

FORESTHILL PUBLIC UTILITY DISTRICT

AGENDA

Regular Business Meeting of the
FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631
www.foresthillpud.com

Wednesday	June 10, 2026	6:00 P.M.
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Any person may access and comment during the meeting by doing the following:

Join Zoom Meeting: <https://us06web.zoom.us/j/82837681166> Meeting ID: 828 3768 1166

1. OPEN SESSION - CALL TO ORDER 6:00 PM

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

_____ President Chase Dowling
_____ Vice President Mark Bell
_____ Treasurer Ron Thompson
_____ Director Roger Pruett
_____ Director Dianne Foster

4. ADJUSTMENTS TO THE AGENDA WITHIN CATEGORIES

5. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
- Speakers are limited to a maximum of three minutes.
- The Board may not respond to, discuss, or engage in any type of dialog regarding any public comment; however, the President may direct questions to staff for a later response or future consideration by the Board.
- Appropriate and respectful language and behavior is vital to the functioning of a public meeting. We ask the Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

6. CONSENT AGENDA: All items listed under the Consent Agenda are routine in nature and may be approved by one motion

- 6.1. Approval of April 8, 2026, and May 13, 2026, Regular Board Meeting minutes
- 6.2. Receive and file combined financial reports for April 2026

7. OPERATIONS ACTION ITEMS:

- 7.1. Adoption of California Environmental Quality Act (CEQA) Notice of Exemption for Temporary Water Transfer

Recommended action: Staff recommends the Board adopt the attached CEQA Notice of Exemption for the temporary transfer of up to 2,000 acre-feet (AF) of stored water from Sugar Pine Reservoir to Central Valley Project (CVP) and/or State Water Project (SWP) contractors located south of the Sacramento-San Joaquin Delta pursuant to CCR Section 15282(u) and California Water Code Section 1729.

Public Comment:

- 7.2. Approve Resolution 2026-05- Adopting Fiscal Year 2026/2027 Operating Budget.

Recommended action: Approve Resolution 2026-05

Public Comment:

8. BOARD MEMBER ACTION ITEMS: None

9. BOARD MEMBER POLICY ACTION ITEMS:

- 9.1. Consider revised job description for the Treatment Plant/Distribution Operator V position.

Recommended action: Approve revised job description

Public comment:

10. DISCUSSION ITEMS: None

11. FUTURE AGENDA ITEMS - Future agenda items are to help the General Manager and Board President craft the next month's agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

11.1. **FUTURE BOARD MEMBER ACTION ITEMS - None**

11.2. **FUTURE POLICY ACTION ITEMS - None**

11.3. **FUTURE DISCUSSION ITEMS - None**

12. GENERAL MANAGER'S REPORT

13. DIRECTORS' ITEMS/INFORMATION ONLY

14. CLOSED SESSION -

- 14.1. Conference with real property negotiators (Gov't Code Section 54956.8).

Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District Negotiators: Chase Dowling and Henry N. White; Negotiating Parties: Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of Reclamation, City of Folsom, City of Sacramento, Carmichael Water District, San Juan Water District, Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District),

State Water Contractors and member agencies (e.g. Santa Clara Valley Water District);
Under Negotiation: Price and terms of payment for the sale of surplus stored water
from Sugar Pine Reservoir.

15. REPORT OUT OF CLOSED SESSION -

16. ADJOURNMENT

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the district's front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 PM., June 3, 2026.

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

Henry N. White, General Manager

FORESTHILL PUBLIC UTILITY DISTRICT

Meeting Minutes

Item 6.1

Regular Business Meeting of the
FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631
www.foresthillpud.com

Wednesday	May 13, 2026	6:00 P.M.
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1. OPEN SESSION - CALL TO ORDER 6:01 PM

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

- Y___ President Chase Dowling
- Y___ Vice President Mark Bell
- Y___ Treasurer Ron Thompson
- Y___ Director Roger Pruett
- Y___ Director Dianne Foster

4. ADJUSTMENTS TO THE AGENDA WITHIN CATEGORIES

5. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
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6. CONSENT AGENDA: All items listed under the Consent Agenda are routine in nature and may be approved by one motion

Approval of April 8, 2026, Regular Board Meeting minutes

The board acknowledged that corrections to the previous meeting's minutes were not made in time. It was agreed that Sally would distribute corrected minutes before the next meeting for review and approval. A minor error was noted: the document labeled "agenda" should have been titled "minutes." Chase Dowling made a motion to approve without minutes, Mark Bell second motion

Receive and file combined financial reports for March 2026

OPERATIONS ACTION ITEMS:

Consideration of Resolution Authorizing Submission of Assessment District No. 2 Charges to Placer County for Collection on the 2026/27 Property Tax Rolls
Recommended action: Adopt the attached resolution authorizing the placement of Assessment District No. 2 charges on the 2026/27 Placer County property tax rolls and authorize the General Manager to submit all required documentation to Placer County for collection.

Public Comment: N/A

A routine resolution was adopted to authorize the placement of Assessment District #2 charges on the 2026–2027 Placer County Property Tax Roll.

The district, approved in **1996** and effective in **1997**, funded water system improvements via a **30-year** loan.

Payments began in **1998**, with final payoff expected in **2028**. Once paid, the **\$46** annual charge will be removed from property taxes.

Chase made a motion to authorize the General Manager to submit the required documentation to Placer County for inclusion of Assessment District No. 2 charges in the 2026/27 tax rolls. Roger Pruett second the motion

Roll Call Vote:

Y: President Chase Dowling

Y: Vice President Mark Bell

Y: Treasurer Ron Thompson

Y: Director Roger Pruett

Y: Director Dianne Foster

Motion passed unanimously (5-0).

Consideration of Resolution Authorizing Submission of Delinquent Utility Accounts to Placer County for Collection on the 2026/27 Property Tax Rolls
Recommended action: Adopt the attached resolution authorizing the placement of delinquent utility account charges on the 2026/27 Placer County property tax rolls and authorize the General Manager to submit all required documentation to Placer County for collection.

Public Comment: N/A

Resolution adopted to place **182 delinquent accounts** totaling **\$172,851** on the 2026–2027 tax roll.

This is an **8% increase** in accounts from the prior year.

Accounts must be over **90 days** delinquent; customers receive **12 notices** and a final warning before being placed on the tax roll.

Concerns were raised about placing liens without knowing individual circumstances (e.g., hardship vs. non-payment).

Dianne is concerned about the Miner’s Camp issue in the past with

Putting a lean on a property if they refuse to pay their bill.

Mark Bell motion to adopt attached resolution authorizing 2026/27 property tax of delinquent accounts. Roger Pruett second the motion

Roll Call Vote

- Y: President Chase Dowling
- Y: Vice President Mark Bell
- Y: Treasurer Ron Thompson
- Y: Director Roger Pruett
- N: Director Dianne Foster

Motion carries 4-1

Adopt CEQA Categorical Exemption for Generator Replacement Project (Water Treatment Plant & Pumping Plant)

Recommended action: Adopt categorical exemption

Public Comment: N/A

Motion adopted to approve a CEQA (California Environmental Quality Act) categorical exemption for replacing a generator at the water treatment plant.

The project qualifies for exemption (Class 1 and 2) as it is an in-kind replacement in an already developed industrial area.

The exemption protects the district if challenged on environmental compliance.

Roll Call Vote:

- Y:President Chase Dowling
- Y: Vice President Mark Bell
- Y: Treasurer Ron Thompson
- Y: Director Roger Pruett
- Y: Director Dianne Foster
- Motion passed unanimously (5-0).

Adopt Plans and Specifications for Generator Replacement Project and Authorize Staff to Proceed with Public Bidding

Recommended action: Adopt plans and specifications and authorize public bidding.

Public Comment: N/A

Motion adopted to approve plans and specifications and authorize public bidding for the generator installation. The **275 kW** generator was purchased from Cummins via Peters Engineering for **\$132,788**, plus **\$4,300** for ATS; a **\$140,000** payment was confirmed.

Peters Engineering conducted a feasibility study (**\$3,500**) and prepared plans/specs (**\$14,000**).

The bid process will follow California public works law (not RFP); advertising will occur via Sacramento Builders Exchange and a newspaper of general circulation.

Peters Engineering will assist in bid review but will not manage the process.

Concerns were raised about Cummins' responsiveness and suspicions about the generator being rebuilt generator; staff confirmed it is new.

Difficult to get part of the 40 year generator.

Critical in protection of Foresthill Community

Chase made a motion to approve Generator Replacement Project- Adoption of Plans and Specifications and Authorization to proceed with public bid. Dainne Foster second the motion

Roll Call Vote:

- Y: President Chase Dowling
- Y: Vice President Mark Bell
- Y: Treasurer Ron Thompson
- Y: Director: Roger Pruett
- Y: Director: Dianne Foster
- Motion passed unanimously (5-0).

Approval of Conflict Waiver for potential 2026 Foresthill Public Utility District water transfer to Westlands Water District

Recommended action: Approve Conflict Waiver and authorize General Manager to sign waiver letter

Public Comment: N/A

Approval of a conflict waiver for attorney Eric Chronic, whose firm represents Westlands Water District, to legally represent Foresthill PUD in a potential water sale of up to **2,000 acre-feet**.

Chronic clarified he will represent only Foresthill, not Westlands.

Past waivers were referenced (most recent from **2024**). Vice President Mark Bell made a motion to approve a conflict waiver for potential 2026 FPUD water transfer to Westlands Water District. President Chase second the motion.

Roll Call Vote:

- Y: President Chase Dowling
- Y: Vice President Mark Bell
- N: Treasurer Ron Thompson
- Y: Director Roger Pruett
- N: Director Dianne Foster

Motion carries (3-2)

7. BOARD MEMBER ACTION ITEMS:

Title: *“Board approval of Attorney Kyler Rayden’s employment contract to perform an assessment of the GM,s contract”*

A three to five sentence description: *“At April's board meeting the board decided to use BBK as special council for the Review process surrounding the negotiation and approval of the GM's contract in 2024. The Board also decided to bring back the Contract from BBK for approval. This is the Contract.” Submitted by Chase Dowling.*

“The Board is divided as to the existence of a “negotiation team” appointed in 2024 to bargain the GM's five-year contract. They are divided on the legitimacy of one Board member voting via zoom on the contract while on vacation based as defined Gov. Code. 54953 & AB 2449. Therefore, there is a need for outside counsel to resolve the conflict.” Submitted by Dianne Foster

Requested outcome: *“Approve BBK Contract”*

Supporting documentation: *Contract with BBK in packet*

Submitted by: *Chase Dowling and Dianne Foster*

Proposal to approve a contract with law firm BBK (Best Best & Krieger) to assess the validity of the General Manager’s 2024 contract and related governance issues.

Concerns raised:

- No **"not to exceed"** cost limit.
- No defined **scope of work** beyond vague language.
- Includes a broad **advance conflict waiver**.

- Inconsistency noted: same board members who approved a prior conflict waiver voted against this one.

Legal counsel suggested edits could be made to include cost cap and scope.

A board discussion centered on clarifying the scope of work for BBK , a legal firm engaged to evaluate aspects of the general manager’s contract and related processes. Initially, there was confusion about whether Eric was involved in the conflict, but it was clarified that the issue concerns BBK, not Eric. The core concern is that BBK is being brought in not just for a narrowly defined task, but potentially for broader responsibilities that were not previously approved.

The approved scope, as documented in the prior month’s meeting minutes, includes two specific items: Processing a phased assessment of the negotiation of the general manager’s employment agreement Evaluating whether established procedures were followed, particularly in relation to state law and board policy

This evaluation was intended to be fact-based and limited, relying on documentation such as board policies, minutes, and legal statutes – not subjective recommendations.

Unauthorized Addition to Contract Scope

A significant point of contention is an additional clause in the contract stating that BBK should “provide recommendation for future compliance and transparency; This language was added without prior discussion or board approval. The member who raised the concern (Chase) emphasized that this addition could expand the scope of work beyond the intended limit and risk exceeding the \$5,000 budget cap approved in April.

The concern is not only financial but procedural: the board never authorized BBK to develop future plans or policy recommendations. Their role was strictly to review existing processes and determine compliance with legal and policy standards. The fear is that if BBK is allowed to propose new compliance frameworks, it could lead to extended engagement, increased costs, and mission.

Motion to Amend the Contract

Chase proposed a motion to correct the contract by:

Authorizing him to negotiate directly with BBK

Ensuring the contract explicitly includes only the two approved scope items from

the April meeting removed the unauthorized clause about providing recommendations for future compliance and transparency reaffirming the not to exceed \$5,000 budget limit.

Initially drafted with unclear phrasing, leading to confusion about whether the \$5,000 cap was being excluded. After clarification, President Chase Dowling motion was rephrased accurately to state: Chase Dowling be appointed to negotiate with BBK and sign a contract once amended to include scope of work approved at April 8, 2026 Board Meeting minus quote for further transparency and compliance and not to exceed five thousand dollars. Mark Bell seconded the motion

Roll Call Vote

Y President Chase Dowling

N Vice President Mark Bell

Y Treasurer Ron Thompson

N Director Roger Pruett

Y Director Dianne Foster

Motion carries 3-2

The vote passed 3 to 2, with Chase Dowling, Ron Thompson, and Diana Foster voting yes, and Mark Bell and Roger Pruett voting no.

The

motion carried, authorizing Chase to proceed with amending the contract accordingly.

A secondary concern was raised about board members potentially overwhelming

BBK with excessive documentation or commentary, which could drive up costs.

Members were urged to be concise and provide only relevant documents to keep

the process is efficient and within budget.

Proposal to Replace Current Legal Firm

Reasons for Seeking New Legal Representation

Diana Foster presented a formal request to explore hiring a new attorney firm to

replace the current one, which has served the Forestville Public Utility District

(FPUD) for approximately fifteen years. She argued that a & quote new and fresh

Perspective quote; is needed due to several costly decisions and lack of proactive

support on transparency initiatives.

Key issues cited include:

Loss of the Miner Camp six-year lawsuit, which cost ratepayers an estimated

\$500,000 and was deemed avoidable
Ongoing effort to secure a 49-year permit extension to raise the Sugar Pine Dam, which has already cost approximately \$1 million with no guarantee of success after 15 years of waiting for a state decision
Diana also recounted personal experiences where the current attorney failed to act:

When the general manager attempted to delay her swearing-in based on inapplicable state code, it was the Placer County Election Department's attorney, not FPUD's counsel, who intervened and corrected the issue
Her proposals to video board meetings and expand meeting minutes to include discussion summaries were met with resistance from the general manager, who cited the FPUD attorney's concerns about liability – without any constructive alternatives offered

Criticism of General Manager's Contract Negotiation

Diana criticized the current firm's role in negotiating the general manager's contract in 2024, which resulted in a five-year term – an unusually long duration for such a position. She argued that this weakens the board's ability to hold the manager accountable and suggested the attorney should have advocated more strongly against such generous terms.
She also referenced an Excel chart (pages 119-121) showing legal costs over time, emphasizing that the law firm profited significantly from the Miner Camp litigation and continues to bill regularly for the stalled dam permit effort, despite little progress.

Defense of Current Legal Firm

Mark Bell provided a detailed rebuttal in defense of retaining the current attorney firm. His arguments included:

1. Cost and Transition Risks

Replacing a long-term provider always incurs higher initial costs due to the learning curve

Example: When the district switched accounting firms, the first-year cost with LSL was \$155,000, but dropped to \$109,000 the following year – a savings of over \$40,000 once the firm became familiar with FPUD's operations

The same would likely occur with a new law firm, resulting in higher upfront costs for a period of adjustment

2. Role of Legal Counsel

The attorney's role is to advise, not to make financial or policy decisions
All major decisions – such as pursuing lawsuits – were made by the board, not the attorney

The firm provided warnings about potential liability, but the board retains the right

to proceed anyway (e.g., the owl-related matter)

3. Benefits Provided by Current Firm

Secured \$1.9 million in net benefits through water transfer negotiations

Provided ongoing legal support in labor relations, contract reviews, and Proposition 218 compliance

Offered training for special districts – a service not required but provided voluntarily

Maintained expertise in water rights, a critical area for FPUD

4. Reassessment of Miner Camp Lawsuit Costs

Total legal cost for FPUD in Miner Camp: \$300,000

Plaintiff's attorney fees awarded: \$89,560 at trial (asked for nearly \$500,000) and

\$46,000 on appeal (asked for \$113,000)

Damages awarded to plaintiff: \$468 (asked for \$39,000)

Total plaintiff demand: \$634,000

Actual cost to FPUD: \$136,000 (legal fees + damages)

Therefore, the district avoided \$498,000 in potential costs through vigorous defense

Mark emphasized that collapsing early would have resulted in much higher

payments and that the attorney's work significantly reduced financial exposure.

5. Second Lawsuit Comparison

A nearly identical lawsuit (same complaint, same plaintiff's attorney, different

plaintiff) was resolved for only \$17,500 in legal fees, demonstrating improved

efficiency and precedent-setting value from the first case

Conclusion and Request

Diana's request concludes with a call to publish a Request for Proposal (RFP)

to seek new legal representation. She argues that the current firm's pattern of

risk-averse advice and lack of support for transparency initiatives justifies a change, despite low billing rates.

Mark counters that the firm has delivered substantial value, kept costs manageable over time, and provided expert, up-to-date legal guidance. He sees

no compelling reason to disrupt a long-standing, effective relationship, especially given the transition costs and risks involved.

The board did not vote on the RFP proposal during this meeting.

Title: *"The Board Explore hiring another Attorney Firm"*

A three to five sentence description: *"The time has come to consider hiring a different Attorney firm to represent the FPUD. The current firm has been the FPUD counsel for approximately 15 years. During this time, there have been some costly decisions made which was against the financial well-being of the FPUD and the ratepayers. The District would benefit in seeking another attorney firm with a new and fresh perspective on legal matters and advice"*

Requested outcome: *"Publish a RFP (aka Request For Proposal) in search for a new Attorney firm to represent the FPUD."*

Supporting documentation: *Attached*

Submitted by: *Dianne Foster*

Several board members advocate for improved governance. One speaker suggests implementing a mandatory annual review process for all contracted services, including legal counsel, general managers, board secretaries, and financial services. Contracts should not exceed two to four years to ensure new boards have the opportunity to reassess and reappoint service providers. This would promote accountability and prevent entrenchment.

Another member notes that the current attorney firm, Kronig, represents the district – not individual officials like the general manager. This distinction became relevant when Vance told a board member to get their own attorney, underscoring that personal legal interests are not covered under the district's counsel.

Mark Bell responds to allegations of misconduct against the law firm by rejecting them categorically, calling the accusations "wild and ambushing; with no prior performance review". He declines to defend the firm in detail under these circumstances but asserts confidence that the claims are unfounded.

Mark motioned to confirm the current attorney firm for the next two years, citing their strong financial performance.

Director Roger Pruett seconded the motion.

Roll Call Vote

N President Chase Dowling

Y Vice President Mark Bell

N Treasurer Ron Thompson

Y Director Roger Pruett

N Director Dianne Foster

Motion fails 3-2

Diane then proposes issuing a Request for Proposal (RFP) to find a new attorney firm, but later withdraws the motion, agreeing to delay any decision until BBK completes an assessment of the current legal representation.

Chase Dowling motioned to not see agenda item for new legal counsel for at least four months or until the BBK assessment is complete. Vice President Mark Bell second the motion.

Roll Call Vote

Y President Chase Dowling

Y Vice President Mark Bell

N Treasurer Ron Thompson

Y Director Roger Pruett

N Director Dianne Foster

Motion passes 3-2

8. BOARD MEMBER POLICY ACTION ITEMS:

Consider revised job description for the Treatment Plant/Distribution Operator IV position.

Recommended action: Approve revised job description

Public comment: N/A

Title: "Revise Policy #5025"

A three to five sentence description: "I am submitting Revisions to Policy 5025 because after a few months of its implementation I have found that it needs some adjustment for better understanding and work flow. I am submitting revisions to 5025.22, 5025.23, 5025.24.1, 5025.24.2, 5025.25"

Requested outcome: "Approve revisions"

Supporting documentation: "A copy of the existing Policy 5025 and the proposed revisions in *strikeout*"

Submitted by: Chase Dowling

Hank presents a revised job description for the Treatment Plant Distribution Operator IV position. The rewrite was done from scratch to improve clarity and reflect current operational needs, moving closer to a journey-level operator role. The previous version was criticized as overly wordy.

Chase Dowling made a motion to approve revision of Operator 4 position.

Dianne Foster seconded the motion.

Roll Call Vote

Y President Chase Dowling

Y Vice President Mark Bell

Y Treasurer Ron Thompson

Y Director Roger Pruett

Y Director Dianne Foster

Motion carries unanimously (5-0).

Updates on personnel include:

Four operators are now employed at the treatment plant.

The newest hire is classified as an Operator II and is described as extremely skilled.

A new full-time Customer Service Representative (position level II) has been hired.

Revisions to Policy 5025 are discussed to improve clarity and workflow. Key changes include limiting agenda items to two per category (previously three) to prevent overload. A drafting error had stated a maximum of three ; instead of two, which is corrected upon discovery.

Ron Thompson opposes Policy 5025 entirely, arguing it censors board members by restricting the number of agenda items, thereby slowing progress and undermining fiduciary responsibilities. He abstains from voting.

Confusion arises over document formatting: three versions of the policy are circulated (original, strikethrough, and clean), causing readability issues. It is suggested that future revisions include clear labels such as a Strikethrough version to improve transparency for both board members and ratepayers.

2 hr limit Chase Dowling motioned to continue meeting after 5 minute break.

Ron Thompson second the motion.

Back to order at 8:16p.m.

Chase Dowling motion to approve revised agenda with edits to 5025 6.1 striking clean version of submittal requirements for policy action items. Correct 5025 4.1 (1A max of 3- should be 2) Roger Pruett second the motion

Roll Call Vote

Y President Chase Dowling
Y Vice President Mark Bell
Y Treasurer Ron Thompson
Y Director Roger Pruett
Abstains Director Dianne Foster
Motions carries 4-0

9. DISCUSSION ITEMS: None

10. FUTURE AGENDA ITEMS - Future agenda items are to help the General Manager and Board President craft the next month's agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

FUTURE BOARD MEMBER ACTION ITEMS - None

FUTURE POLICY ACTION ITEMS - None

FUTURE DISCUSSION ITEMS - None

11. GENERAL MANAGER'S REPORT

Questions arise about the status of SCADA Program Phase 6. Hank clarifies that Phase 6—related to the pump house—is complete and operational, despite earlier uncertainty expressed in a memo by Nathan Longley, who had questioned whether implementation should wait for a new generator. Hank confirms no connection between Phase 6 and the generator.

Public Participation and Technical Issues

Sue Kislin raises a concern about camera operation during the virtual meeting. Fails to properly frame board members, particularly Ron Thompson, often showing only the top of his head or cutting him out entirely. She requests manual adjustment to ensure all members are visible and audible. Hank adjusts the camera mid-meeting.

12. DIRECTORS' ITEMS/INFORMATION ONLY

Mark presents a year-long financial analysis of accounting services, showing costs consistently below \$100K annually and accountant hours generally below the historical benchmark. This data is used to argue against unnecessary scrutiny of contracted services without evidence of poor Performance. He also addresses a past incident where a board member's agenda item was

blocked under Policy 5025. He admits it was his error in facilitating the vote and acknowledges that such actions amount to censorship. He assures it will not happen again, clarifying that the policy does not authorize such suppression.

13. CLOSED SESSION -

Conference with real property negotiators (Gov't Code Section 54956.8).

Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District

Negotiators: Chase Dowling and Henry N. White; Negotiating Parties:

Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of Reclamation, City of Folsom, City of Sacramento, Carmichael Water District, San Juan Water District, Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District), State Water Contractors and member agencies (e.g. Santa Clara Valley Water District);

Under Negotiation: Price and terms of payment for the sale of surplus stored water from Sugar Pine Reservoir.

14. REPORT OUT OF CLOSED SESSION -

The meeting concludes with a motion to enter closed session under Government Code Section 54956.8 to discuss negotiations over the sale of up to 2,000 acre-feet of stored water from Sugar Pine Reservoir. Negotiators include Chase Down and Henry White, with multiple water agencies involved. The discussion covers price and payment terms. Recording is stopped at this point.

15. ADJOURNMENT

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the district's front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 PM., May 6, 2026.

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

Minutes submitted by: Sally Hicks

FORESTHILL PUBLIC UTILITY DISTRICT

Meeting Minutes

Item 6.1

Regular Business Meeting of the
FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
Foresthill Elementary School, 24750 Main Street, Foresthill, CA 95631
www.foresthillpud.com

Wednesday	April 8, 2026	6:00 P.M.
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OPEN SESSION - CALL TO ORDER 6:00 PM

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

President Chase Dowling Present Vice President Mark Bell Present
Treasurer Ron Thompson Present Director Roger Pruett Present Director
Dianne Foster Present

Henry N. White, General Manager, was in attendance. District Counsel, Eric Robinson was in attendance.

4. ADJUSTMENTS TO THE AGENDA WITHIN CATEGORIES

- Director Dianne Foster requested to comment.
 - Questioned why her items were not on the agenda. President Dowling suggested we wait until 13. DIRECTORS' ITEMS/INFORMATION ONLY
 - Dianne would like to state board policies are convoluted. She interprets the policy 5025 as follows: you have to put something on the agenda for the following month. Chase stated the board policies are a living document and can be addressed and changed.
 - No adjustments

5. PUBLIC COMMENT:

- Members of the public may provide comments to the Board on items that are not on the agenda. We welcome and encourage your comments as the Board takes them into consideration in our deliberations.
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- Appropriate and respectful language and behavior is vital to the functioning of a public meeting. We ask the Board, staff, and members of the public to speak courteously and respectfully. Therefore, the Board prohibits disruptive behavior.

No public comments

6. **CONSENT AGENDA:** All items listed under the Consent Agenda are routine in nature and may be approved by one motion
- 6.1. Approval of March 11, 2026, Regular Board Meeting minutes
 - 6.2. Receive and file combined financial reports for February 2026

Board Actions: Vice President Mark Bell made a motion to approve the agenda. The motion was seconded by Director Roger Pruett and carried unanimously (5-0) after roll call vote.

7. OPERATIONS ACTION ITEMS:

7.1. Approve Resolution 2026-02 – Declaring an election be held in Foresthill Public Utility District’s jurisdiction, requesting the Board of Supervisors to consolidate this election with any other election conducted on said date, and requesting election services by the County Clerk.

Recommended action: Approve Resolution 2026-02.

Public Comment: No Comments

Board Action: General Manager stated there's an election coming up in November. Placer Co has offered to add us to their ballots. The district has always consolidated their elections with Placer Co. They require some documents and it would cost \$5-6,000. Vice President Mark Bell motions to approve Resolution 2026-02. Director Roger Pruitt seconded the motion and carried unanimously with a (5-0) after a roll call vote.

7.2. Local Agency Formation Commission Special District Board Member ballot.

Recommended action: Cast ballot for one candidate and direct President to sign and submit.

Public Comment: N/A

Board Action: LAFCO is seeking members for their commission. The board has the option to nominate one candidate. Judy Freidman is already on the board and works for Tahoe Public Utility District. The other option is not to vote. President Dowling suggested we be good neighbors and nominate Judy Freeman. Vice President Mark Bell motioned to cast a ballot for candidate Judy Freidman. President Chase Dowling seconded the motion and carried unanimously (5-0) after a roll call vote.

8. BOARD MEMBER ACTION ITEMS:

8.1. Submitted by Chase Dowling

8.1.1. Category: Board member action item

8.1.2. Title: Consider Selection of Independent Legal Counsel for Review of General Manager 2024 Employment Agreement Process

8.1.3. A three to five sentence description: Pursuant to prior Board direction, the ad hoc committee has identified and evaluated qualified independent legal counsel to perform a process-based assessment of the negotiation and implementation of the General Manager’s 2024 employment agreement. The committee will present its recommendations for Board consideration, including proposed scope of work and cost.

8.1.4.Requested outcome: *Approve selection of independent legal counsel, authorize execution of an agreement for services, and approve a not-to-exceed amount for the engagement.*

8.1.5.Supporting documentation: *Enclosed*

Board Action:

Dianne Foster liked Kyler Rayden. He has a background in open government ethics among others. Chase thought Gary Bell or Colantuono, Highsmith & Whatley were also very qualified. President Chase Dowling motioned to have Director Dianne Foster contact legal counsel Kyler Rayden to notify him the board has requested his services and to write up a contract for the board to go over at the next general meeting. Dianne will send it to President Dowling. Treasurer Ron Thompson seconded the motion. Roll call vote (3-2) motion carries.

Board Action:

President Chase Dowling made a motion for the board to approve the scope of work for independent legal counsel conduct a process-based assessment of the negotiation of the General Manager's 2024 employment agreement. The scope shall include evaluation of whether the process followed and were consistent with the applicable law, including the Ralph M. Brown Act, 54950-54963, AB 2302 and AB 2449, District policies, and accepted public agency governance practices, and to provide recommendations for future compliance transparency. Independent counsel is authorized to request information from individuals, staff and counsel as needed to complete this assessment. All communications and materials provided to counsel shall be documented and preserved as part of an official record of the engagement. Directors shall limit communication with counsel to factual information and documentation relevant to the scope of work and shall not engage in deliberation outside of a duly noticed public meeting consistent with the Brown Act. Dianne Foster seconded motion. Motion carries (3-2)

Board Action: President Chase Dowling motion for review by independent counsel not to exceed \$5,000 Director Dianne Foster seconded the motion. Motion carries (3-2)

8.2. Submitted by: *Dianne Foster*

8.2.1.Category : *Not provided*

8.2.2.Title: *Not provided*

8.2.3.A three to five sentence description: *Hire an in-house Finance Manager – The FPUD has been without an in-house Finance Manager for three years this April. Board Policies 2300 and 2305 was written specifically to apply to a finance manager who is physically working in the office. The current remote finance company charges nearly \$100,000 more than an in-house contracted manager would cost per year. The Board must continue posting the position as long as it takes to hire a qualified person to fill the Finance Manager position.*

8.2.4.Requested outcome: *I am requesting the Board vote to continue posting an RFP for an in-house finance manager position at the CSDA, Indeed, Placer Job Network, Gold Country Media as well as other suggested areas.*

8.2.5.Supporting documentation: *Not provided*

Board Action: Director Dianne Foster feels there is a need for an inhouse accountant. If her proposal doesn't go through, she will propose a reduction in rate payers bills if there is a perception that FPUD is so wealthy. Director Roger Pruet and Vice President Mark Bell suggest we stay with the same firm. Mark Bell sees no benefits in having a finance manager. Treasure Ron Thompson sees value in having an inhouse accountant. He says the accountant

(LSL) can't verify anything. They can only verify what is given to them. Dianne Foster doesn't think a finance manager should work hybrid. She wants a person in-house. President Mark Bell motions to suspend all further discussion of hiring a finance manager for the next 3 years. Director Roger Pruett seconded the motion. Motion failed (2-3)

Public Comment:

Patty wants to know the background on the statement made by Ron "money is flowing out of this place!" She believes the public utility is a good company and any figures anybody needs to know can come in the office and look at.

Public comment from OWL: Sue would like to remind everyone that you have to abide by gap rules and rules of separation. Hank is only giving information to them. Sue believes FPUD needs an in-house account who understands these things.

Board Comment:

President Ron Bell addressed Treasurer Ron Thompson's comment. There are sequences of events that must happen before invoices or anything is paid. There are multiple steps in verifications. Treasure Ron Thompson has stated he has only seen a couple bank statements in the 3 years he's been here. He has requested credit card statements and bank statements and has received them very small and hard to read. These things lead to not being forthcoming. He believes we need an in-house finance manager. Dianne Foster asked Sue to speak on GAP, she has a fiance background. Dianne wants to point out there are a bunch of accounts that are being charged to, about 3-4 credit cards
General Manager Hank White stated we are audited every year. They look at every expenditure. They have no suggestion on how FPUD handles their finances. For 13 years the audit report has said their system is good.

Board Action: President Chase Dowling made a motion to suspend further discussion of hiring finance manager by board of directors for next 6 months. President Mark Bell seconded the motion. Motion carries (3-2)

9. BOARD MEMBER POLICY ACTION ITEMS:

9.1. Consider revised job description for the Treatment Plant/Distribution Operator III position.

Recommended action: Approve revised job description

Public comment:

Board Action: Vice-President Mark Bell motion to approve new revised job description operator III. President Chase Dowling seconded motion. Motion carries unanimously (5-0)
No public comment

Board Member comment: Dianne Foster: "How many treatment operators are employed now?" General Manager Hank White response: 4

10. DISCUSSION ITEMS: None

11. FUTURE AGENDA ITEMS - Future agenda items are to help the General Manager and

Board President craft the next month's agenda. Unless otherwise voted upon, the future agenda will comprise of no more than one new board member action item and no more than

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one new policy action item. Now is the time to discuss which items the board would like to see first to help prioritize efficiency.

11.1.FUTURE BOARD MEMBER ACTION ITEMS

11.1.1. Submitted by: *Dianne Foster*

11.1.1.1. Category: *Future Board Member Action Items*

11.1.1.2. Title: *Not provided*

11.1.1.3. A three to five sentence description: *The Board Explore hiring another Attorney Firm –The time has come to consider hiring a different Attorney firm to represent the FPUD. The current firm has been the FPUD counsel for approximately 15 years. During this time, there have been some costly decisions made which was against the financial well-being of the FPUD and the ratepayers. The District would benefit in seeking another attorney firm with a new and fresh perspective on legal matters and advice.*

11.1.1.4. Requested outcome: *I am requesting that the Board vote to initiate an RFP to replace the current firm with a new Attorney firm.*

11.1.1.5. Supporting documentation: *Not provided.*

Board Action: President Chase Dowling motioned to move to next month's agenda. Director Dianne Foster seconded the motion. Motion carries (3-2)

Public Comment: No comment

11.2.FUTURE POLICY ACTION ITEMS - None

11.3.FUTURE DISCUSSION ITEMS - None

12. GENERAL MANAGER'S REPORT

Updates are in packet. SCADA, new operator, LSL report in packet. Director Dianne Foster: on SCADA report says we haven't implemented phase 6 but we have been paying for it since July. Per Hank, we pay as work is complete. Did we buy a generator? Yes, in December 2025. The receipt says it's a quote for a sales contract. There was a grant from PCWA that purchased the generator. Who is installing the generator? BID's will go out in the next 6 months. Advertised in Sacramento builders exchange. Select lowest responsible bid. Board authorized \$140,000 to purchase generator.

13. DIRECTORS' ITEMS/INFORMATION ONLY

Meeting met 2 hours

President Chase Dowling motions for recess. Vice President Mark Bell seconded motion. Motion carries (5-0)

Treasurer Ron Thompson left over protest for a vote required to be taken under Director Dowling new B.P. 5025 to "approve or remove" a Director's agenda items scheduled to be heard the following month.

Back in session 8:09pm

14. CLOSED SESSION -

14.1. Conference with real property negotiators (Gov't Code Section 54956.8). Property: Up to 2,000 acre feet of stored Sugar Pine Reservoir water; District Negotiators: Chase Dowling and Henry N. White; Negotiating Parties: Prospective water users in the American River Basin, Central Valley or elsewhere in the federal Central Valley Project or State Water Project service areas, including but not limited to; U.S. Bureau of

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Reclamation, City of Folsom, City of Sacramento, Carmichael Water District, San Juan Water District, Sacramento Suburban Water District, San Luis and Delta-Mendota Water Authority and member agencies (e.g. Westlands Water District), State Water Contractors and member agencies (e.g. Santa Clara Valley Water District); Under Negotiation: Price and terms of payment for the sale of surplus stored water from Sugar Pine Reservoir.

15. REPORT OUT OF CLOSED SESSION -

Board Action: The board has decided to let negotiators pursue the transfer of 2000acre feet of water in 2026.

No public comment

16. ADJOURNMENT 8:47pm

In accordance with Government Code Section 54954.2(a) this notice and agenda were posted in the district's front window at the Foresthill Public Utility District office, 24540 Main Street, Foresthill, CA 95631 on or before 4:30 PM., April 2, 2026.

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

Submitted by Sally Hicks

FORESTHILL PUBLIC UTILITY DISTRICT

Statement of Net Position

As of April 30, 2026

Item 6.2

Apr 30, 2026

ASSETS

Current Assets

Bank Accounts

10110 Cash on Hand	250
10120 Wells Fargo Checking	467,725
10510 Local Agency Investment Fund	6,668,233
10512 Umpqua Savings account	7,027

Total Checking/Savings 7,143,234

Accounts Receivable 392,548

Other Current Assets 238,973

Total Current Assets 7,774,756

Fixed Assets 10,669,479

Other Assets 323,861

TOTAL ASSETS \$ 18,768,096

LIABILITIES AND NET POSITION

Liabilities

Current Liabilities 177,970

Long-Term Liabilities 1,363,426

Total Liabilities 1,541,396

Net Position 17,226,700

TOTAL LIABILITIES AND NET POSITION \$ 18,768,096

FORESTHILL PUBLIC UTILITY DISTRICT
Profit & Loss Budget vs. Actuals
July 2025 - April 2026

	Jul'25 - Apr'26	Budget	\$ over Budget
Income			
41100 Consumption Billed	519,717	540,000	(20,283)
41150 Base rate - Residential	1,688,997	1,665,000	23,997
41200 Base rate - Commercial	191,101	188,333	2,768
42300 Meter Installation	4,500	1,667	2,833
42330 Line Tap	1,650	-	1,650
49200 Interest - LAIF	204,414	61,500	142,914
49210 Interest - Taxes ¹	872	1,000	(128)
49251 Interest - Umpqua Bank	1	-	1
49300 Property Tax Revenues ¹	74,483	104,167	(29,684)
49310 Home Owner Prop Tax exemption	302	-	302
49520 Service Charges & Reconnect	70,954	16,667	54,287
49910 Miscellaneous Income	11	-	11
49930 Grant Income	82,641	37,500	45,141
Total Income	\$ 2,839,643	\$ 2,615,833	\$ 223,810
Expenses			
51000 Wages & Salaries	694,527	760,000	(65,473)
52000 Taxes & Benefits	427,574	375,000	52,574
53000 Materials & Supplies	126,853	108,333	18,520
54000 Equipment costs	22,614	43,333	(20,719)
55000 Contracted services	174,738	141,667	33,071
55001 Professional Fees	168,192	205,833	(37,641)
56000 Resource development	65,410	68,333	(2,923)
57000 Utilities	57,543	65,000	(7,457)
58000 Regulatory and General	160,111	160,833	(722)
61000 Capital Activities	310,218	355,833	(45,615)
62400 Depreciation Expense	347,347	-	347,347
Total Expenses	\$ 2,555,127	\$ 2,284,166	\$ 270,961
Net Income	\$ 284,516	\$ 331,667	\$ (47,151)

¹Pending receipt of Feb-Apr property tax revenues from Placer County

FORESTHILL PUBLIC UTILITY DISTRICT
Profit & Loss Budget vs. Actuals
July 2025 - April 2026

	<u>Jul'25 - Apr'26</u>	<u>Budget</u>	<u>\$ over Budget</u>
Administration	466,088	438,333	27,755
Capital Expenditures	310,218	355,833	(45,615)
Customer Service	335,344	340,833	(5,490)
Distribution	403,716	430,000	(26,284)
Pumping	17,020	21,667	(4,646)
Regulatory Compliance	253,814	275,833	(22,020)
Source of Supply	21,207	22,500	(1,293)
Treatment	400,374	399,167	1,207
Depreciation	347,347	-	347,347
TOTAL	\$ 2,555,127	\$ 2,284,166	\$ 270,961

FORESTHILL PUBLIC UTILITY DISTRICT
Fund Balances
July 2025 - April 2026

	<u>7/1/2025**</u>	<u>Received</u>	<u>Paid Out</u>	<u>Transfers</u>	<u>Balance</u>
General Fund - unspendable	11,109,706			(37,129)	11,072,577
General Fund - unrestricted	3,074,463	2,757,002	2,077,670	(357,687)	3,396,108
Operating reserves	1,139,985	-	-	-	1,139,985
Debt service reserves*	164,030	-	167,239	167,239	164,030
Capital reserves	854,000	82,641	310,218	227,577	854,000
Emergency reserves	600,000	-	-	-	600,000
Total Fund balances	<u>\$ 16,942,184</u>	<u>\$ 2,839,643</u>	<u>\$ 2,555,127</u>	<u>\$ 0</u>	<u>\$ 17,226,700</u>

* This budget includes Debt Service

**Adjusted at FYE25 per Board Resolution 2021-07

**Foresthill Public Utility District
Cash Disbursements Register**

April 2026

	Date	Num	Name	Memo	Amount
Apr 26	04/02/2026	1614-4JRL-QHWH	Amazon Business	Supplies	-2,702.89
	04/02/2026	687160	Napa Auto Parts	Vehicle Maintenance	-1,939.69
	04/02/2026	543695503001 0426	Humana Insurance Co	Retiree health insurance - April	-399.88
	04/02/2026	970895575001 0426	Humana Insurance Co	Retiree Health Insurance - April	-411.83
	04/02/2026	ACH 040226	Wells Fargo Bank	AUTHNET GATEWAY BILLING	-118.80
	04/03/2026	717274682	ADP	ADP PAYROLL FEES 032726	-168.14
	04/06/2026	73881	LSL CPAs & Assoc.	Accounting Assistance - March	-6,270.00
	04/06/2026	739A02BF-0023	Streamline	DocAccess (monthly ADA compliance program)	-250.00
	04/07/2026	70596810112 032026	Pacific Gas & Electric	HQ Power	-190.96
	04/08/2026	34701	Worton's Foresthill Grocery	supplies	-49.52
	04/08/2026	34696	Secure Record Management	Document disposal	-75.00
	04/08/2026	34698	Thatcher Company, Inc.	Chlorine	-9,702.61
	04/08/2026	34692	Department of Water Resources	Annual dam fee.	-62,515.00
	04/08/2026	34689	Castle Cleaning	HQ cleaning	-525.00
	04/08/2026	34690	Columbia Bank	Water bond semi-annual princ/int	-43,102.40
	04/08/2026	34693	Ferguson Enterprises Inc.	supplies	-196.19
	04/08/2026	34688	American Water Works Association	AWWA Dues 6/1/2026-5/31/2027	-539.00
	04/08/2026	34702	Wright Heating & Air Conditioning	WTP heater repair	-950.00
	04/08/2026	34694	Foresthill Garage, Inc.	Excavator trailer tires	-472.66
	04/08/2026	34691	Cranmer Engineering, Inc.	Water quality	-585.50
	04/08/2026	34695	Grant Hardware, Inc.	Supplies	-316.77
	04/08/2026	34697	Sierra Mini Mart, Inc.	March 2026 fuel	-834.75
	04/08/2026	34699	USA Blue Book	supplies	-555.25
	04/08/2026	34700	Vision Quest Information Solutions, Inc.	IT Service April 2026, UPS Gold plan 2023	-1,832.35
	04/09/2026	PR 041026	ADP	ADP WAGE PAY 041026	-20,307.77
	04/09/2026	14062003684R 0326	Bureau of Reclamation	USBR Sugar Pine Fee - March	-1,221.53
	04/09/2026	PR 041026	ADP	ADP Tax 041026	-10,215.41
	04/10/2026	PR 041026	CalPERS	CALPERS Classic PR 041026	-1,896.56
	04/10/2026	PR 041026	CalPERS	CALPERS PEPRA PR 041026	-2,393.33
	04/10/2026	PR 041026	CalPERS	CALPERS 457b PR 041026	-500.00

04/13/2026	572717	Economy Pest Control	HQ pest control	-84.00
04/13/2026	ACH 041326	Wells Fargo Bank	CLIENT ANALYSIS SRVC CHR	-156.80
04/14/2026	34704	USA Blue Book	supplies	-445.79
04/14/2026	34703	CSI Metrics	SCADA system, phase 4 tasks, dam monitoring task	-12,810.00
04/16/2026	G55821-032526	Auburn Area Answering Service	Answering Service	-148.00
04/17/2026	79066205	Recology Auburn Placer	HQ Refuse	-40.38
04/17/2026	79077178	Recology Auburn Placer	WTP Refuse	-40.38
04/17/2026	ACH 041726	American Messaging	PAGING	-12.35
04/17/2026	718122727	ADP	ADP PAYROLL FEES 041026	-168.14
04/17/2026	G000AYSM 0526	Mutual of Omaha	LTD, AD&D	-562.98
04/20/2026	20474704	Sebastian	phone	-558.61
04/20/2026	04722655893 033126	Pacific Gas & Electric	Streetlight	-11.00
04/21/2026	34716	Wells Fargo Bank	supplies, GoDaddy (webdomain), new hire background check	-352.10
04/21/2026	34712	Meter, Valve & Control	ERTs	-2,834.00
04/21/2026	34710	Infosend	Customer invoices March 2026	-1,680.95
04/21/2026	34715	(RAMS)	State Controller Report	-700.00
04/21/2026	34713	Placer County , Personnel	May 2026 dental insurance	-680.11
04/21/2026	34707	Foresthill Garage, Inc.	vehicle maintenance	-25.00
04/21/2026	34714	Placer County Air Pollution Control Dist	Permit for generator	-447.34
04/21/2026	34708	Foresthill Union Elementary School Distri	Board meeting costs first half FY 25/26	-462.50
04/21/2026	34706	Ferguson Enterprises Inc.	supplies	-621.85
04/21/2026	34709	Freedom Landscaping	Park landscape maintenance	-250.00
04/21/2026	34711	Keenan & Associates	May 2026 health insurance	-24,286.93
04/23/2026	PR 042826	ADP	ADP Tax 042826	-9,429.19
04/23/2026	13112	Jenfitch, Inc	Polymer	-3,862.98
04/23/2026	6140359231	Verizon Wireless	phone/maps	-52.46
04/23/2026	PR 042826	ADP	ADP WAGE PAY 042826	-19,020.21
04/24/2026	42826	CalPERS	CALPERS 457b PR 042826	-500.00
04/24/2026	PR 042826	CalPERS	CALPERS PEPRA PR 042826	-2,393.33
04/24/2026	PR 042826	CalPERS	CALPERS Classic PR 042826	-1,896.56
04/28/2026	34717	Columbia Bank	2014 Sugar Pine loan	-83,055.52
04/28/2026	29768247297 040926	Pacific Gas & Electric	Pump power	-1,114.16
04/28/2026	825068471	Vision Service Plan - (CA)	EE vision insurance	-111.90
04/28/2026	29351580658 040926	Pacific Gas & Electric	WTP Power	-1,984.63

TOTAL

-\$ 342,038.94



Item 7.1

Memorandum

To: Board of Directors
From: Henry N. White
Date: June 3, 2026
Subject: Adoption of CEQA Notice of Exemption for Temporary Water Transfer

Background

The District has the opportunity to temporarily transfer up to 2,000 acre-feet (AF) of stored water from Sugar Pine Reservoir to Central Valley Project (CVP) and/or State Water Project (SWP) contractors located south of the Sacramento-San Joaquin Delta. The proposed transfer would occur pursuant to applicable State water transfer provisions and existing conveyance facilities.

The transfer would involve previously stored water and would not require construction of new facilities or modification of existing infrastructure. The transfer is intended to provide supplemental drought relief supplies to agricultural and/or municipal water users in areas experiencing reduced water availability.

CEQA Analysis

Staff has reviewed the proposed action under the California Environmental Quality Act (CEQA) and determined that the project is statutorily exempt from CEQA pursuant to:

- California Code of Regulations, Title 14, Section 15282(u); and
- California Water Code Section 1729.

These provisions exempt temporary water transfers meeting specified statutory requirements from CEQA review.

The proposed action consists solely of the Board's adoption of a Notice of Exemption associated with the temporary transfer.

Fiscal Impact

The temporary transfer is anticipated to generate revenue to the District through the sale of stored water supplies. Revenues can be used to support District capital improvements.

Conclusion

The proposed temporary transfer provides an opportunity to beneficially use available stored water supplies to assist areas experiencing drought-related shortages while generating revenue for the District.

Recommendation

Staff recommends the Board adopt the attached CEQA Notice of Exemption for the temporary transfer of up to 2,000 acre-feet (AF) of stored water from Sugar Pine Reservoir to Central Valley Project (CVP) and/or State Water Project (SWP) contractors located south of the Sacramento-San Joaquin Delta pursuant to CCR Section 15282(u) and California Water Code Section 1729.

Notice of Exemption

Form D

To: [] Office of Planning and Research
PO Box 3044, 1400 Tenth Street, Room 212
Sacramento, CA 95812-3044

From: (Public Agency) _____
(Address)

[] County Clerk
County of _____

Project Title: _____

Project Location - Specific: Sugar Pine Dam and North Shirttail Canyon Creek

Project Location - City: _____ Project Location - County: _____

Description of Project: This project is a temporary water transfer of 2,000 acre-feet of stored water from Sugar Pine Reservoir to Central Valley Project and/or State Water Project Contractors south of the Sacramento-San Joaquin Delta.

Name of Public Agency Approving Project: _____

Name of Person or Agency Carrying Out Project: Foresthill Public Utility 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 Exemptions. State code number: _____

Reasons why project is exempt: This temporary water transfer is statutorily exempt and has no environmental impacts. The project consists of a one-time water transfer that will use existing facilities. The project does not constitute a new permanent source of water supply and will not result in any growth including impacts.

Lead Agency
Contact Person: _____ Area Code/Telephone/Extension: _____

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: _____ Title: _____

- [] Signed by Lead Agency
[] Signed by Applicant
Date received for filing at OPR: _____



Item 7.2

Memorandum

To: Board of Directors
From: Henry N. White
Date: June 3, 2026
Subject: Adoption of Fiscal Year 2026/2027 Budget

Recommendation

Adopt Resolution No. 2026-05 approving the Fiscal Year 2026/2027 Budget as presented.

Summary

Staff requests Board adoption of the proposed Fiscal Year (FY) 2026/2027 Budget. The proposed budget is balanced, fiscally prudent, and designed to maintain operational stability while addressing long-term obligations, workforce retention, reserve requirements, and long-range financial obligations.

Background

The Finance Committee met on June 3, 2026, to review the proposed FY2026/2027 Budget. The Finance Committee reviewed revenue assumptions, expenditure projections, reserve requirements, debt obligations, staffing needs, and long-term financial commitments. Following review and discussion, the Finance Committee voted to recommend adoption of the proposed budget by the full Board of Directors.

Budget development utilized year-to-date expenditure data for the first three quarters of FY2025/2026 as provided by Lance, Soll & Lunghard (LSL). Staff expanded these figures to approximate full-year expenditures and evaluated historical expenditure trends to develop projected revenues and expenditures for FY2026/2027. Revenue assumptions were developed conservatively to support prudent financial planning and long-term financial stability.

The proposed budget document was made available to the public one week in advance of Board consideration to provide adequate opportunity for public review and transparency.

Discussion

The proposed FY2026/2027 Budget reflects several key priorities and financial planning objectives:

- **Balanced Budget:** The proposed budget is balanced and provides for sustainable operations while maintaining compliance with District financial policies.
- **Conservative Revenue Assumptions:** Revenue is conservatively projected at approximately \$3.4 million to account for operational uncertainty and maintain financial stability.
- **Operating Expenditures:** Operating expenses are projected at approximately \$2.2 million, representing modest increases necessary to maintain service levels, infrastructure reliability, and operational needs.
- **Non-Operating Activity:** The budget includes approximately \$810,789 in projected non-operating expenditures, including debt service and other financial obligations. Debt service obligations remain substantially unchanged from prior fiscal years.
- **Long-Term Debt Transparency:** The proposed budget includes expanded detail regarding the District's long-term debt obligations. This additional information is intended to improve transparency for both the Board and the public regarding future financial commitments.
- **Assessment District No. 2 Funding:** The budget includes a "catch-up" transfer of \$216,000 to Assessment District No. 2 to ensure the assessment district is fully funded consistent with the District's long-term financial obligations.
- **Reserve Compliance:** The proposed budget fully funds all reserve accounts and maintains reserve levels consistent with Board-adopted reserve policies and the Cost-of-Service Study.
- **Staffing and Service Delivery:** The proposed budget funds 8.5 full-time equivalent positions necessary to maintain District operations and service delivery. As a service-based organization, the District's operations are primarily supported through personnel rather than significant raw material or commodity costs. Because the District owns and manages its water supply resources, operating costs are naturally weighted more heavily toward salaries and benefits than organizations with substantial raw product costs.
- **Recruitment and Retention:** The budget includes a planned 10 percent cost-of-living adjustment to employee salaries to address ongoing recruitment and retention challenges faced by small districts competing for qualified employees. One-half of this increase is anticipated during FY2025/2026, with the remaining adjustment incorporated into FY2026/2027 planning assumptions.
- **Rates and Charges:** Adoption of the FY2026/2027 Budget does not require any changes to existing customer rates or fees.

Fiscal Impact

The proposed FY2026/2027 Budget projects approximately \$3.4 million in revenues, \$2.2 million in operating expenditures, and approximately \$810,789 in non-operating expenditures.

The budget maintains full reserve funding, supports ongoing operations, funds long-term obligations, and remains structurally balanced.

Environmental Review

Adoption of the annual operating budget is not considered a project under CEQA Guidelines Section 15378 because it does not have the potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Conclusion

The proposed FY2026/2027 Budget provides a balanced financial plan that supports District operations, maintains infrastructure and staffing needs, preserves reserve funding, addresses long-term obligations, and maintains consistency with adopted financial policies while preserving service reliability for District customers.



Foresthill Public Utility District

Draft Budget

For the Year Ending June 30, 2027

Board of Directors

Chase Dowling - President
Mark Bell - Vice President
Ron Thompson- Treasurer
Roger Pruett - Director
Dianne Foster - Director

Finance Committee

Mark Bell
Roger Pruett

General Manager

Hank White

Draft Date: 6/3/2026

ADOPTED:

**Foresthill Public Utility District
Draft Budget
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For the Year Ending June 30, 2027**

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**Foresthill Public Utility District
Draft Budget
Budget Revenues and Expenses by Fund and Category
For the Year Ending June 30, 2027**

Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 Projected	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
General Fund Revenues	3,291,000	3,139,000	3,378,648	3,392,562	2,991,898	4,151,863	2,828,350	2,864,459
Operational Expenses								
Source of Supply	29,000	27,000	27,128	14,018	93,558	21,656	39,757	53,106
Pumping	27,000	26,000	19,739	17,069	14,242	24,522	22,663	25,800
Treatment	414,000	479,000	467,012	497,184	454,644	465,559	366,848	275,567
Distribution	590,000	516,000	484,900	406,041	375,920	478,018	331,380	383,321
Customer Service	518,000	409,000	397,073	403,803	376,690	332,361	470,688	444,124
Regulatory Compliance	357,000	331,000	350,907	317,731	239,995	233,420	284,930	301,575
Management and Administration	551,000	526,000	444,268	765,432	487,420	358,930	328,635	315,350
Total Operational Expenses	2,486,000	2,314,000	2,191,026	2,421,277	2,042,469	1,914,466	1,844,901	1,798,843
Net Operations	805,000	825,000	1,187,622	971,285	949,429	2,237,397	983,449	1,065,616
Non-Operating Activity								
Assessment District 2 / 708								
Limited Obligation Bonds	(82,035)	(82,050)	(82,050)	(82,006)	(82,109)	(82,058)	(81,954)	(82,099)
Water Bonds	(86,907)	(86,765)	(86,765)	(86,752)	(86,772)	(86,723)	(86,813)	(86,943)
Subtotal	(168,942)	(168,814)	(168,814)	(168,758)	(168,881)	(168,782)	(168,767)	(169,042)
Property Tax support (Assessment District #2)	83,000	83,000	82,426	80,715	83,392	84,271	80,958	84,345
Transfer from General Fund	216,000	85,000	216,201	86,000	100,000	-	-	100,000
Sugar Pine Loan	(167,789)	(167,239)	(167,239)	(168,008)	(169,695)	(169,505)	(168,583)	(170,458)
Transfer from General Fund	167,789	167,239	167,239	168,008	169,695	169,505	168,583	170,458
General Fund Contribution to Capital Activities	(427,000)	(427,000)	(427,000)	(427,000)	(427,000)	(427,000)	(427,000)	(427,000)
Total Non-Operating Activity	(810,789)	(679,239)	(810,441)	(681,008)	(696,695)	(596,505)	(595,583)	(697,458)
Increase/(Decrease) in Net Position	(5,789)	145,761	377,182	290,277	252,734	1,640,892	387,866	368,158

FY 27 Non-Operating Activity expanded and updated by including all loan details.

FY26 and FY 27 Transfer from General Fund to Assessment District #2 includes a split between the two fiscal years to fund the current deficit.

Overview of Revenues, Expenses and Non-operating activity. Revenue and Operational Expenses are shown in greater detail in following pages

General Fund contribution to Assessment District #2 was \$100,000 per year. Assessment District #2 was formed by the voters in 1996 for

Water System Improvement and Highway Relocation Projects

General Fund Revenues high in FY23 due to large \$1.2M grant from PCWA

FY 23 Actual General Fund contribution to Capital Activities includes \$1.2M grant

Sugar Pine loan pays off in FY 2028

FY26 expenses projected to increase 7% over FY 25 projected total. The five year average including inflation has been 6%.

**Foresthill Public Utility District
Draft Budget
General Fund Revenues
For the Year Ending June 30, 2027**

Description	FY 2027 Draft Budget	FY 2026 Budget	FY 2026 Projected	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
Water Service	2,279,000	2,224,000	2,256,163	2201670	2,188,472	2,128,763	1,796,611	1,808,836
Water - Usage	677,000	648,000	670,481	657144	510,195	553,237	711,457	224,213
Meter Installation	5,000	2,000	9,225	5250	2,516	4,289	11,433	5,250
Interest Income	100,000	75,000	140,586	281014	137,109	110,203	63,288	67,235
Property Tax Revenue	130,000	125,000	149,569	129689	125,280	130,970	112,792	107,050
Water Charges Penalties			-			-	-	-
Service Charges and Reconnects	20,000	20,000	69,984	83060	28,326	23,710	22,399	20,202
Grants, water transfers and reimbursed expenses	80,000	45,000	82,641	34735	-	1,200,691	115,789	682,680
Total General Fund Revenues	3,291,000	3,139,000	3,378,648	3,392,562	2,991,898	4,151,863	2,828,350	2,864,459
Total General Fund less Grants	3,211,000	3,094,000	3,296,008	3,357,827	2,991,898	2,951,172	2,712,561	2,181,779

Revenues

The majority of revenues for the District come from customer billings for water service. The District currently bills approximately 1985 residential and 80 non-residential for a total of 2064 customers.

Water Charges Penalties removed within 2020 due to Governor's orders under COVID and not reinstated.

FY2026 budget comments

Includes grant from PCWA for Engineering design of Todd Valley storage tank

The expected revenues are conservative and are within on the rates that went will go into effect on July 15, 2025 which is a 2.0% increase.

**Foresthill Public Utility District
Draft Budget
Summary of Expenses for all Functions
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY2022 Actual	FY 2021 Actual
51000	Salaries	923,000	912,000	837,382	832,706	668,159	782,518	814,361	752,845
52000	Taxes	70,000	71,000	63,319	62,894	51,306	62,139	60,317	60,213
52000	Benefits	472,000	379,000	328,406	308,511	301,239	317,335	346,759	323,017
53000	Supplies	154,000	130,000	154,597	135,709	140,341	131,633	93,244	115,418
54000	Equipment	48,000	52,000	22,214	39,709	113,213	69,724	65,335	62,970
55000	Contracted Services	496,000	481,000	462,926	478,330	447,855	334,806	217,305	230,052
56000	Resource Development	84,000	82,000	71,919	79,708	60,280	74,698	54,704	85,033
57000	Utilities	81,000	78,000	64,829	64,804	65,092	67,137	52,874	52,991
58000	Insurances and fees	242,000	211,000	197,776	439,039	212,236	94,132	152,395	127,864
Total		2,570,000	2,396,000	2,203,368	2,441,410	2,059,721	1,934,122	1,857,294	1,810,402

This is a summary sheet of Expenses by Function. The details are within the following sheets

FY 2023 actual, account 58000 includes a one time credit of \$86603 based on an accrual for Miners Camp restitution.

This was finally determined to be only \$468 and the excess accrual was credited back.

This is an unusual event and not expected to reoccur. The detail for this item is in the Regulatory Function

FY 2024 Budget Comments

Contracted Services, 55000, includes services for accounting and operations activities and is instead of Salaries and Benefits.

Details are on the following sheets. This is due to loss of Finance Manager and operations employees.

FY 2025 Budget Comments

Salaries return to routine without contract services for operations, but accounting remains as Contract Service.

FY 2026 Budget Comments: Reductions in operations contracted services show corresponding increase in regular employee salaries

FY 2027 Comments: Separated 56000 category from 55000

**Foresthill Public Utility District
Draft Budget
Source of Supply
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Salaries	6,000	7,000	3,373	2,776	233	10,462	24,332	29,047
52000	Taxes	-	1,000	256	210	21	834	1,802	1,786
52100	Benefits	3,000	2,000	1,205	870	136	3,896	9,048	12,440
53000	Maintenance	2,000	2,000	891	-	-	646	1,573	2,342
54000	Vehicle Expense	1,000	2,000	-	-	85,413	-	1,087	23
55000	Contracted Services	5,000	1,000	10,532	-	-	410	(310)	
56000	Training and Seminars			-	-	-	-		-
57020	Utilities	12,000	12,000	10,870	10,117	7,755	5,408	2,224	7,469
58055	Other	-	-	-	45	-	-		-
Total		29,000	27,000	27,128	14,018	93,558	21,656	39,757	53,106

Source of Supply

The District owns water rights to the Sugar Pine Reservoir in the amount of 24,000 acre feet per year. The District also owns 2 wells and water rights on Mill Creek. The costs for this cost center relate to owning, protecting and maintaining the facilities.

Staffing Required*

General Manager	0%
Admin Assistant	0%
Customer Service	0%
Customer Service	0%
Utility Operator	3%
Utility Operator	3%
Utility Operator	0%
Operations Supervisor	0%
Chief Operator	0%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

**Foresthill Public Utility District
Draft Budget
Pumping
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Salaries	2,000	2,000	4,416	3,205	-	3,804	5,066	4,735
52000	Taxes	-	-	335	242	-	304	375	291
52100	Benefits	1,000	1,000	1,616	1,004	-	1,417	1,884	2,028
53000	Materials and supplies	2,000	2,000	-	-	621	1,127	952	587
54000	Equipment expense	1,000	1,000	-	-	-	-	448	5,989
57020	Utilities	14,000	13,000	13,372	12,618	12,510	11,232	10,379	9,202
57030	Propane	7,000	7,000	-	-	1,111	6,638	3,560	2,969
58000	Other (Depreciation)			-			-		
Total		27,000	26,000	19,739	17,069	14,242	24,522	22,663	25,800

Pumping

This cost center relates to the expenses of moving the water from the supply sources to the treatment facility.

General Manager	0%
Admin Assistant	0%
Customer Service	0%
Customer Service	0%
Utility Operator	1%
Utility Operator	1%
Utility Operator	0%
Operations Supervisor	0%
Chief Operator	0%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

Note: Propane expense was combined with treatment for FY25. This will be separated for FY26 by year end.

**Foresthill Public Utility District
Draft Budget
Treatment
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Salaries	192,000	269,000	238,741	279,278	231,010	226,790	197,259	140,531
52000	Taxes	15,000	21,000	18,137	21,113	18,518	18,088	14,610	8,638
52100	Benefits	88,000	94,000	86,809	87,530	93,712	84,463	73,353	60,185
53030+40	Operating supplies	20,000	22,000	24,046	40,299	13,445	7,189	2,717	2,647
53060	Uniforms	5,000	5,000	1,456	971	6,205	5,957	2,603	2,436
53500	Chemicals	45,000	25,000	46,590	36,156	52,325	37,784	43,288	34,455
54020	Vehicle Expense	2,000	2,000	-	-	-	2,858	3,762	2,318
54040	Equipment Maintenance	2,000	2,000	859	1,340	-	1,025	1,953	4,521
54110	General Shop Maintenance	2,000	3,000	-	201	1,420	2,947	2,448	1,250
55000	Contracted Services	10,000	5,000	23,437	3,500	10,602	51,313	4,299	
56000	Training and Seminars	1,000	1,000	410	-	-	125		
57000	Utilities	27,000	25,000	25,634	24,121	27,040	21,800	19,256	17,737
57030	Propane	5,000	5,000	893	2,676	367	5,220	1,300	850
58000	Other			-	-		-		
Total		414,000	479,000	467,012	497,184	454,644	465,559	366,848	275,567

Treatment

The treatment facility filters and treats the water to make sure it is of the highest quality. Most of the activities and procedures at the treatment plant are to comply with State and Federal regulations and could be reported in the Regulatory Compliance cost center.

Since these costs are specific to the treatment function, they are reported here, in the Treatment Department

General Manager	0%
Admin Assistant	0%
Customer Service	0%
Customer Service	0%
Utility Operator	71%
Utility Operator	71%
Utility Operator	25%
Operations Supervisor	0%
Chief Operator	80%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

For part of FY23 and part of FY 24, Contracted Services includes a contract employee instead of Salary and Benefits for Chief Operator.

For 2025 and 2026, treatment operations fulfilled by regular and part time employees.

**Foresthill Public Utility District
Draft Budget
Distribution
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Salaries	313,000	286,000	271,769	225,784	153,863	239,501	189,928	201,862
52000	Taxes	24,000	22,000	20,469	17,069	12,325	18,935	14,067	12,408
52100	Benefits	143,000	100,000	99,581	70,764	55,569	88,319	70,627	86,451
53000	Operating Supplies	61,000	55,000	64,987	42,553	49,818	60,708	27,821	54,331
53060	Uniforms	2,000	3,000	2,036	1,635	3,689	3,057	4,139	4,087
54020	Vehicle Expense	25,000	25,000	21,355	35,438	18,642	18,163	22,091	8,366
54030	Equipment rentals/repairs	8,000	9,000	-	-	7,550	13,149	565	5,099
54110	General Shop Maintenance	4,000	4,000	-	2,650	-	2,186	444	9,445
55000	Contracted Services	5,000	5,000	-	4,535	69,961	32,319	351	
56000	Training and Seminars	2,000	4,000	1,688	3,049	1,326	-	195	
57000	Utilities	3,000	3,000	2,361	2,563	3,177	1,681	1,150	1,272
58100	Regulatory and General	-	-	654	-	-	-		
Total		590,000	516,000	484,900	406,041	375,920	478,018	331,380	383,321

Distribution

This cost center relates to all the activities necessary to move the water from the treatment facility to the end users. That includes the costs of maintaining the water lines, repairing leaks, and purchasing and tracking inventory of parts and supplies. Many of the activities and procedures in the Distribution department are to comply with State and Federal regulations and could be reported in the Regulatory Compliance cost center. Since these costs are specific to the distribution function, they are reported separately, here, in the Distribution department.

General Manager	0%
Admin Assistant	0%
Customer Service	0%
Customer Service	0%
Utility Operator	15%
Utility Operator	15%
Utility Operator	75%
Operations Supervisor	100%
Chief Operator	20%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

For part of FY23 and FY 24, Contracted Services includes a contract employee instead of Utility Operator/Chief Operator

For 2025, utilized regular employees and not contract employees in this function.

For 2026, plan is to have regular employees and not contract employees in this function.

**Foresthill Public Utility District
Draft Budget
Customer Service
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Customer Service Salaries	269,000	216,000	203,185	212,615	203,493	193,247	280,412	236,117
52000	Taxes	21,000	17,000	14,495	16,073	15,976	14,712	20,769	14,514
52100	Benefits	122,000	76,000	75,982	66,637	72,837	68,278	104,275	101,121
53010	Office Supplies	15,000	14,000	14,529	13,724	12,978	5,112	3,151	3,320
54010	Equipment maintenance	1,000	2,000	-	80	188	6,680	10,012	1,876
55020	Computer Enhancement Service	18,000	17,000	17,950	19,391	15,709	18,598	15,020	14,820
55210	Contracted Services	60,000	55,000	47,229	53,627	42,880	15,506	27,841	63,356
56000	Training and Seminars			12,378	9,327				
57010	Utilities, Telephone & Internet	12,000	12,000	11,326	12,265	12,629	10,228	9,208	8,999
58010	Other (Bank Fees)			-	65	-	-		
Total		518,000	409,000	397,073	403,803	376,690	332,361	470,688	444,124

Customer Service

This cost center relates to all activities involving the customers, such as: reading the meters, preparing and issuing the bills, receiving and recording payments, and responding to and resolving customer issues.

General Manager	50%
Admin Assistant	80%
Customer Service	100%
Customer Service	80%
Utility Operator	5%
Utility Operator	5%
Utility Operator	0%
Operations Supervisor	0%
Chief Operator	0%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

Cost reductions can be seen post FY 2022 as a result of a reduction in staffing from roughly 3 to 1.8

FY26 Separated 56000 costs from 55000

**Foresthill Public Utility District
Draft Budget
Regulatory Compliance
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Salaries	83,000	80,000	74,832	68,026	43,128	44,710	45,387	39,941
52000	Taxes	6,000	6,000	5,112	5,143	3,354	3,367	3,362	2,455
52100	Benefits	38,000	28,000	28,599	21,320	15,455	15,606	16,878	17,105
53000	Supplies	1,000	1,000	60	-	500	3,729	355	4,588
55010	Water Analysis	10,000	15,000	7,445	19,425	8,960	7,733	6,444	11,096
55030	Accounting and Auditing	18,000	2,000	16,678		16,577	19,496	12,611	13,825
55050	Legal Services	55,000	55,000	96,791	83,178	38,218	101,961	95,258	72,935
55080	State Dam Inspection	70,000	70,000	63,000	62,515	62,515	59,841	55,597	50,940
56050	Restoration Fee - US Bureau of Reclamation	25,000	25,000	23,664	27,445	22,383	22,776	23,384	47,884
56060	State Dept. of Public Health	25,000	25,000	18,607	18,337	16,597	18,791	5,621	12,503
56040	Water Rights and Storage Fees	15,000	14,000	4,928	4,465	4,048	13,475	13,306	13,086
58000	Other fees	6,000	5,000	6,192	2,375	2,336	(85,363)	2,097	5,655
58055	Placer County Hazmat permit	5,000	5,000	5,000	5,501	5,924	7,298	4,438	9,026
60000	Instrumentation Study - Div. of Safety of Dams		-	-		-			
Total		357,000	331,000	350,907	317,731	239,995	233,420	284,930	301,575

Regulatory Compliance

The expenses in this department are for activities imposed upon the District by outside agencies, like the Federal and State governments.

General Manager	30%
Admin Assistant	10%
Customer Service	0%
Customer Service	0%
Utility Operator	5%
Utility Operator	5%
Utility Operator	0%
Operations Supervisor	0%
Chief Operator	0%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

FY 24 Budget Comments

Accounting and Auditing includes required annual financial Audit, which is now expected to be more costly
 Legal services lowered due to end of Miner's Camp lawsuit part way through FY 24
 Other Fees, FY 23 is due to a one-time event and will not occur again in FY 24. As is appropriate, an estimated settlement amount for the Miner's Camp lawsuit was placed in a liability account pending the litigation outcome. When the litigation was court settled for a total of \$468, the expense was backed out of the liability account with an entry here.

FY 25 Comments: Accounting and Auditing moved to Administrative

Additional labor has been budgeted here to comply with EPA Lead Service Line Inventory and several Division of Drinking Water new requirements

FY 26 Regulatory expenses continue to be driven by outside sources

**Foresthill Public Utility District
Draft Budget
Management and Administration
For the Year Ending June 30, 2027**

Account Number	Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2026 March Projection	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual	FY 2022 Actual	FY 2021 Actual
51000	Salaries	58,000	52,000	41,067	41,023	36,432	64,004	71,977	100,613
52000	Taxes	4,000	4,000	4,515	3,044	1,112	5,899	5,331	20,121
52000	Benefits	27,000	18,000	27,489	12,976	16,637	35,595	53,136	28,600
52090	Retiree Medical Insurance	50,000	60,000	7,126	47,411	46,893	19,761	17,559	15,087
53000	Materials and supplies	1,000	1,000	-	371	760	6,324	6,645	6,626
54110	Maintenance	2,000	2,000	-	-	-	22,716	22,526	24,083
55040	County Tax Collection Charge	2,000	2,000	-	-	-	-	-	2,544
55060	Engineering/Accounting Services	-	-	-	-	-	-	-	-
55070	Public Information Program	-	-	-	-	-	-	-	-
55030	Accounting and Auditing	178,000	190,000	179,865	232,159	182,433	27,629	-	-
55310	Board Stipends	-	-	-	-	-	-	-	-
56010	Dues and Subscriptions	15,000	12,000	10,245	15,761	13,732	19,531	11,319	11,186
56020	Travel - Seminars/Workshops	1,000	1,000	-	1,323	2,194	-	879	373
57020	Utilities	1,000	1,000	373	444	503	4,930	5,796	4,494
58010	General Expense	5,000	5,000	6,469	3,909	-	-	5,883	1,903
58020	Election Expense	6,000	-	-	5,891	-	5,816	-	5,706
58050	Bank analysis/other fees	28,000	23,000	26,881	22,537	20,410	12,791	17,401	5,228
58060	Liability and Vehicle Insurance	130,000	130,000	88,042	142,889	117,562	102,183	83,813	63,176
58422	Pension liability	25,000	25,000	40,741	216,079	25,876	31,751	26,370	25,610
58090	Interest expense	18,000	-	11,455	19,616	22,876	-	-	-
Total		551,000	526,000	444,268	765,432	487,420	358,930	328,635	315,350

Management, Administration and Overhead

This cost center includes the cost not directly attributable to specific cost centers, including the costs of the Board of Director's meetings, general accounting and maintaining the district offices.

General Manager	20%
Admin Assistant	10%
Customer Service	0%
Customer Service	20%
Utility Operator	0%
Utility Operator	0%
Utility Operator	0%
Operations Supervisor	0%
Chief Operator	0%

* Staffing Required is represented as the percentage of time one employee spends in the cost center. 100% is the equivalent of one full time employee.

FY 24 Finance Manager position was filled by outside contractor in FY 24

FY 25 accounting an auditing include routine accounting service and annual audit due to Finance Manager recommendation

FY 26 Expenses expected to decrease by 3% due to efficiencies reducing Finance Manager (Consultant) expenses. Liability and Vehicle insurance premiums increased 10%

**Foresthill Public Utility District
Draft Budget
Special Reserves
For the Year Ending June 30, 2027**

Description	FY 2027 Proposed Budget	FY 2026 Budget	FY 2025 Actual	FY 2024 Actual	FY 2023 Actual
General Fund, Unrestricted					
Fund Balance - Beginning	3,816,854	3,608,653	3,158,039	3,320,738	3,662,300
Revenue	3,291,000	2,872,000	3,332,458	3,230,129	2,877,252
Expenditures	2,486,000	1,569,000	2,401,513	2,060,938	2,472,680
Transfers For Capital Expenses	(427,000)	(427,000)	(79,421)	(762,399)	(3,115,246)
Transfers to other funds	(103,015)	287,592	(168,008)	134,591	-
Fund Balance - Ending	4,194,854	4,484,653	4,009,563	3,727,530	951,626
Year ending Adjustments			(935,073)	(569,491)	2,369,112
Operating Reserves					
BOD designated Minimum (6 Mo Operation)	1,243,000	784,500	1,150,830	1,150,830	1,152,752
Fund Balance - Beginning	1,139,985	1,076,100	1,076,100	1,152,752	1,152,752
Revenue					
Expenditures					
Transfers	103,015	(291,600)		(1,922)	
Fund Balance - Ending	1,243,000	784,500	1,076,100	1,150,830	1,152,752
Year ending Adjustments			63,885	(74,730)	
Debt Service Reserves					
Recommend one year of debt payments	84,184	168,008		204,676	337,365
Fund Balance - Beginning	164,030	164,000	164,030	337,365	337,365
Revenue/Fund Transfers	165,000	165,000		169,696	
Expenditures	165,000	165,000	168,008	169,696	
Transfers		4,008	168,008	(132,669)	
Fund Balance - Ending	164,030	168,008	164,030	204,696	337,365
Capital Reserves					
Fund Balance - Beginning	936,884	629,369	427,000	411,559	802,747
Revenue from General Fund	427,000	427,000	291,723	427,000	427,000
Revenue from Will Serve Fees	20,000	-	82,884	28,326	23,710
Grants and Water Transfers	80,000	-	34,735	-	1,200,691
Expenditures	80,000	45,000	326,458	473,837	2,042,589
Transfers					
Fund Balance - Ending	1,383,884	1,011,369	509,884	393,048	411,559
Emergency Reserves					
BOD Minimum (via Rate Study)	600,000	600,000	600,000	600,000	600,000
Fund Balance - Beginning	600,000	600,000	600,000	600,000	600,000
Revenue					-
Expenditures		-			-
Transfers					
Fund Balance - Ending	600,000	600,000	600,000	600,000	600,000

Reserve Designations were changed to match Rate Study in October 2022 (FY2023) and adjusted back to 7/1/2022 (FY2023 start) for Capital Reserves
Data prior to that is not comparable to data subsequent. Therefore no data for FY2022 Actual and before.
For FY 2023 Debt payments were made but not shown as not taken out of the Reserve.
FY2025 Budget did not include reserves due to transition from prior methods.
FY 2026 budget for Capital Reserve and General Fund balance includes proposed adjustment to Capital Reserves
That proposal is just being implemented in FY 26
FY2027 Budget, Capital Reserve changes directed by board only partially implemented.

RESOLUTION NO. 2026-05

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE FORESTHILL PUBLIC UTILITY DISTRICT
ADOPTING FISCAL YEAR 2026-2027 OPERATING BUDGET

Whereas, the Foresthill Public Utility District desires that its operations be performed in a fiscally responsible manner, and

Whereas, the District has charged the General Manager with preparing and delivering a balanced budget.

Whereas, the General Manager prepared a Proposed Budget for the Year Ending June 30, 2027, and

Whereas, the attached document, "Foresthill Public Utility District, Adopted Operating Budget, For the Year Ending June 30, 2027," was presented at the Board Meeting on June 10, 2026, and

Whereas, this resolution is required for the orderly operation and maintenance of District records and activities and setting forth the usual and projected expenses of the District during the 2026-2027 fiscal year beginning July 1, 2026 and ending June 30, 2027;

THEREFORE, BE IT RESOLVED that the Board of Directors of the Foresthill Public Utility District does hereby adopt the budget for the fiscal year 2026-2027.

APPROVED, PASSES AND ADOPTED by the Foresthill Public Utility District Board of Directors on June 10, 2026, by the following vote:

AYES

NOES

ABSENT

ABSTAIN

Chase Dowling, President, Board of Directors
Foresthill Public Utility District

ATTEST:

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



Item 9.1

Memorandum

To: Board of Directors
From: Henry N. White
Date: June 3, 2026
Subject: Revised job description for Treatment Plant/Distribution Operator V

Recommendation: Consider the attached revised job description and recommendation from staff.

Background: The Board directed staff to update job descriptions contained in the Board Policy Manual during the November 12, 2025 board meeting. Staff has attached the existing job description and a revised edition.

Recommended Action: Review existing job description, revised job description and consider approval.

FORESTHILL PUBLIC UTILITY DISTRICT

POLICY HANDBOOK

POLICY TITLE: Job Description – Treatment Plant / Distribution Operator V
POLICY NUMBER: 2325

Definition/Summary

With minimal direction, positions in the Utility Operator V classification perform the full range of public water system operation, maintenance, installation, and repair.

Essential Functions

- Performs a variety of field and plant maintenance on public water system facilities
- Performs vegetation management by mowing/cutting weeds, trees and brush
- Operates automatic and manually controlled equipment, motors, and pumps used in the treatment and disinfection of water and distribution systems
- Takes samples at established times, performing standardized quality control tests, and adjust chemical feeders and other plant equipment
- With minimal direction, fully operates and maintains the water treatment plant and distribution system
- Provides training and assistance to employees in training classifications
- Provides customer service including resolving customer complaints
- Responsible for maintenance of necessary inventory and records for the district
- Safely use hand and power tools to execute assignments
- Provides on-call services as assigned
- Work in a manner that observes proper work safety standards
- Understand and carry out written and verbal instructions
- Establish and maintain cooperative working relationships with co-workers, outside agencies, and the public
- Regular attendance and adherence to prescribed work schedule to conduct job responsibilities
- Working knowledge of Microsoft Office
- Performs other duties as assigned

Typical Physical Activities

- Operates vehicles to travel to and from work assignments
- Must be able to carry, push, pull, reach, and lift equipment and parts weighing up to 100 pounds.
- Stoops, kneels, crouches, crawls, and climbs during maintenance and repair work
- Works in an environment with exposure to dust, dirt, chemicals and significant temperature changes between cold and heat
- Communicate clearly both orally and in writing
- Regularly uses common office/plant equipment such as telephones and computers
- Stands and walks for extended time periods and in uneven terrain

- Hearing and vision within normal ranges with or without correction
- Routinely works in and around confined spaces

Environmental Factors

- Exposure to the sun: Considerable work time spent outside and exposed to the sun
- Work above floor level: Routinely work on ladders or other surfaces above the ground
- Temperature: Considerable work time in hard manual labor in cold and hot temperatures
- Humidity: Work in areas with unusually high humidity
- Wetness: More than 10% of the work time getting part or all of the body and/or clothing wet
- Noise: Often assigned to work around unusually loud sounds
- Slippery surfaces: Routinely assigned to work on unusually slippery surfaces
- Oil: Some parts of the body in contact with oil or grease
- Dust: Works in or around areas with potentially significant levels of dust
- Irregular or extended work hours: Occasionally required to change working hours or work overtime
- On-call duties: The position is required to work on-call duties as assigned

Minimum Requirements

- Education: High school diploma is required. Secondary education is preferred
- Experience: Seven years of responsible work experience in performing distribution system and water treatment plant operations
- Driver’s license: Possession of a valid California Class A driver’s license with a record free of multiple or serious traffic violations
- General certifications: Must possess and maintain a minimum of a California Department of Public Health water treatment plant operator certificate Grade 3 and distribution operator certificate, Grade 2

The specific statements shown in each section of this job description are not intended to be all-inclusive. They represent typical elements and criteria necessary to successfully perform the essential functions of the position.

I have reviewed this Job Description with my Supervisor and agree with its contents.

Employee Signature

Date

Supervisor Signature

Date

Foresthill Public Utility District

Revision Date: June 3, 2026

Job Specification: Treatment Plant/Distribution Operator V

Summary Description: Under minimal direction, plans, oversees, and is accountable for the safe, reliable, and compliant operation of the District's water treatment and distribution systems. Serves as the District's senior technical authority and primary compliance and operational expert.

Distinguishing Characteristics: This is the highest journey-level classification in the Operator series. Incumbents are distinguished by full technical authority, advanced certification, and responsibility for system performance, regulatory compliance, and operational continuity.

Supervision Received: Receives minimal direction from management staff. May provide technical leadership, operational oversight, and training to all Operator classifications.

Examples of Duties:

In addition to duties performed at lower levels:

- Serve as Chief or Senior Operator for treatment and distribution systems.
- Ensure continuous compliance with State and Federal drinking water regulations.
- Develop, implement, and oversee standard operating procedures and emergency response plans.
- Evaluate system performance and recommend operational and capital improvements.
- Serve as primary technical contact with regulatory agencies.
- Lead complex troubleshooting, system optimization, and emergency response.
- Provide expert guidance and training across all Operator classifications.
- Assist management with planning, budgeting, audits, and long-term system strategy.

Required Knowledge:

- Water treatment principles and processes.
- Distribution system hydraulics and operation.
- Applicable State and Federal drinking water regulations.
- Independent meter reading duties
- Advanced SCADA system operation.
- Emergency response procedures.

Ability to:

- Independently operate treatment and distribution facilities.
- Troubleshoot complex mechanical, electrical, and process-related issues.
- Make operational decisions consistent with safety and regulatory requirements.

- Train and provide work direction to entry-level staff.
- Maintain accurate operational records and reports.

Working Conditions:

Same as Operator IV, with increased responsibility for emergency response and independent fieldwork.

Experience and Education:

- Any combination of education and experience that would likely provide the required knowledge and abilities.
- Typically seven or more years of progressively responsible water treatment and distribution experience, including experience equivalent to Operator IV.

Licenses and Certifications

- Possession and maintenance of a valid California driver's license.
- Water Treatment Plant Operator Certificate Grade IV (minimum)
- Water Distribution Operator Certificate Grade III (minimum)

Class specifications are intended to describe the general nature and level of work performed. They are not intended to be an exhaustive list of all duties, responsibilities, or requirements of the position.