

Donner Summit Public Utility District

Reason for Investigation

The Eastern portion of Nevada County has seen significant growth in the last decade. Some public services are provided by special districts, the oversight of which is a responsibility of the Nevada County Grand Jury (Jury). Pursuant to the California Penal Code, Section 933.5, the Jury, noting the proposed development of the Royal Gorge Area, decided to examine the problems and challenges such development, and additional build-out already permitted, would have on the Donner Summit Public Utility District (DSPUD).

Background

In 1948, the State of California authorized the formation of the DSPUD to initially provide drinking water and wastewater treatment to its property owners. Twenty-six voters approved and three opposed the establishment of the district.

The DSPUD commenced fire protection for the area in 1973. The DSPUD ceased to provide fire protections services when its staff, equipment and other resources were transferred to the Truckee Fire Protection District (TFPD) in July, 2006. Administrative and treatment facilities are located on 5.75 acres of U.S. Forest Service (USFS) land under a 20 year special use permit which expired on 12/21/07. In April 2008, the District started discussions with the USFS for a renewal, which could be completed in the next few months.

The DSPUD covers approximately 13 square miles in Nevada and Placer Counties; provides drinking water to 279 customers, wastewater collection and treatment to 264 residential and commercial customers in the communities of Norden and Soda Springs; as well as Sugar Bowl, Boreal, Donner Ski Ranch, and Soda Springs Ski Areas. [Sewer connections are measured in Equivalent Dwelling Units (EDU's). DSPUD bills 540 commercial and 225 residential EDU's, for a total of 765 EDU's.]

An agreement with the DSPUD provides Sierra Lakes County Water District (SLCWD) 44% of the capacity of the wastewater treatment plant to serve the Serene Lakes Community in Placer County and 3000 acres in Placer County. SLCWD bills 805 customers for sewer service.

The District is negotiating an agreement with the Big Bend Mutual Water Company, which serves a Homeowners Association containing 32 cabins, to provide management and administration of Big Bend's water service.

The District is governed by a five member elected Board of Directors. The District has 83 voting constituents, 71 residing in Nevada County and 12 in Placer County. It holds regular

monthly dinner meetings. There is a paid staff of 6 full-time and 2 part-time people, comprised of the General Manager, two administrative staff, and five plant and field personnel. The 2007-8 budget estimates revenues of \$1,625,285 and expenses of \$1,592,936.

It is the Jury's understanding that some years ago DSPUD and SLCWD had discussions about merging the two districts. These discussions were terminated after several meetings of the parties.

A dispute arose between DSPUD and TFPD regarding which agency should receive funds for services provided to Nevada County Service Area 31 and other Nevada and Placer County areas outside the DSPUD during the fiscal years 2004-5 and 2005-6. The Board filed a breach of contract lawsuit in 2007 to require the disputed funds be returned to the DSPUD. This litigation has recently been settled.

Some wastewater discharge violations are inherent in wastewater treatment operations. However, during the period 2001-2006, DSPUD experienced 76 discharge violations, for which the California Regional Water Quality Control Board (RWCB) imposed fines totaling \$216,000. The RWCB later waived the fines in consideration of DSPUD applying an equal amount toward the recently completed upgrade of its wastewater treatment facilities.

The State of California has assigned "Beneficial Uses," to the South Yuba River, which includes municipal and domestic drinking water supply, agriculture uses, water recreation, and wildlife habitat. Disposal of wastewater in the South Yuba River by DSPUD is a use that is not prohibited; however, such use cannot be satisfied to the "detriment of beneficial uses."

In 2007, Royal Gorge LLC announced plans to redevelop approximately 400 of the 1300 acres of the Royal Gorge Cross Country Ski Area, situated in Placer County. The proposed development envisions 950 residences and other resort facilities. Royal Gorge LLC has held preliminary discussions with DSPUD regarding expansion of the wastewater treatment facility to service the proposed development.

Method of Investigation

The Jury conducted interviews with the President, and one other member of the Board of Directors of the DSPUD (Board), the District's General Manager, the District's Plant Operator, the President of the Board of Sierra Lakes County Water District and the General Manager of the Sugar Bowl Ski Resort, as well as reviewing DSPUD financial, and business records. Members of the Jury attended a Board meeting and reviewed Local Agency Formation Commission (LAFCO) records regarding DSPUD. The Jury reviewed financial and organizational records of other public agencies in the area that provide services comparable to the DSPUD including the Tahoe-Truckee Sanitary Agency (T-TSA), the Truckee Donner Public Utility District, the Tahoe City Public Utility District, and the Town of Truckee.

Findings

1. The President of the Board receives \$300, the Vice-President receives \$260 and the Directors receive \$225 per regular monthly meeting. In addition, each director receives \$100 for any other meetings. They are paid whether they attend or are excused. The monthly meetings include complimentary dinner for everyone present. The current budget includes direct Board expenses of \$16,820. By comparison, the Truckee-Tahoe Sanitary Agency, operating a larger wastewater treatment plant, and whose budget is 7.5 times that of DSPUD, includes \$12,000 in its current budget for Board of Directors' fees and expenses.
2. Other than the licensed operating personnel, there is no engineering expertise on site to evaluate the information received from retained outside consultants. The Board members, three of whom, are in their first term, and the General Manager rely on these consultants for technical knowledge and expertise at an annual cost of \$247,000 (Includes Chief Plant Operator for part of the year).
3. A comparison of salaries (Attachment A) shows that the salaries of the General Manager and the Chief Plant Operator are higher than comparable positions at T-TSA. The T-TSA has a '07-08 Operating Budget 7.5 times larger than DSPUD, and 61 staff positions compared with six full-time and two part-time employees at DSPUD.
4. The District is spending \$30,500 to insure property valued at \$11,867,000. By comparison, the T-TSA is spending \$30,000 to insure property valued at \$68,000,000.
5. The District does not have reserve funds.
6. Failure to have an operating website makes it difficult to provide stakeholders with relevant information.
7. The minutes of the Board meetings are inadequate to provide a clear understanding of Board activities.
8. The minutes of the Board meetings indicate that with the exception of invited guests - attorneys, engineers, potential new board members, etc - almost no stakeholders attend Board meetings.
9. The dispute with the TFPD was a result of DSPUD staff failure to execute the contracts with Nevada County for two years to provide fire services to County Service Area 31 and other Nevada and Placer County areas outside the DSPUD. It involved approximately \$63,000 claimed by DSPUD and the TFPD cross-complaint for \$164,462 in damages. The settlement provided that DSPUD receive \$25,000 to be spent to upgrade of the water distribution system and \$5000 to upgrade the fire station to meet code. TFPD will spend \$33,000 to upgrade the fire equipment serving the Donner Summit area.

10. Under the agreement between the DSPUD and SLCWD, DSPUD is entitled to 56% of the capacity of the wastewater treatment plant capacity and SLCWD is entitled to 44 %. DSPUD has 83 registered voters from which to draw Board members. SLCWD has no representation on the DSPUD Board.
11. For ten months of the year, DSPUD discharges wastewater to the South Yuba River in the amount of 0.52 million gallons per day with the capacity to be expanded to 0.80 million gallons per day by 2010. In dry or cold years, the stream is low, and high wastewater flows can be discharged into low stream flows.

Conclusions

1. While the T-TSA is much larger than the DSPUD, its operation of a wastewater treatment plant makes it the most logical agency in the area to compare with the DSPUD.
2. While it is necessary to attract citizens to participate in the governing process, the high fee schedule for DSPUD Directors, paying them even if they do not attend a meeting, and serving dinner at regular meetings, sends the constituents and the public the wrong message.
3. Salaries paid by DSPUD to senior level employees seem excessive when compared with T-TSA (see Attachment A).
4. The DSPUD property insurance cost is considerably higher than T-TSA given that the insured property value is one-sixth that of T-TSA
5. Communication with the stakeholders is not being given sufficient priority by the Board and staff.
6. The engineering, technology, capital investment, and personnel requirements of the DSPUD plant will require significant upgrade to ensure proper disposal of increased treated wastewater.
7. The Board appears to be relying largely on staff and counsel and demonstrates little oversight, questioning and judgment.
8. The failure of the General Manager to execute the contracts with the County for fire services and the delay in negotiating a special use permit with the USFS displayed inadequate oversight and direction on the part of the Board.
9. The practice of DSPUD of discharging large quantities of wastewater into the low flowing South Yuba River poses a threat to the beneficial uses of the river.

Recommendations

1. The District should embark on an extensive training program to equip the Board and Staff with the knowledge and skills to manage the District's future needs.
2. The District should give high priority to developing and executing a communications strategy that will open the window for all stakeholders and interested parties. They should complete the upgrade of the web site; expand the content, include on the web site the Board Meeting Minutes, and publish a regular newsletter.
3. The District should develop a policy for establishment of reserve funds and create such funds.
4. The District should investigate the extent of new technology that is or may become available to discharge wastewater - for example, year round subsurface disposal of wastewater.
5. The DSPUD and its related stakeholders should carefully and completely explore all potential impacts on current users of the system and others affected before entering into any agreements with Royal Gorge LLC or any other future development.
6. Nevada and Placer County LAFCOs, together with the DSPUD and SLCWD, should explore the feasibility of a merger of the two districts. Boards of both districts should seek alternate means to provide representation to the large number of users in the SLCWD who have virtually no voice in the affairs of the District.
7. The Board should exercise greater supervision over the General Manger. This supervision should include measurable performance indicators linked to his major duties and to the District's objectives.

Required Response

Donner Summit Public Utility District Board of Directors: October 6, 2008

Attachments

Attachment A DSPUD – Selected Comparisons, dated 11.13.07 revised 4/13/2008

Donner Summit PUD - Selected Comparisons

OPERATING BUDGET '07- 08

	<u>Expenses</u>	<u>Employees</u>
Donner Summit PUD	\$ 1,592,876	8
Tahoe-Truckee Sanitary Agency (T-TSA)	11,951,855	61 (6 open)
Tahoe Donner PUD	31,000,000	67

GENERAL MANAGER SALARIES '06- 07

Donner Summit PUD	\$153,142*
T-TSA	149,965
Truckee Donner PUD	147,430 -179,192
Tahoe City PUD	137,786
Truckee Town Mgr.	126,203

*Only benefit is Long Term Disability Insurance

SALARY COMPARISON '07- 08

	<u>Donner Summit PUD</u>	<u>T-TSA</u>
General Mgr.	\$158,133	\$ 149,965
Chief Plant Operator	105,000	88,608
Operations Supt.	-	98,352
Field Services Supvr.	63,139	98,352
Operator II	52,000	61,176
Operator I	41,899	54,300

BOARD MEMBER MEETING FEES

		<u>Regular Monthly</u>	<u>Other</u>
<u>Donner Summit PUD*</u>	President	\$ 300	\$100
	Vice Pres.	260	100
	Directors (3)	225	100

*Paid even if excused

<u>T-TSA</u>	\$100	\$100
--------------	-------	-------

<u>Tahoe Donner PUD</u>	\$400 per month + Medical Plan
-------------------------	--------------------------------

BOARD EXPENSE

	<u>Donner Summit</u>	<u>T-TSA</u>
'05-06	\$10,100	NA
'06-07	12,740*	\$ 6,700
'07-08 (budget)	16,820	12,000

4/13/2008

NEVADA COUNTY SUPERIOR COURT

201 Church Street, Suite 6

Nevada City, CA 95959

(530) 265-1311

ROBERT L. TAMIETTI

October 7, 2008

Larry Schwartz, Foreman
Nevada County Civil Grand Jury
950 Maidu Avenue
Nevada City CA 95959

Dear Larry:

I have reviewed the letter & material enclosed, submitted by Cathy A. Preis, President, Board of Directors of Donner Summit Public Utility District, and have asked the Deputy Jury Commissioner to forward the letter & accompanying documents on to you.

Thanks to you and the other members of the Grand Jury.

Sincerely,



ROBERT L. TAMIETTI
Presiding Judge of the
Civil Grand Jury

RLT:cjm

Enclosure

Donner Summit Public Utility District

P.O. Box 610 53823 Sherritt Lane - Soda Springs California -95728

Phone (530) 426-3456 - Fax (530) 426-3460

Internet: www.DSPUD.com

*Accepted as
meeting request*

September 23, 2008

Honorable Robert L. Tamietti
Presiding Judge of the Superior Court
201 Church Street
Nevada City, Ca 95959

RE: Amended Response to the Grand Jury's Report dated June 10, 2008

To the Honorable Judge Tamietti:

The attached responses by the Board of Directors of the Donner Summit Public Utility District to the 2007-08 Nevada County Civil Grand Jury Report, dated June 10, 2008, entitled Donner Summit Public Utility District, are submitted as required by California Penal Code Section 933.05.

These responses to the Grand Jury's Findings and Recommendations were discussed at the June 17, July 15, August 12, and September 23, 2008 Board meetings. Approval of the attached responses occurred at the August 12, 2008 Regular meeting and the September 23, 2008 Special Meeting.

In closing, the Donner Summit Public Utility District would like to thank the Nevada County Grand Jury for its volunteer service to the community.

Respectfully,



Cathy A. Preis
President, Board of Directors

Cc: Larry Schwartz, Nevada County Grand Jury, Foreman
(with enclosures)

BOARD MEMBERS: ~ Cathy A. Preis, President ~ Rachel Tolmachoff, Vice President ~ Bob Sherwood, Secretary
~ Philip Gamick ~ Lori Van Meter

DISTRICT STAFF: Thomas G. Skjelstad, General Manager ~ Jim King, Chief Plant Operator ~
Julie Bartolini, Office Manager

**DONNER SUMMIT PUBLIC UTILITY DISTRICT RESPONSE TO
2007-2008 CIVIL GRAND JURY REPORT
DATED JUNE 10, 2008**

A. Responses to Findings

1. The President of the Board receives \$300, the Vice-President receives \$260 and the Directors receive \$225 per regular monthly meeting. In addition, each director receives \$100 for any other meetings. They are paid whether they attend or are excused. The monthly meetings include complimentary dinner for everyone present. The current budget includes direct Board expenses of \$16,820. By comparison, the Truckee-Tahoe Sanitary Agency, operating a larger wastewater treatment plant, and whose budget is 7.5 times that of DSPUD, includes \$12,000 in its current budget for Board of Directors' fees and expenses.

Partially agree.

TTS-A in fiscal year 2006/07 expended \$44,619.32 for meetings, trainings, and fringe benefits on its Board members. (See Exhibit A, attached). This information had been provided to the Grand Jury, specifically Juror Paul Leyton, prior to its issuance of the final report but was not utilized by the Grand Jury in its findings.

2. Other than the licensed operating personnel, there is no engineering expertise on site to evaluate the information received from retained outside consultants. The Board members, three of whom, are in their first term, and the General Manager rely on these consultants for technical knowledge and expertise at an annual cost of \$247,000 (Includes Chief Plant Operator for part of the year).

Partially agree.

The cost for outside consulting engineering is project driven and thus varies from year to year. So there is no set annual cost. The \$247,000 as referenced by the jury was for costs associated with a contract Chief Plant Operator position. Subsequently the contract employee was hired by the District with total salary and benefit cost of approximately \$150,000, for a savings of \$97,000. Juror Paul Leyton was made aware of this but the Grand Jury chose not to revise its findings accordingly.

3. A comparison of salaries (Attachment A) shows that the salaries of the General Manager and the Chief Plant Operator are higher than comparable positions at T-TSA. The T-TSA has a '07-08 Operating Budget 7.5 times larger than DSPUD, and 61 staff positions compared with six full-time and two part-time employees at DSPUD.

Partially Agree.

The Jury's Attachment A contains numerous errors. With the exception of DSPUD's general manager, all other general manager salaries are incorrect. See Exhibit B, attached. At the request of Juror Paul Leyton, DSPUD's Board President provided this information (See Exhibit B, attached) to the Jury in December of 2007. The Grand Jury, however, chose to disregard the accurate salaries and benefit packages and published these errors in its final report.

4. The District is spending \$30,500 to insure property valued at \$11,867,000. By comparison, the T-TSA is spending \$30,000 to insure property valued at \$68,000,000.

Partially agree.

Insurance premiums are not based solely upon property valuations. Generally, premiums are based on per occurrence dollar amount limits, deductibles, and nature of property covered. To compare DSPUD's premium to property value with T-TSA's premium to property value is meaningless. For instance, DSPUD insures a dam. We are unaware that T-TSA owns/operates/insures a dam.

5. The District does not have reserve funds.

Disagree.

The District during the period of the Grand Jury's investigation thru August 31, 2008 had a minimum of \$2,413.00 and a maximum of \$2,997.51 designated as investments.

6. Failure to have an operating website makes it difficult to provide stakeholders with relevant information.

Partially agree.

The District uses the USPS to mail to every rate payer notices of important issues.

7. The minutes of the Board meetings are inadequate to provide a clear understanding of Board activities.

Disagree.

After reviewing the minutes of the District Board meetings, the Directors of the District believe that the minutes adequately reflect the activities and decisions of the Board.

8. The minutes of the Board meetings indicate that with the exception of invited guests - attorneys, engineers, potential new board members, etc - almost no stakeholders attend Board meetings.

Agree.

9. The dispute with the TFPD was a result of DSPUD staff failure to execute the contracts with Nevada County for two years to provide fire services to County Service Area 31 and other Nevada and Placer County areas outside the DSPUD. It involved approximately \$63,000 claimed by DSPUD and the TFPD cross-complaint for \$164,462 in damages. The settlement provided that DSPUD receive \$25,000 to be spent to upgrade of the water distribution system and \$5000 to upgrade the fire station to meet code. TFPD will spend \$33,000 to upgrade the fire equipment serving the Donner Summit area.

Partially agree.

The dispute between DSPUD and TFPD was the result of TFPD's breaching the contract between the two districts found in the Nevada County LAFCo annexation documents.

Additionally, the contracts referred to in the Grand Jury report were not forwarded to Donner Summit Public Utility District as Nevada County asserted that the insurance certificates which were required by contract had not been provided to Nevada County. However, the insurance certificates

were in fact delivered by the Special District Risk Management Association for the years 2003/04, 2004/05, as well as 2005/06 (See Exhibit C attached, copies of which were provided to the Grand Jury) but had been set aside by Nevada County staff and thus failed to issue the final contracts for signature.

Truckee Fire Protection District then in violation of the Annexation Agreement and Plan for Services demanded that payment be forwarded to them by Nevada County and, as set forth above, eventually paid those monies back to Donner Summit Public Utility District for use and benefit of the rate payers of the Donner Summit Public Utility District.

10. Under the agreement between the DSPUD and SLCWD, DSPUD is entitled to 56% of the capacity of the wastewater treatment plant capacity and SLCWD is entitled to 44 %. DSPUD has 83 registered voters from which to draw Board members. SLCWD has no representation on the DSPUD Board.

Agree.

11. For ten months of the year, DSPUD discharges wastewater to the South Yuba River in the amount of 0.52 million gallons per day with the capacity to be expanded to 0.80 million gallons per day by 2010. In dry or cold years, the stream is low, and high wastewater flows can be discharged into low stream flows.

Disagree.

The DSPUD discharges into the South Yuba River between 9 or 10 months of the year depending on river flow. The DSPUD discharges an average of 0.25 million gallons per day into the South Yuba not 0.52 as represented by the jury. The District may seek to have the capacity of the wastewater treatment plant upgraded from 0.52MGD to 0.80 MGD. Grand Juror Paul Leyton was made aware of these facts but the Grand Jury chose not to revise its findings accordingly.

B. Responses to Recommendations

1. The District should embark on an extensive training program to equip the Board and Staff with the knowledge and skills to manage the District's future needs.

The recommendation will not be implemented at this time. DSPUD believes the current training policy for Board and staff is sufficient.

2. The District should give high priority to developing and executing a communications strategy that will open the window for all stakeholders and interested parties. They should complete the upgrade of the web site; expand the content, include on the web site the Board Meeting Minutes, and publish a regular newsletter.

The recommendation has been implemented. The upgraded website is complete and notice of such was included in the July 2008 customer billings.

3. The District should develop a policy for establishment of reserve funds and create such funds.

The recommendation has not yet been implemented, but will be implemented in the future. Estimated implementation date 1/2009.

4. The District should investigate the extent of new technology that is or may become available to discharge wastewater - for example, year round subsurface disposal of wastewater.

The recommendation will not be implemented. The District believes that the current contract with its consulting engineers entitled, Wastewater Facilities Planning and Design, (a copy of which was provided to the jury), is more than sufficient to meet the Jury's recommendation. Year round subsurface disposal while not new technology may be impractical given the geological aspects typically found on Donner Summit.

5. The DSPUD and its related stakeholders should carefully and completely explore all potential impacts on current users of the system and others affected before entering into any agreements with Royal Gorge LLC or any other future development.

The recommendation will not be implemented. Special districts such as DSPUD have no land use authority. When and if Royal Gorge formally submits its development plans to Placer County, the District will respond through the CEQA process.

6. Nevada and Placer County LAFCOs, together with the DSPUD and SLCWD, should explore the feasibility of a merger of the two districts. Boards of both districts should seek alternate means to provide representation to the large number of users in the SLCWD who have virtually no voice in the affairs of the District.

The recommendation will not be implemented. The District believes that Nevada and Placer LAFCOs have the authority thru the Cortese-Knox-Hertzberg Act to explore the feasibility of a merger. The District, if requested by Placer LAFCo, would be open to discuss such a feasibility study.

7. The Board should exercise greater supervision over the General Manger. This supervision should include measurable performance indicators linked to his major duties and to the District's objectives.

The recommendation will not be implemented. The Board believes that the current annual performance evaluation form provides the necessary factors to determine whether the general manager is achieving the desired results.

Donner Summit PUD - Selected Comparisons

OPERATING BUDGET '07-08	<u>Expenses</u>	<u>Employees</u>
Donner Summit PUD	\$ 1,592,876	8
Tahoe-Truckee Sanitary Agency (T-TSA)	11,951,855	61 (6 open)
Tahoe Donner PUD	31,000,000	67

GENERAL MANAGER SALARIES '06-07

Donner Summit PUD	\$153,142*
T-TSA	149,965
Truckee Donner PUD	147,430 -179,192
Tahoe City PUD	137,786
Truckee Town Mgr.	126,203

*Only benefit is Long Term Disability Insurance

SALARY COMPARISON '07-08

	<u>Donner Summit PUD</u>	<u>T-TSA</u>
General Mgr.	\$158,133	\$ 149,965
Chief Plant Operator	105,000	88,608
Operations Supt.	-	98,352
Field Services Supvr.	63,139	98,352
Operator II	52,000	61,176
Operator I	41,899	54,300

BOARD MEMBER MEETING FEES

<u>Donner Summit PUD*</u>		<u>Regular Monthly</u>	<u>Other</u>
President		\$ 300	\$100
Vice Pres.		260	100
Directors (3)		225	100

*Paid even if excused

<u>T-TSA</u>	\$100	\$100
--------------	-------	-------

<u>Tahoe Donner PUD</u>	\$400 per month + Medical Plan
-------------------------	--------------------------------

BOARD EXPENSE	<u>Donner Summit</u>	<u>T-TSA</u>
'05-06	\$10,100	NA
'06-07	12,740*	\$ 6,700
'07-08 (budget)	16,820	12,000

4/13/2008

Attachment A

Exhibit "A"



TAHOE-TRUCKEE SANITATION AGENCY

A Public Agency
13720 Joerger Drive
TRUCKEE, CALIFORNIA 96161
(530) 587-2525 • FAX (530) 587-5840

Directors
O.R. Butterfield
Dale Cox
Erik Henrikson
S. Lane Lewis
Jon Northrop
General Manager
Marcia A. Beals

25 June 2008

Ms. Rachel Tolmachoff, Vice-President
Board of Directors
Donner Summit PUD
P. O. Box 610
Soda Springs, CA 95728

Re: Request for Information

This letter is in response to your request for information about the compensation for Tahoe-Truckee Sanitation Agency (T-TSA) Board members, including the value of any and all fringe benefits provided.

Pursuant to West's Annotated Water Code Appendix Section 114-99 and Health and Safety Code Section 6489 (a), members of the T-TSA Board of Directors receive compensation in the amount of \$100 per meeting, not to exceed a total of 6 meetings per month. The T-TSA Board generally meets once per month, and infrequently calls special Board meetings.

The total amount expended for Board members' attendance at meetings during FY 2006-07 was \$5,000.

T-TSA also makes available health benefits to the members of its Board of Directors pursuant to Government Code Sections 53200, et seq., and reimburses members for their actual and necessary out of pocket expenses for conferences, seminars, and other events held within the State of California that are for the purpose of discussing relevant wastewater issues, and for educational training, seminars and courses designed to improve Directors' understanding of T-TSA business and their obligations as public officials.

The total amount expended in FY 2006-07 for the aforementioned Directors' benefits, excluding the compensation for attendance at meetings, was \$39,619.32.

If you need any additional information, please do not hesitate to contact me.

Sincerely,

Marcia A. Beals
General Manager

mbst

✓ Tom

2007/08 EXPENDITURES BUDGET

Fund 01 General
 01 Department:
 GENERAL GOVERNMENT
 02 Division:
 TOWN MANAGER

TOWN OF TRUCKEE
 TOWN MANAGER

OBJECT CODE	05/06 ACTUAL	06/07 ORIGINAL BUDGET	06/07 ESTIMATED ACTUAL	07/08 PROPOSED BUDGET	% CHG BUD TO EA	% CHG BUD TO BUD
PERSONNEL						
5011 Wages - Regular Full-time	120,203	142,520	142,520	156,258	9.64%	9.64%
5026 Employee Incentive Program	1,744	5,000	5,000	5,000	0.00%	0.00%
5400 Benefits	56,932	64,148	70,000	70,011	0.02%	9.14%
5460 Deferred Comp	12,607	12,750	12,750	13,537	6.18%	6.18%
5570 Car Allowance	7,130	8,281	7,000	7,135	1.93%	-13.84%
Total Personnel	198,616	232,699	237,270	251,941	6.18%	8.27%
SUPPLIES & SERVICES						
6115 Education & Training	5,726	6,500	5,500	6,500	18.18%	0.00%
6120 Employee Relations Activities	8,508	9,300	10,500	11,500	9.52%	23.66%
6305 Advertising	1	200	100	200	100.00%	0.00%
6325 Membership & Dues	1,474	2,400	2,000	2,500	25.00%	4.17%
6335 General Supplies	920	2,000	1,200	1,700	41.67%	-15.00%
6345 Photocopying	1,074	1,900	1,540	1,800	16.88%	-5.26%
6350 Postage, Freight & Delivery	332	500	250	500	100.00%	0.00%
6355 Printing	49	200	50	200	300.00%	0.00%
6360 Professional Services	3,241	11,000	8,000	11,000	37.50%	0.00%
6365 Publications	0	200	200	200	0.00%	0.00%
6370 Telephone	1,648	3,500	1,615	2,000	23.84%	-42.86%
6620 Repairs & Maint-Office Equip	146	100	100	100	0.00%	0.00%
6970 Vehicles - Repair & Maintenance	7	0	0	0		
7070 Rent/Lease Equipment	154	500	125	250	100.00%	-50.00%
Total Supplies & Services	23,279	38,300	31,180	38,450	23.32%	0.39%
CAPITAL OUTLAY						
8020 Computer Equipment	3,599	0	0	0		
Total Capital Outlay	3,599	0	0	0		
TOTAL	225,494	270,999	268,450	290,391	8.17%	7.16%



ANNUAL BUDGET

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

2008

(Draft Version as of 11/07/07)

APPROVED BY THE BOARD OF DIRECTORS _____



PART V

THE 2008

APPENDICES

51

DRAFT

**APPENDIX II
BUDGETED POSITIONS BY DEPARTMENT**

POSITION	BUDGET 2006
ADMINISTRATION	
General Manager	\$169,541
Interim General Manager	19,562
Executive Secretary	69,888
ADMINISTRATIVE SERVICES	
Admin Services Manager	134,992
Human Resources Administrator	82,888
Finance/Accounting Manager	119,517
Senior Accounting/Accounting Analyst	87,027
Accounting/Computer Operations Supervisor	66,518
Customer Serv/Collections Supervisor	60,299
Customer Services Manager	71,594
Customer Billing Supervisor	57,470
Work Order Accounting Supervisor	66,518
Senior Clerk (3)	159,016
General Clerk (3)	149,282
Meter Reader Coordinator	58,864
Meter Reader	56,077
Overtime	11,880
CONSERVATION	
General Services Manager (47%)	53,488
Conservation Administrator	88,400
Technical Project Manager (76%)	69,245
GENERAL SERVICES	
General Services Manager (53%)	60,038
Technical Project Manager (24%)	21,568
Warehouse/Relief Utility Worker	56,077
Facilities Maintenance/Relief Utility Worker	56,077
Mechanic	73,341
Assistant Mechanic	57,429
Buyer/Clerk	64,896

**APPENDIX III
LABOR OVERHEAD**

VALUE OF BENEFITS

Medical /Dental insurance	\$1,273,862
Vision insurance	25,000
Long term disability	44,687
Life insurance	59,853
Longevity	17,144
FICA	351,084
Fed Med	87,234
Worker's compensation insurance	297,638
Pension	1,161,582
GASB 45 OPEB cost	198,800
Value of non-productive labor (vacation, sick leave, holiday)	829,094
	<hr/>
	\$4,345,978
	<hr/>

TOTAL VALUE OF BENEFITS

PRODUCTIVE LABOR

Recommended labor (Appendix I)	\$6,024,487
Less value of non-productive labor	(829,094)
	<hr/>
	\$5,195,393
	<hr/>

TOTAL PRODUCTIVE LABOR

PAYROLL OVERHEAD

(Value of benefits/productive labor)

83.65%

BENEFITS AS A PERCENT OF TOTAL LABOR AND BENEFITS

46%

Exhibit "C"



SDRMA

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

1112 I Street, Suite 300, Sacramento, California 95814-2865

Monday, January 29, 2007

Insured/Participant

SDRMA/Donner Summit PUD
Post Office Box 610
Soda Springs, CA 95728-0610

Certificate of Coverages

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies listed below.

Certificate Holder

County of Nevada ATTN: Tom Martin

950 Maidu
Nevada City, CA 95959

Coverage Period

7/1/2003

to 6/30/2004

This is to certify that the coverages listed below have been issued to the participant named above for the period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain. The coverage afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

Policy Dates: 7/1/2003 to 6/30/2004

LIMITS

Personal Injury and Property Damage Liability Coverage - General

Company: Special District Risk Management Authority, Cov. \$2,500,000 per occurrence/aggregate where applicable
No. CVA0304V05E02-GL

Personal Injury and Property Damage Liability Coverage - Auto

Company: Special District Risk Management Authority, Cov. \$2,500,000 per accident
No. CVA0304V05E02-AL

Description:

The Certificate Holder, its officers, agents and employees are named as Additional Insured, BY ENDORSEMENT, with respect to the contract fire protection emergency rescue and ambulance services provided to Nevada County Service Area No. 31. See attached endorsement.

Cancellation

Should any of the above described policies be canceled before the expiration date thereof, the issuing company will endeavor to mail thirty (30) days written notice to the certificate holder. But failure to mail such notice shall impose no obligation or liability of any kind upon the company its agents or representatives.

Special District Risk
Management Authority

Maximizing Protection.
Minimizing Risk.

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141
F 916.231.4111
Toll-free 800.537.7790
www.sdrma.org



This endorsement changes the memorandum of coverage. Please read it carefully.

COVERAGE PERIOD: 7/1/2004 through 6/30/2005

MEMBER AGENCY
Donner Summit Public Utility District
Post Office Box 610
Soda Springs, California 95728-0610

ADDITIONAL NAMED AGENCY
County of Nevada
Attn: Tom Martin
950 Maidu
Nevada City, California 95959

This endorsement modifies the Memorandum of Coverage provided under the following:

Personal Injury and Property Damage Liability Coverage - General Liability

General Issuer: Special District Risk Management Authority - Coverage LCA-SDRMA-200405
Coverage Limits: \$2,500,000 Per Occurrence

It is hereby agreed that this endorsement is added to the Memorandum of Coverage issued to Donner Summit Public Utility District by Special District Risk Management Authority the following entity is named as an Additional Covered Member.

County of Nevada, its officers, agents and employees are named as additionally covered members with respect to the contract fire protection emergency rescue and ambulance services provided to Nevada County Service Area No. 31.

The coverage afforded by this ENDORSEMENT shall be primary with respect to any other valid and collectible insurance County of Nevada may possess, including any self insured retention County of Nevada may have, and any other insurance the does possess shall be considered excess insurance only and shall not be called upon to contribute with this insurance, except for the sole negligence of County of Nevada. Coverage shall not be extended to any indemnity coverage for the active negligence of the additional named member in any case where an agreement to indemnify the additional named member would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

All other terms and conditions remained unchanged.

Coverage provided by this endorsement, under the terms, conditions and exclusions contained in the Memorandum of Coverage Issued by SDRMA to Donner Summit Public Utility District shall not be reduced or canceled without thirty (30) days written notice given to the County of Nevada certified mail.

THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE. PLEASE READ IT CAREFULLY.

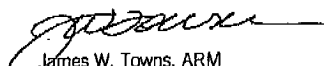
ADDITIONAL NAMED AGENCY

The inclusion of more than one Covered Member shall not operate to impair the rights of one Covered Member against another Covered Member and the coverages afforded shall apply as though separate policies have been issued to each Covered Member.

Effective date of this endorsement is: July 2, 2004

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY


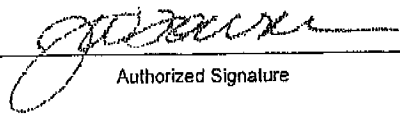
Signed by:


James W. Towns, ARM
Chief Executive Officer

An alliance committed to serving
California's independent special districts
www.csdafinance.com

California Special Districts Association
1112 I Street, Suite 300
Sacramento, California 95814-2865
Toll-free 877.924.CSDA (27332)
Fax 916.442.7889

CSDA Finance Corporation
1112 I Street, Suite 300
Sacramento, California 95814-2865
Toll-free 877.924.CSDA (27332)
Fax 916.442.7889

Issue Date (MM/DD/YYYY) 07/02/2004		CERTIFICATE OF COVERAGE				
This is to certify that coverages listed below have been issued to the member named below for the period indicated notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain; the coverage described herein is subject to all the terms, exclusions, and conditions of the specific coverage document; limits shown may have been reduced by paid claims.						
This certificate of insurance or binder evidences the limits of liability in effect at the inception of the policies shown. This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies listed below.						
Participating Member: Donner Summit Public Utilities District Post Office Box 610 Soda Springs, CA 95728-0610			Member Number: BOP-6826		Company Affording Coverage: Special District Risk Management Authority 1112 I Street, Suite 300 Sacramento, California 95814 Toll-Free 800.537.7790 www.sdrma.org	
Type of Coverage		Policy Number	Effective Date	Expiration Date	Limits	
General Liability		LCA-SDRMA-200405	07/01/2004	06/30/2005		
Personal Injury Liability - Auto					Per Accident	\$2,500,000
Personal Injury Liability - General					Per Occurrence	\$2,500,000
Description: All listed coverage is in effect only for the time period specified. The Certificate Holder, its officers, agents and employees are named as Additional Insured, BY ENDORSEMENT, with respect to the contract fire protection emergency rescue and ambulance services provided to Nevada County Service Area No. 31. See attached endorsement.						
Cancellation: Should any of the above-described policies be cancelled before the expiration dates thereof, the issuing company will endeavor to mail 0 days written notice to the above-named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.						
Certificate Dates:		Effective Date	Expiration Date	Certificate Type:	<input checked="" type="checkbox"/> Additional Insured <input type="checkbox"/> Loss Payee <input type="checkbox"/> Evidence of Coverage	
		07/01/2004	06/30/2005			
CERTIFICATE HOLDER				 Authorized Signature		
County of Nevada ATTN: Tom Martin 950 Maidu Nevada City, CA 95959						

Special District Risk
Management Authority

Maximizing Protection.
Minimizing Risk.

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141
F 916.231.4111
Toll-free 800.537.7790
www.sdrma.org



This endorsement changes the memorandum of coverage. Please read it carefully.

COVERAGE PERIOD: 7/1/2005 through 6/30/2006

MEMBER AGENCY
Donner Summit Public Utility District
Post Office Box 610
Soda Springs, California 95728-0610

ADDITIONAL NAMED AGENCY
County of Nevada
Attn: Tom Martin
950 Maldu
Nevada City, California 95959

This endorsement modifies the Memorandum of Coverage provided under the following:

Personal Injury and Property Damage Liability Coverage - General Liability
General Issuer: Special District Risk Management Authority - Coverage LCA-SDRMA-200506
Coverage Limits: \$2,500,000 Per Occurrence

It is hereby agreed that this endorsement is added to the Memorandum of Coverage issued to Donner Summit Public Utility District by Special District Risk Management Authority the following entity is named as an Additional Covered Member.

County of Nevada, its officers, agents and employees are named as additionally covered members with respect to the contract fire protection emergency rescue and ambulance services provided to Nevada County Service Area No. 31.

The coverage afforded by this ENDORSEMENT shall be primary with respect to any other valid and collectible insurance County of Nevada may possess, including any self insured retention County of Nevada may have, and any other insurance the does possess shall be considered excess insurance only and shall not be called upon to contribute with this insurance, except for the sole negligence of County of Nevada. Coverage shall not be extended to any indemnity coverage for the active negligence of the additional named member in any case where an agreement to indemnify the additional named member would be invalid under Subdivision (b) of Section 27B2 of the Civil Code.

All other terms and conditions remained unchanged.

Coverage provided by this endorsement, under the terms, conditions and exclusions contained in the Memorandum of Coverage Issued by SDRMA to Donner Summit Public Utility District shall not be reduced or canceled without thirty (30) days written notice given to the County of Nevada certified mail.

THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE. PLEASE READ IT CAREFULLY.

ADDITIONAL NAMED AGENCY

The inclusion of more than one Covered Member shall not operate to impair the rights of one Covered Member against another Covered Member and the coverages afforded shall apply as though separate policies have been issued to each Covered Member.

Effective date of this endorsement is: June 24, 2005

SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Signed by:


James W. Towns, ARM
Chief Executive Officer

Issue Date (MM/DD/YYYY)
06/24/2005

CERTIFICATE OF COVERAGE



This is to certify that coverages listed below have been issued to the member named below for the period indicated notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain; the coverage described herein is subject to all the terms, exclusions, and conditions of the specific coverage document; limits shown may have been reduced by paid claims.

This certificate of insurance or binder evidences the limits of liability in effect at the inception of the policies shown. This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies listed below.

Participating Member:

Donner Summit Public Utilities District
Post Office Box 610
Soda Springs, CA 95728-0610

Member Number:

BOP-6826

Company Affording Coverage:

Special District Risk Management Authority
1112 T Street, Suite 300
Sacramento, California 95814
Toll-Free 800.537.7790 www.sdrma.org

Type of Coverage	Policy Number	Effective Date	Expiration Date	Limits	
General Liability	LCA-SDRMA-200506	07/01/2005	06/30/2006		
Personal Injury Liability - Auto				Per Accident	\$2,500,000
Personal Injury Liability - General				Per Occurrence	\$2,500,000

Description: All listed coverage is in effect only for the time period specified.

The Certificate Holder, its officers, agents and employees are named as Additional Insured, BY ENDORSEMENT, with respect to the contract fire protection emergency rescue and ambulance services provided to Nevada County Service Area No. 31. See attached endorsement.

Cancellation: Should any of the above-described policies be cancelled before the expiration dates thereof, the issuing company will endeavor to mail 0 days written notice to the above-named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.

Certificate Dates:	Effective Date 07/01/2005	Expiration Date 06/30/2006	Certificate Type:	<input checked="" type="checkbox"/> Additional Issured <input type="checkbox"/> Loss Payee Evidence of Coverage
--------------------	------------------------------	-------------------------------	-------------------	---

CERTIFICATE HOLDER

County of Nevada ATTN: Tom Martin
950 Main
Nevada City, CA 95959

Authorized Signature