplies	65.20
05/08/2020	54878	Construction & Maint. Supplies	58.87
05/08/2020	54878	Construction & Maint. Supplies	134.96
05/15/2020	54905	Misc. Supplies	71.65
05/15/2020	54905	Small Hand Tools	86.26
05/15/2020	54905	Misc Supplies	20.74
05/27/2020	54928	Small Hand Tools	82.55
05/27/2020	54928	Construction & Maint. Supplies	3.44
05/27/2020	54928	Construction & Maint. Supplies	183.06
05/27/2020	54928	Construction & Maint. Supplies	128.94
05/27/2020	54928	Construction & Maint. Supplies	21.24
05/27/2020	54928	Construction & Maint. Supplies	753.77
05/29/2020	54957	Misc. Supplies	37.02
05/29/2020	54957	Small Hand Tools	48.48
05/29/2020	54957	Small Hand Tools	21.02
05/29/2020	54957	Construction & Maint. Supplies	16.97
05/29/2020	54957	Misc. Supplies	38.11
<b>Vendor 02362 - Thomas Ace Hardware Total:</b>			<b>2,129.05</b>
<b>Vendor: 02394 - Tyler Technologies, Inc.</b>			
05/15/2020	54906	Maintenance - 2020-05	215.50
05/19/2020	54910	Office Supplies - Office	148.16
05/27/2020	54929	Maintenance - 2020-06	227.24
<b>Vendor 02394 - Tyler Technologies, Inc. Total:</b>			<b>590.90</b>
<b>Vendor: 02692 - United Rentals, Inc</b>			
05/29/2020	54958	Construction & Maint. Supplies	219.83
<b>Vendor 02692 - United Rentals, Inc Total:</b>			<b>219.83</b>
<b>Vendor: 02824 - US Bank Corporate Payment System</b>			
05/01/2020	54856	Office - Monthly Fee	19.99
05/01/2020	54856	Office - Monthly Fee	12.99
05/01/2020	54856	Office - Monthly Fee	18.17
05/01/2020	54856	COVID-19 - Equipment	2,776.71
05/01/2020	54856	Office - Monthly Fee	216.00
05/01/2020	54856	COVID-19 - Equipment	100.17
05/01/2020	54856	COVID-19 - Equipment	60.42
05/01/2020	54856	Office - Monthly Fee	29.99
05/01/2020	54856	COVID-19 - Office Supplies	419.00
05/01/2020	54856	Office - Monthly Fee	14.99
05/01/2020	54856	COVID-19 - Office Supplies	19.00

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
05/01/2020	54856	COVID-19 - Office Supplies	40.00
05/01/2020	54856	COVID-19 - Office Supplies	200.15
05/01/2020	54856	COVID-19 - Equipment	28.95
05/01/2020	54856	Training - Office	375.00
05/01/2020	54856	Office - Monthly Fee	19.98
05/01/2020	54856	COVID-19 - Office Supplies	99.00
05/01/2020	54856	Office - Monthly Fee	13.99
05/01/2020	54856	Office Equipment	123.51
05/01/2020	54856	Office - Monthly Fee	13.99
05/01/2020	54856	Office - Monthly Fee	14.98
05/01/2020	54856	Office - Monthly Fee	159.98
05/01/2020	54856	Equipment Repairs	274.54
05/01/2020	54856	Seminars/Training - Shop	825.00
05/01/2020	54856	Memberships	219.00
05/01/2020	54856	Travel	340.61
05/01/2020	54856	Postage	175.84
05/01/2020	54856	Training - Office	85.00
05/01/2020	54856	Laptop - Office	1,077.49
05/01/2020	54856	Postage	18.30
05/01/2020	54856	Misc. Services	12.87
05/01/2020	54856	Meals	177.43
05/01/2020	54856	Office Supplies - Shop	32.16
05/01/2020	54856	Equipment Repairs	123.31
05/01/2020	54856	Equipment Repairs	59.90
05/29/2020	54959	Office Monthly Fee	12.99
05/29/2020	54959	Office - Monthly Fee	19.99
05/29/2020	54959	Office - Monthly Fee	216.00
05/29/2020	54959	Office - Monthly Fee	29.99
05/29/2020	54959	Office - Monthly Fee	2.50
05/29/2020	54959	Training - Office	299.88
05/29/2020	54959	Office - Monthly Fee	14.99
05/29/2020	54959	Office - Monthly Fee	59.00
05/29/2020	54959	Office - Monthly Fee	40.00
05/29/2020	54959	Office - Monthly Fee	19.98
05/29/2020	54959	Office - Monthly Fee	13.99
05/29/2020	54959	Training - Office	-299.88
05/29/2020	54959	Office - Monthly Fee	13.99
05/29/2020	54959	Office - Monthly Fee	14.98
05/29/2020	54959	COVID-19 - Equipment	43.09
05/29/2020	54959	Office - Monthly Fee	300.00
05/29/2020	54959	Equipment Replacement	630.34
05/29/2020	54959	COVID-19 - Office Supplies	1,469.32
05/29/2020	54959	Office Supplies - Office	33.25
05/29/2020	54959	Postage	26.35
05/29/2020	54959	Training	35.00
05/29/2020	54959	Office Supplies	13.99
05/29/2020	54959	Small Hand Tools	493.92
05/29/2020	54959	Office Supplis - Shop	33.13
05/29/2020	54959	Office Supplies - Shop	38.49
Vendor 02824 - US Bank Corporate Payment System Total:			11,773.69
Vendor: 02686 - USA Blue Book			
05/08/2020	54879	Equipment Repairs	219.68
05/27/2020	54930	Construction & Maint. Supplies	140.28
05/27/2020	54930	Misc. Supplies	25.47
05/29/2020	54961	Misc. Supplies	84.15
05/29/2020	54961	Misc. Supplies	109.88
05/29/2020	54961	Misc. Supplies	38.16
05/29/2020	54961	Misc. Supplies	145.30
Vendor 02686 - USA Blue Book Total:			762.92

## Expense Approval Report

Payment Dates: 05/01/2020 - 05/31/2020

Payment Date	Payment Number	Description (Item)	Amount
<b>Vendor: 02703 - Verizon Wireless</b>			
05/01/2020	54859	Mobiles Phones	1,014.75
05/01/2020	54859	Mobiles Phones	1,605.75
05/29/2020	54962	Mobiles Phones	1,580.72
<b>Vendor 02703 - Verizon Wireless Total:</b>			<b>4,201.22</b>
<b>Vendor: 02712 - VistaNet inc.</b>			
05/29/2020	54963	Equipment Maint. - Supplies	230.59
<b>Vendor 02712 - VistaNet inc. Total:</b>			<b>230.59</b>
<b>Vendor: 02714 - Wagner &amp; Bonsignore</b>			
05/15/2020	54907	Water Rights Petition	1,370.00
<b>Vendor 02714 - Wagner &amp; Bonsignore Total:</b>			<b>1,370.00</b>
<b>Vendor: 03002 - Water Works Engineers</b>			
05/15/2020	54908	Job#18-F1 - Disaster Recovery Mgmt	150,538.88
05/27/2020	54931	Job #17-04 - Backwash Waste NPDES Permit Renewal	611.43
<b>Vendor 03002 - Water Works Engineers Total:</b>			<b>151,150.31</b>
<b>Vendor: 02787 - Zee Service Company</b>			
05/27/2020	54932	Safety Supplies	418.06
<b>Vendor 02787 - Zee Service Company Total:</b>			<b>418.06</b>
<b>Grand Total:</b>			<b>891,659.11</b>

# *Paradise Irrigation District*

## Detail of Disbursements Report

Check Numbers 54835 - 54963

Check#	Date	Vendor/Employee	Amount	% of Total Monthly Disbursements
54936	05/28/2020	Sutton Enterprises and Bank of Stockton	331,052.28	37.13%
54908	05/15/2020	Water Works Engineers	150,538.88	16.88%
54926	05/27/2020	Reed Smith LLP	39,900.20	4.47%
54934	05/28/2020	N.C.G.T. SECURITY FUND	27,798.00	3.12%
54864	05/08/2020	APTIM Environmental & Infrastructure LLC	27,252.00	3.06%
54921	05/27/2020	Normac	19,929.62	2.24%
54848	05/01/2020	Normac	18,867.44	2.12%
54871	05/08/2020	Genterra Consultants, Inc.	16,515.50	1.85%
54924	05/27/2020	Pacific Gas & Electric Company	14,619.98	1.64%
DFT0003974	05/04/2020	Internal Revenue Service	11,436.24	1.28%
DFT0003999	05/18/2020	Internal Revenue Service	11,316.90	1.27%
DFT0004000	05/18/2020	Internal Revenue Service	10,205.06	1.14%
DFT0003975	05/04/2020	Internal Revenue Service	9,949.65	1.12%
54900	05/15/2020	Minasian, Meith, Soares, Sexton & Cooper, LLP	8,838.04	0.99%
54856	05/01/2020	US Bank Corporate Payment System	8,198.41	0.92%
54872	05/08/2020	Herc Rentals	7,833.90	0.88%
54923	05/27/2020	Pace Supply	7,355.82	0.82%
54838	05/01/2020	Berkeley Research Group, LLC	7,133.00	0.80%
DFT0003968	05/01/2020	ICMA Retirement Trust-457	6,874.07	0.77%
54891	05/15/2020	BC Laboratories, Inc.	6,743.30	0.76%
DFT0004016	05/29/2020	ICMA Retirement Trust-457	6,646.20	0.75%
DFT0003993	05/15/2020	ICMA Retirement Trust-457	6,636.57	0.74%
54874	05/08/2020	J W Wood Co., Inc	6,143.40	0.69%
54904	05/15/2020	Rankin Stock Heaberlin Oneal	5,691.85	0.64%
54940	05/29/2020	BC Laboratories, Inc.	5,518.19	0.62%
54954	05/29/2020	Pace Supply	5,218.98	0.59%
54847	05/01/2020	J W Wood Co., Inc	4,762.30	0.53%
54849	05/01/2020	North Valley Tree Service	4,400.00	0.49%
54941	05/29/2020	Broad & Gusman	4,000.00	0.45%
DFT0003998	05/18/2020	Employment Development Dept.	3,816.28	0.43%
54842	05/01/2020	Herc Rentals	3,775.92	0.42%
54944	05/29/2020	Herc Rentals	3,775.92	0.42%
DFT0003973	05/04/2020	Employment Development Dept.	3,635.34	0.41%
54959	05/29/2020	US Bank Corporate Payment System	3,575.28	0.40%
DFT0003977	05/04/2020	Internal Revenue Service	2,674.66	0.30%
DFT0004002	05/18/2020	Internal Revenue Service	2,646.72	0.30%
54859	05/01/2020	Verizon Wireless	2,620.50	0.29%
54853	05/01/2020	Pace Supply	2,553.33	0.29%
54925	05/27/2020	Parcel Quest	2,500.00	0.28%
54896	05/15/2020	Herc Rentals	2,171.16	0.24%
DFT0003966	05/01/2020	ICMA Retirement Trust-401	2,095.64	0.24%
DFT0003967	05/01/2020	ICMA Retirement Trust-457	2,095.64	0.24%
DFT0004014	05/29/2020	ICMA Retirement Trust-401	2,019.68	0.23%
DFT0004015	05/29/2020	ICMA Retirement Trust-457	2,019.68	0.23%
DFT0003991	05/15/2020	ICMA Retirement Trust-401	2,016.48	0.23%
DFT0003992	05/15/2020	ICMA Retirement Trust-457	2,016.48	0.23%
54873	05/08/2020	Hunt & Sons, Inc.	1,978.61	0.22%
54840	05/01/2020	Ferguson Enterprises, Inc	1,788.65	0.20%
54870	05/08/2020	Ferguson Enterprises, Inc	1,758.61	0.20%
54915	05/27/2020	Borges & Mahoney Co.	1,679.64	0.19%
54962	05/29/2020	Verizon Wireless	1,580.72	0.18%
54868	05/08/2020	Davi, Bruce	1,375.00	0.15%
54907	05/15/2020	Wagner & Bonsignore	1,370.00	0.15%
54942	05/29/2020	Ferguson Enterprises, Inc	1,307.01	0.15%
54928	05/27/2020	Thomas Ace Hardware	1,173.00	0.13%
DFT0003970	05/01/2020	ICMA Retirement Trust-457	1,142.28	0.13%

Check#	Date	Vendor/Employee	Amount	% of Total Monthly Disbursements
DFT0003995	05/15/2020	ICMA Retirement Trust-457	1,142.28	0.13%
DFT0004018	05/29/2020	ICMA Retirement Trust-457	1,142.28	0.13%
54839	05/01/2020	Davi, Bruce	1,125.00	0.13%
54922	05/27/2020	O'Reilly Auto Parts	942.25	0.11%
DFT0003976	05/04/2020	Employment Development Dept.	928.87	0.10%
DFT0004001	05/18/2020	Employment Development Dept.	922.24	0.10%
54911	05/27/2020	Adecco Employment Services	887.04	0.10%
54837	05/01/2020	Adecco Employment Services	862.40	0.10%
54887	05/15/2020	Adecco Employment Services	862.40	0.10%
54892	05/15/2020	Comcast Business	851.43	0.10%
54863	05/08/2020	Adecco Employment Services	843.92	0.09%
54852	05/01/2020	O'Reilly Auto Parts	792.69	0.09%
54956	05/29/2020	Roberts & Brune Company	789.78	0.09%
54950	05/29/2020	Knife River Construction	777.30	0.09%
54937	05/29/2020	Adecco Employment Services	770.00	0.09%
54945	05/29/2020	Hunt & Sons, Inc.	727.02	0.08%
54866	05/08/2020	AT&T	690.40	0.08%
54844	05/01/2020	I.B.E.W. Local Union 1245	680.96	0.08%
DFT0003965	05/01/2020	Sterling Health Services, Inc DBA	653.76	0.07%
DFT0003990	05/15/2020	Sterling Health Services, Inc DBA	653.76	0.07%
DFT0004013	05/29/2020	Sterling Health Services, Inc DBA	653.76	0.07%
54897	05/15/2020	I.B.E.W. Local Union 1245	653.07	0.07%
54946	05/29/2020	I.B.E.W. Local Union 1245	653.07	0.07%
54919	05/27/2020	Hunt & Sons, Inc.	630.57	0.07%
54912	05/27/2020	Aramark Uniform Services	626.68	0.07%
54867	05/08/2020	Comcast	625.98	0.07%
DFT0003969	05/01/2020	ICMA Retirement Trust-457	612.92	0.07%
DFT0003994	05/15/2020	ICMA Retirement Trust-457	612.92	0.07%
DFT0004017	05/29/2020	ICMA Retirement Trust-457	612.92	0.07%
54931	05/27/2020	Water Works Engineers	611.43	0.07%
54888	05/15/2020	Airgas USA, LLC	541.90	0.06%
54901	05/15/2020	Northern Recycling & Waste Svcs	504.04	0.06%
54878	05/08/2020	Thomas Ace Hardware	479.20	0.05%
54850	05/01/2020	Northstate Aggregate, Inc.	474.59	0.05%
54902	05/15/2020	Northstate Aggregate, Inc.	449.00	0.05%
DFT0003971	05/01/2020	ICMA Retirement Trust-457	447.82	0.05%
DFT0003996	05/15/2020	ICMA Retirement Trust-457	447.82	0.05%
DFT0004019	05/29/2020	ICMA Retirement Trust-457	447.82	0.05%
54843	05/01/2020	Hunt & Sons, Inc.	423.04	0.05%
54932	05/27/2020	Zee Service Company	418.06	0.05%
54949	05/29/2020	J W Wood Co., Inc	416.96	0.05%
54876	05/08/2020	Pace Supply	410.48	0.05%
54865	05/08/2020	Aramark Uniform Services	388.80	0.04%
54961	05/29/2020	USA Blue Book	377.49	0.04%
54916	05/27/2020	Experts In Your Home	376.74	0.04%
54914	05/27/2020	Boot Barn, Inc	375.00	0.04%
54938	05/29/2020	Aramark Uniform Services	323.60	0.04%
DFT0003964	05/01/2020	Aflac	307.20	0.03%
DFT0003989	05/15/2020	Aflac	307.20	0.03%
DFT0004012	05/29/2020	Aflac	307.20	0.03%
54920	05/27/2020	Johnny on the Spot Portable Toilets Inc.	289.35	0.03%
54894	05/15/2020	FGL Environmental	276.00	0.03%
54939	05/29/2020	AT&T	244.88	0.03%
54955	05/29/2020	Payless Building Supply	242.98	0.03%
54846	05/01/2020	J C Nelson Supply Co.	237.60	0.03%
54851	05/01/2020	Office Depot	236.88	0.03%
54963	05/29/2020	VistaNet inc.	230.59	0.03%
54953	05/29/2020	Office Depot	229.52	0.03%
54929	05/27/2020	Tyler Technologies, Inc.	227.24	0.03%
54958	05/29/2020	United Rentals, Inc	219.83	0.02%
54879	05/08/2020	USA Blue Book	219.68	0.02%

Check#	Date	Vendor/Employee	Amount	% of Total Monthly Disbursements
54845	05/01/2020	International Brotherhood of 137 TCWH	218.77	0.02%
54899	05/15/2020	International Brotherhood of 137 TCWH	218.77	0.02%
54948	05/29/2020	International Brotherhood of 137 TCWH	218.77	0.02%
54906	05/15/2020	Tyler Technologies, Inc.	215.50	0.02%
54877	05/08/2020	Plan B Professional Answering Service	214.00	0.02%
54898	05/15/2020	Industrial Equipment	201.65	0.02%
DFT0003984	05/08/2020	Internal Revenue Service	198.36	0.02%
54905	05/15/2020	Thomas Ace Hardware	178.65	0.02%
54951	05/29/2020	MJB Welding Supply	172.81	0.02%
54930	05/27/2020	USA Blue Book	165.75	0.02%
54957	05/29/2020	Thomas Ace Hardware	161.60	0.02%
54917	05/27/2020	Government Finance Officers Association	150.00	0.02%
54927	05/27/2020	Sinclair Towing	150.00	0.02%
54910	05/19/2020	Tyler Technologies, Inc.	148.16	0.02%
54893	05/15/2020	Ellis Art and Engineering Supplies	145.65	0.02%
54855	05/01/2020	Thomas Ace Hardware	136.60	0.02%
54933	05/28/2020	J C Nelson Supply Co.	134.69	0.02%
54875	05/08/2020	Office Depot	129.86	0.01%
DFT0003982	05/05/2020	ICMA Retirement Trust-457	127.61	0.01%
DFT0003985	05/08/2020	Internal Revenue Service	126.56	0.01%
54918	05/27/2020	Home Depot Credit Services	126.28	0.01%
54854	05/01/2020	Paradise Ridge Chamber of Comm	125.00	0.01%
DFT0003972	05/01/2020	ICMA Retirement Trust-457	125.00	0.01%
DFT0003997	05/15/2020	ICMA Retirement Trust-457	125.00	0.01%
DFT0004020	05/29/2020	ICMA Retirement Trust-457	125.00	0.01%
54890	05/15/2020	Aramark Uniform Services	110.33	0.01%
54947	05/29/2020	Industrial Equipment	106.19	0.01%
54909	05/19/2020	American Conservation & Billing Solutions	100.00	0.01%
54935	05/28/2020	Pace Supply	76.56	0.01%
54913	05/27/2020	AT&T	66.06	0.01%
54895	05/15/2020	Grainger Inc	62.36	0.01%
DFT0003987	05/08/2020	Internal Revenue Service	46.40	0.01%
DFT0003980	05/05/2020	ICMA Retirement Trust-401	42.54	0.00%
DFT0003981	05/05/2020	ICMA Retirement Trust-457	42.54	0.00%
54903	05/15/2020	Pitney Bowes Global Financial Services LLC	32.00	0.00%
54862	05/07/2020	Butte County Assessor	30.50	0.00%
DFT0003983	05/08/2020	Employment Development Dept.	28.66	0.00%
54943	05/29/2020	FGL Environmental	24.00	0.00%
szj8ds1	05/01/2020	Health Equity, Inc.	17.70	0.00%
DFT0003986	05/08/2020	Employment Development Dept.	16.00	0.00%
DFT0004008	05/23/2020	Internal Revenue Service	11.12	0.00%
54841	05/01/2020	Fiserv Solutions, LLC	11.05	0.00%
54869	05/08/2020	Elecsys International Corporation	10.00	0.00%
DFT0004007	05/23/2020	Internal Revenue Service	9.84	0.00%
DFT0004005	05/20/2020	ICMA Retirement Trust-457	6.55	0.00%
DFT0004006	05/23/2020	Employment Development Dept.	5.61	0.00%
DFT0004010	05/23/2020	Internal Revenue Service	2.30	0.00%
DFT0004003	05/20/2020	ICMA Retirement Trust-401	2.18	0.00%
DFT0004004	05/20/2020	ICMA Retirement Trust-457	2.18	0.00%
DFT0004009	05/23/2020	Employment Development Dept.	0.78	0.00%
54857	05/01/2020	**Void**	-	0.00%
54858	05/01/2020	**Void**	-	0.00%
54960	05/29/2020	**Void**	-	0.00%
54889	05/15/2020	**Void**	-	0.00%
54952	05/29/2020	**Void**	-	0.00%
Total			891,659.11	



## PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

TO: PID Board of Directors  
FROM: Mickey Rich, Information Systems Manager  
DATE: June 17, 2020 – Continued from March 18, 2020  
RE: Suggested revisions to Mobile Device Policy

The District's Mobile Telephone Use Policy was created in 2012 and is out of date.

The updated policy draft is more inclusive of all electronic mobile devices, reflects current laws and security challenges and reduces risks associated with employee use of personal cell phones used for business purposes. Staff believes these suggested changes will improve management of our devices, mobile app software, District information and security risks.

The policy has been reviewed by the Administration and Personnel Committee. Edits were made to allow for emergency use of a District mobile device. A Policy Compliance section has been added based on committee input.

The recommended form of action is:

*"I move to approve the revisions to the Mobile Telephone Use Policy as presented, subject to legal review."*



## **IV-16            MOBILE DEVICE USE POLICY**

### **PURPOSE:**

The purpose of the **Mobile Device Use Policy** is to provide procedures for mobile device use by District employees.

District mobile devices are property of the Paradise Irrigation District and subject to District rules and regulations, public information requests, maintenance, and security policies. Employees using District mobile devices have no expectation of privacy as devices are subject to inspection at any time. Permission to use District mobile devices can be revoked at any time. Supervisors have the authority to restrict or prohibit use of mobile devices when they determine the use may present a safety hazard. Employees may be subject to disciplinary action up to and including termination for unauthorized mobile device use or failure to comply with District policies.

The District will verify compliance to this policy through various methods, including but not limited to, periodic device inspections, business reports, internal and external audit and feedback from District personnel.

### **DEFINITION:**

References to mobile devices include cell phones or wireless Personal Digital Assistants (PDA) such as a BlackBerry, Treo, iPhone, iPad, tablet etc.

### **DEVICE USAGE**

Employees with a business need for a mobile device, as determined by the employee's supervisor, will be assigned a District-owned mobile device. Mobile device usage is restricted to business-use only except in the case of an emergency.

Employees are expected to use their personal device during designated breaks for non-district use. Employees are prohibited from performing District duties on a personal device.

## **MOBILE DEVICE USE IN VEHICLES**

Employees must comply with California law regarding use of mobile devices in moving vehicles. Sending and/or receiving text messages, emails or any other data transmission while operating any vehicle is prohibited. Employees must follow applicable state or federal laws or regulations regarding the use of electronic devices. Currently, California law prohibits use of a cell phone or similar electronic communication device while holding it in your hand while driving. Driving includes being stopped at a traffic signal or stop sign. Use in a hands-free manner is permissible. Employees with any questions regarding laws and regulations regarding the use of cellular phones while operating moving vehicles should contact their supervisor immediately.

Employees should only use a mobile device when it is safe to do so. Employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call, texting or sending an email. The only exception to this is if the call can be placed or accepted entirely hands-free. Safe mobile device use includes, but is not limited to:

- a. If your device rings when you are driving– let your mobile voice mail service take the call and listen to the message later when you are parked, or pull over before answering, if traffic conditions permit;
- b. Suspend hands free conversations during hazardous driving conditions or situations.
- c. Place your calls before you begin your trip or call when your vehicle is parked. Never dial a number while driving. Pre-programmed number dial features are available on your device.
- d. DO NOT engage in conduct that may distract you from safely operating the vehicle.

## **MOBILE DEVICE USE AT WORK SITE**

Mobile devices should only be used at work sites when it is safe to do so. Work sites include but are not limited to: road repair, maintenance, and construction, operating or repairing energized equipment such as electrical panels, motors, or energized circuits.

### **MOBILE DEVICE USE AND OFF-ROAD EQUIPMENT**

Use of a mobile device, including hands free service, while operating a motorized off-road (maintenance/construction type) equipment is prohibited. Mobile devices cannot be used unless the off-road equipment has been properly stopped and turned off.

### **EMPLOYEE RESPONSIBILITIES:**

1. Employees must take reasonable steps to protect mobile devices and the information contained therein. This can be done with a secure password or pin. When possible, employees should use two-factor or two-step verification for added application/device security. Notwithstanding the password, the District can still access the device at any time.
2. Employees must keep mobile device and accessories in good working order.
3. The employee must notify their immediate supervisor upon detection of a security incident or when a mobile device may have been lost or stolen.
4. Mobile devices that contain confidential, personal, or sensitive District information must use encryption or equally strong measures to protect the data while it is being stored. District will provide encryption and prohibits disabling it.
5. Unless written approval has been obtained from the District Manager, and notification given to the Information Systems Manager, databases or portions thereof, which reside on the network at the District, shall not be downloaded to mobile devices.

## IV-16 MOBILE ~~TELEPHONE-DEVICE~~ USE POLICY

### DEFINITION:

References to ~~cell/mobile phonedevic~~es include cell phones or wireless Personal Digital Assistants (PDA) such as a BlackBerry, Treo, iPhone, ~~iPad, tablet~~ etc. ~~that have a cell-phone feature.~~

### PURPOSE:

The purpose of the **Mobile ~~Telephone-Device~~ Use Policy** is:

- To provide standards and clarification for ~~cell/mobile phonedevic~~ use.
- To ensure safe work practices when considering the need to use a ~~cell/mobile phonedevic~~ while driving or performing other duties.
- ~~For employees using cell-phonedevic~~es to make cost-effective decisions regarding cell ~~phonedevic~~ use and plan.

### SCOPE:

This policy applies to all District employees who use mobile ~~phones-devic~~es for District business.

### Reimbursement Policy:

~~There are two types of cell phonedevic users at Paradise Irrigation District. These two "classes" are described below in A through B:~~

#### **A. District supplied ~~phonedevic~~s: Business use/Personal use**

~~Most e~~Employees with a business need for a ~~cell/mobile phonedevic~~ will be assigned a District-owned ~~phonedevic~~. Mobile ~~phonedevic~~ use on ~~phones-devic~~es supplied by the District is restricted to District business. ~~Personal mobile calls (outgoing or incoming) will only be allowed in limited and infrequent (maximum 2-3 times per month) instances of family emergencies if these calls cannot be made from a land-line phone in a reasonable period of time. These calls should be of short duration. NO OTHER PERSONAL USE IS ALLOWED, EVEN IF REIMBURSED. The above emergency calls do not need to be reimbursed.~~

#### **B. ~~Personal Cell PhoneDevic~~ provided as an option**

~~The District recognizes that due to the nature of certain employee's positions that they should have a mobile-phonedevic allowance provided. The District Manager in conjunction with department management may designate employees who will receive a specified reimbursement per month for the specific purpose of obtaining a personal-cell phonedevic. This amount will be designated in one of two categories depending on usage: Category PhoneDevic and Data Plan = \$75; PhoneDevic-only = \$25. This amount may be adjusted periodically by the District Manager. This mobile-phonedevic would be used for business, but would not have the same restrictions on personal use since it is a personal-phonedevic.~~

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Employees who receive this benefit may request from their department director to buy a wireless PDA instead of a cell phone device. Employees who need remote access to their District computer account must receive approval from the person in their department who authorizes remote access. If approved, then the District will pay for and maintain the license that allows access to the server. This license is the property of the District. Please contact IT Services for equipment standards, capability advice and authorization forms.

For equipment that allows for data connection to the District Network for such applications as Email or file transfers—all connections, usage, storage and securing of data must be in accordance with the applicable Records and Information Services policy and practice.

#### **Use of Mobile Phone Device Policy**

##### **Mobile phone device use in vehicles, at work sites, or while operating equipment**

Currently state law prohibits the use of ~~hand-held~~ handheld mobile phone devices while driving unless the driver is using a hand-free device. As more District drivers are using mobile phone devices, it is important both for safety and for the image of District drivers that common sense and courtesy be followed in using mobile phone devices. Supervisors will have the authority to restrict or prohibit use of mobile phone devices at any time on the job when they consider such situations and use may present a safety hazard to the employee, co-worker, contractors, and/or to the general public and private property. Sending and/or receiving text messages or any other data transmission is prohibited while operating any vehicle. Employees are expected to follow applicable state or federal laws or regulations regarding the use of electronic devices at all times.

##### **1. Mobile phone device use while driving a District vehicle or personal vehicle on District business:**

a. Employees are expected to refrain from using their mobile devices while driving. Regardless of the circumstances, including slow or stopped traffic, employees are required to pull off to the side of the road and safely stop the vehicle before placing or accepting a call or texting. The only exception to this stipulation is if the call can be placed or accepted entirely hands-free. Special care should be taken in situations where there is traffic, inclement weather, or unfamiliar areas. Voice mail service and hands-free equipment for the phone are the only allowable means of phone use while driving.

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b.a. It is strongly recommended, if at all possible, to use your mobile phone device when parked, or have a passenger use the phone device. Conversations should be kept to a minimum.

c.b. If your phone device rings when you are driving—especially during hazardous conditions—let your mobile voice mail service take the call and listen to the message later when you are parked, or pull over before answering, if traffic condition permit.

**d.c.** Suspend conversations during hazardous driving conditions or situations.

**e.d.** Let the person to whom you are speaking know that you are driving and the call may be suspended at any time.

**f.e.** Do not take notes or look up phone numbers while driving. As a driver, your first responsibility is to pay attention to the road.

**g.f.** Dial and place all calls when you are parked. If you are stopped at a traffic signal or stop sign, you are still considered by the law to be driving; you must pull off the roadway and be parked to use a hand held [phonedevice](#).

Place your calls before you begin your trip, or call when your vehicle is parked. Never dial a number while driving.

**h.g.** Learn and use the pre-programmed number dial features of your [phonedevice](#). Practice using this feature for commonly dialed numbers before driving so you are familiar with the procedures.

**i.h.** DO NOT engage in stressful or emotional conversations while driving. A stressful or emotional [phonedevice](#) conversation while driving is distracting and potentially dangerous. If necessary, suspend the [phonedevice](#) conversation.

**j.i.** EMERGENCIES – Please do use your mobile [phonedevice](#) to call for help or to help others in emergencies. Your mobile [phonedevice](#) lets you be a “Good Samaritan” in the community. If you see an emergency where lives are in danger call 9-1-1 and give the exact location and information to the 9-1-1 operator. Employees are not expected to offer additional assistance beyond calling for help. Please keep [cellmobile phonedevices](#) turned off or use the “keypad lock function” to avoid misdials. **Any button on the keypad that is depressed for longer than 15 seconds will automatically call 9-1-1.**

## 2. Work Sites

DO NOT engage in the use of a mobile [phonedevice](#) while at any work site during which the operation of a mobile [phonedevice](#) will be a distraction to the user and/or may create an unsafe work environment. Such work sites include but are not limited to: Road repair, maintenance and construction, operating or repairing energized equipment such as electrical panels, motors, or energized circuits. Such work sites must be secured or the [cellmobile phonedevice](#) used only by an employee while out of harm's way of such work environments.

## 3. Off-Road Equipment

DO NOT engage in the use of a mobile [phonedevice](#) while operating a motorized off-road (maintenance/construction type) equipment. Even hands-free mobile [phonedevice](#) will not be authorized while operating this type of equipment, unless the equipment has been properly stopped and taken out of gear or turned off.

**PROCEDURES:**

- A. Departments may have procedures that are more limiting than the District's mobile telephonedevice use policy, but department procedures must at minimum comply with this policy.

**GUIDELINES FOR USE OF MOBILE PHONES:**

Mobile phones are a tool to enhance employee productivity and provide a higher level of service to our customers. Mobile phone service is also more expensive than landline phones because of the airtime costs associated with mobile phone usage. Therefore we ask that employees follow the guidelines below to help keep costs to a minimum:

- A. Do not use your mobile phone to make a call if regular phone service is available. There is no charge for a local call made from a regular phone while local calls made or received on a mobile phone incur charges.
- B. Avoid lengthy conversations on mobile phones. If you anticipate a call lasting more than a few minutes try and arrange to call the person back from a regular phone.
- C. Minimize use of your mobile phone outside the home service area. Roaming charges add significantly to the cost of mobile phone calls.
- D. Minimize the number of long distance calls made on your mobile phone. Again, long distance calls on a mobile phone add to the expense to an already more expensive means of phone service.

**SECURITY ROLES & RESPONSIBILITY:**

1. Employees must always protect mobile devices with a secure password or pin. When possible, employees should use two-factor or two-step verification for added application/device security.
2. Employees must keep mobile device and accessories in good working order.
3. Employees may receive disciplinary action up to and including termination for damage to company owned mobile devices caused willfully by the employee.
4. The employee must notify their immediate supervisor upon detection of a security incident, especially when a mobile device may have been lost or stolen.
5. Mobile devices that contain confidential, personal, or sensitive District information must use encryption or equally strong measures to protect the data while it is being stored.
6. Unless written approval has been obtained from the District Manager, and notification given to the Information Systems Manager, databases or portions

thereof, which reside on the network at the District, shall not be downloaded to mobile computing or storage devices.

7. District mobile devices are property of the Paradise Irrigation District and subject to District rules and regulations regarding public information requests, maintenance and security policies.

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## PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

**TO: PID Board of Directors**  
**FROM: Mickey Rich, Information Systems Manager**  
**DATE: June 17, 2020 – Continued from February 14 and March 18, 2020**  
**RE: Directions for the Customer Assistance Program**

As requested by the Board of Directors, this agenda item was discussed by the Administration and Personnel Committee. The committee supports suspending the program and revisiting creating a policy to support a subsidy program at such time that meters are installed, and the District resumes regular billing.

The customer assistance program was created for low-income households in 2016 and provided a monthly \$10.00 service charge subsidy to the active rate for qualified applicants paid from the District's property tax revenue. The program was dependent on available tax revenue and offered at a first-come, first-serve basis so as not to exceed a total subsidy amount of \$189,960 annually. Customers were required to reapply each year to continue receiving the subsidy.

Following the 2018 Camp Fire all customers were placed on the ready-to-serve rate, which is not a qualifying rate for the subsidy, so no customer has received the subsidy since November 2018. As recovery continues and more customers return to the active rate, we expect to see more interest in the program. We currently have one applicant.

In 2017 there were approximately 630 program participants (approximately 6% of our customer base) receiving a bill subsidy amount of \$120.00 per year each, totaling approximately \$75,600.00 for the year.

Staff is asking for board direction regarding the future of the program.

The recommended form of action is:

"I move to suspend the Customer Assistance Program."



# WATERWORKS

## E N G I N E E R S

May 14, 2020

Kevin Phillips  
District Manager  
Paradise Irrigation District  
6332 Clark Road, Paradise, CA 95969

*Principals*  
John Matta, P.E.  
Ben Lee, P.E.  
Sami Kader, P.E.  
Mike. Fisher, P.E.  
Rob Bryant, P.E.

**RE: Proposal for District Engineering Services** - (Continued from May 20, 2020 Board of Directors Meeting)

Dear Mr. Phillips:

Please find the attached proposal for your consideration regarding Water Works Engineers' interest in providing District Engineering services to the Paradise Irrigation District for the coming year. For the last 14 months as the Recovery Program Manager and Engineer our team has been privileged to work daily alongside your staff on extensive and difficult projects to understand and recover the water distribution system from the damaging effects of the 2018 Camp Fire. In that time, our engineering and support staff have developed a deep familiarity and knowledge of your system, District policies, procedures, challenges, needs and goals. Working arm in arm, we have overcome many of those challenges as a unit, learning and adapting together to face circumstances never before seen for a water distribution system. We believe this experience has uniquely qualified us to provide the most valuable engineering support for your District's needs in the coming months.

We would propose these services to include the following general support tasks and the associated total not-to-exceed budget:

TASK	SUBTASK	TITLE	BUDGET
1		Project Management	
2		Engineering Support for the District	
	2.1	<i>Policy and Standards Review and Revisions</i>	
	2.2	<i>Review of Development Related Projects and Requests</i>	
	2.3	<i>Data Collection and Analysis in Support of PID Operations</i>	
	2.4	<i>Water Rights and Regulatory Compliance Reporting</i>	
	2.5	<i>Water Loss/Conservation Assessment and Analysis</i>	
	2.6	<i>Other Engineering Support As Needed</i>	
3		GIS Maintenance and Water Modeling	
<b>Total Not-To-Exceed Cost/1 Year</b>			<b>\$150,000</b>

The attached Exhibits detail the scope and fee basis for this request. Thank you for your consideration of this proposal. Please let me know if you have any questions or need anything additional.

Very Truly Yours  
WATER WORKS ENGINEERS, LLC

Colleen Boak, PE  
Project Engineer

## EXHIBIT A - SCOPE OF WORK

The following services will be provided by Water Works Engineers (Water Works) for this project on an as needed basis and as requested by the Paradise Irrigation District (PID or District) management staff for the term of June 1, 2020 through May 31, 2021:

### ***TASK 1 – PROJECT MANAGEMENT***

Water Works will provide Project Management oversight and reporting of all efforts undertaken under this contract, communicating progress and providing deliverables as requested to meet PID's needs.

#### **Subtask 1.1 - Meetings**

Water Works engineering staff will attend planning meetings, meetings with regulators, meetings with contractors and service providers, and public meetings as required to support PID operations. Our staff will also attend all PID Board meetings during the contract term. Assumes an average of 2 on-site meetings/month for 12 months (24 meetings) with 2 people (PM and Project Engineer) in attendance.

#### **Subtask 1.2 - Communication**

Our engineers will work with PID staff to provide support in communicating the District's engineering policies and decisions to stakeholders and to the public as needed. This will include producing communication materials, leading public information workshops, providing input on District website updates, etc.

#### **Task 1.3 - Scheduling**

The Project Manager will develop a task schedule and delivery outlook for each item of assistance provided to the client under this service agreement with specific attention to meeting PID's operational goals and continued Recovery milestones following the 2018 Camp Fire. The Project Manager will provide interim updates on a biweekly basis regarding progress and outlook moving forward.

#### **Task 1.4 - Documentation and Reporting**

Our engineering staff will collect, organize, and maintain all records and documentation required by PID, supporting the development of strong information-based operational strategies for the District.

Thorough documentation of all efforts undertaken on PID's behalf will be maintained, and a monthly report of activities will be provided with each invoice.

<b>Meetings</b>	<ul style="list-style-type: none"><li>Monthly Coordination Meetings, Task-specific meetings, Board Meetings, etc. (total of 24 meetings, 2 people)</li></ul>
<b>Deliverables</b>	<ul style="list-style-type: none"><li>Task Schedules with Bi-Weekly Schedule Updates as requested</li></ul>

## ***Task 2 – ENGINEERING SUPPORT FOR THE DISTRICT***

For this task, the Water Works Engineers team will engage with PID staff to provide professional engineering support as needs regularly arise related to ongoing District operations and management. Supporting PID's existing staff resources, Water Works will provide additional technical input where requested, furnishing analyses, reviews, recommendations and planning efforts in such a way as to facilitate the successful execution of the District's goals.

Each request for support will be defined in discussions with PID management, with Water Works staff working to ascertain the District's technical needs, schedule and milestones, deliverables, as well as any related support with regard to communication or coordination (internal or external to the District).

Our team will engage additional staff resources as necessary to support each request where it might be beneficial, potentially including GIS support, drafting, industry or other subject matter experts as applicable to the assignment.

Work efforts under this contract may include assistance with any of the following subtasks as defined below.

### **Task 2.1 – Policy and Standards Review and Revisions**

Water Works will work in close coordination with PID staff experts to execute an audit of existing District policies and standards. The goal of this effort shall be the development of recommended opportunities to update, improve, and rewrite these policies to more accurately reflect the contemporary focus areas of the PID Board and management.

Our engineering staff will provide technical and analytical review of these policy documents, executing updates as requested, as well as developing supporting documentation and staff reports for use in presenting potential updates to the Board and/or messaging to the public. Such efforts could include but not be limited to the following examples:

- Standard Details for Distribution System Infrastructure
- Improvement Standards
- Pipeline Specifications
- Field or Operational Procedures
- Maintenance and Flushing Procedures
- Water Loss Control Procedures
- Water Conservation Measures
- Recovery Related Policies
- Other Items as Requested

### **Task 2.2 – Review of Development Related Submissions and Property Concerns**

The Water Works engineering team will provide additional analytical capacity and technical support for PID staff in reviewing and responding to development-related submissions including development proposals, construction applications, capacity analyses, etc. Working closely with PID's distribution operations staff to leverage system knowledge in combination with engineering principles, Water Works

will facilitate an efficient support mechanism for community development with careful consideration for the Recovery strategies currently underway.

Applying informational mapping tools and utilizing Town of Paradise/Butte County data, our team will also support PID with the negotiation and processing of property related utility issues. Specifically as easements and new property boundaries are more frequently established or adjusted post-Camp Fire, Water Works will support PID's ability to keep pace with the community's needs while ensuring adequate consideration for the District's operational requirements are incorporated. We will also ensure that accurate and detailed records of these transactions are established, maintained and organized for future reference.

### Task 2.3 – Data Collection and Analysis in Support of PID Operations

As PID continues to work through the Recovery process and move forward with a new system outlook and normalizing operations, our team of engineers will be there to gather, analyze, organize and present critical data to facilitate an informed and focused approach to the District's future.

Drawing from team partnering experience in the organization and management of the monumental water quality testing efforts accomplished by PID, Water Works will continue working diligently alongside the field and office staff to provide critical statistics, trends, and analyses in support of sound management decisions to be made by the PID Board and leadership.

Critical data management components may include the following:

- Water quality data
- Network pressure data
- Repair and replacement work needed/completed system-wide
- Usage trends and characteristics
- Customer requests and permits
- Temporary housing trends
- Cross connection testing, etc

### Task 2.4 – Water Rights and Regulatory Compliance Reporting

Utilizing the above mentioned data management tools, combined with PID staff's existing record keeping procedures and knowledge, Water Works will ensure PID is kept abreast of all reporting related to permits, water rights, local, state, and federal compliance. Tracking as submission deadlines approach, our team will work to prepare, vet, and coordinate reporting submissions with PID team members to confirm accuracy as well as to share knowledge regarding the reporting requirements and targets for compliance.

Water Works staff will work to keep staff well- informed and adjust procedures as may be necessary to accommodate changes in legislation or report requirements as the come.

### Task 2.5 – Water Loss/Conservation Assessment and Analysis

Accounting for significant system damages and alterations resulting from the 2018 Camp Fire, the Water Works team will apply professional engineering analytical support to develop best practices and recommendations for water loss reduction and conservation measures throughout the distribution network. This shall include assistance in the development of an AWWA Water Audit, coordinated with the



Department of Water Resources as well as CA-NV Section of the AWWA to advocate for the unique position in which PID currently finds itself, with an extremely high post-fire leakage rate. Our team will assist in balancing economic considerations against good water resource husbandry to find the best resultant water loss control efforts for this District going forward, documenting these procedures and practices for future reference and reporting.

#### **Task 2.6 – Other Engineering Support as Needed**

Additional engineering support needs may arise during the course of this contract not otherwise mentioned here. Support for those additional tasks may be discussed with PID management at that time to determine if they fall within the general scope and intent of this contract.

<b>Hours</b>	<ul style="list-style-type: none"><li>Assumes 40 hours of a Project Engineer per month</li></ul>
<b>Deliverables</b>	<ul style="list-style-type: none"><li>Calculations, memos, reports, analyses, reviews, presentation materials, or other documents as needed and mutually agreed upon between Water Works and PID management at the time of each request.</li></ul>

### ***Task 3 – GIS MAINTENANCE AND WATER MODELING***

Water Works understands the value that GIS-based tools have provided to PID operations over the last year in organizing large data sets into workable planning tools, managing field sampling efforts and construction operations, as well as for the important task of communicating Recovery progress with the public.

PID will have a continued need for this capability going forward in the next year as Recovery efforts continue and significant repair projects ramp up system-wide. Our team will assist in the maintenance of these mapping and informational tools, providing engineering and analytical support to convert this capability into real time answers, trends, and workload. Working alongside our Websoft partner, our team will ensure this highly functional resource remains at PID's fingertips and continues to facilitate forward progress. Public map portals will be maintained and updated as long as they are desired by PID management.

In addition, Water Works will provide further technical assistance in the form of distribution system hydraulic modelling analyses. Modeling will assist in the evaluation of development proposals and capacity studies, audit of fire flow readiness and any needs for related system upgrades, in addition to support for fine tuning of operational strategies related to water treatment/resource management. The hydraulic model will provide critical insight into seasonal demand fluctuations coupled with a reduced customer base, higher water age and its affect on the system, and supply delivery performance with hampered storage capacity resulting from the Camp Fire.

The tools described here will be leveraged as needed depending on the engineering support task requested and where they can be usefully applied. The tasks above are also dynamic in nature. At each step, we will provide the District with the opportunity to provide feedback on the output.

## PROJECT SCHEDULE

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Program Management, as defined in Task 1, will be ongoing throughout the 12-month project (through May 2021). Tasks 2 and 3 will be exercised on an as-needed basis as requests are received from the District for support in these areas. Each task will have an individual completion timeline coordinated by the Project Manager, progress toward which will be communicated regularly to the PID staff team.

# EXHIBIT B- FEE

## ***ENGINEERING FEE***

Payment for Tasks 1 through 3 will be on a Time and Expense basis and invoiced in accordance with the Hourly Wage Rates in the following table.

Classification	Title	Hourly Rate
AA	Administrative	\$105
E1	Staff Engineer	\$131
E2	Associate Engineer	\$160
E3	Project / Structural Engineer	\$180
E4	Senior Project Engineer / Manager	\$209
E5	Principal Engineer	\$242
I1	Field Inspector	\$141
I2	Senior Inspector	\$157
I3	Supervising Inspector	\$175
T1	CADD Tech 1	\$88
T2	CADD Tech 2	\$118
T3	CADD Tech 3	\$145

**Notes:**

1. A markup of 10% will be applied to all project related Direct Costs and Expenses.
2. An additional premium of 25% will be added to the above rates for Expert Witness and Testimony Services.
3. Rate effective through December 31, 2020. A 3% increase will be added for any services performed in each year thereafter.

A detailed breakdown of the engineering costs summarized above is presented on the following page.



# Water Works Engineers Fee Estimate

Client Paradise Irrigation District  
Project District Engineering Services June 1,  
Task Order No  
Prepared by Boak  
Date 5/14/2020



			Hours and Fee												
Year			Task 1				Task 2				Task 3				
			2020		2021		2020		2021		2020		2021		
			Project Management June 2020 - May 2021				District Engineering Support 2020 - May 2021				GIS Maintenance and Water Modeling June 2020 - May 2021				
2020 Total Hours			hrs	fee	hrs	fee	hrs	fee	hrs	fee	hrs	fee			
Water Works Engineers															
Classification	Title	Hourly Rate													
AA	Administrative	\$105.06	12	6	\$630	6	\$649								
T1	Drafter/Jr. Technician	\$87.55	-												
T2	Designer/Sr. Technician	\$118.45	-												
T3	Senior Designer	\$145.23	-												
I1	Field Inspector	\$141.11	-												
I2	Senior Inspector	\$156.56	-												
I3	Supervising Inspector	\$175.10	-												
E1	Staff Engineer	\$130.81	160							80	\$10,465	80	\$10,779		
E2	Associate Engineer	\$159.65	120							60	\$9,579	60	\$9,866		
E3	Project Engineer	\$180.25	480	60	\$10,815	60	\$11,139	180	\$32,445	180	\$33,418				
E4	Senior Project Engineer	\$209.09	-												
E5	Principal Engineer	\$242.05	20	10	\$2,421	10	\$2,493								
Expenses															
	WWE Expenses				\$1,500	\$1,500		\$500	\$500						
Subconsultants															
	Websoft Developers												\$10,000		
Subconsultant/Expense Markup			10%		\$150	\$150		\$50	\$50		\$0	\$1,000			
Annual Increase for WWE rates of			3%												
Subtask Totals				76	\$15,516	76	\$15,932	180	\$32,995	180	\$33,968	140	\$20,044	140	\$31,645

Amendment 2 Total	
Hours	Fee
792	\$150,100

## AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between Paradise Irrigation District, an irrigation district formed and existing under Division 11 of the California Water Code (“District”), and **Water Works Engineers, LLC** (“Consultant”). District and Consultant are collectively referred to as “parties” or either individually as “party”.

### WITNESSETH:

- A. District desires to retain the professional services of a consultant to provide District Engineering Services.
- B. The duration of service for this contract is for 1 year from the date the Agreement is entered into, unless terminated earlier.
- C. The purpose of this project is for the Consultant to provide District Engineering Services in support of operation of the District’s water treatment and distribution facilities and crew operations.
- D. The initial work to be performed by Consultant is further described in the Scope of Work attached hereto as Exhibit “A” and incorporated herein by this reference and is collectively referred to as the “Project”. As the needs of the project develop, additional scope will be added by change order to this contract.
- E. Consultant desires to undertake the Project pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby stipulated, the parties agree as follows:

#### I. SCOPE OF WORK

The Consultant shall be responsible for timely and satisfactorily completing work on the Project as defined in this Agreement and Exhibit “A”.

#### II. SCHEDULE

The Project will be completed upon a mutually agreed schedule after execution of this Agreement and Consultant’s receipt of written Notice to Proceed on the Project from the District. The parties agree to establish this schedule within five (5) days of receipt of written Notice to Proceed. Failure to do so shall result in termination of agreement without cost to District. Time is of the essence in completing the work contemplated herein.

#### III. RESPONSIBILITIES

A. District. The District's duties and rights in connection with this Project are as follows:

- 1) The District shall make staff available to the Consultant for purposes of conference discussion, reviewing submissions from the Consultant, providing background or other available factual information and/or suggestions relating to the work in a manner such that the Consultant may meet the Project completion schedule.
- 2) The District shall provide access to all District facilities upon request by the Consultant at a time and in the manner mutually agreed upon as required to accommodate the work of Consultant.
- 3) District shall tender payment in accordance with the provisions of Section VI(B).

B. Consultant. Consultant's duties and rights in connection with this Project are as follows:

- 1) Consultants shall be solely responsible for satisfactorily completing the Project, including those tasks described in Exhibit "A". Consultant shall supervise and direct the work and give all attention for such proper supervision and direction;
- 2) If Consultant furnishes labor or materials, or if Consultant incurs any expense on behalf of District, Consultant shall provide and pay for all labor, materials, equipment (including tools, construction equipment and machinery), utilities, transportation, and all other facilities and services necessary for the completion of the work on the Project;
- 3) If this Agreement or any of the Exhibits hereto are ambiguous or at variance with each other, Consultant shall notify District promptly upon discovery of any such ambiguity or variance. District may reply in writing resolving the ambiguity or variance and Consultant agrees to comply with District's written interpretation. No claims or demands of Consultant for extra compensation as a result of changes in the work shall be authorized unless done in conformance with section VIII, below.
- 4) Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement.

- 5) All work performed by Consultant for District pursuant to this Agreement shall be performed by qualified persons, and shall be performed in accordance with standards of performance generally applicable to experts and licensed professionals in the field for which Consultants services are retained. The standard of care and performance shall be equal to or greater than the standard of care and performance of other consultants engaging in the same or similar work.
- 6) Consultant shall be entitled to rely upon the accuracy of data and information provided by authorized staff of the District in writing; provided such reliance is consistent with professional standard of care.
- 7) Consultant agrees that it will conduct its work on the Project and perform its services in compliance with all applicable Federal, State and local laws, regulations and ordinances.

#### IV. WORK PRODUCT

The District, or its designee, shall at all times have access to the work product of the Consultant while Project is under preparation or in progress. Upon completion or termination of the Project, all drawings, documents, files and notes both in written and electronic format shall become property of the District, including without limitation all renderings, slides, sketches, plans, specifications, drafts, records, documents and other correspondence generated for or relied upon in connection with the Project. Any reuse of Consultant prepared documents, except for the specific purpose intended hereunder, will be at District's sole risk and without liability or legal exposure to Consultant or its subconsultants.

#### V. DESIGNATED REPRESENTATIVES

The Project shall be under direct control of **Sami Kader**, Consultant's Project Manager, to whom all questions may be directed. The District's representative will be its District Manager, **Kevin Phillips**, or his designee who will facilitate communication between the District's staff and Consultant.

#### VI. COMPENSATION

- A. Payment: Consultant will be paid on a time and materials basis in an amount "not to exceed" **\$150,000** annually, for the Project and work to be performed in Exhibit "A". No work in addition to the work described in this Agreement, including Exhibits, shall be performed by Consultant without prior written authorization by District as provided for in section VIII, below. Progress payments shall be made monthly for work completed based upon the billing rates contained in the Schedule of Rates/Fees attached hereto as Exhibit "B" and incorporated herein by this reference.

- B. Time of Payment: District shall make payment to Consultant within thirty (30) days from the date of receipt of Consultant's invoice for undisputed amounts. Claims for payment of disputed amounts shall be handled in accordance with sections VIII and IXX, below. Consultant shall continue with work on the Project notwithstanding disputes as to payment. Acceptance of the Project, or some portion thereof, or payment to Consultant by District does not in any manner relieve Consultant of its obligations under this Agreement.

## VII. TERM AND TIME FOR COMPLETION

This Agreement shall become effective on the date first written above and shall remain in effect until the Project has been satisfactorily completed unless sooner terminated in accordance with Article XI - Termination. Consultant will begin work upon receipt of written Notice to Proceed and will work diligently and continuously until satisfactory completion.

## VIII. TIME OF THE ESSENCE

Time is of the essence with respect to all provisions of this Agreement.

## X. INDEMNIFICATION

Consultant agrees to indemnify, defend, and hold harmless the District, its officers, agents, employees and volunteers from and against any and all claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all costs and expenses in connection therein) (collectively "Claims") to the extent arising out of, pertaining to, or relating to the negligence, recklessness, or willful misconduct of the Consultant, excepting such injury or harm caused by District's sole or active negligence or willful misconduct, to the extent caused thereby. Consultant's indemnity obligation shall extend to Claims occurring after completion of the Project, as well as during the Project's progress.

Consultant specifically agrees that this indemnification agreement provides indemnity to District for any claims, damages or liability for injuries (including death) incurred or sustained by Consultant's own employees and those of Consultant's subconsultants.

Neither the termination of this Agreement, nor the completion or ending of the Project shall release Consultant from its obligations to indemnify as set forth above. Consultant's obligation to indemnify and its obligation to maintain liability and other insurance are separate and distinct. Consultant's obligation to indemnify is not restricted to insurance proceeds, if any, received by District or its directors, officers, employees, or authorized representatives.

## XI. INSURANCE

- A. Consultant agrees to provide insurance coverage as set forth in Exhibit “C”.

## XII. TERMINATION

- A. **TERMINATION FOR CONVENIENCE.** District may terminate this Agreement with Consultant at any time without cause. District shall so notify Consultant in writing. Upon written notification, this Agreement shall be terminated and the Consultant shall immediately stop the Consultant’s work on the Project, follow all District instructions, and mitigate all costs and damages. Provided Consultant is not in breach, District shall be responsible for all costs incurred by Consultant up to the date of termination without cause.
- B. **TERMINATION FOR CAUSE: CONSULTANT PERFORMANCE AND THE BREACH THEREOF.** The District may terminate this agreement and is relieved of the payment of any consideration to Consultant should Consultant fail to perform the covenants herein contained at the time and in the manner herein provided. Consultant shall be notified in a timely manner of default and provided 30 days in which to remedy the default. If, at the end of the 30 days, remedy is not made or does not satisfy the default, the District shall notify the Consultant of the breach and thereby the termination of this contract. In the event of such termination, the District may proceed with the work in any manner deemed proper by the District. The cost to the District shall be deducted from any sum due the Consultant under this agreement and the balance, if any, shall be retained by the District.

## XIII. ENTIRE AGREEMENT

This writing, including Exhibits “A”, “B”, and “C” constitutes the entire Agreement between the parties relative to the services specified herein, and no modifications hereof shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Agreement.

There are no understandings, agreements, conditions, representations, warranties or promises with respect to the subject matter of this Agreement except those contained in or referred to in this writing.

## XIV. INDEPENDENT CONSULTANT

It is expressly understood and agreed by the parties that Consultant's relationship to District is that of an independent contractor. All persons hired by Consultant and performing the work shall be Consultant's employees or agents. District shall not be obligated in any way to pay any wages or other claims by any such employees or agents or any other person by reason of this Agreement. Consultant shall be solely

liable to such employees and agents for losses, costs, damage or injuries by said employees or agents during the course of the work.

#### XV. SUCCESSORS AND ASSIGNMENT

This Agreement shall be binding on the heirs, successors, executors, administrator and assigns of the parties; however, Consultant agrees that it will not assign, transfer, convey or otherwise dispose of this Agreement or any part thereof, or its rights, title or interest therein, or its power to execute the same without the prior written consent of District which may be withheld for any reason, in District's sole discretion.

#### XVI. REMEDIES NOT EXCLUSIVE

The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of any other remedy provided by law.

#### XVII. NOTICES

All notices, statements, reports, approvals or requests or other communications that are required either expressly or by implication to be given by either party to the other under this Agreement shall be in writing and signed for each party by such officers as each may, from time to time, authorize in writing to so act. All such notices shall be deemed to have been received on the date of delivery if delivery personally or three (3) days after mailing if enclosed in a properly addressed and stamped envelope and deposited in the U.S. post office for delivery. Unless and until formally notified otherwise, all notices shall be addressed to the parties at their addresses shown below:

Paradise Irrigation District  
Attention: **Kevin Phillips**  
6332 Clark Road  
Paradise, CA 95969

CONSULTANT  
Attention: **Sami Kader**  
760 Cypress Ave., Suite 201  
Redding, CA 96001

#### XVIII. SUBCONSULTANTS

Except for the subconsultants listed in Exhibit "A", no other subcontract shall be awarded or another outside consultant engaged by Consultant unless prior written approval is obtained from District, which may be withheld for any reason, in District's sole discretion. Payment to Consultant as provided in Exhibit "B" includes full payment for services to sub-consultants.

#### IXX. INTERPRETATION

Unless the context otherwise clearly requires, the terms in the body of this Agreement shall prevail over any inconsistent terms that may be found in the Exhibits hereto.

The parties have had a full and fair opportunity to negotiate and review the terms of this agreement with their respective legal counsel and, as a result, the normal rule of interpreting ambiguities against the drafting party shall not apply.

## XX. DISPUTE RESOLUTION; JURISDICTION AND VENUE

In the event of dispute regarding interpretation or implementation of this Agreement, including without limitation disputes concerning payment, a District representative and Consultant representative shall endeavor to resolve the dispute by meeting in person within 30 days after the request of either party. If the dispute remains unresolved and unless the parties otherwise agree, the dispute may be resolved by litigation and any party may at its option pursue any available legal remedy. This Agreement shall be governed by and construed under the laws of the State of California. Jurisdiction and venue for any action brought to enforce or interpret the terms of this Agreement shall be in the Superior Court of the State of California in and for the County of Butte.

## XXI. HAZARDOUS MATERIALS

In the event the Consultant or the District discover Hazardous Materials in any form at District's facilities, the Consultant and the District shall promptly confer with each other of the discovery, and the District and Consultant shall employ reasonable actions ensuring public, employee, and third party safety.

As used herein, Hazardous Materials means any hazardous or toxic substance, material, or waste, the storage, use, or disposition of which is or becomes regulated by any local governmental authority, the State of California, or the United States government.

## XXII. FEMA REQUIREMENTS

### A. Equal Employment Opportunity.

- 1) The Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Consultant will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action will include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.



- 2) The Consultant will, in all solicitations or advertisements for employees placed by or on behalf of the Consultant, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- 3) The Consultant will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Consultant's commitments under this section, and will post copies of the notice in conspicuous places available to employees and applicants for employment.
- 4) The Consultant will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- 5) The Consultant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- 6) In the event of the Consultant's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Consultant may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

The Consultant will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Consultant will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Consultant becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the Consultant may request the United States to enter into such litigation to protect the interests of the United States.

**XXIII. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT 40 U.S.C.  
3701–3708**

- A. Overtime requirements. No contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section Consultant and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Consultant and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- C. Withholding for unpaid wages and liquidated damages. The District shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Consultant or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- D. Subcontracts. The Consultant or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime Consultant shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (5) of this section.

#### XXIV. CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT

The Consultant and the District agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

##### A. Clean Air Act

- 1) The Consultant shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- 2) The Consultant shall report each violation to District and understands and agrees that District will, in turn, report each violation as required to assure notification to the Cal OES, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- 3) The Consultant shall include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FEMA.

##### B. Federal Water Pollution Control Act

- 1) The Consultant shall comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- 2) The Consultant shall report each violation to District and understands and agrees that District will, in turn, report each violation as required to assure notification to the Cal OES, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- 3) The Consultant agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

##### C. Energy Efficiency

Consultant will comply with all standards and policies relating to energy efficacy which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

- 1) This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Consultant is required to verify that none of the Consultant, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- 2) The Consultant must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- 3) This certification is a material representation of fact relied upon by the District. If it is later determined that the Consultant did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the District, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- 4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any Contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."

#### XXV. CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements (To be submitted with each bid or offer exceeding \$100,000) the Consultant will execute the following certification:

The undersigned Consultant certifies, to the best of his or her knowledge, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of

Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- C. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- D. Consultant certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, Consultant understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Signature of Consultant's Authorized Official:

Name and Title of Consultant's Authorized Official:

Sami Kader, Principal

Date:

## XXVI. PROCUREMENT OF RECOVERED MATERIALS

If applicable in the performance of this Contract, the Consultant shall make maximum use of products containing recovered materials that are EPA designated items unless the product cannot be acquired-

- (i) Competitively within a timeframe providing for compliance with the contract performance schedule;
- (ii) Meeting contract performance requirements; or
- (iii) At a reasonable price.

Information about this requirement is available at EPA's Comprehensive Procurement Guidelines web site, <http://www.epa.gov/cpg/>. The list of EPA-designate items is available at [http://www.epa.gov/cpg/products](http://www.epa.gov/cpg/products.htm) .htm."

## **XVII. ACCESS TO RECORDS**

- A.** The Consultant shall provide CalOES, the District, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Consultant which are directly pertinent to this Contract for the purposes of making audits, examinations, excerpts, and transcriptions.
- B.** The Consultant shall permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- C.** The Consultant shall provide the FEMA Administrator or his authorized representatives' access to construction or other work sites pertaining to the work being completed under the Contract.

## **XXVIII. DEPARTMENT OF HOMELAND SECURITY (DHS) SEAL, LOGO AND FLAGS**

Consultant shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre approval.

## **XXIX. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS**

Consultant acknowledges that FEMA financial assistance will be used to fund the Contract only. The Consultant will comply with all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.

## **XXX. NO OBLIGATION BY FEDERAL GOVERNMENT**

The Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to the non-Federal entity, Consultant, or any other party pertaining to any matter resulting from the Contract.

## **XXXI. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS**

The Consultant acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Consultant's actions pertaining to this Contract.

## **XXXII. SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, LABOR AREA SURPLUS FIRMS**

Consultant shall take all necessary affirmative steps to assure that small and minority businesses, women's business enterprises and labor area surplus firms are used when possible, as set forth in 2 C.F.R. §200.321.

By execution of this CONTRACT the Consultant certifies that compliance with all the stated regulatory requirements as stipulated and where action is appropriate and required as a means of compliance, shall endeavor in good faith to conform to regulations and in no way are they connected to any federal, state or local debarment proceedings.

IN WITNESS WHEREOF the parties execute this Agreement on the day and year first herein above written.

Signature

\_\_\_\_\_  
Sami Kader, Principal

ATTEST:

TAXPAYER ID 20-3148271

Business Type:

Corporation ☐ Yes ☐ No

Other: LLC

*(Complete W-9 enclosed)*

\_\_\_\_\_  
Printed Name and Title

PARADISE IRRIGATION DISTRICT

ATTEST:

\_\_\_\_\_  
Georgeanna Borrayo, District Secretary

\_\_\_\_\_  
Kevin Phillips, District Manager

Attachments:

Exhibit A - Consultant's Scope of Work

Exhibit B - Consultant's Schedule of Fees

Exhibit C - Insurance Requirements

## **EXHIBIT A**

### **Scope of Work to be performed by the Consultant**



## **EXHIBIT B**

**Compensation is based on the following schedule of rates and fees**

## **EXHIBIT “C”**

### **INSURANCE REQUIREMENTS**

Consultant agrees with the Paradise Irrigation District that:

- a) By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the Labor Code which requires 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 before commencing the performance of the work of this agreement. Consultant and subconsultants will keep workers' compensation insurance for their employees in effect during all work covered by this agreement.
- b) Consultant will file with the Paradise Irrigation District before beginning work, certificates of insurance and policy endorsements satisfactory to the Paradise Irrigation District evidencing general liability coverage, of not less than \$1,000,000 per occurrence (\$2,000,000 general and products-completed operations aggregate (if used)) for bodily injury, personal injury and property damage; auto liability of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring 30 days (10 days for non-payment of premium) notice of cancellation to the Paradise Irrigation District. Such insurance shall be primary and any insurance, self-insurance or other coverage maintained by the Paradise Irrigation District, its directors, officers, employees, or authorized volunteers shall not contribute to it. The general liability coverage shall give the Paradise Irrigation District, its directors, officers, employees, and authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by the Paradise Irrigation District. In the event that the Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be the Consultant's responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above. Consultant agrees to waive subrogation which any insurer may acquire by virtue of payment of any loss. Consultant shall obtain any endorsement necessary to affect this waiver of subrogation.
- c) Consultant shall maintain errors and omissions liability insurance appropriate to the Consultant's profession of no less than \$1,000,000 per claim and aggregate for this project.
- d) Insurance must be maintained for at least five years after completion of contract work.

If any of the required coverages expire during the term of this agreement, the Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to the Paradise Irrigation District at least ten (10) days prior to the expiration date.

Signature of Consultant's Authorized Official:

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Name and Title of Consultant's Authorized Official:

**Sami Kader, Principal**

---

Date: \_\_\_\_\_



## ***PARADISE IRRIGATION DISTRICT***

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**TO: Board of Directors**

**FROM: Kevin Phillips, District Manager**

**DATE: 5/15/2020**

**RE: Debris removal – Document storage building - Continued from May 20, 2020**

The District has a building located at the B-Reservoir that was used for document storage. During the Camp fire the building was destroyed. The District needs to remove the debris with a licensed contractor.

The building is a covered asset by insurance. The insurance company has required that the District get 2 bids for debris removal and select the lowest qualified bidder. Below is the bid recap.

DADCO	\$ 9,950.00
Walberg Inc	\$12,500.00
M. Roethler General Engineering	\$15,750.00

The recommended form of motion is:

“I move to authorize award of contract to DADCO Construction for debris removal services of the storage building located at the Reservoir B property for a not to exceed amount of \$9,950.”

## Notice of Exemption

To: ☐ Office of Planning and Research  
1400 Tenth Street, Room 121  
Sacramento, CA 95814

From: Paradise Irrigation District  
6332 Clark Road  
Paradise, CA 95969

☒ County Clerk  
County of Butte  
155 Nelson Avenue  
Oroville, CA 95965

Project Title: Damaged/destroyed Building Removal Project.

Project Location – Specific: 5571 Skyway, Paradise, CA 95969

Project Location – City: Paradise

Project Location – County: Butte

**Description of Nature, Purpose and Beneficiaries of Project:**

This project consists of removing debris and foundation of a structure damaged by the November 2018 Camp Fire.

Name of Public Agency Approving Project: Paradise Irrigation District

Name of Person or Agency Carrying Out Project: Paradise Irrigation District

**Exempt Status: (check one)**

- ☐ Ministerial (Sec. 21080(b)(1); 15268)  
☒ Declared Emergency (Sec. 21080(b)(3); 15269(a))  
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c))  
☐ Categorical Exemption. State type and section number: \_\_\_\_\_  
☐ Statutory Exemption. State type and section number: \_\_\_\_\_


Reason why project is exempt: This is a project to remove debris and foundation of a structure damaged as a result of the Camp Fire, a disaster for which a state of emergency was declared.

**Lead Agency**

Contact Person: Kevin Phillips Area Code/Telephone/Ext. (530) 877-4971

**If filed by applicant:**

1. Attach certified document of exemption finding.
2. Has a notice of exemption been filed by the public agency approving the project? ☐ Yes ☐ No

Signature:  Date: 06/01/20 Title: District Manager

☒ Signed by Lead Agency

Date received for filing at OPR: \_\_\_\_\_

☐ Signed by Applicant

# DADCO Construction Contract



## Owner Information

Name Paradise Irrigation District (ErinWest)

Address 5571 Skyway

City, State ZIP Paradise, CA 95969

Phone 530-877-4971

Email ewest@paradiseirrigation.com

Project name 5571 Skyway

## Contractor Information

Company DADCO CONSTRUCTION

Name L. Douglas Munjar

Address P.O. Box 73

City, State ZIP Paradise, CA 95967

Phone 1(530) 518-9077

Email dadcoconstruction@yahoo.com

License # A 658283

## Company Proposal

DADCO Construction shall furnish materials, labor, equipment and testing for the removal of residence debris and foundation. This includes any personal property, metals and concrete within the ash foot print of the residence located at **5571 Skyway Paradise, CA 95969**, residence of Paradise Irrigation District. All clean up and fire debris removal shall be disposed of per the guidelines of the Town of Paradise, County of Butte, State of California and US Governments Codes and Regulations for the clean up. This is to meet the standards of safety and certification of property cleanliness to allow to rebuild.

## Not Included

Owners must remove any wanted items that they want to keep within the clean up area before work begins. Not responsible for the removal of any asbestos over 120 lineal ft. and any friable asbestos. If Asbestos test comes back positive, DADCO will submit costs and have approval in writing by both parties. Tree removals are not included unless specifically documented within the scope of work portion of bid. No stump removal unless other wise noted in work scope. Stump grinding not included.

## Scope Of Work

The work shall include: (1). Initial site testing for hazardous materials and asbestos; for the purpose of obtaining a rebuild permit through the County of Butte. (2). Removal of all concrete from the residence structure, garage, sidewalks and walkways. (3). Removal of all ash foot prints to include the residence and outbuildings. (4). Removal of debris and metal within the burned structures and agreed locations on property. (5) Erosion control will be installed per the guidelines of Butte County. (6). Upon completion of the ash and debris removal, 3-6 inches of the soil surface within the affected areas shall be removed and properly disposed and a final soil analysis test shall be performed per Butte County regulations.

## Payment Schedule

Upon signing due is 10 % down, \$1,000 is to DADCO the rest of the 10% is for asbestos sampling, testing and analysis report. A 1/3 at start of work on the property. A 1/3 at finished cleanup of ash, metal, concrete and debris. Final balance due upon Butte County heavy metal analysis testing clearance.

## Owner Acceptance

I, Erin West for P.I.D do accept the above scope of work, proposed to be completed for the Total Amount \$9,950.

Submitted by Erin West

Date

Submitted by Douglas Munjar DADCO Construction

Date

Page 1 of 6

## Cost Breakdown Debris Removal

### List of Materials and Costs

#	Description	Cost	Total
1	Preliminary site assessment, asbestos sampling, testing and report.		
2	Removal of a 21x24 block building.		
3	Removal of all metal, ash and debris within the structure footprint.		
4	Removal of all concrete walkways surrounding the structure.		
5	Final soil sampling, testing and report for heavy metals.		9,950.00
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
		Sub Total	<u>\$9,950.00</u>
16			
17			
18			
20			
19			
20			
21			
22			
		Sub Total	<u>\$0.00</u>
		Grand Total	<u>\$9,950.00</u>



## DADCO CONTRACT TERMS AND CONDITIONS

DADCO Construction shall not be liable for failure or delay due to acts of GOD, differences with workmen, local labor shortages, fire, flood or other casualties, governmental regulations or requirements, shortages of, or failure of raw materials, supplies, fuel, power or transportation breakdown of equipment, or any other causes beyond the reasonable control of DADCO Construction whether of similar or dissimilar in nature than those enumerated.

In no event shall DADCO Construction be liable for any consequential damages or claims resulting from failure or delay in the completion of the contract.

In the event the Owner becomes insolvent, commits an act of bankruptcy. Or defaults in the performance of any terms of the proposal, the entire unpaid portion of the contract price shall without notice, or demand, become immediately due and payable.

In such any event, DADCO Construction at its option, without notice or demand shall be entitled to sue for said balance and for reasonable attorney's fees and out of pocket expenses, plus interest, and or to retain all payments therefore made deficiency between the payments received and the contractor price due and payable for performing this contract.

This accepted proposal shall not become a contract until approval of credit by the Credit Department of DADCO Construction.

Contractors are required by law to be licensed and regulated by the Contractors State License Board. Any questions concerning a contractor may be referred to the register of the board whose address is:

CONTRACTORS STATE LICENSE BOARD  
3132 BRADSHAW ROAD  
SACRAMENTO, CA 95826  
(916)255-3900

All contractors are subject to strikes, accidents, or causes beyond our control.

### **Time spent obtaining permits are included in this bid.**

Only items specifically stated in the proposal are included in it. Any item not specifically included is excluded and a cost of \$65.00 an hour will be additional to this proposal.

Scheduling, phasing, and job prosecution shall be controlled by DADCO Construction and shall be continuous unless specified otherwise in this document. If special scheduling is required to accommodate portions of the job or subcontractors, additional costs (if any) will be billed including but not limited to additional move in and remobilization charges.

Unless specifically specified, it is assumed that the work will proceed in "Dry Weather and Daylight Hours" Additional costs for wet weather work (if any) will be charged as extras.

**Exclusions:** Lines, grades, test, engineering, bonds, retention, construction striking, property location and layout, relocation or damage to underground utilities, breaking or damaged of driveways and walkways but will try to keep them preserved.

**Time of Completion:** As soon as reasonably possible, permits, weather and soil permitting.

Contract subject to additional conditions: If acceptable, please sign and initial all original documents and return by mail or email. Please keep a copy for your records. However no work will commence without receipt of original signed documents and first payment

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Paradise Irrigation District ( Erin West)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Douglas Munjar, DADCO Construction



# Walberg Inc.

California Contractor's License Number: 898860

## Proposal

### 1. GENERAL INFORMATION

Bid To: Paradise Irrigation District Attn: Erin West

Project Title: Burn Debris Clean-up located at 8770 Skyway, Paradise (Records Building)

Bid Date: 3/13/19

Phone: 530-566-2591

E-mail: [ewest@paradiseirrigation.com](mailto:ewest@paradiseirrigation.com)

### 2. BID SCOPE OF WORK:

- Lab testing for initial debris and for final clearance
  - Debris removal - clean up, off haul and dispose of debris from cinder block building
  - Demolish and remove concrete foundation from cinder block building
  - Scrape and remove 3 to 6" of dirt from footprint
  - Place straw wattles and hay site
- Total-\$12,500**

#### Job Specific exclusions-

- Trees
- Cars
- Driveway(s) - No driveways figured for removal unless specified in scope of work. Due to heavy equipment necessary to clean property, Walberg Inc. will take precautions not to damage driveways, however, is not responsible for any cracking.
- No permit costs (Butte county is currently not charging)
- **If asbestos, lead or other hazardous materials are found present on property in lab samples, an additional cost will be added with a Change Order.**

### 3. BID EXCLUSIONS: Unless expressly included under paragraph 2, above, the following items of work are expressly excluded under this Proposal:

- a. Permits, permit fees, bond or bond fees, and/or approvals which are, or may be, required by any local, state, or federal agency or department.
- b. More than one mobilization of the project by Walberg.
- c. Potholing, pre-excavation testing or locating, relocation of utilities or other obstructions, or the coordination of Walberg's work with any other person, persons, entity, or entities including, without limitation, utility companies.
- d. The removal and/or disposal of hazardous materials and/or substances and/or products including, but not limited to asbestos, lead, petroleum, heavy metals and/or hydrocarbon substances, and/or products and/or materials which contain asbestos, lead, petroleum, heavy metals and/or hydrocarbon substances.
- e. Any clearing, grubbing, landscape repair, landscape replacement, sprinkler repair, sprinkler replacement, concrete repair, concrete replacement, and/or tree removal. (Unless otherwise stated in the above scope of work.)

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6041 Highway 99W, Corning, CA 96021 Telephone: (530) 824-0773 Fax: (530) 824-5887

# Walberg Inc.

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California Contractor's License Number: 898860

- f. Staking, compaction testing, inspections, engineering, erosion control, or SWPPP preparation, controls, or implementation.
- g. Design, engineering, and testing.
- h. Excavation, blasting, removal, or off-haul of any rock or other materials that cannot be reasonably excavated, in Walberg's sole discretion, with a Cat 420 backhoe.
- j. Any work not specified in this Proposal or expressly incorporated by reference in a duly signed extra work order or contract change order.
- l. Walberg Inc. will not be held responsible for any unmarked utilities. Any repairs will be an additional cost.
- n. No work shall be performed in wet or unfavorable conditions.

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#### 4. CONDITIONS OF BID

a. This Proposal sets forth the terms and conditions under which Walberg Inc., a California corporation ("Walberg") proposes to perform the work described under paragraph 2, above (the "Work"), which is subject to the exclusions set forth under paragraph 3, above.

b. This Proposal shall be attached to, and incorporated into, the form of agreement (the "Agreement") between Walberg and the party to which this Proposal is submitted (the "Contracting Party") and acceptance of all or any part of this Proposal by the Contracting Party constitutes acceptance of the terms and conditions set forth in this Proposal by the Contracting Party. If this Proposal is signed by the Contracting Party, this Proposal shall be the agreement between the Contracting Party and Walberg for the performance of the Work.

c. Notwithstanding any term covenant or condition set forth in the Agreement, if any, to the contrary, the parties agree that this Proposal sets forth the controlling terms and conditions under which Walberg and the Contracting Party agree that Walberg will perform the work described in this Proposal.

d. Walberg will be paid monthly progress payments on or before the tenth (10<sup>th</sup>) day of each month for the value of work completed, plus the amount of materials and equipment suitably stored on or off site prior to the twenty-fifth (25<sup>th</sup>) day of the previous month. Final payment of sums due under this Proposal, including the cost of changed or extra work and retention, shall be due thirty (30) days after the Work is substantially completed. All sums not paid when due shall bear interest at the rate of one and one-half percent (1½%) per month, or the applicable statutory rate or maximum legal rate permitted by law, whichever is more.

e. No more retention shall be withheld from Walberg than is being withheld by the owner of the Project (the "Owner") with respect to Work being performed by Walberg.

f. No provision set forth in any one or all of the Agreement, the plans and specifications, or documents incorporated into the project documents by reference, shall (a) void Walberg's entitlement to payment for properly performed work or suitably stored materials, (b) require Walberg to continue performance if timely payments are not made to Walberg for suitably performed work or stored materials, (c) void Walberg's right to record a mechanics' lien (claim of lien) or claim on its behalf in the event that any payment to Walberg is not timely paid, or (d) condition payment to Walberg upon receipt of payment by the Contracting Party from any other source of payment.

g. No back charges or claims by the Contracting Party against Walberg shall be valid except by an agreement in writing signed by Walberg before such work is performed. In the event such charges or claims arise out of Walberg's performance of the Work, the Contracting Party shall notify Walberg, in writing, of such failure and allow Walberg seventy-two (72) hours to commence the correction of any deficiency, and sufficient time thereafter to complete said deficiency, before incurring any costs chargeable to Walberg.

h. The Contracting Party shall prepare all areas of the project as requested by Walberg so that Walberg may perform the Work. Walberg will not be called upon to start performance of the Work until sufficient areas are prepared in a manner that

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6041 Highway 99W, Corning, CA 96021 Telephone: (530) 824-0773 Fax: (530) 824-5887

# Walberg Inc.

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California Contractor's License Number: 898860

insures continued work. The Contracting Party shall furnish all temporary site facilities including suitable storage space, hoisting, temporary electrical, and water for the performance of the Work at no cost to Walberg.

i. Walberg shall be given a reasonable time after approval of Walberg's shop drawings and submittals in which to make delivery of materials and/or labor to commence and complete the Work. The Contracting Party agrees to incorporate Walberg's calculated times of performance into the Contracting Party's schedule for the work of the project. Walberg shall not be held to perform under any project schedule to which Walberg has not agreed in writing. Walberg not be responsible for delays or defaults where occasioned by any causes of any kind and extend beyond its control, including but not limited to delays caused by the owner, general contractor, architect, and/or engineers, delays in transportation, shortage of raw materials, civil disorders, labor difficulties, vendor allocations, fires, floods, accidents and acts of God.

j. Walberg shall be entitled to the equitable adjustment (the "equitable adjustment") in the contract price and contract time (compensable time extensions) for additional costs or time arising out of (a) extra or changed work performed by Walberg on or in connection with the Work, (b) differing site conditions, (c) unanticipated project delays, or (d) acceleration caused by others whose acts are not Walberg's responsibility. The failure of the Contracting Party to provide Walberg a signed written order before Walberg commences the performance of any work to which it is entitled an equitable adjustment shall not constitute a waiver by Walberg of its entitlement to receive payment therefore and, by directing Walberg to perform such work, the Contracting Party agrees to equitably adjust the contract price and contract time to compensate Walberg. The Contracting Party shall make no demand for, or withhold any amount of money on account of, liquidated damages against Walberg, unless agreed by Walberg in writing.

k. Walberg's Work is warranted for a period of one (1) year from the date on which the Work is substantially completed or the use of all or any portion thereof by the Contracting Party or the Contracting Party's successor in interest or assign, whichever is earlier. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, ORAL OR WRITTEN, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. As to Work performed by Walberg, a defect in which is proven to be the sole responsibility of Walberg, the Contracting Party's exclusive remedy shall be that Walberg will replace or repair any part of its own Work that is found to be defective, and no other work, whether attached to, built upon, or adjacent to the Work. Walberg shall not be responsible for damage or defect caused by abuse, modifications performed by someone other than Walberg, improper or insufficient maintenance, improper operation, or normal wear, tear and usage.

l. The Work is to be performed during Walberg's regular working hours. All work performed outside of such hours shall be charged for at rates or amounts agreed upon by the parties at the time overtime is authorized and before Walberg is obligated to perform such work.

n. To the extent allowed under California law, Walberg shall indemnify and hold harmless the Contracting Party from damages only to the extent such damages were caused by any negligent act or omission of Walberg or anyone for whose acts Walberg is liable. The Contracting Party shall indemnify and hold harmless Walberg from damages to the extent such damages were caused by any negligent act or omission of the Contracting Party or anyone for whose acts the Contracting Party is liable.

o. If any legal action or proceeding arising out of or relating to the Work under this Proposal or under any Agreement for the performance of the Work is brought by either the Contracting Party or Walberg, the prevailing party will be entitled to receive from the other party, in addition to any other relief that may be granted, its attorney's fees, expert's fees, which may be awarded both as an element of damages and under any applicable statute, costs of suit, and other expenses incurred in the action or proceeding by the prevailing party.

p. In the event of an increase in the cost of any materials to be incorporated into the Work or used in the performance of the Work including, without limitation, construction materials and/or fuel, increases by more than five (5) percent over the amount included in Walberg's bid, the difference between the bid amount and the actual cost paid by Walberg for said materials shall be paid to Walberg as an equitable adjustment in the contract price.

q. This Proposal may be withdrawn by Walberg if not accepted by the Contracting Party with thirty (30) days of the date on which this Proposal is signed by Walberg.

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6041 Highway 99W, Corning, CA 96021 Telephone: (530) 824-0773 Fax: (530) 824-5887

# Walberg Inc.

California Contractor's License Number: 898860

r. This document supersedes all other contract documents.

## CONTRACTING PARTY

\_\_\_\_\_  
(Company Name, Entity)

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

**WALBERG, INC., a California corporation**

Dated: \_\_\_\_\_

\_\_\_\_\_  
Raymond B. Walberg, Vice President



# Proposal

M. Roethler General Engineering

PO Box 828

License # 1059314

Paradise, CA 95967

530-809-6946

5/15/2020

Site Id:

Customer ID:

Expiration Date:

8770 Skyway

Paradise Irrigation I

5/30/2020

Paradise Irrigation Dist

8770 Skyway

Paradise, CA 95969

[Ewest@paradiseirrigation.com](mailto:Ewest@paradiseirrigation.com)

Salesperson	Job	Payment Terms	Due Date
Mauny Roethler	Fire Debris Removal	See Contract	TBD

Qty	Description	Unit Price	Line Total
	<b>Remove fire debris from 8770 Skyway</b>		\$ -
1.00	Environmental - Asbestos, Testing, Mapping, Permitting & Reporting to Butte County Enviro Health	5,250.00	\$ 5,250.00
1.00	Ash Debris Disposal - Fee's & Trucking	3,000.00	\$ 3,000.00
1.00	Ash Footprint Demo & Removal (Labor & Equipment)	7,500.00	7,500.00
			-
			-
			-
			-
			-
			-
			-
			-
			-
Subtotal			\$ 15,750.00
Sales Tax			-
Total			\$ 15,750.00

Contractor provides all tools and equipment necessary to complete above project per specification outlined on the Butte Recovers opt out program. The required steps will be taken to obtain the proper permits to perform this work. Quote excludes asbestos abatement, and tree removal. Contractor not responsible for damaging any unmarked unidentified utilities, damage to existing septic tanks and leach fields

To accept this quotation, sign here and return: \_\_\_\_\_

Thank you for your business!

[PO Box 828 | Paradise, CA 95967 | 530.809-6946 | Mauny@rgeca.com](mailto:PO Box 828 | Paradise, CA 95967 | 530.809-6946 | Mauny@rgeca.com)

**Agenda Page 177**





## PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

TO: PID Board of Directors  
FROM: Mickey Rich, Information Systems Manager  
DATE: May 20, 2020  
RE: Purchase Request: Upgrades to Board Conference Room Audio / Video  
(Continued from May 20, 2020 Board of Directors Meeting)

The District's board room is in need up audio and video upgrades. The existing system was installed in 2012 and uses outdated technology. The original system was not designed for streaming or telecommunication. The proposed updates include improvements to allow for better sound and video quality for broadcasting and telemeetings as well as necessary audio and video upgrades to existing equipment. The quote also includes soundproofing to decrease the echo in the room now that fewer attendees are present in person.

Staff is asking the Board to consider sole sourcing the project to Sounds by Dave in Chico, CA; the original installer and maintenance provider of the existing system. Staff reached out to other local audio / video installers to compare quotes but was unsuccessful. Staff performed a cost comparison of the presented bid with online pricing and found the proposed bid to meet or beat online pricing.

### Two options:

Option 1 replaces aging equipment and improves the meeting environment for in-person and online participants.

Not to exceed \$17,987.31

Option 2 are the minimum improvements needed to allow better communication for distant or online participants

Not to exceed \$4,910.14

The recommended form of action is:

*"I move to approve the purchase and installation request for audio, video and soundproofing upgrades to be provided by Sounds by Dave, Chico Ca for an amount not to exceed \$17,987.31."*

## Bid Recap

Sounds By Dave	Chico, CA	\$17,987.31
Beyond Audio Video	Yuba, County	No bid
Audio Video Systems	Loomis, Ca	No bid

## Online Price Comparison of selected items

	Sounds By Dave	Online Pricing
Rolls RA235 Stereo 35w/ch power amp	289.00	225.00
Peavey 16 channel dual receiver handheld wireless microphone	299.00	199.00
Peavey ada impaired hearing system	399.00	349.00
Whirlwind a/b xlr input switch	110.00	119.00
art eq 341 dual 15 band equalizer	149.00	139.00
art sp 4x4 pro led metered power distribution system	169.00	149.00
panamax m8-ex surge protectors	80.00	60.00
2-space security cover	35.00	36.00
behringer pro xl-mdx2600 2-channel compressor/limiter/gate	165.00	152.00
shure p300 intellimix audio conferencing process, echo eliminator from rem	1,950.00	1,998.00
miscellaneous interface cables	150.00	150.00
7 21.5 inch LED-Lit Monitors	1,155.00	1,463.00
Adjustable Desk mounts	560.00	750.00
auralex Pro Panel, Class A fire-rated with mounts	3,529.00	4,500.00
Optoma ZH 407 Laser HD Projector	1,349.00	1,499.00

# OPTION 1



## System Design

1256 Esplanade ■ Chico ■ CA ■ 95926 ■ 530-891-5800

<b>Name:</b> Paradise Irrigation District				<b>Date:</b> 5/9/2020	
<b>Address:</b> 6332 Clark Road				<b>Salesperson:</b> Dave Maurer	
<b>City:</b> Paradise				<b>State:</b> CA	
<b>Zip:</b> 95969				<b>Notes:</b>	
<b>Phone:</b> 530-877-4971			<b>Email:</b> <a href="mailto:mrch@paradiseirrigation.com">mrch@paradiseirrigation.com</a>		
Boardroom Audio/Video Upgrade & Sound Proofing					

QTY	UNIT	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
<b>Boardroom Audio w/Echo Eliminator/Video Upgrade</b>				
7	Ea	HP EliteDisplay E223 21.5-Inch Screen HD Led-Lit Monitor	\$ 165.00	\$ 1,155.00
7	Ea	Customized adjustable desk monitor mounts	\$ 80.00	\$ 560.00
1	Ea	Rolls RA235 Stereo 35W/Ch Power Amp	\$ 289.00	\$ 289.00
1	Ea	Peavey 16 Channel Dual Receiver Handheld Wireless Microphone	\$ 299.00	\$ 299.00
1	Ea	Peavey ADA Impaired Hearing System	\$ 399.00	\$ 399.00
1	Ea	Whirlwind A/B XLR input switch	\$ 110.00	\$ 110.00
1	Ea	ART EQ 341 Dual 15 band Equalizer	\$ 149.00	\$ 149.00
1	Ea	ART SP 4x4 PRO LED Metered Power Distribution System	\$ 169.00	\$ 169.00
3	Ea	Panamax M8-EX Surge Protectors	\$ 80.00	\$ 240.00
1	Ea	2-Space Security Cover	\$ 35.00	\$ 35.00
1	Ea	Shure P300 Intellimix Audio Conferencing Processor, echo eliminator from remote locations	\$ 1,950.00	\$ 1,950.00
1	Ea	Behringer Pro XL-MDX2600 2-channel Compressor/Limiter/Gate	\$ 165.00	\$ 165.00
1	Ea	Digitalinx 2x8 HDMI Distribution Amp / Splitter	\$ 439.00	\$ 439.00
1	Ea	Liberty DL-SP HDMI Surge Protector	\$ 69.00	\$ 69.00
1	Ea	Niveo 4 port + Uplink 10/100 PoE+ Network switch	\$ 189.00	\$ 189.00
1	Ea	75' Cat 5E Cable	\$ 45.00	\$ 45.00
1	Ea	50' Cat 5E Cable	\$ 35.00	\$ 35.00
1	Ea	75' HDMI EHV HDP-22M Cable	\$ 385.00	\$ 385.00
2	Ea	35' HDMI EHV HDP-12 Cable	\$ 119.00	\$ 238.00
1	Ea	20' HDMI Cable	\$ 43.00	\$ 43.00
1	Ea	15' HDMI Cable	\$ 39.00	\$ 39.00
1	Ea	10' HDMI Cable	\$ 35.00	\$ 35.00
3	Ea	3' HDMI Cable	\$ 20.00	\$ 60.00
2	Ea	25' HDMI Cable	\$ 47.00	\$ 94.00
2	Ea	DW 6KMD44WA IP/MP Cameras	\$ 595.00	\$ 1,190.00
1	Ea	Optoma ZH 407 Laser HD Projector	\$ 1,349.00	\$ 1,349.00
1	Ea	Projector mount	\$ 150.00	\$ 150.00
1	Ea	Miscellaneous interface cables	\$ 150.00	\$ 150.00
1	Ea	Flooring repair (if needed)	\$ 400.00	\$ 400.00
<b>Subtotal Boardroom Audio/Video Upgrade</b>			\$	10,430.00
<b>CA SALES TAX 7.25%</b>			\$	756.18
7	Ea	CA E-Waste Fee for Monitors greater than 15" less than 35"	\$ 5.00	\$ 35.00
23	Hrs	Pro Labor for installation audio/video boardroom upgrade	\$ 90.00	\$ 2,070.00
<b>TOTAL Boardroom Audio/Video Upgrade w/tax, e-waste, &amp; labor included</b>			\$	13,291.18
<b>Sound Proofing</b>				
20	Ea	2" x 2" x 4' Auralex Pro Panel, Class A fire-rated with mounts	\$ 162.99	\$ 3,259.80
<b>CA SALES TAX 7.25%</b>			\$	236.34
1	Ea	Freight Charge	\$ 300.00	\$ 300.00
10	Hrs	Pro Labor for Sound Proofing Installation ONLY	\$ 90.00	\$ 900.00
<b>Subtotal Sound Proofing</b>			\$	4,696.14
<b>TOTAL Boardroom Audio/Video Upgrade and Sound Proofing</b>			\$	17,987.31

Travel Charge per Trip \$60.00. Additional labor billed at \$90 per hour.  
\*Unless otherwise noted, we will honor this quote for 30 days.



**SOUNDS  
BY DAVE**

1256 Esplanade ■ Chico ■ CA ■ 95926 ■ 530-891-5800

Date: 4/29/2020

**Salesperson:** Dave Maurer

Notes:	Boardroom Audio Upgrade Compressor - Anti-feedback
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**Email:** [mrich@paradiseirrigation.com](mailto:mrich@paradiseirrigation.com)

<b><i>TOTAL Boardroom Audio Anti-Feedback System and Installation</i></b>	<b>\$ 4,910.14</b>
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**Agenda Page 181**



## PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

TO: PID Board of Directors

FROM: Ross Gilb, Finance and Accounting Manager

DATE: June 11, 2020

RE: Resolution Declaring Property Destroyed or Damaged by Camp Fire as  
Assets Written off the District's Fixed Asset Ledger  
June 17, 2020 Board of Directors Meeting

Resolution No. 2020-06 is presented to declare destroyed or damaged assets as property written off the District's fixed asset ledger resulting from damages caused by the Camp Fire on November 8, 2018.

The decision to write off the entire depreciated value of these assets was reviewed and approved by the District's auditors and is based on accounting guidance from GASB 42. The basis for the decision to write off these assets is that the cost to restore these assets (deflated based on historical inflation rate), including main lines and service lines, far exceeded the depreciated value of these assets.

The recommended form of motion is:

"I move to adopt Resolution No. 2020-06 declaring property destroyed or damaged by the Camp Fire as assets written off the District's fixed asset ledger."



## ***PARADISE IRRIGATION DISTRICT***

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### **RESOLUTION NO. 2020-06**

#### **RESOLUTION BY THE BOARD OF DIRECTORS OF THE PARADISE IRRIGATION DISTRICT DECLARING PROPERTY DESTROYED OR DAMAGED BY THE CAMP FIRE AS ASSETS WRITTEN OFF THE DISTRICT'S FIXED ASSET LEDGER**

WHEREAS, the capital assets identified as "Exhibit A" were destroyed or damaged resulting from the Camp Fire, which swept through the Town of Paradise on November 8, 2018; and

WHEREAS, the capital assets include the District's transmission and distribution system, which includes large main pipelines and smaller service lines and appurtenances that incurred significant physical damages and contamination; and

WHEREAS, the value of the items listed in Exhibit A is based on the depreciated value of the asset base on the District's fixed asset ledger; and

WHEREAS, the decision to write off the entire depreciated value of these assets was reviewed and approved by District auditors and is based on accounting guidance from GASB 42. The basis for the decision to write off these assets is that the cost to restore these assets (deflated based on historical inflation rate), including main lines and service lines, far exceeded the depreciated value of these assets;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Paradise Irrigation District that said property is declared destroyed or damaged and that said property be written off the District's fixed asset ledger.

Passed and adopted this 17<sup>th</sup> day of June, 2020, the following Directors voting thereon:

AYES:

NOES:

ABSENT:

ABSTAIN:

PARADISE IRRIGATION DISTRICT

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Marc Sulik, President

Attest:

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Georgeanna Borrayo, Secretary



## PARADISE IRRIGATION DISTRICT

"Paradise Irrigation District (PID) is dedicated to the business of producing and delivering a safe, dependable supply of quality water in an efficient, cost effective manner with service that meets or exceeds the expectation of our customers."

TO: PID Board of Directors

FROM: Kevin Phillips, District Manager

DATE: June 10, 2020

RE: Revision to Chapter 2, Policy & Procedures regarding Nomination Process for Vacancies in Board of Directors  
June 17, 2020 Board of Directors Meeting

The proposed revisions to Chapter 2 of the Paradise Irrigation District Policy and Procedures manual is based on Board input and direction provided at the Board of Directors meeting on March 18, 2020 regarding a formal nomination process for appointment of a director to fill a vacancy. The proposed policy revision and Statement of Interest for Board of Director Vacancy have been presented to the Administration & Personnel Committee and reviewed with Legal Counsel.

The recommended form of motion is:

"I move to adopt the revisions to Chapter 2.4 – Vacancies in Board of Directors under the District's policy and procedures manual, Chapter 2, Directors and Officers."

## CHAPTER 2 DIRECTORS AND OFFICERS

### 2.1 QUALIFICATIONS FOR ELECTED DIRECTORS

#### A. Residence –

Each Director shall be a voter and a resident in the District, and a resident of the division that he represents at the time of his nomination or appointment and through his entire term. Section 1770 of the California Government Code describes events causing vacancy in a Director's residency as:

1. His or her ceasing to be an inhabitant of the state, or if the office be local and one for which local residence is required by law, of the district, county or city for which the officer was chosen or appointed, or within which the duties of his or her office are required.
2. His or her absence from the state without the permission required by law beyond the period allowed by law.
3. His or her ceasing to discharge the duties of his or her office for the period of three consecutive months, except when prevented by sickness, or when absent from the state with the permission required by law.

#### B. Oath of Office –

Before entering upon the duties of office, each Board member shall take and subscribe to the statutory Oath of Office.

#### C. Code of Ethics –

The Board of Directors is committed to providing excellence in leadership that result in the provision of the highest quality of services to its constituents. The Board intends to fully comply with the provisions of the State's open meeting law for public agencies (The Ralph M. Brown Act), adhere to federal and state government codes, comply with the Fair Political Practices Commission guidelines, and uphold the Constitutions of the United States and the State of California. In order to assist Directors to fulfill their obligations, and keeping in mind that new or revised statutes may add further regulations, the following rules shall be observed:

1. The dignity, style, and opinions of each Director shall be respected.
2. Responsiveness and attentive listening in communication is encouraged.

Amendment Adopted 11/18/15: Section 2.22 & 2.27.B.  
Amendment Adopted 03/15/17: Sections 2.22.A, 2.25, 2.26, 2.27.C.3.  
Amendment Adopted 04/19/17: Sections 2.22.A & B  
Amendment Adopted 05/17/17: Section 2.19.B.  
Amendment Adopted 12/06/17: Section 2.22.A-2. (Dir. Health Benefits)

Amendment Adopted 12/20/17: Section 2.21  
Amendment Adopted 02/21/18: Section 2.27  
Amendment Adopted 02/19/20: Section 2.21.D & E

3. The primary responsibility of the Board is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to the professional staff members of the District.
4. Directors should commit themselves to emphasizing the positive and avoiding when possible, negative forms of interaction.
5. Directors should commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged.
6. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board takes action, Directors should commit to supporting said action and not to creating barriers to the implementation of said action.
7. Directors should practice the following procedures:
  - a. In seeking clarification on informational items, Directors may directly approach professional staff members to obtain information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision-making.
  - b. In handling complaints from residents and property owners of the District, said complaints should be referred directly to the Manager.
  - c. In handling items related to safety, concerns for safety or hazards should be reported to the Manager or to the District office. Emergency situations should be dealt with immediately by seeking appropriate assistance.
  - d. In seeking clarification for policy-related concern, especially those involving personnel, legal action, annexation, property acquisition and development, finances, and programming, said concerns could be referred directly to the Manager.
8. When approached by District personnel concerning specific District policy, Directors should direct inquires to the appropriate professional staff supervisor. The chain of command should be followed.
9. The work of the District is a team effort. All individuals should work together in a collaborative process, assisting each other in conducting the affairs of the District.

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10. When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive and timely manner and routing their questions through appropriate channels and to responsible management personnel.
11. Directors should develop a working relationship with the Manager wherein current issues, concerns, and District projects can be discussed comfortably and openly.
12. The Brown Act contemplates that Directors should function as a part of the whole Board. Issues should be brought to the attention of the Board as a whole, rather than to individual members selectively. When a Director is speaking for himself or in his capacity as an individual member of the Board, he should clearly identify that limited capacity.
13. Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.
14. A perceived violation of the Code of Ethics policy by a Board member should be referred to the President of the Board or the full Board for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including, but not limited to:
  - a. Adoption of a resolution expressing disapproval of the conduct of the Board member who has violated this policy.
  - b. Injunctive relief
  - c. Referral of the violation to the District Attorney and/or the Grand Jury.

## **2.2 NUMBER AND ACTION**

- A. Pursuant to the provisions of the California Water Code, the Board shall consist of five persons.
- B. Action can be taken only by vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business.

## **2.3 TERM OF OFFICE**

- A. The term of each member of the Board shall begin at noon on the first Friday of December following the Director's election.

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Amendment Adopted 03/15/17: Sections 2.22.A, 2.25, 2.26, 2.27.C.3.  
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- B. The term of each member of the Board shall be four years, with the term of approximately half the Board expiring every two years.
- C. Each Board member shall serve until a successor is duly elected and is qualified, unless the member earlier is removed from the office or resigns or otherwise leaves office.
- D. A Board member is not limited in the number of terms the member may serve.

## 2.4 VACANCIES IN BOARD OF DIRECTORS

### A. Events Creating Vacancies –

A list of events causing vacancy in office is set forth in Government Code section 1770. In general, an office becomes vacant in the case of the death of the incumbent, a court adjudication declaring that the incumbent is physically or mentally incapacitated due to disease, illness, or accident, the resignation of the incumbent, his or her removal from office, his or her ceasing to be a resident of the District, or if a director has been convicted of a felony.

### B. Filling of Vacancies –

1. Under the Irrigation District Act, ~~Vacancies~~ vacancies on the Board of Directors shall be filled in accordance with the described procedures ~~of under Section 1780~~ of the Government Code.
2. The District shall notify the county elections official of the vacancy no later than 15 days after the Board is notified of the vacancy or the effective date of the vacancy, whichever is later.
3. The remaining members of the district board may fill a vacancy by appointment. Appointments shall be made within sixty (60) days after the effective date of the vacancy. Before making an appointment, a Notice of Vacancy must be posted in three (3) or more conspicuous places in the District for a period of at least fifteen (15) days.
4. Upon completion of the fifteen (15) day notice period, the Board of Directors may fill the position at either a regular or special meeting.
5. Should the Board fill the vacancy by appointment, it must notify the County Elections Official within fifteen (15) days of doing so.
6. In lieu of making an appointment, the remaining Directors may within 60 days of the date the district is notified of the vacancy or the effective date of the vacancy, whichever is later, call an election to fill the vacancy.

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Amendment Adopted 12/20/17: Section 2.21  
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7. If the Board neither fills the vacancy nor calls an election, the Butte County Board of Supervisors may fill the vacancy within 90 days of the date of the vacancy or may order the District to call an election. If the Board of Supervisors fails to act, the District must call an election to fill the vacancy.

B.

C. Appointment of Director to fill Vacancy =

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1. The board may request letters of intent / qualifications and conduct interviews. Deliberations of the Board in connection with the candidate to be selected for appointment, as well as any interviews or communications the Board wants to have with the candidate in its official capacity must occur in open session. The Board must affirm an appointment by majority vote in open session.

2. The presiding Officer, established pursuant to these policies, shall chair the proceedings to fill the vacancy. The following is a recommended guideline to facilitate the process:

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a. Candidate questions (The Board may ask, but not require, candidates to step out of the room while each candidate responds to predetermined candidate questions). Prior to the board meeting, directors will have an opportunity to submit questions to the Secretary to prepare in a document for director use.

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b. Board member feedback on candidates.

c. Public comment.

d. The President shall call for nominations from members of the Board. No second shall be required. Once all nominations have been made, the president shall call for a roll call vote and board members shall state the name of the candidate for whom they cast their vote. Three votes shall be required for appointment. If only one person should be nominated, the board may act by motion to appoint such nominee.

e. In the case where there is a single candidate, but that candidate does not receive enough affirmative votes, a new call for candidate nominations is made and the voting process restarts.

f. In the event there are more than two eligible candidates, and none receive a majority of affirmative votes, the vote is rerun with only the candidates receiving the two highest vote counts eligible. (This may result in more than two candidates being eligible). The vote is retaken in the case of a tie. If the tie persists, a new call for candidates is made and the voting process restarts.

3. Any person appointed to fill the vacancy must complete a Conflict of Interest Code Disclosure Statement within thirty (30) days of being appointed to office. The new Director must also receive Brown Act and other requisite training such as California Local Agency Ethics (AB1234) and Sexual Harassment Prevention for Supervisors, Managers, & Board Members (AB1825).

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## 2.5 FIDELITY BONDS FOR ELECTED DIRECTORS

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Amendment Adopted 03/15/17: Sections 2.22 A, 2.25, 2.26, 2.27 C.3.  
Amendment Adopted 04/19/17: Sections 2.22 A & B  
Amendment Adopted 05/17/17: Section 2.19 B.  
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Amendment Adopted 02/19/20: Section 2.21 D & E

Each member of the Board shall be covered by liability and errors and omissions insurance at the expense of the District, in an amount prescribed by the Board, conditioned upon the faithful performance of his respective duties. Surety bonds will also be in effect for individuals designated as check signers.

## **2.6 PRINCIPAL OFFICERS**

The principal officers of the District shall consist of a Board President, a Board Vice-President, a Secretary, a Treasurer, and such other offices as the Board shall from time to time establish.

## **2.7 QUALIFICATIONS; OFFICER ELECTION AND TERM OF OFFICE**

### **A. Election –**

At the first meeting after noon on the first Friday of December the Board shall choose one of its members as President and shall choose another of its members as Vice-President. Nominations shall come from the Board members. The Board shall also appoint a Secretary of the Board and a Treasurer of the District.

### **B. Term –**

The officers shall serve until the next Annual Meeting. The President and Vice-President shall not serve in their respective positions for more than two consecutive one-year terms.

## **2.8 RESIGNATION**

A Director and an officer may resign at any time by giving written notice to the Board or to the District Secretary. Any resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, acceptance of the resignation shall not be necessary to make it effective.

## **2.9 REMOVAL**

Any officer elected by the Board may be removed by a majority vote of the Board whenever in its judgment the best interests of the District would be served.

## **2.10 VACANCIES IN OFFICES**

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board for the unexpired portion of the officer's term. In the case of the Secretary or Treasurer, the President may appoint a new Secretary or Treasurer

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to serve until such time as the Board shall elect a successor and the person or persons so elected have qualified.

## **2.11 DUTIES OF THE PRESIDENT OF THE BOARD**

The President of the Board shall:

- A. Serve as President of the Board and preside at all meetings of the Board.
- B. Execute on behalf of the District:
  - 1. All bonds and instruments creating debt against the District.
  - 2. Board resolutions.
  - 3. Water sales agreements authorized by the California Water Code.
  - 4. All agreements, which sell, lease, convey, transfer or otherwise dispose of water works, water systems, and sources of water supply for any beneficial use within or without the District.
  - 5. Agreements with the State of California, United States, or any other governmental entity, department or political subdivision, unless delegated to the Manager by the Board, or allowed the Manager by other sections of this manual.
  - 6. The countersigning of disbursement checks in excess of \$150,000.00.
  - 7. Agreements specifically authorized by the Board.
  - 8. Real estate leases, and all deeds and conveyance documents in which the District is a grantor of any interest.
  - 9. Contracts and agreements authorized by the Board, which cause the District to incur extraordinary expenditures not described within the District's annual budget.
  - 10. All other contracts and agreements specifically required of the President by the Water Code or other applicable law.
- C. Attend and, if appropriate, preside at ceremonial activities (including, but not limited to open houses, receptions, ribbon-cuttings) in which ceremonial representation is needed or sought.
- D. Be a spokesperson for the Board, unless the Board directs otherwise. When the President acts as spokesperson for the District, he should speak for the majority of the

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Board. When the President is speaking for himself or in his capacity as an individual member of the Board, he should clearly identify that limited capacity.

- E. Represent the policy of the Board.

## **2.12 VICE-PRESIDENT**

- A. The Vice-President shall act only in cases of the inability or refusal of the President to act or in the absence of the President and shall assume those powers and duties granted the President. The determination as to the inability or refusal to act shall be made by a vote of the Board.
- B. The President may request that any member of the Board represent the District outside of the Board meetings. When the President does not appoint a particular designee in his absence, the Vice-President shall represent the District.
- C. If no member of the Board is able to represent the President (other than in official Board meetings), the Manager or his designated staff member shall do so.

## **2.13 SUCCESSION OF AUTHORITY**

In the event that the offices of the President and Vice-President are vacant or the individuals occupying these offices are absent or otherwise unavailable, the majority of the Board may elect a president pro tempore from its members, who shall serve as Acting President of the Board, with all the power and authority of the President until the President returns to the performance of his duties.

## **2.14 APPOINTMENT OF DISTRICT SECRETARY**

At the District's annual organization meeting when the Board elects a President and Vice-President from its members, a District Secretary shall be appointed by the Board to serve at its pleasure.

## **2.15 DUTIES OF THE SECRETARY**

Under general supervision of the Manager, this individual (who could also be the Manager) shall serve as District Secretary, perform secretarial and office duties for the Manager and other personnel, and do related work as required.

- A. The Secretary shall be custodian of the records of the District and its seal; shall cause minutes of all meetings of the Board to be kept; shall assist the Board in such particulars as it may direct in the performance of its duties; and shall perform those duties authorized by the California Water Code, or by this manual.

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- B. The Secretary shall sign legal documents as directed by the Board; and shall attest, under the seal of the District, all certified copies of the official records and files of the District pursuant to the authority conferred by Resolution of the Board of Directors of the District on March 2, 1960, and recorded March 7, 1960, in book 1046 of the Official Records of Butte County at page 110.
- C. The Secretary shall perform as an alternate signer of general fund and payroll checks.
- D. The Secretary shall be responsible or cause others to be responsible for maintaining this manual.
- E. The Secretary shall or cause others to prepare letters and reports for the Manager and other various department managers; open and distribute mail; maintain the District's insurance programs not handled by the Office Manager; place all advertising for the District; and other related work as may be required by either the Manager or the Board.
- F. The Board may appoint an Assistant Secretary to function in the absence of the Secretary with all the power and authority of the Secretary.

## **2.16 APPOINTMENT OF DISTRICT TREASURER**

At the District's annual organization meeting when the Board elects a President and Vice-President from its members, a District Treasurer shall be appointed by the Board to serve at its pleasure.

## **2.17 DUTIES OF DISTRICT TREASURER**

- A. The Treasurer shall be custodian of all money, bonds, or other securities of the District.
- B. The Treasurer shall determine or cause to be determined the cash requirements of the District and provide for the deposit and investment of all money.
- C. The Treasurer shall receive or cause to be received all funds and money payable to the District, including all water sales revenue, taxes, licenses, fines, and public funds, and keep an accurate, detailed account of those monies as required by law and as directed by the Board.
- D. The Treasurer shall collect or cause to be collected all special taxes and assessments as provided by law and ordinance.
- E. The Treasurer shall give or cause to be given to every person paying money to the District proper credit or receipt evidencing payment, specifying, as appropriate, the date of the payment and upon which account paid.

Amendment Adopted 11/18/15: Section 2.22 & 2.27.B.  
 Amendment Adopted 03/15/17: Sections 2.22.A, 2.25, 2.26, 2.27.C.3.  
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Amendment Adopted 12/20/17: Section 2.21  
 Amendment Adopted 02/21/18: Section 2.27  
 Amendment Adopted 02/19/20: Section 2.21.D & E

- F. The Treasurer shall sign checks in accordance with **other sections of this manual**. The Treasurer shall determine or cause to be determined that a sufficient amount is on deposit in the appropriate bank account of the District to honor the check.
- G. The Treasurer shall promptly deposit or cause to be deposited all District funds in the appropriate bank accounts of the District and be responsible for monitoring expenditures during the fiscal year.
- H. The Treasurer shall prepare, on an accrual basis, monthly financial reports and quarterly investment reports for Board approval.
- I. The Board may appoint an Assistant Treasurer to function in the absence of the Treasurer with all the power and authority of the Treasurer.
- J. The Treasurer shall coordinate the District's annual certified audit with an independent CPA firm and monitor the District's compliance with all appropriate accounting practices.

## **2.18 BONDS**

The Secretary and Treasurer, authorized check signers, and any other employee of the District as deemed necessary, may be furnished corporate surety bonds, at the expense of the District, in an amount and form fixed and approved by the Board and the California Water Code, conditioned upon the faithful performance of their respective duties.

## **2.19 FORMATION OF COMMITTEES**

- A. The Board may form committees composed of its own members and the public for such purposes as it deems appropriate. By official resolution or verbal vote appointment, the Board may form standing committees to serve at its pleasure.
- B. The President of the Board may form Ad Hoc Committees composed of Board members for such purposes as they deem appropriate, except that Ad Hoc Committees shall not be created to address issues that would normally be addressed in the appropriate standing committee. An Ad Hoc Committee shall only be comprised of less than a quorum of Directors, will be of limited duration, and will have no continuing jurisdiction.

## **2.20 COMMITTEES OF THE DISTRICT**

- A. Appointment of Standing Committees –

Amendment Adopted 11/18/15: Section 2.22 & 2.27.B.  
 Amendment Adopted 03/15/17: Sections 2.22.A, 2.25, 2.26, 2.27.C.3.  
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 Amendment Adopted 05/17/17: Section 2.19.B.  
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In accordance with the Water Code and other applicable law, the Board may assign the committees such tasks as the Board may determine; and delegate to any committee certain powers and authority of the Board to transact any of the business and affairs of the Board subject to the Board's final approval.

**B. Appointment of Committee Members –**

1. At the District's first regular meeting in January, the President of the Board shall appoint the Board members of the various Standing Committees.
2. Committee assignments shall only be changed during the calendar year by a majority vote of the Board.
3. The President of the Board shall appoint members of Ad Hoc Committees.
4. The President of the Board may appoint a replacement committee member if a committee member is unable to fulfill their duties and no meeting of the committee has taken place without the Board of Directors being updated by the committee in a meeting.
5. Public members on committees shall be appointed by a majority vote of the Board.

**C. Meetings of Committees –**

Generally, meetings of committees shall be held at such time and place, as a majority of the members of the individual committees shall determine. Meetings shall be called by the District Manager or by the Committee Chairperson as necessary for District business. Notice of committee meetings shall be given to all members in a timely fashion and the meetings shall be noticed as required by law.

**D. Committee Reports –**

Committee reports shall be made to the Board at the next scheduled Board meeting. Business discussed at the committee meeting that is a subject of an agenda item need not be discussed as part of the committee report.

**E. Committee Recommendations –**

Committees comprised of public members and staff shall make recommendation to the Board members representing the committee. Board member recommendations to the full board should report public and staff opinions.

**2.21 STANDING COMMITTEES**

Amendment Adopted 11/18/15: Section 2.22 & 2.27.B.  
Amendment Adopted 03/15/17: Sections 2.22.A, 2.25, 2.26, 2.27.C.3.  
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Meetings of standing committees shall be noticed and conducted in accordance with the requirements of the Brown Act. The standing committees shall include the following:

A. Finance Committee –

This committee shall be comprised of two Board members who shall oversee and safeguard the District's assets by reviewing investment policies and strategies, banking relationships, the annual budget, the annual audit, risk management practices, borrowing, debt and debt structure, and other significant financial and accounting related issues.

B. Administrative and Personnel Committee –

This committee shall be comprised of two Board members who shall review and recommend changes to the Board regarding the District's policies, rules and regulations, participate in discussions with employee representatives, hold employee grievance hearings as provided in the rules and regulations, and other similar or related matters.

C. Paradise Lake Committee –

This committee shall be comprised of two Board members and approved members of the public, who shall review recreation programs and events at Paradise Lake and make recommendations to the Board regarding rules, fees, permits, facility improvements and other related items. Members shall continually review the District's present and future water supply demands and proposals and projects to meet those demands. Recognized committee members shall receive an annual combination boating and parking pass for so long as they are committee members for the purpose of visiting and inspecting the facilities.

D. Community Relations Committee –

This committee shall be comprised of two Board members who along with staff, shall develop a Community Relations Plan (CRP) to provide information and results-based guidelines to District Directors and staff to promote understanding, support shared goals, and build goodwill between the District and community. Committee members will continually review key issues as outlined in the CRP to ensure positive and interactive communications for District projects and issues. Members shall review District actions to enhance water education and conservation efforts.

E. Paradise Irrigation District / Town of Paradise Liaison Committee –

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This committee shall be comprised of two Board members who shall periodically meet with two members of the Paradise Town Council and designated staff from each agency to discuss common issues and items of mutual concern to the Paradise Irrigation District and the Town of Paradise.

## **2.22 DIRECTORS FEES AND EXPENSE REIMBURSEMENTS**

Keeping in mind that new statutes may add further regulations, the following fees and expense reimbursements shall apply:

### **A. Fees –**

Director fees are regulated by law (see, for example, California Water Code §21166; Government Code section 53232 et seq.). Directors shall receive compensation not to exceed \$100 per day. Compensation taken may be less than \$100; down to a minimum amount of one cent for either:

1. Up to \$100.00 per day for attending a regular or special Board meeting, or acting under its orders; and
2. Up to \$100.00 per day for attending a Board approved standing committee meeting, an established Ad Hoc committee, or an outside Board approved meeting requiring a Board member in attendance (examples provided below), when there is no regular or special Board meeting that day.

Regardless of either per day event, the per day amount(s) shall not exceed a total of six (6) meeting days in any calendar month. No fees are to be paid for attending seminars or conferences, but the out-of-pocket costs associated with attending those meetings, on a Board pre-approval basis, can be reimbursed through the use of a District claim form.

### **Examples for qualifying for the fee pursuant to Section 2.22.A. above:**

Standing Committees - Finance, Administration and Personnel, Paradise Lake, and Community Relations.

Ad Hoc/Other Committees - Water Rate Review, Security, Annexation, ACWA/ACWA-JPIA, Butte County Special Districts Association, Union Negotiations, and other similar types of committees.

Each Director shall receive at least two hours of training in general ethics principles and ethics laws relevant to his or her public service every two years. (Govt. C. 53235.) The Manager shall maintain District records of ethics training. For

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purposes of Directors fees, the Directors shall be considered employees of the District as described in Internal Revenue Code §3401(c).

Directors and their eligible dependents can elect to participate in the District's Medical, Dental, Vision, Life, and Flexible Benefits "cafeteria" Programs as received by either the General Unit or Management Unit employees, and stated in the Rules & Regulations Governing Employment Conditions, Salaries, and Benefits for Employees of Paradise Irrigation District. Directors will not be eligible to participate in the District's retirement plans.

Directors will be required to complete a monthly Director's Fees and Reimbursement Report itemizing any earned directors fees. These forms are to be submitted to the District Secretary within five (5) days after a month end. Payment of the fees shall be processed in a timely fashion through the District's payroll system with appropriate withholdings.

**B. Waived Compensation –**

Directors are eligible to receive compensation not to exceed \$100 per day; down to a minimum amount of one cent. Receipt of an Annual Boat pass may be considered as compensation in lieu of receiving a dollar amount. Any Director who waives their right to compensation amount of \$100 shall do so in writing and that waiver shall be maintained in the District's files. Such waiver may be withdrawn upon written notice of the Director.

**C. Reimbursements –**

1. Keeping in mind that new statutes may add further regulations, the following applies to expense reimbursements: District claim forms are to be used for reimbursement of actual and necessary business expenses when acting under the orders of the Board. These claim forms are to be attached to the monthly Director's Fees and Reimbursement Report with appropriate supporting documentation. Pre-approved meals, lodging, and transportation expenses shall be normal and customary, and automobile mileage costs incurred for business purposes shall be the standard mileage rate for transportation expenses as prescribed by the Internal Revenue Service and further described in other sections of this manual.
2. Directors are allowed their actual expenses in going to, attendance upon, and returning from state association meetings and when traveling outside Butte county on official business. (Govt. C. 25008.) Reimbursement rates for travel, meals, and lodging, and other actual and necessary expenses shall be in accordance with Internal Revenue Service rates as established in Publication 463 or successor publication.

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- a. Where lodging is in connection with a conference or organized educational activity, including ethics training, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Director at the time of booking. Otherwise, comparable lodging rates shall be used.
  - b. Directors shall use group transportation rates when available.
  - c. Where there is any question regarding the level of appropriate compensation, the Board shall approve the reimbursement rate at the Board meeting held before the expense is incurred.
3. Directors shall provide brief reports on meetings attended, at the expense of the District at the next regular meeting of the Board.

## 2.23 TRAINING

- A. Subject to annual limits provided in the budget, Directors are encouraged to attend educational conferences and professional meetings when the purpose of such activities is to improve District operation. Keeping in mind that new statutes may add further regulations, the expense reimbursements described in **Section 2.22** shall apply: Expenses incurred for tuition, travel, lodging and meals as they relate to training, educational courses, participation with professional organizations, and attendance at local, state, and national conferences associated with the interests of the District are reimbursable subject to **Section 2.22**.
- B. Unless otherwise approved by the Board, attendance at conferences, seminars, workshops, etc. shall be limited to two directors per event.
- C. A director shall not attend a conference or training event for which there is an expense to the District if it occurs after they have announced their pending resignation, or if it occurs after an election in which it has been determined they will not retain their seat on the Board.

## 2.24 STANDARDS OF CONDUCT

Statutes impose limits on a Director's ability to contract with the District he or she serves on as a Director. (See Government Code section 1090 et seq.) Moreover, the Political Reform Act requires, and establishes the procedure by which Directors, officers, and employees are required to disclose actual or potential conflicts of interest between their public duties and their personal financial interests.

## 2.25 DIRECTOR ACCESS TO CONSULTANTS

Consultants of the District may not respond to inquiries of any Board Member, unless

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A. A majority of the Board authorized a Board Member at a meeting convened under the Brown Act to contact the District's consultant.

B. The inquiry is initiated with the consent of the District Manager.

## **2.26 DISTRICT MANAGER AND BOARD MEMBER ACCESS TO LEGAL COUNSEL**

The District Manager and Board members shall have unfettered access to the District's legal counsel for assistance with District business.

## **2.27 PID PUBLIC COMMITTEE MEMBER POLICY**

This policy will serve as a 'code of conduct' to help clarify PID's expectations of Public members appointed to various committees:

A. Public Members of PID committees are not elected positions. The Board of Directors shall make public member committee appointments at a regularly scheduled board meeting. In making public member appointments, the Board of Directors will consider individuals that have submitted a letter of interest to the PID office or have been nominated by a director.

1. When a vacancy occurs, PID will advertise the opportunity to serve on committees that have public members.

B. Public Members of PID committees are expected to act in the best interest of PID. To that end, adherence to the following Code of Conduct is expected of each member:

1. Public Members shall strive to fulfill the purpose of the committee, which is making recommendations to the Board on policies and procedures related to the committee and representing the District at functions related to the committee.

2. Public Members shall come prepared to fully participate in committee meetings.

3. A Public Member is encouraged to focus their interactions with PID Board Members and PID staff that make up their committee's membership during scheduled committee meetings.

4. A Public Member shall not direct PID staff or business consultants to perform any work, investigations, studies, or research on behalf of the committee. The Public Member should make these types of suggestions to the committee as a whole.

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5. PID Board Members serving on a committee, through the PID Board Member Chairperson, shall speak for that committee's actions and recommendations (if any) to the entire Board of Directors.
  6. Under no circumstances, public or private, shall a Public Member of a PID committee represent themselves as "speaking on behalf of the committee."
  7. Public Members shall not communicate with any media about PID committee business. Public Members shall not identify themselves as a PID committee member when sharing their own personal perspective on any issue and through any medium (including electronic social media). This prevents the appearance of speaking in an official capacity on behalf of PID.
- C. Public Members appointed to a PID committee serve at the pleasure of the Board of Directors. At any time the board may choose to remove a Public Member of a PID committee by majority vote.

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# PARADISE IRRIGATION DISTRICT

6332 Clark Road, Paradise CA 95969 | Phone (530)877-4971 | Fax (530)876-0483

## Paradise Irrigation District Statement of Interest for Board of Director Vacancy

A vacancy exists in the Office of Director, Division \_\_\_\_, of the Paradise Irrigation District. To be considered for this vacancy, please complete the following application and return it to the District Secretary, 6332 Clark Road, Paradise, California 95969. The application deadline is 4:00 p.m. on \_\_\_\_\_, \_\_\_\_\_, 20\_\_.

### PERSONAL INFORMATION

*(Please Print)*

**NAME:** \_\_\_\_\_

### MAILING & EMAIL ADDRESS:

Street: \_\_\_\_\_

City & Zip: \_\_\_\_\_

E-Mail: \_\_\_\_\_

### TELEPHONE NUMBERS:

Home: \_\_\_\_\_

Business: \_\_\_\_\_

Mobile: \_\_\_\_\_

### WORK / VOLUNTEER EXPERIENCE

Organization

Date


Please provide a brief statement indicating why you are interested in being considered for appointment to fill the director vacancy on the Paradise Irrigation District Board of Directors and why you are qualified for the appointment; (e.g., prior board or commission experience).

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Qualifications: Every candidate shall:

- A. Be a citizen of the United States of America.
- B. Not have been convicted of a felony involving accepting or giving, or offering to give, any bribe, the embezzlement of public money, extortion or theft of public money, perjury, or conspiracy to commit any of those crimes.
- C. Be a registered voter in the District and a resident of the division that he or she represents at the time of his or her nomination or appointment and through his or her entire term.

I certify that this information is true and correct, and I authorize the verification of the information in this application in the event I am nominated for the appointment.

                      
*Date*