

FORESTHILL PUBLIC UTILITY DISTRICT

AGENDA

**Special Meeting of the
FORESTHILL PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS
Foresthill Fire Protection District Administrative Building
24320 Main Street, Foresthill, CA 95631
www.foresthillpud.com**

Wednesday	July 29, 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: None

7. OPERATIONS ACTION ITEMS: None

8. BOARD MEMBER ACTION ITEMS:

8.1. **Title:** Response to 2025/2026 Placer County Grand Jury Report.

8.1.1. **Description:** The Placer County Grand Jury has issued its 2025/2026 Final Report, which includes findings and recommendations applicable to the Foresthill Public Utility District. The Board will review the report and consider the District's required response.

8.1.2. **Requested Outcome:** Review and discuss the 2025/2026 Placer County Grand Jury Report and draft the District's official response for submission.

8.1.3. **Supporting Documentation:** 2025/2026 Placer County Grand Jury Report Draft Response.

8.1.4. **Submitted by:** Board of Directors

8.2. **Title:** Response to 2024/2025 Placer County Grand Jury Report

8.2.1. **Description:** The 2025/2026 Placer County Grand Jury Final Report states that, in the Grand Jury's opinion, the District's response to the 2024/2025 Grand Jury Report did not fully comply with the response requirements of California Penal Code sections 933 and 933.05. The Board will review its previously submitted response and consider revisions.

8.2.2. **Requested Outcome:** Review the District's 2024/2025 response to the Placer County Grand Jury, draft a revised response, and approve the revised response for submission to the Placer County Grand Jury.

8.2.3. **Supporting Documentation:** Draft revision to the 2024/2025 Placer County Grand Jury Report.

8.2.4. **Submitted by:** Board of Directors

8.3. **Title:** Board Secretary Compensation Adjustment

8.3.1. **Description:** In March 2026, the Board of Directors appointed a Board Secretary and authorized the Board President to negotiate and execute an agreement for those services. The Board is now considering a proposed adjustment to the Board Secretary's hourly compensation from \$30.00 per hour to \$40.00 per hour.

8.3.2. **Requested Outcome:** Consider and approve a compensation adjustment for the Board Secretary, increasing the hourly rate to \$40.00 per hour, effective as directed by the Board.

8.3.3. **Supporting Documentation:** Draft employment agreement for Board Secretary.

8.3.4. **Submitted by:** Chase Dowling

9. BOARD MEMBER POLICY ACTION ITEMS: None

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 - None

13. DIRECTORS' ITEMS/INFORMATION ONLY

14. CLOSED SESSION - None

15. REPORT OUT OF CLOSED SESSION - None

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., July 28, 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

DRAFT RESPONSE TO Placer County Grand Jury Final Report 2025-2026
Response Due Date **October 30, 2026**

Dear Grand Jury:

As required by the Placer County Grand Jury Final Report 2025-2026 dated June 30, 2026, the Foresthill Public Utility District respectfully submits the following responses as follows:

RESPONSES TO GRAND JURY FINDINGS

The Board agrees with the following Finding: F1, F2, F3

The Board partially disagrees with the following Findings: F5, F6, F7

The Board disagrees wholly with the following Findings: F4, F8

FINDINGS

Finding No. 1. The Foresthill Public Utility District failed to properly follow statutory requirements in its response to the 2024-25 Placer County Grand Jury report and recommendations demonstrating a pattern of inconsistent adherence to established policies, rules and regulations.

[NOTE: Remove if concur]

Finding No. 2. Poor communication and mistrust among directors and staff have affected collaborative and timely decision-making at the Foresthill Public Utility District.

[NOTE: Remove if concur]

Finding No. 3. The lack of onboarding and annual training has resulted in conflict between directors and operational misalignment with the general manager.

[NOTE: Remove if concur]

Finding No. 4. The Foresthill Public Utility District does not follow Generally Accepted Accounting Principles in all aspects of financial operations.

The District has always followed and operated under the Generally Accepted Accounting Principles in all aspects of its financial operations. The District's finances and financial activities have always received the highest level of scrutiny from independent auditors. The District has always passed independent financial audits, every year and year after year. The District maintains copies of its annual independent audit reports going back to 2006, and the last independent auditor's report dated June 30, 2025 (the District's fiscal year ends on June 30th) contains the same unmodified opinions as in all previous reports, i.e., that the District's financial activities were "in accordance with accounting principles generally accepted in the United States of America and the State Controller's *Minimum Audit Requirements for California Special Districts*." [italics original].

Note: The term "Accounting principles generally accepted in the United States of America" is the formal, official phrase for "Generally Accepted Accounting Principles" used in legal and auditing documents.

Finding No. 5. Directors fail to ensure adherence to segregation of duties in the financial management of the Foresthill Public Utility District.

The Board of Directors continuously evaluates the benefits of staffing the Finance Manager position in-house. Until the District has an in-house Finance Manager, the District contracts with LSL, LLP, one of the largest accounting firms in California with an office in Sacramento specializing in providing financial and accounting services to government agencies, to provide professional accounting and financial services to the District.

Segregation of duties exists in managing the District's finances. As an example, the District's account payable clerk processes invoices and forwards them to the District General Manager for review and verification. Once verified for legitimacy and accuracy, the General Manager forwards the invoices to LSL for final review and approval prior to payment. As another example, the District's Board of Directors sets and adopts the District's annual budget. The District General Manager implements and manages the Board-approved budget with payment for District's expenses reviewed and approved by the District's accounting service provider LSL prior to issuing payment. This separation and segregation of duties in the District's financial management has been in place and is annually reviewed and approved by the District's independent financial auditors.

Finding No. 6. The general manager effectively controls access to institutional bank records, transmittal of financial data to outside financial contractors, and preparation of the annual budget with minimal board analysis, modification, or independent review.

The Board of Directors continuously evaluates the benefits of staffing the Finance Manager position in-house. Until the District has an in-house Finance Manager, the District General

Manager provides bank records to LSL, LLP to perform financial and accounting services to the District. With respect to the District's annual budget, the District General Manager works with the Finance Committee appointed by the Board to create a proposed annual budget. The Board then reviews, analyzes, makes adjustments and modifications, and ultimately approves the annual budget. The annual budget is reviewed by the District's independent financial auditors as part of the annual financial audit.

Finding No. 7. Although written policies and procedures governing the Foresthill Public Utility District operations exist, some policies are followed inconsistently, conflict with state law, or are ignored.

The District has been diligent in updating its policies, some of which predate updates to the law, and strives to comply with all of its policies and procedures. To the extent some policies or procedures appear to not have been followed or were followed inconsistently, the District strives to do better. To the best of the Board's knowledge, the District has always complied with all applicable State laws.

Finding No. 8. A lack of timely review from Placer County Local Agency Formation Commission, as required under its mandate, has resulted in a void of independent insights into efficient functioning and operations.

[NOTE: The Board is not required by the Grand Jury to respond to Finding No. 8. The following draft is included in the event the Board wishes to respond:

Notwithstanding a lack of service review by the Placer County Local Agency Formation Commission, the District Board is ultimately charged with overseeing, and has continuously provided oversight over, the District's management and operations under Public Utilities Code section 16031.]

RECOMMENDATIONS

Recommendation No. 1. The Foresthill Public Utility District Board of Directors should amend its response to the 2024-25 Placer County Grand Jury final report, to clearly align responses to the specific recommendations and provide implementation timelines to recommendations, by October 30, 2026.

Recommendation No. 1 has been implemented.

The Foresthill Public Utility District Board of Directors approved and submitted amended responses to the 2024-2025 Placer County Grand Jury final report on , 2026. The amended responses remedied the technical deficiencies in the initial responses and are consistent with the requirements in Penal Code section 933.05

Recommendation No. 2. The Foresthill Public Utility District Board of Directors should engage the services of a professional management consultant, such as those services offered through the California Special Districts Association on leadership/board development, board planning/facilitation, and organizational assessment, no later than October 30, 2026.

Recommendation No. 2 has not yet been implemented but will be implemented in the near future.

The Foresthill Public Utility District is in the process of soliciting qualified consultants to provide professional leadership and development training, board planning/facilitation, and organizational assessment. It is anticipated that a professional consultant will be engaged on or prior to October 30, 2026. Once engaged, the Board anticipates that the leadership and development training, board planning/facilitation, and organizational assessment will be completed no later than December 31, 2026.

Recommendation No. 3. Directors should all follow the Foresthill Public Utility District Policy Handbook and state law and complete mandatory legal and fiduciary training, and maintain records of completion as mandated by state law, no later than October 30, 2026.

Recommendation No. 3 has not yet been implemented.

All five Directors of the Foresthill Public Utility District are committed to follow the District's Policy Handbook, state law, and fulfill the mandatory training requirements.

As of the date of this response, one Director has taken and completed all three mandatory legal and fiduciary trainings including AB 1234 ethics training, AB 1661 sexual harassment prevention training, and SB 827 fiscal and financial training. Two Directors have completed AB 1234 ethics training and AB 1661 sexual harassment prevention training (missing SB 827 fiscal and financial training). Two Directors have not completed any of the three mandatory trainings.

Training opportunities are available and provided to all District Directors; however, the Directors are individually responsible for taking and completing the required trainings. It is anticipated that the Directors missing any of the mandatory trainings will complete the outstanding trainings on or prior to October 30, 2026. Training records are maintained at the District and are available for public inspection.

Recommendation No. 4. The Foresthill Public Utility District should hire an in-house finance manager, as directed in the Foresthill Public Utility District Policy Handbook, who reports directly to the board as well as the general manager, no later than October 30, 2026.

The Board of Directors appreciates the Grand Jury's recommendation and continuously evaluates the benefits of staffing the Finance Manager position in-house. Having said that, Recommendation No. 4 will not be implemented at this time because the District is neither

legally required to hire an in-house Finance Manager, nor is it lawful for the Grand Jury to prohibit the District from contracting for professional services such as accounting and financial.

The District is not mandated by law to hire in-house staff. Pursuant to Public Utilities Code section 16034, the Board may contract for any professional services required by the District, the Board, or any officers of the District. In furtherance of that state law, Policy No. 3082 of the Foresthill Public Utility District Policy Handbook authorizes the Board to select professional services provider on the basis of demonstrated competence and professional qualifications.

At its February 11, 2026 Board meeting, the Board of Directors evaluated the benefits of staffing the Finance Manager position in-house or contract with a professional accounting service to provide Finance Manager services to the District. Based on its professional qualifications and experience in providing financial and accounting services, the Board decided to continue contracting with LSL, LLP to serve as the District's Finance Manager pursuant to its authority under Public Utilities Code section 16034 and Policy No. 3082 of the Foresthill Public Utility District Policy Handbook.

Recommendation No. 5. The Foresthill Public Utility District board should exercise financial oversight to ensure segregation of duties and appropriate checks and balances, in alignment with Generally Accepted Accounting Principles as directed by an in-house finance manager, by December 31, 2026.

The Board of Directors appreciates the Grand Jury's recommendation and continuously evaluates the benefits of staffing the Finance Manager position in-house. While the District does not currently have an in-house Finance Manager, Recommendation No. 5 has been partially implemented with respect to the Board exercising financial oversight, with the assistance of annual audits by an independent financial auditor, to ensure segregation of duties and appropriate checks and balances in alignment with Generally Accepted Accounting Principles.

Recommendation No. 5 will not be implemented as far as it requires the District to hire an in-house Finance Manager because the District may lawfully contract for professional services such as accounting and financial services.

Since contracting with LSL, LLP to provide professional accounting and financial management services, LSL has provided monthly financial reports to the Board for purpose of allowing the Board to exercise oversight and provide appropriate checks and balances with respect to the District's financial matters, consistent with Generally Accepted Accounting Principles.

Recommendation No. 6. The Foresthill Public Utility District board should direct the in-house finance manager to provide direct financial reporting on a monthly basis, by December 31, 2026.

The Board of Directors appreciates the Grand Jury's recommendation and continuously evaluates the benefits of staffing the Finance Manager position in-house. While the District does not currently have an in-house Finance Manager, Recommendation No. 6 has been partially implemented with respect to the Board receiving and reviewing financial reporting from its contract accounting and financial services provider, LSL, LLP on a monthly basis.

Recommendation No. 6 will not be implemented as far as it requires the District to hire an in-house Finance Manager because the District may lawfully contract for professional services such as accounting and financial services.

Since contracting with LSL, LLP to provide professional accounting and financial management services to the District, LSL has provided monthly financial reports to the Board.

Recommendation No. 7. The Foresthill Public Utility District board chair and general manager should follow policies regarding parliamentary procedures, remote participation, adherence to the Brown Act provisions, and decorum for public meetings, no later than the October 2026 board of directors meeting.

Recommendation No. 7 has been implemented.

The Chair of the District's Board of Directors and the District General Manager adhere to the Brown Act (including remote participation under Government Code sections 54953(b) and 54953.8) and all policies governing decorum and the conduct of Board meetings in the Foresthill Public Utility District Policy Handbook such as, for example, Policy Nos. 5010 (governing Board meetings), 5030 (governing Board meeting conduct), 5040 (governing Board actions and decisions), 5060 (governing meeting minutes), and 5070 (governing rules of order for Board meetings). While this practice has always been followed, for purpose of responding to the Grand Jury's Report, this Recommendation has been implemented and remains in place since June 30, 2026, the date of the Placer County Grand Jury Final Report 2025-2026.

Recommendation No. 8. Given the twenty-year gap from the last Placer Local Agency Formation Commission review, the Placer Local Agency Formation Commission should conduct a service review of the Foresthill Public Utility District as part of the "Placer LAFCO Final Workplan and Budget for Fiscal Year 2025-26," with the review scheduled no later than August 30, 2026, and exercise ongoing individual oversight as determined by that review.

[NOTE: The Grand Jury does not require a Response to this recommendation]

The Foresthill Public Utility District appreciates the efforts of the Placer County Grand Jury in reviewing our governance practices. The District remains committed to transparency, accountability, and excellence in providing water services to our customers. The District continues to improve its internal governance documents and practices to

sustain long-term operations.

Please reach out to the District General Manager if the Grand Jury has any questions or need additional information.

Sincerely,

Chase Dowling, president of the Board

On behalf of the Board of Directors of the Foresthill Public Utility District

DRAFT UPDATE to Foresthill PUD Response **2024-2025**
Response Due Date **September 28, 2026**

Dear Grand Jury:

As required by the Placer County Grand Jury Response Compliance Report 2025-2026 dated April 10, 2026, the Foresthill Public Utility District respectfully submits the following updated responses to the Placer County Grand Jury 2024-2025 Final Report as follows:

**RESPONSE TO FINDING F3 IN THE
PLACER COUNTY GRAND JURY RESPONSE COMPLIANCE REPORT
DATED APRIL 10, 2026**

Finding No. 3: The Foresthill Public Utility District Board of Directors failed to provide a timeframe for implementation of recommendations in the report titled "Foresthill Public Utility District, Transparency and Governance," violating Penal Code Section 933.05, subd. (b)(2), specifically for recommendations R1, R3, R4, and R5. Providing such timeframe is required by Penal Code section 933.05, subd. (b)(2).

The Foresthill Public Utility District Board of Directors agrees with Finding F3.

**RESPONSE TO RECOMMENDATION R3 IN THE
PLACER COUNTY GRAND JURY RESPONSE COMPLIANCE REPORT
DATED APRIL 10, 2026**

UPDATED RESPONSES TO RECOMMENDATIONS

Recommendation No. 1: The Foresthill Public Utility District Board of Directors should evaluate the benefits of staffing the vacant Finance (or Business) Manager position in-house or execute and engagement letter with an accounting services provider no later than September 30, 2025.

Recommendation No. 1 has been implemented.

At its February 11, 2026 Board meeting, the Board of Directors evaluated the benefits of staffing the Finance Manager position in-house or contract with a professional accounting service to provide Finance Manager services to the District. Pursuant to legal authority under Public Utilities Code section 16034 and Policy No. 3082 of the District's Policy Handbook, the Board decided not to staff this position in-house at this time, but instead contract with LSL, LLP, one of the largest accounting firms in California with an office in Sacramento specializing in providing financial and accounting services to government agencies, to provide professional accounting and financial services to the District as the District's Finance Manager.

The Board will continue its evaluation from time to time , but for purpose of responding to this Recommendation No. 1, this Recommendation has been implemented.

Recommendation No. 2: The Foresthill Public Utility District Board of Directors should prepare and approve a strategic plan at the next fiscal planning cycle (2025-2026) and update annually.

Recommendation No. 2 has not yet been implemented.

The Foresthill Public Utility District is in the process of seeking qualified persons or consultants to provide strategic planning services to meet the District's long term vision. In consideration of the District's annual operating budget, capital expenditures, grants, and other sources of income, the strategic plan will analyze strategies, risks, opportunities, and succession planning that extends to the District's ownership and operation of Sugar Pine Reservoir.

It is anticipated that qualified strategic plan consultants/facilitators will be contacted on or prior to August 28, 2026. After engaging the consultant, the Board anticipates to work on the strategic plan, review, and approve said plan well before the District's next fiscal planning cycle starting July 1, 2027. The Board expects to review and update the strategic plan annually.

Recommendation No. 3: Foresthill Public Utility District job descriptions should be updated and approved by the Board of Directors no later than September 30, 2025.

Recommendation No. 3 has been implemented.

The Foresthill Public Utility District Board of Directors has reviewed and approved updates to the District's job descriptions at its **September 9, 2026** Board meeting.

Recommendation No. 4: The Foresthill Public Utility District Board of Directors should develop a plan (timeline and milestones) to update its Policy Handbook no later than September 30, 2025.

Recommendation No. 4 has not yet been implemented.

The Foresthill Public Utility District Board of Directors has been reviewing approximately one policy per month, allowing for focused discussion and thoughtful deliberation on each item. Due to the collaborative nature of this process, and the

time required to obtain full Board consensus, each policy revision may take several months to complete.

This ongoing approach ensures that policies are carefully evaluated and reflect the Board's collective judgment, and the District anticipates that the update to the entire Policy Handbook will be completed by **December 31, 2026**.

Recommendation No. 5: The Foresthill Public Utility District General Manager responsibilities should be decoupled from minute taking no later than September 30, 2025.

Recommendation No. 5 has been implemented.

The District hired a Board Secretary in March 2026. Among other duties, the Board Secretary is tasked with the responsibility of taking minutes of Board meetings. The Board Secretary has been taking Board meeting minutes since the April 8, 2026 Board meeting.

The Foresthill Public Utility District appreciates the efforts of the Placer County Grand Jury in reviewing our governance practices. The District remains committed to transparency, accountability, and excellence in providing water services to our customers. The District continues to improve its internal governance documents and practices to sustain long-term operations.

Please reach out to the District General Manager if the Grand Jury has any questions or need additional information.

Sincerely,

Chase Dowling, president of the Board
On behalf of the Board of Directors of the Foresthill Public Utility District

INDEPENDENT CONTRACTOR AGREEMENT
BETWEEN FORESTHILL PUBLIC UTILITIES DISTRICT

AND _____

This Agreement is made this ____ day of _____, 20__, by and between the Foresthill Public Utilities District, ("District") and _____ ("Contractor").

RECITALS

A. The District desires to engage the services of Contractor to act as the District's Board of Directors Secretary.

B. Contractor warrants that he or she is qualified to provide the services set forth in this Agreement.

NOW, THEREFORE, it is mutually agreed by the parties as follows:

ARTICLE 1. INDEPENDENT CONTRACTOR STATUS

1. It is the express intention of the parties that Contractor is an independent contractor and not an employee, agent, joint venturer or partner of the District. Contractor shall finance his or her own operation and shall operate as an independent contractor and not the agent or employee of the District. Nothing in this Agreement shall be interpreted or construed as creating an employment relationship between Contractor and the District or between any employee or agent of Contractor and the District. Contractor shall not have the authority to make binding decisions of any nature as a representative of the District.

2. Contractor agrees that he or she is solely responsible for obtaining any and all necessary licenses and completing any and all registrations required to perform services under this Agreement.

3. The District shall have no right of control over the manner in which the work is to be done but only as to its outcome.

ARTICLE 2. SERVICES TO BE PERFORMED BY CONTRACTOR

1. Contractor shall attend all regular and special meetings of the District Board of Directors. Contractor shall take detailed notes of the meetings and prepare accurate official meeting minutes and submit completed minutes to the Board President and General Manager no later than 5 days following each meeting. The minutes must be in a clear and professional format which complies with the law and District policies.

2. Contractor shall have a basic understanding of the California Brown Act and best practices for taking meeting minutes of a public agency.

3. Contractor understands it may receive District information that is confidential and/or protected by various privileges (e.g., attorney-client, attorney work-product, official information, etc.), and Contractor agrees it shall protect and maintain the confidentiality of such information against unauthorized disclosure to third parties.

ARTICLE 3. CONTRACTOR'S COMPENSATION

1. Payment for any services performed by Contractor shall be at the rates established below. Contractor will not be eligible for any other form of payment aside from the hourly rate. Contractor will be paid for no less than two hours for each meeting. Payment for services performed by the Contractor as set forth in this paragraph shall be considered as full compensation for all the Contractor's costs, including any taxes required to be paid by the Contractor and Contractor shall be responsible for the payment of all state and federal taxes.

Rates:

Tier 1 – Training Phase

- \$35/hour

Tier 2 – Independent Performance

- \$40/hour
- Contractor will be compensated at this tier when: Contractor has completed the minutes of at least two (2) consecutive meetings and Board President (or designee) determines that the minutes required minimal correction and are submitted on time.

Tier 3 – Fully Independent Performance

- \$50/hour
- Contractor will be compensated at this tier when the Board President (or designee) determines that Contractor's performance is consistently accurate and timely.

2. Contractor shall submit monthly invoices showing the work performed for the District during the preceding month and number of hours. Invoices determined to be correct by the District shall be paid within 30 days of their receipt.

ARTICLE 4. INSURANCE

Contractor shall be responsible for maintaining all necessary and reasonable insurance, in particular automobile insurance.

ARTICLE 5. TERMINATION OF CONTRACT

Either party may immediately terminate this contract with or without cause. In the event of any such termination, Contractor shall be fairly compensated for all work performed to the date of termination, and the District shall be entitled to all work performed to the date of termination.

ARTICLE 6. WORK PRODUCT

All materials prepared by Contractor pursuant to this Agreement, including but

not limited to notes from District Board of Directors meetings, correspondence, and all data compiled and used in the performance of this Agreement shall become and are the property of the District, and Contractor shall have no property right therein whatsoever. Contractor shall be responsible for performing the work under this Contract in a manner that is consistent with the generally accepted standards of the Contractor's profession and best business practices.

ARTICLE 7. SUBCONTRACTING

None of the services covered by this Contract shall be subcontracted without the prior written consent of the District, which will not be unreasonably withheld. Contractor shall be as fully responsible to the District for the negligent acts and omissions of its contractors and subcontractors, and of persons either directly or indirectly employed by them, as it is for the negligent acts and omissions of persons directly employed by Contractor.

ARTICLE 8. INDEMNIFICATION

Contractor shall indemnify, defend, and hold harmless the District, its officers, officials, agents, and employees from and against any and all claims, damages, demands, liability, costs, losses, and expenses, including without limitation court costs and reasonable attorneys' fees arising out of or in connection with Contractor's negligent or willful misconduct in the performance of work hereunder or its negligent or willful failure to comply with any of its obligations contained in the Contract.

ARTICLE 9. MISCELLANEOUS PROVISIONS

1. The Contractor shall finance his or her own operations hereunder. The Contractor shall personally perform all the work required of it under this Agreement.

2. All notices that are required to be given by one party to the other under this contract shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited in the United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses:

Foresthill Public Utilities District
24540 Main Street
Foresthill CA 95631

Contractor
Street Address or PO Box
City, State, Zip

IN WITNESS WHEREOF, the parties have subscribed their names, the day and year first above-written.

CONTRACTOR

FORESTHILL PUBLIC UTILITIES DISTRICT

NAME

By: _____