

Received _____
Examined _____

**CLASS B and C
WATER UTILITIES**

U# 100

**2016
ANNUAL REPORT
OF**

WEIMAR WATER COMPANY

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

PO Box 598 Weimar, CA 95736

(OFFICIAL MAILING ADDRESS)

ZIP

**TO THE
PUBLIC UTILITIES COMMISSION
STATE OF CALIFORNIA
FOR THE YEAR ENDED DECEMBER 31, 2016**

REPORT MUST BE FILED NOT LATER THAN MARCH 31, 2017

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GENERAL INSTRUCTIONS

1. Two completed and signed hard copies of this report and one electronic copy must be filed **NOT LATER THAN MARCH 31, 2017**, with:

**CALIFORNIA PUBLIC UTILITIES COMMISSION
WATER DIVISION
ATTN: BRUCE DEBERRY
505 VAN NESS AVENUE, ROOM 3106
SAN FRANCISCO, CALIFORNIA 94102-3298
bmd@cpuc.ca.gov**

2. Failure to file the report on time may subject a utility to the penalties and sanctions provided by the Public Utilities Code.
3. The Oath on Page 34, must be signed by an authorized officer, partner, or owner.
4. The report must be prepared in ink or by the use of a typewriter. Computer generated report forms may be substituted.
5. The report must be filled in, and every question answered. **LEAVE NO SCHEDULE BLANK.** Insert the words "none" or "not applicable" or "n/a" when appropriate.
6. Certain balance sheet and income statement accounts refer to supplemental schedules. The totals of the details in the latter must agree with the balances of the accounts to which they refer.
7. Some schedules provide for a "balance at beginning of year." The amount shown should agree with the "balance at end of year" as shown in the report for the previous year. If there is a difference, it should be explained by footnote.
8. When there is insufficient space in a schedule to permit a complete statement of the requested information, insert sheets should be prepared and identified by the number of the schedule to which it refers. Be certain that the inserts are securely attached to the report. If inserts are needed, prepare all inserts in one separate electronic file in Microsoft Excel format and file it with the electronic file of this report.
9. This report must cover the calendar year from January 1, 2016, through December 31, 2016. Fiscal year reports will not be accepted.

GENERAL INFORMATION

1. Name under which utility is doing business: Weimar Water Company
2. Official mailing address:
PO Box 598, Weimar CA 95736
3. Name and title of person to whom correspondence should be addressed:
Gerry LaBudde, President Telephone: 530-637-4441

4. Address where accounting records are maintained:
At water treatment plant, end of Meadow Oaks Road (No physical address)

5. Service Area (Refer to district reports if applicable) Weimar, CA

6. Service Manager (If located in or near Service Area.) (Refer to district reports if applicable.)

Name: Gerry LaBudde Telephone: 530-637-4441
Address: 21510 Meadow Oaks Lane, Colfax, CA 95713

7. OWNERSHIP. Check and fill in appropriate line:

- | | | |
|-------------------------------------|---------------------------------|--|
| <input type="checkbox"/> | Individual (name of owner) | _____ |
| <input type="checkbox"/> | Partnership (name of partner) | _____ |
| <input type="checkbox"/> | Partnership (name of partner) | _____ |
| <input type="checkbox"/> | Partnership (name of partner) | _____ |
| <input checked="" type="checkbox"/> | Corporation (corporate name) | <u>Sleepy Hollow Acres, Inc.</u> |
| | Organized under laws of (state) | <u>California</u> Date: <u>11/5/1959</u> |

Principal Officers:

Name: <u>Gerry LaBudde</u>	Title: <u>President</u>
Name: <u>Paul Fejes</u>	Title: <u>Vice President</u>
Name: <u>Heidi LaBudde</u>	Title: <u>Secretary/Treasurer</u>
Name: _____	Title: _____

8. Names of associated companies: Hydros Engineering, Inc., Triton Construction Services, Inc.
(co-ownership with Weimar Water shareholders).

9. Names of corporations, firms or individuals whose property or portion of property have been acquired during the year, together with date of each acquisition:

Name: <u>N/A</u>	Date: _____
Name: _____	Date: _____
Name: _____	Date: _____
Name: _____	Date: _____

10. Use the space below for supplementary information or explanations concerning this report:

11. List Name, Grade, and License Number of all Licensed Operators:
Gerry LaBudde 4-21089 (T); 2-19090 (D) Heidi LaBudde 2-23868 (T)
Paul Fejes 3-24517 (T); 1-18518 (D) Daniel Stephens 2-34672 (T); 1-41492 (D)
Austin Perry 37582 (T-1); 46222 (D-1)

12. This annual report was prepared by:

Name of firm or consultant: Frank B & Associates

Address of firm or consultant: 134 Davis Street
Santa Paula, CA 93060

Phone Number of firm or consultant: (805) 525-4200

INSTRUCTIONS

FOR PREPARATION OF SELECTED FINANCIAL DATA SHEET FOR ALL WATER UTILITIES

To prepare the attached data sheets, refer to the Balance Sheet, Income Statement and supporting detail schedules in the annual report for the required data.

Please follow the instructions below:

1. Common plant allocated to water should be indicated with water plant figures in Net Plant Investment.
2. The capitalization section for those reporting on both California Only and Total System Forms should be identical and completed with Total Company Data. Be sure that Advances for Construction include California water data only.
3. Complete the operation section with California water revenues and expenses, but if necessary, remove interdepartmental revenues and expenses.
4. All other utility and nonutility revenues and expenses are netted on Line No. 38.

BALANCE SHEET AND CAPITALIZATION DATA

Calendar Year 2016

NAME OF UTILITY Weimar Water Company Telephone: 530-637-4441

PERSON RESPONSIBLE FOR THIS REPORT Frank Brommenschenkel

	<u>1/1/2016</u>	<u>12/31/2016</u>	<u>Average</u>
BALANCE SHEET DATA			
1 Intangible Plant	\$ 1,547	\$ 1,547	\$ 1,547
2 Land and Land Rights	\$ 152,987	\$ 102,903	\$ 127,945
3 Depreciable Plant	\$ 3,536,282	\$ 3,581,979	\$ 3,559,131
4 Gross Plant in Service	\$ 3,690,816	\$ 3,686,429	\$ 3,688,623
5 Less: Accumulated Depreciation	\$ 1,192,460	\$ 1,284,345	\$ 1,238,403
6 Net Water Plant in Service	\$ 2,498,356	\$ 2,402,084	\$ 2,450,220
7 Water Plant Held for Future Use			
8 Construction Work in Progress		\$ 1,800	
9 Materials and Supplies	\$ 2,000	\$ 2,000	\$ 2,000
10 Less: Advances for Construction	()	()	()
11 Less: Contribution in Aid of Construction	\$ 585,498	\$ 558,493	\$ 571,995
12 Less: Accumulated Deferred Income and Investment Tax Credits	()	()	()
13 Net Plant Investment	<u>\$ 1,914,858</u>	<u>\$ 1,847,391</u>	<u>\$ 1,881,125</u>
CAPITALIZATION			
14 Common Stock	\$ 105,752	\$ 105,752	\$ 105,752
15 Proprietary Capital (Individual or Partnership)			
16 Paid-in Capital	\$ 376,594	\$ 384,372	\$ 380,483
17 Retained Earnings	\$ 1,224,530	\$ 1,313,619	\$ 1,269,074
18 Common Stock and Equity (Lines 14 through 17)	\$ 1,706,876	\$ 1,803,743	\$ 1,755,309
19 Preferred Stock			
20 Long-Term Debt	\$ 276,470	\$ 232,163	
21 Notes Payable	\$ 58,723	\$ 36,360	
22 Total Capitalization (Lines 18 through 21)	<u>\$ 2,042,069</u>	<u>\$ 2,072,266</u>	<u>\$ 2,057,167</u>

INCOME STATEMENT AND OTHER DATA

Calendar Year 2016

NAME OF UTILITY Weimar Water Company

Telephone: 530-637-4441

		Annual Amount
INCOME STATEMENT		
23	Unmetered Water Revenue	
24	Fire Protection Revenue	
25	Irrigation Revenue	
26	Metered Water Revenue	\$ 590,781
27	Total Operating Revenue	\$ 590,781
28	<u>Operating Expenses</u>	\$ 364,466
29	Depreciation Expense (Composite Rate: <u>2.62%</u>)	\$ 62,380
30	Amortization and Property Losses	
31	Property Taxes	\$ 17,516
32	Taxes Other Than Income Taxes	\$ -
33	Total Operating Revenue Deduction Before Taxes	\$ 444,363
34	California Corp. Franchise Tax	\$ 11,504
35	Federal Corporate Income Tax	\$ 28,091
36	Total Operating Revenue Deduction After Taxes	\$ 483,958
37	Net Operating Income (Loss) - California Water Operations	\$ 106,823
38	Other Operating and Nonoper. Income and Exp. - Net (Exclude Interest Expense)	\$ (3,414)
39	Income Available for Fixed Charges	
40	Interest Expense	\$ (14,320)
41	Net Income (Loss) Before Dividends	\$ 89,089
42	Preferred Stock Dividends	
43	Net Income (Loss) Available for Common Stock	\$ 89,089
OTHER DATA		
44	Refunds of Advances for Construction	
45	Total Payroll Charged to Operating Expenses	
46	Purchased Water	\$ 47,464
47	Power	\$ 47,302

	<u>Active Service Connections</u> (Exc. Fire Protect.) _____	Jan. 1	Dec. 31	Annual Average
48	Metered Service Connections	549	547	548
49	Flat Rate Service Connections			
50	Total Active Service Connections	549	547	548

Excess Capacity and Non-Tariffed Services

NOTE: In D.00-07-018, D.03-04-028, and D. 04-12-023, the CPUC set forth rules and requirements regarding water utilities provision of non-tariffed services using excess capacity. These decisions require water utilities to: 1) file an advice letter requesting Commission approval of that service, 2) provide information regarding non-tariffed goods/services in each companies Annual Report to the Commission.

Based on the information and filings required in D.00-07-018, D.03-04-028, and D.04-12-023, provide the following information by each individual non-tariffed good and service provided in 2016:

Applies to All Non-Tariffed Goods/Services that require Approval by Advice Letter											
Row Number	Description of Non-Tariffed Goods/Services	Active or Passive	Total Revenue Derived from Non-tariffed Goods/ Services (by account)	Revenue Account Number	Total Expenses Incurred to Provide Non-tariffed Goods/ Services (by account)	Expense Account Number	Advice Letter and/or Resolution Number Approving Non-tariffed Goods/ Services	Total Income Tax Liability Incurred Because of Non-tariffed Goods/ Services (by account)	Income Tax Liability Account Number	Gross Value of Regulated Assets Used in the Provision of a Non-tariffed Goods/ Services (by account)	Regulated Asset Account Number

SCHEDULE A
COMPARATIVE BALANCE SHEET
Assets and Other Debits

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
1		UTILITY PLANT			
2	101	Water Plant in Service (Excluding SDWBA/SRF & Prop 50)	A-1 & A-1a	\$ 3,686,429	\$ 3,690,816
3	101.1	Water Plant in Service - SDWBA/SRF	A-1 & A-1b		
4	101.2	Water Plant in Service - Prop 50	A-1 & A-1c		
5	103	Water Plant Held for Future Use	A-1 & A-1d		
6	104	Water Plant Purchased or Sold	A-1		
7	105	Construction Work in Progress - Water Plant	A-1	\$ 1,800	
8	105.1	Construction Work in Progress - SDWBA/SRF	A-1		
9	105.2	Construction Work in Progress - Prop 50	A-1		
10		Total Utility Plant		\$ 3,688,229	\$ 3,690,816
11	108	Accumulated Depreciation of Water Plant	A-3	\$ 1,284,345	\$ 1,192,460
12	108.1	Accumulated Amortization of SDWBA/SRF loan	A-3		
13	108.2	Reserve for Depreciation of Utility Plant - Prop 50	A-3		
14	114	Water Plant Acquisition Adjustments	A-1		
15		Total Amortization and Adjustments		\$ 1,284,345	\$ 1,192,460
16		Net utility plant		\$ 2,403,884	\$ 2,498,356
17					
18		INVESTMENTS			
19	121	Non-utility Property and Other Assets			
20	122	Accumulated Depreciation of Non-utility Property	A-3		
21		Net non-utility property			
22	123	Investments in Associated Companies			
23	124	Other Investments			
24		Total Investments			
25					
26		CURRENT AND ACCRUED ASSETS			
27	131	Cash		\$ 194,066	\$ 108,438
28	131.3	Cash - Miscellaneous Special Deposits - Prop 50			
29	132	Special Accounts			
30	141	Accounts Receivable - Customers		\$ 13,657	\$ 18,773
31	142	Receivables from Associated Companies		\$ 17,152	
32	143	Accumulated Provision for Uncollectible Accounts			
33	151	Materials and Supplies		\$ 2,000	\$ 2,000
34	174	Other Current Assets			
35		Total current and accrued assets		\$ 226,875	\$ 129,211
36					
37	180	Deferred Charges	A-5		
38					
39		Total assets and deferred charges		\$ 2,630,759	\$ 2,627,567

**SCHEDULE A
COMPARATIVE BALANCE SHEET
Liabilities and Other Credits**

Line No.	Acct. No.	Title of Account (a)	Schedule Number (b)	Balance End of Year (c)	Balance Beginning of Year (d)
40		CORPORATE CAPITAL AND SURPLUS			
41	201	Common Stock	A-6	\$ 105,752	\$ 105,752
42	204	Preferred Stock	A-6		
43	211	Other Paid-in Capital	A-8	\$ 384,372	\$ 376,594
44	215	Retained Earnings	A-9	\$ 1,313,619	\$ 1,224,530
45		Total corporate capital and retained earnings		\$ 1,803,743	\$ 1,706,876
46					
47		PROPRIETARY CAPITAL			
48	218	Proprietary Capital	A-10		
49	218.1	Proprietary Drawings			
50		Total proprietary capital			
51					
52		LONG TERM DEBT			
53	224	Long-term Debt	A-11	\$ 232,163	\$ 276,470
54	225	Advances from Associated Companies	A-12		
55					
56		CURRENT AND ACCRUED LIABILITIES			
57	231	Accounts Payable		\$ 11,895	\$ 15,163
58	232	Short-term Notes Payable			\$ -
59	233	Customer Deposits		\$ 1,669	\$ 1,669
60	235	Payables to Associated Companies	A-13		
61	236	Accrued Taxes		\$ 22,796	\$ 41,891
62	237	Accrued Interest			\$ -
63	241	Other Current Liabilities	A-14		\$ -
64		Total current and accrued liabilities		\$ 36,360	\$ 58,723
65					
66		DEFERRED CREDITS			
67	252	Advances for Construction	A-15		
68	253	Other Credits			
69	255	Accumulated Deferred Investment Tax Credits	A-16		
70	282	Accumulated Deferred Income taxes - ACRS Depreciation	A-16		
71	283	Accumulated Deferred Income taxes - Other	A-16		
72		Total deferred credits			
73					
74		CONTRIBUTIONS IN AID OF CONSTRUCTION			
75	266.0	Contributions - Publicly Grant-Funded Plant - Prop 50			
76	266.1	Accumulated Amortization of Contributions - Prop 50			
77		Net Contributions - Public Grant-Funded Plant - Prop 50			
78	271	Contributions in Aid of Construction	A-17	\$ 1,189,264	\$ 1,185,264
79	272	Accumulated Amortization of Contributions		\$ 630,771	\$ 599,766
80		Net Contributions in Aid of Construction		\$ 558,493	\$ 585,498
81		Total liabilities and other credits		\$ 2,630,759	\$ 2,627,567

**SCHEDULE A-1
UTILITY PLANT**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1	101	Water Plant in Service (Excluding SDWBA/SRF and Prop 50)	\$ 3,690,816	\$ 47,197	\$ (1,500)	\$ (50,084)	\$ 3,686,429
2	101.1	Water Plant In Service - SDWBA/SRF					\$ -
3	101.2	Water Plant In Service - Prop 50					
4	103	Water plant held for future use					
5	104	Water plant purchased or sold					
6	105	Construction Work in Progress - Water Plant					
7	105.1	Construction Work in Progress - SDWBA/SRF					
8	105.2	Construction Work in Progress - Prop 50					
9	114	Water Plant Acquisition Adjustments					
10		Total utility plant	\$ 3,690,816	\$ 47,197	\$ (1,500)	\$ (50,084)	\$ 3,686,429

* Debit or credit entries should be explained by footnotes or supplementary schedules

**SCHEDULE A-1a
Account No. 101 - Water Plant in Service (Excluding SDWBA/SRF & Prop 50)**

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant	\$ 1,547				\$ 1,547
3	303	Land	\$ 152,987			\$ (50,084)	\$ 102,903
4		Total non-depreciable plant	\$ 154,534			\$ (50,084)	\$ 104,450
5							
6		DEPRECIABLE PLANT					
7	304	Structures	\$ 102,444	\$ 242			\$ 102,686
8	307	Wells	\$ -				\$ -
9	317	Other Water Source Plant	\$ -				\$ -
10	311	Pumping Equipment	\$ 100,237	\$ 10,328			\$ 110,565
11	320	Water Treatment Plant	\$ 334,673	\$ 14,908			\$ 349,582
12	330	Reservoirs, Tanks and Sandpipes	\$ 620,277	\$ -			\$ 620,277
13	331	Water Mains	\$ 1,696,090	\$ 11,426	\$ (1,500)		\$ 1,706,016
14	333	Services and Meter Installations	\$ 183,691	\$ 361			\$ 184,052
15	334	Meters	\$ 156,005	\$ 1,491			\$ 157,495
16	335	Hydrants	\$ 43,545	\$ 813			\$ 44,359
17	339	Other Equipment	\$ 171,199	\$ 7,629			\$ 178,827
18	340	Office Furniture and Equipment	\$ 34,204	\$ -			\$ 34,204
19	341	Transportation Equipment	\$ 93,917	\$ -			\$ 93,917
20		Total depreciable plant	\$ 3,536,282	\$ 47,197	\$ (1,500)		\$ 3,581,979
21		Total water plant in service	\$ 3,690,816	\$ 47,197	\$ (1,500)	\$ (50,084)	\$ 3,686,429

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE A-1b
Account No. 101.1 - Water Plant in Service - SDWBA/SRF

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant					
3	303	Land					
4		Total non-depreciable plant					
5				N/A			
6		DEPRECIABLE PLANT					
7	304	Structures					
8	307	Wells					
9	317	Other Water Source Plant					
10	311	Pumping Equipment					
11	320	Water Treatment Plant					
12	330	Reservoirs, Tanks and Sandpipes					
13	331	Water Mains					
14	333	Services and Meter Installations					
15	334	Meters					
16	335	Hydrants					
17	339	Other Equipment					
18	340	Office Furniture and Equipment					
19	341	Transportation Equipment					
20		Total depreciable plant					
21		Total water plant in service					

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE A-1c
Account No. 101.2 - Water Plant in Service - Prop 50

Line No.	Acct No.	Title of Account (a)	Balance Beg of Year (b)	Plant Additions During year (c)	Plant Retirements During year (d)	Other Debits* or (Credits) (e)	Balance End of year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible Plant					
3	303	Land					
4		Total non-depreciable plant					
5				N/A			
6		DEPRECIABLE PLANT					
7	304	Structures					
8	307	Wells					
9	317	Other Water Source Plant					
10	311	Pumping Equipment					
11	320	Water Treatment Plant					
12	330	Reservoirs, Tanks and Sandpipes					
13	331	Water Mains					
14	333	Services and Meter Installations					
15	334	Meters					
16	335	Hydrants					
17	339	Other Equipment					
18	340	Office Furniture and Equipment					
19	341	Transportation Equipment					
20		Total depreciable plant					
21		Total water plant in service					

* Debit or credit entries should be explained by footnotes or supplementary schedules

SCHEDULE A-1d
Account No. 103 - Water Plant Held for Future Use

Line No.	Description and Location of Property (a)	Date of Acquisition (b)	Approximate Date When Property will be placed in Service (c)	Balance End of Year (d)
1				
2				
3	N/A			
4				
5				
6				
7				
8				
9				
10	Total			

SCHEDULE A-2
Account No. 121 - Non-utility Property and Other Assets

Line No.	Name and Description of Property (a)	Book Value End of Year (b)
1		
2		
3	N/A	
4		
5		
6		
7		
8		
9		
10	Total	

SCHEDULE A-3
Account Nos. 108 and 122 - Depreciation and Amortization Reserves

Line No.	Item (a)	Account 108	Account 108.1	Account 108.2	Account 122
		Water Plant Excluding SDWBA/SRF & Prop 50 (b)	SDWBA/SRF Loans (c)	Prop 50 (d)	Non-utility Property (e)
1	Balance in reserves at beginning of year	\$ 1,192,460			
2	Add: Credits to reserves during year				
3	(a) Charged to Account No. 403 (Footnote 1)	\$ 62,380			
4	(b) Charged to Account No 272	\$ 31,005			
5	(c) Charged to clearing accounts				
6	(d) Charged to Account No. 407				
7	(e) Charged to Account No. 266.1				
8	(f) Salvage recovered				
9	(g) All other credits (Footnote 2)				
10	Total Credits	\$ 93,385			
11	Deduct: Debits to reserves during year				
12	(a) Book cost of property retired	\$ (1,500)			
13	(b) Cost of removal				
14	(c) All other debits (Footnote 3)				
15	Total debits	\$ (1,500)			
16	Balance in reserve at end of year	\$ 1,284,345			
17					
18	(1) COMPOSITE DEPRECIATION RATE USED FOR STRAIGHT LINE REMAINING LIFE %				
19					
20	(2) EXPLANATION OF ALL OTHER CREDITS:				
21					
22					
23					
24					
25					
26	(3) EXPLANATION OF ALL OTHER DEBITS:				
27					
28					
29					
30					
31					
32	(4) METHOD USED TO COMPUTE INCOME TAX DEPRECIATION				
33	(a) Straight line	[]			
34	(b) Liberalized	[]			
35	(1) Sum of the years digits	[]			
36	(2) Double declining balance	[]			
37	(3) Other	[]			
38	(c) Both straight line and liberalized	[]			

SCHEDULE A-3a
Account No. 108 - Analysis of Entries in Depreciation Reserve (Total)

Line No.	Acct No.	Depreciable Plant (a)	Balance Beginning of Year (b)	Credits to Reserve During Year Excl. Salvage (c)	Debits to Reserve During Year Excluding Costs of Removal (d)	Salvage and Cost of Removal Net (Dr.) or (Cr.) (e)	Balance End of Year (f)
1	304	Structures	\$ 37,671	\$ 2,564			\$ 40,235
2	307	Wells	\$ -	\$ -			\$ -
3	317	Other Water Source Plant	\$ -	\$ -			\$ -
4	311	Pumping Equipment	\$ 31,553	\$ 4,216			\$ 35,769
5	320	Water Treatment Plant	\$ 132,937	\$ 13,685			\$ 146,623
6	330	Reservoirs, Tanks and Sandpipes	\$ 199,005	\$ 8,270			\$ 207,276
7	331	Water Mains	\$ 519,698	\$ 24,301	\$ (1,500)		\$ 542,499
8	333	Services and Meter Installations	\$ 72,980	\$ 6,129			\$ 79,109
9	334	Meters	\$ 51,878	\$ 10,450			\$ 62,328
10	335	Hydrants	\$ 14,545	\$ 1,099			\$ 15,644
11	339	Other Equipment	\$ 45,187	\$ 5,834			\$ 51,021
12	340	Office Furniture and Equipment	\$ 20,629	\$ 3,420			\$ 24,049
13	341	Transportation Equipment	\$ 66,376	\$ 13,417			\$ 79,793
14		Total	\$ 1,192,460	\$ 93,385	\$ (1,500)		\$ 1,284,345

SCHEDULE A-4
Account No. 174 - Other Current Assets

Line No.	Item (a)	Amount (b)
1		
2		
3		
4		N/A
5		
6		
7		
8		
9		
10		

SCHEDULE A-5

Accounts Nos. 180 and 253 - Unamortized debt discount and expense and unamortized premium on debt

1. Report under separate subheadings for Unamortized Debt Discount and Expense and Unamortized Premium on Debt, particulars of discount and expense or premium applicable to each class and series of long-term debt.
2. Show premium amounts in red or by enclosure in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the discount and expense or premium with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish particulars regarding the treatment of debt discount and expense or premium, redemption premiums, and redemption expenses associated with issues redeemed during the year, also, date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Set out separately and identify undisposed amounts applicable to issues which were redeemed in prior years.

Line No.	Designation of Long-Term Debts (a)	Principal Amount of Securities to Which Discount and Expense, or Premium Minus Expense, Relates (b)	Total Discount and Expense or Net Premium (c)	Amortization Period		Balance Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance End of Year (i)
				From (d)	To (e)				
1									
2									
3									
4	N/A								
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									

SCHEDULE A-6
Account Nos. 201 and 204 - Capital Stock

Line No.	Class of Stock (a)	Date of Issue (b)	Number of Shares Authorized by Articles of Incorporation (c)	Par or Stated Value (d)	Number of Shares Outstanding (e)	Amount Outstanding End of Year (f)	Dividends Declared During Year	
							Rate (g)	Amount (h)
1	Common	11/5/1959	1,058	\$ 100	1058	\$ 105,800	0	0
2								
3								
4								
5								
6								
7								
8							Total	0

SCHEDULE A-7
Record of Stockholders at End of Year

Line No.	COMMON STOCK Name (a)	Number of Shares (b)	PREFERRED STOCK Name (c)	Number of Shares (d)
1	Gerry LaBudde (60%)	635		
2	Paul Fejes (40%)	423		
3				
4				
5				
6				
7				
8				
9				
10	Total number of shares	1,058	Total number of shares	

SCHEDULE A-8
Account No. 211 - Other Paid in Capital (Corporations only)

Line No.	Type of Paid in Capital (a)	Balance End of Year (b)
1		\$ 384,372
2		
3		
4		
5		
6		
7		
8	Total	\$ 384,372

SCHEDULE A-9
Account No. 215 - Retained Earnings
(Corporations Only)

Line No	Item (a)	Amount (b)
1	Balance beginning of year	\$ 1,224,530
2	CREDITS	
3	Net income	\$ 89,089
4	Prior period adjustments	
5	Other credits (detail)	
6	Total Credits	\$ 89,089
7		
8	DEBITS	
9	Net losses	
10	Prior period adjustments	
11	Dividend appropriations - preferred stock	
12	Dividend appropriations - common stock	
13	Other debits (detail)	
14	Total Debits	
15	Balance end of year	\$ 1,313,619

SCHEDULE A-10
Account No. 218 - Proprietary Capital
(Sole Proprietor or Partnership)

Line No.	Item (a)	Amount (b)
1	Balance beginning of year	
2	CREDITS	
3	Net income	N/A
4	Additional investments during year	
5	Other credits (detail)	
6	Total Credits	
7	DEBITS	
8	Net losses	
9	Withdrawals during year	
10	Other debits (detail)	
11	Total Debits	
12	Balance end of year	

SCHEDULE A-11
Account No. 224 - Long-Term Debt

Line No.	Class (a)	Name of Issue (b)	Date of Issue (c)	Date of Maturity (d)	Principal Amount Authorized (e)	Outstanding Per Balance Sheet (f)	Interest Rate (g)	Interest Accrued During Year (h)	Sinking Fund (i)	Interest Paid During Year (j)
1	Tri Counties Bank-Granite (Tank Loan)		11/29/2006	6/5/2021	\$ 450,000	\$ 232,163	5%			\$ 14,320
2										
3										
4										
5										
6						\$ 232,163				\$ 14,320

SCHEDULE A-12
Account No. 225 - Advances from Associated Companies

Line No.	Nature of Obligation (a)	Amount of Obligation (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
3	N/A				
4					
5					
6	Totals				

Schedule A-13
Account No. 235 - Payables to Associated Companies

Line No.	Nature of Obligation (a)	Balance End of Year (b)	Interest Rate (c)	Interest Accrued During Year (d)	Interest Paid During Year (e)
1					
2					
5					
6					
8					
10					
11					
13					
14					
15					
16					
17	Totals	\$ -			

SCHEDULE A-14
Account No. 241 - Other Current Liabilities

Line No.	Description (a)	Balance End of Year (b)
1		
2		
3		N/A
4		
5	Total	

SCHEDULE A-15
Account No. 252 - Advances for Construction

Line No.	(a)	(b)	Amount (c)
1	Balance beginning of year		
2	Additions during year		N/A
3	Subtotal - Beginning balance plus additions during year		
4	Charges during year:		
5	Refunds		
6	Percentage of revenue basis		
7	Proportionate cost basis		
8	Present worth basis		
9	Total refunds		
10	Transfers to Acct. 271, Contributions in aid of Construction		
11	Due to expiration of contracts		
12	Due to present worth discount		
13	Total transfers to Acct. 271		
14	Securities Exchanged for Contracts (Enter detail below)		
15	Subtotal - charges during year		
16	Balance end of year		

SCHEDULE A-16
Account Nos. 255, 282, and 283 - Deferred Taxes

Line No.	Item (a)	Account 255 Investment Tax Credit (b)	Account 282 Income Tax - ACRS Depreciation (c)	Account 283 - Other (d)
1				
2	N/A			
3				
4				
5	Total			

SCHEDULE A-17

**Account No. 271 - Contributions in Aid of Construction
Instructions for Preparation of Schedule of Contributions in Aid of Construction**

1. The credit balance in the account other than that portion of the balance relating to non-depreciable property (column d), to property retired prior to January 1, 1955 (column e), shall be written off through charges to this account and credits to Account No. 108, Accumulated depreciation of water plant, over a period equal to the estimated service life of the property involved. Upon retirement of depreciable property for which a depreciation reserve has been created through charges to this account, the cost thereof shall be credited to the appropriate plant account and concurrently charged to Account No. 108. If the property is retired prior to the service life originally estimated, the balance in this account with respect to the retired property shall be transferred to the depreciation reserve account.
2. That portion of the balance applicable to non-depreciable property shall remain unchanged until the property is sold or otherwise retired. Upon retirement, the cost of such non-depreciable property acquired by donation or through use of donated funds shall be credited to the appropriate plant account and charged to this account to clear the credit balance carried herein.
3. That portion of the balance representing donations on property retired prior to January 1, 1955 (column e), and the amount of depreciation accrued to January 1, 1955, on property in service (column f), shall not be transferred from this account or otherwise disposed of without first receiving written authorization from the Commission.

Line No.	Description	Total All Columns (b)	Subject to Amortization		Not Subject to Amortization	
			Property in Service After Dec. 31, 1954		Property Retired Before Jan. 1, 1955 ² (e)	Depreciation Accrued Through Dec. 31, 1954 on Property in Services at Dec. 31, 1954 ³ (f)
			Depreciable (c)	Non-Depreciable ¹ (d)		
1	Balance beginning of year	\$ 585,498	\$ 585,498			
2	Add: Credits to account during year					
3	Contributions received during year	\$ 4,000	\$ 4,000			
4	Other credits*					
5	Total credits	\$ 4,000	\$ 4,000			
6	Deduct: Debits to Account during year					
7	Depreciation charges for year	\$ (31,005)	\$ (31,005)			
8	Non-depreciable donated property retired					
9	Other debits*					
10	Total debits	\$ (31,005)	\$ (31,005)			
11	Balance end of year	\$ 558,493	\$ 558,493			

* Indicate nature of these items and show the accounts affected by the contra entries

**SCHEDULE B
INCOME STATEMENT**

Line No.	Acct. No.	Account (a)	Schedule Number (b)	Amount (c)
UTILITY OPERATING INCOME				
1	400	Operating Revenues	B-1	\$ 590,781
OPERATING REVENUE DEDUCTIONS				
2	401	Operating Expenses	B-2	\$ 364,466
3	403	Depreciation Expense	A-3	\$ 62,380
4	407	SDWBA Loan Amortization Expense	pages 7 & 8	
5	408	Taxes Other Than Income Taxes	B-3	\$ 17,516
6	409	State Corporate Income Tax Expense	B-3	\$ 11,504
7	410	Federal Corporate Income Tax Expense	B-3	\$ 28,091
8		Total operating revenue deductions		\$ 483,958
9		Total utility operating income		\$ 106,823
OTHER INCOME AND DEDUCTIONS				
10	421	Non-utility Income	B-5	\$ 2,865
11	426	Miscellaneous Non-utility Expense	B-5	\$ (6,279)
12	427	Interest Expense	B-6	\$ (14,320)
13		Total other income and deductions		\$ (17,733)
14		Net income		\$ 89,089

SCHEDULE B-1
Account No. 400 - Operating Revenues

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
WATER SERVICE REVENUES					
1	460	Unmetered water revenue			
2		460.1 Single-family Residential			
3		460.2 Commercial and Multi-residential			
4		460.3 Large Water Users			
5		460.5 Safe Drinking Water Bond Surcharge			
6		460.9 Other Unmetered Revenue			
7		Sub-total			
8	462	Fire protection revenue			
9		462.1 Public Fire Protection			
10		462.2 Private Fire Protection			\$ -
11		Sub-total	\$ -	\$ -	\$ -
12	465	Irrigation revenue	\$ 8,216	\$ 8,076	
13	470	Metered water revenue			
14		470.1 Single-family Residential	\$ 429,387	\$ 417,869	\$ 11,518
15		470.2 Commercial and Multi-residential	\$ 19,588	\$ 20,048	\$ (460)
16		470.3 Large Water Users, School			\$ -
17		470.5 Safe Drinking Water Bond Surcharge			
18		470.9 Other Metered Revenue (Public Agencies)	\$ 140,548	\$ 128,542	
19		Sub-total	\$ 589,523	\$ 566,459	\$ 23,064
20		Total water service revenues	\$ 597,739	\$ 574,535	\$ 23,204
21	480	Other Water Revenue Less PUC Fees Collected	\$ (6,958)	\$ (8,439)	\$ 1,481
22		Total operating revenues	\$ 590,781	\$ 566,096	\$ 24,685

SCHEDULE B-2
Account No. 401 - Operating Expenses

Line No.	Acct. No.	Account (a)	Amount Current Year (b)	Amount Preceding Year (c)	Net Change During Year Show Decrease in (Parenthesis) (d)
		PLANT OPERATION AND MAINTENANCE EXPENSES			
		VOLUME RELATED EXPENSES			
1	610	Purchased Water	\$ 43,485	\$ 44,561	\$ (1,076)
	611	Purchased Water (for Irrigation Service)	\$ 3,980	\$ 3,188	\$ 792
2	615	Power	\$ 47,302	\$ 40,128	\$ 7,174
3	616	Other Volume Related Expenses	\$ 20,430	\$ 19,983	\$ 447
4		Total volume related expenses	\$ 115,196	\$ 107,859	\$ 7,337
		NON-VOLUME RELATED EXPENSES			
5	630	Employee Labor (1)	\$ 119,044	\$ 119,903	\$ (859)
6	640	Materials	\$ 15,715	\$ 16,960	\$ (1,245)
7	650	Contract Work	\$ 11,690	\$ 6,940	\$ 4,750
8	660	Transportation Expenses	\$ 9,378	\$ 14,211	\$ (4,833)
9	664	Other Plant Maintenance Expenses	\$ 8,793	\$ 9,076	\$ (283)
10		Total non-volume related expenses	\$ 164,619	\$ 167,091	\$ (2,472)
11		Total plant operation and maintenance exp.	\$ 279,815	\$ 274,950	\$ 4,865
		ADMINISTRATIVE AND GENERAL EXPENSES			
12	670	Office Salaries (1)	\$ 29,513	\$ 29,494	\$ 19
13	671	Management Salaries (1)	\$ 14,108	\$ 6,302	\$ 7,806
14	674	Employee Pensions and Benefits		\$ 145	\$ (145)
15	676	Uncollectible Accounts Expense	\$ 498	\$ 627	\$ (129)
16	678	Office Services and Rentals	\$ 7,864	\$ 7,023	\$ 841
17	681	Office Supplies and Expenses	\$ 10,632	\$ 15,485	\$ (4,853)
18	682	Professional Services	\$ 4,130	\$ 4,823	\$ (693)
19	684	Insurance	\$ 10,341	\$ 10,708	\$ (367)
20	688	Regulatory Commission Expense	\$ 3,096	\$ 4,363	\$ (1,267)
21	689	General Expenses	\$ 4,469	\$ 1,847	\$ 2,622
22		Total administrative and general expenses	\$ 84,652	\$ 80,816	\$ 3,836
23	800	Expenses Capitalized			
24		Net administrative and general expense	\$ 84,652	\$ 80,816	\$ 3,836
25		Total operating expenses	\$ 364,466	\$ 355,766	\$ 8,700

SCHEDULE B-3
Account No. 408, 409, 410 - Taxes Charged During the Year

Line No.	Type of Tax (a)	Total Taxes Charged During Year (b)	Distribution of Taxes Charged	
			Water (c)	Nonutility (d)
1	Taxes on real and personal property	\$ 17,516		
2	State corporate franchise tax	\$ 11,504		
3	State unemployment insurance tax			
4	Other state and local taxes			
5	Federal unemployment insurance tax			
6	Federal insurance contributions act			
7	Other federal taxes			
8	Federal income taxes	\$ 28,091		
9	Total	\$ 57,112		

SCHEDULE B-4
Reconciliation of Reported Net Income for Federal Income Taxes

1 Report hereunder a reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. The reconciliation shall be submitted even though there is no taxable income for the year. Descriptions should clearly indicate the nature of each reconciling amount.

2 If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, inter-company amounts to be eliminated in such consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax amount the group members.

3 Show taxable year if other than calendar year from _____ to _____.

Line No.	Particulars (a)	Amount (b)
1	Net income for the year per Schedule B, page 4	\$ 89,089
2	Reconciling amounts (list first additional income and unallowable deductions,	
3	followed by additional deductions and non-taxable income):	
4		
5		
6		
7		
8		
9		
10	Federal tax net income	\$ 128,685
11	Computation of tax:	\$ 28,091
12	State Tax	\$ 11,504
13		
14		
15		
16		
17		

SCHEDULE B-5
Accounts No. 421 and 426 - Income from Nonutility Operations

Line No.	Description (a)	Revenue Acct. 421 (b)	Expense Acct. 426 (c)
1	Interest Income	\$ 541	
2	Non-Utility Income - Other	\$ 2,324	
3			
4	Misc. Non-Utility Expense-Other		\$ (6,279)
5	Total	\$ 2,865	\$ (6,279)

SCHEDULE B-6
Account No. 427 - Interest Expense

Line No.	Description (a)	Amount (b)
1	Tri Counties Bank - Interest - Granite (Tank Loan)	\$ 14,320
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	\$ 14,320

SCHEDULE C-1
Compensation of Individual Proprietor, Partners and Employees Included in Expenses

Line No.	Acct. No.	Account (a)	Number at End of Year (b)	Salaries Charged to Expense (c)	Salaries Charged to Plant Accounts (d)	Total Salaries and Wages Paid (e)
1	630	Employee Labor		\$ -		\$ -
2	670	Office salaries		\$ -		\$ -
3	671	Management salaries		\$ -		\$ -
4						
5						
6		Total	0	\$ -		\$ -

SCHEDULE C-2
Loans to Directors, Officers, or Shareholders

Line No.	Name (a)	Title (b)	Amount (c)	Interest Rate (d)	Maturity Date (e)	Security Given (f)	Date of Shareholder Authorization (g)	Other Information (h)
1.								
2.								
3.			N/A					
4.								
5.								
6.								
7.	Total							

SCHEDULE C-3
Engineering and Management Fees and Expenses, etc., During Year

Line No.	Give the required particulars of all contracts or other agreements in effect in the course of the year between the respondent and any corporation, association, partnership, or person covering supervision and/or management of any department of the respondent's affairs, such as accounting, engineering, financing, construction or operation, and show the payments under such agreements and also the payments for advice and services to a corporation or corporations which directly or indirectly control respondent through stock ownership.	
1.	Did the respondent have a contract or other agreement with any organization or person covering supervision and/or management of its own affairs during the year? Answer: Yes: <u>YES</u> No: _____ (If the answer is in the affirmative, make appropriate replies to the following questions)*	
2.	Name of each organization or person that was a party to such a contract or agreement. Hydros Consulting	
3.	Date of original contract or agreement: <u>1/5/2015 - Hydros/WW</u>	
4.	Date of each supplement or agreement: _____	
5.	Amount of compensation paid during the year for supervision or management: \$ <u>14,108</u>	
6.	To whom paid: Hydros Consulting	
7.	Nature of payment (salary, traveling expenses, etc.): Management Salary	
8.	Amounts paid for each class of service: _____	
9.	Basis for determination of such amounts: _____	
10.	Distribution of payments:	Amount
	(a) Charged to operating expenses	\$ 162,665
	(b) Charged to capital amounts	\$ _____
	(c) Charged to other account	\$ _____
	Total	\$ 162,665
11.	Distribution of charges to operating expenses by primary accounts:	Amount
	Number and Title of Account:	
	Acct. 630-Employee Labor	\$ 119,044
	Acct. 670 - Office Salaries	\$ 29,513
	Acct. 671 - Management Salaries	\$ 14,108
	Total	\$ 162,665
12.	What relationship, if any, exists between respondent and supervisory and/or managing concerns? Contractual	
	* File with this report a copy of every contract, agreement, supplement or amendment mentioned above unless a copy of the instrument in due form has been furnished, in which case a definite reference to the report of the respondent relative to which it was furnished will suffice.	

**SCHEDULE D-1
Sources of Supply and Water Developed**

STREAMS					FLOW IN (Unit) ²		Annual Quantities Diverted(Unit) ²	Remarks
Line No.	Diverted Into *	From Stream or Creek (Name)	Location of Diversion Point	Priority Right		Diversions		
				Claim	Capacity	Max.	Min.	
1								
2		N/A						
3								
4								
5								

WELLS						Pumping Capacity (Unit) ²	Annual Quantities Pumped(Unit) ²	Remarks
Line No.	At Plant (Name or Number)	Location	No.	Dimensions	Depth to Water ¹			
6								
7		N/A						
8								
9								
10								

TUNNELS AND SPRINGS				FLOW IN (Unit) ²		Annual Quantities Pumped(Unit) ²	Remarks
Line No.	Designation	Location	Number	Maximum	Minimum		
11							
12		N/A					
13							
14							
15							

Purchased Water for Resale			
16	Purchased from	Placer County Water Agency	
17	Annual Quantities purchased	(Unit chosen) ¹	Miners' Inch Day
18	Raw Water Purchased for Treatment = 8,743		
19	Raw Water Purchased for Irrigation = 2,076		

* State ditch pipeline reservoir, etc., with name, if any.
¹ Average depth to water surface below ground surface
² The quantity unit in established use for experiencing water stored and used in large amounts is the acre foot, which equals 43,560 cubic feet; in domestic use the thousand gallon or the hundred cubic feet. The rate of flow or discharge in larger amounts is expressed in cubic feet per second. In gallons per minute, in gallons per day, or in the miner's inch. Please be careful to state the unit used.

**SCHEDULE D-2
Description of Storage Facilities**

Line No	Type	No.	Combined Capacity (Gallons or Acre Feet)	Remarks
1	A. Collecting reservoirs			
2	Concrete			
3	Earth		250,000	Raw water pond at plant, has been in service since inception.
4	Wood (raw water-irrigation service)	1	20,000	
5	B. Distribution reservoirs			
6	Concrete			
7	Earth			
8	Wood			
9	C. Tanks			
10	Wood			
11	Metal	4	1,260,000	
12	Concrete			
13	Total		1,530,000	

SCHEDULE D-3
Description of Transmission and Distribution Facilities

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	0 to 5	6 to 10	11 to 20	21 to 30	31 to 40	41 to 50	51 to 75	76 to 100
1	Ditch								
2	Flume								
3	Lined conduit	N/A - Purchase Water From PCWA							
4									
5	Total								

A. LENGTH OF DITCHES, FLUMES AND LINKED CONDUITS IN MILES FOR VARIOUS CAPACITIES (Continued)									
Capacities in Cubic Feet Per Second or Miner's Inches (state which) _____									
Line No.	Description	101 to 200	201 to 300	301 to 400	401 to 500	501 to 750	751 to 1000	Over 1000	Total All Lengths
6	Ditch								
7	Flume								
8	Lined conduit	N/A - Purchase Water From PCWA							
9									
10	Total								

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING										
Line No.	Description	1	1 1/2	2	2 1/2	3	4	5	6	8
11	Plastic (PVC)			16,102	3,468	3,530	13,933		10,659	27,431
12	Cast iron (cement lined)									
13	Concrete									
14	Copper									
15	Riveted steel									
16	Standard screw									
17	Screw or welded casing									
18	Cement - asbestos								889	
19	Welded steel								161	17,051
20	Wood									
21	Steel - (galv)		362		603		836			
22	Total		362	16,102	4,071	3,530	14,769		11,709	44,482

B. FOOTAGES OF PIPE BY INSIDE DIAMETERS IN INCHES - NOT INCLUDING SERVICE PIPING - (Continued)										
Line No.	Description	10	12	14	16	18	20	Other Sizes (Specify)		Total All Sizes
23	Plastic (PVC)	4,256								79,379
24	Cast iron (cement lined)									-
25	Concrete									-
26	Copper									-
27	Riveted steel									-
28	Standard screw									-
29	Screw or welded casing									-
30	Cement - asbestos									889
31	Welded steel	21,073								38,285
32	Wood									-
33	Steel - (galv)									1,801
34	Total	25,329								120,354

**SCHEDULE D-4
Number of Active Service Connections**

Size	Metered - Dec 31		Flat Rate - Dec 31	
	Prior	Current	Prior	Current
	Year	Year	Year	Year
5/8 x 3/4 - in	544	542		
3/4 - in	1	1		
1 - in	2	2		
1 1/2 - in				
2 - in	2	2		
3 - in				
4 - in				
6 - in				
Other				
Total	549	547		

**SCHEDULE D-5
Number of Meters and Services on
Pipe Systems at End of Year**

Size	Meters	Services
5/8 x 3/4 - in	560	560
3/4 - in	1	1
1 - in	2	2
1 1/2 - in		
2 - in	2	2
3 - in		
4 - in		
6 - in		
Other		
Total	565	565

**SCHEDULE D-6
Meter Testing Data**

A. Number of Meters Tested During Year as Prescribed in Section VI of General Order No. 103:	
1. New, after being received . . .	_____
2. Used, before repair	_____
3. Used, after repair	_____
4. Found fast, requiring billing adjustment	_____
B. Number of Meters in Service Since Last Test	
1. Ten years or less	_____
2. More than 10, but less than 15 years	_____
3. More than 15 years	_____

**SCHEDULE D-7
Water delivered to Metered Customers by Months and Years in Hundred Cubic Feet (Unit Chosen)¹**

	During Current Year							
	January	February	March	April	May	June	July	Subtotal
Single-family residential	2,875	3,684	3,663	4,305	4,701	8,877	8,604	36,709
Commercial and Multi-residential	265	332	315	456	690	850	1,094	4,002
Large water users								-
Public authorities	3,293	3,553	3,751	3,568	5,162	4,366	6,246	29,939
Irrigation								
Other (specify)								
Total	6,433	7,569	7,729	8,329	10,553	14,093	15,944	70,650

	During Current Year						Subtotal	Total	Total Prior Year
	August	September	October	November	December				
Single-family residential	11,008	8,468	7,132	3,940	4,150	34,698	71,407	65,433	
Commercial and Multi-residential	1,090	1,003	240	119	132	2,584	6,586	6,056	
Large water users								-	
Public authorities	6,340	6,001	4,577	4,558	3,602	25,078	55,017	48,548	
Irrigation								-	
Other (specify)								-	
Total	18,438	15,472	11,949	8,617	7,884	62,360	133,010	120,037	

¹ Quantity units to be in hundreds of cubic feet, thousands of gallons, acre-feet, or miner's inch-days.

Total acres irrigated: 0

Total population served: 1,660

SCHEDULE D-8
Status With State Board of Public Health

1. Has the State or Local Health Department reviewed the sanitary condition of your water system during the past year?	NO
2. Are you having routine laboratory tests made of water served to your consumers?	YES
3. Do you have a permit from the State Board of Public Health for operation of your water system?	YES
4. Date of permit:	1965
5. If permit is "temporary", what is the expiration date?	
6. If you do not hold a permit, has an application been made for such permit?	7. If so, on what date?

SCHEDULE D-9
Statement of Material Financial Interest

Use this space to report the information required by Section 2 of General Order No. 104-A. If no material financial interest existed during the year or contemplated at the end of the year, such fact shall be so stated. If additional space is required, attach a supplementary statement with reference made thereto.

N/A

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA**

Please provide the following information relating to each Safe Drinking Water Bond Act (SDWBA) or Safe Drinking Water State Revolving Fund (SRF) loan surcharge collection for the calendar year. Please use one page per loan.

1. Current Fiscal Agent:

Name: _____ **N/A** _____
 Address: _____
 Phone Number: _____
 Account Number: _____
 Date Hired: _____

2. Total surcharge collected from customers during the 12 month reporting period:

\$ _____

Meter Size	No. of Metered Customers	Monthly Surcharge Per Customer
5/8 X 3/4 inch		
3/4 inch		
1 inch		
1 1/2 inch		
2 inch		
3 inch		
4 inch		
6 inch		
Number of Flat Rate Customers		
Total		

3. Summary of the bank account activities showing:

Balance at beginning of year \$ _____
 Deposits during the year _____
 Interest earned for calendar year _____
 Withdrawals from this account _____
 Balance at end of year _____

4. Reason or Purpose of Withdrawal from this bank account:

**FOR ALL WATER COMPANIES
SAFE DRINKING WATER BOND ACT/STATE REVOLVING FUND DATA (Continued)**

5. Plant amounts included in Schedule A-1a, Account No. 101--Water Plant in Service which were funded using SDWBA or SRF funds:

Line No.	Acct. No.	Title of Account (a)	Balance Beginning of Year (b)	Plant Additions During Year (c)	Plant Retirements During Year (d)	Other Debits* or (Credits) (e)	Balance End of Year (f)
1		NON-DEPRECIABLE PLANT					
2	301	Intangible plant					
3	303	Land					
4		Total non-depreciable plant		N/A			
5		DEPRECIABLE PLANT					
6	304	Structures					
7	307	Wells					
8	317	Other water source plant					
9	311	Pumping equipment					
10	320	Water treatment plant					
11	330	Reservoirs, tanks and sandpipes					
12	331	Water mains					-
13	333	Services and meter installations					-
14	334	Meters					
15	335	Hydrants					-
16	339	Other equipment					
17	340	Office furniture and equipment					
18	341	Transportation equipment					
19		Total depreciable plant	-				-
20		Total water plant in service	-				-

FACILITIES FEES DATA

Class B: Please provide the following information relating to Facilities Fees for districts or subsidiaries serving 2,000 or fewer customers for the calendar year (per D.91-04-068).

Class C: Please provide the following information relating to Facilities Fees collected for the calendar year, pursuant to Resolution No. W-4110.

1. Trust Account Information:

Bank Name: Tri Counties Bank
 Address: Auburn, CA
 Account Number: _____
 Date Opened: _____

2. Facilities Fees collected for new connections during the calendar year:

A. Commercial

NAME	AMOUNT
	\$
	\$
	\$
	\$

B. Residential

NAME	AMOUNT
Nelson - new service connection	\$ 2,000
Springer - new service connection	\$ 2,000
	\$
	\$

3. Summary of the bank account activities showing:

Balance at beginning of year	\$ -
Deposits during the year	\$ 4,000
Interest earned for calendar year	
Withdrawals from this account	\$ 4,000
Balance at end of year	\$ -

4. Reason or Purpose of Withdrawal from this bank account:

Connection charges, if collected, are pooled in general account and tracked in accounting program.
Funds are used for capacity expansions. Withdrawals from this account were for system improvements.

DECLARATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

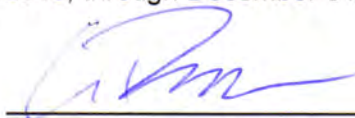
I, the undersigned Gerry LaBudde
Officer, Partner, or Owner (Please Print)

of Weimar Water Company
Name of Utility

under penalty of perjury do declare that this report has been prepared by me, or under my direction, from the books, papers and records of the respondent; that I have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of the above-named respondent and the operations of its property for the period of January 1, 2016, through December 31, 2016.

President

Title (Please Print)



Signature

530-637-4441

Telephone Number

3-2-17

Date

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**AGREEMENT BETWEEN
WEIMAR WATER CO.
AND HYDROS ENGINEERING
FOR PERFORMANCE OF WATER SYSTEM SERVICES**

THIS AGREEMENT is made this March 1, 2017, in Weimar, California, between Weimar Water Company CLIENT ("CLIENT"), an investor owned utility, and Hydros Engineering, Inc., a California Corporation, previously Hydros Engineering ("Hydros Engineering"), concerning the performance of public water system treatment, operations, maintenance, reporting, and related services (the "Work"). This agreement supersedes all previous agreements.

RECITALS:

- A. CLIENT has determined for practical and financial reasons that the most efficient manner for operating the CLIENT's water system is to hire a contract operator with the skill, knowledge, required regulatory certifications, and staffing levels to perform the Work.
- B. Hydros Engineering is in the business of providing operations and maintenance services assistance to small public water systems. The CLIENT has determined that Hydros Engineering is qualified to provide such services to the CLIENT.
- C. CLIENT desires to retain the services of Hydros Engineering to perform the Work and Hydros Engineering desires to perform the Work under the terms and conditions provided in this Agreement.
- D. Any engineering services will be provided under a separate agreement between Hydros Engineering and CLIENT.

AGREEMENT:

1. Scope of Work.

a. Hydros Engineering shall perform the Work, which consists of the following two components: (i) providing all labor necessary to perform operations and maintenance of the CLIENT's water system, including without limitation treating raw water received from PCWA, operating the storage facilities and distribution system, performing routine maintenance of the treatment plant, reservoirs, distribution system and other CLIENT facilities, preparing and filing required reports with State Water Resources Control Board Division of Drinking Water (DDW) and other regulatory authorities having jurisdiction over the Client's water system, including management and administrative duties for the proper operation of the water system commiserate with standard of care. Operations and maintenance services as approved by the Client and agreed to by Hydros Engineering, including without limitation, installing new service connections, providing cross-connection control services, and repairing damaged or obsolete

pipes, valves and other appurtenances owned and operated by the CLIENT, responding to customers' complaints and leaks.

b. Weimar Water Company shall provide equipment, material necessary completion of the work.

c. Hydros Engineering will perform all work in accordance with the terms and conditions of this Agreement.

d. Hydros Engineering shall: (a) provide all labor necessary to properly, competently, and completely perform all work under this Agreement. Hydros Engineering shall properly, competently, and completely perform all Work under this Agreement in a manner commensurate with prevailing professional standards of qualified and experienced personnel in Hydros Engineering's field. Hydros Engineering shall determine the methods, details and means of doing all Work.

e. Weimar Water will provide equipment and materials for execution of the work including repairs, capital improvements, and routine operation and maintenance activities. Hydros Engineering shall provide administrative duties including managing accounts payable on behalf of Weimar Water Co., customer billing, management, etc.

f. All personnel used by Hydros Engineering for the Work shall be acceptable to the Client. The Client shall notify Hydros Engineering in writing promptly of its objection to any person employed on the Work and Hydros Engineering shall remove such person from the Work as soon as reasonably possibly without jeopardizing completion of the current and ongoing Work. The objectionable employee shall be removed from CLIENT related work within 72 hours. The employee shall be removed from further work with the CLIENT permanently unless otherwise agreed by the CLIENT in writing. Such a discharge requested by the CLIENT shall not be the basis for any claim for compensation or damages by Hydros Engineering.

2. Compensation.

a. In exchange for performing the Routine and any Special Work, the CLIENT shall pay to Hydros Engineering the appropriate fees and charges provided in Hydros Engineering's rate schedule, which is attached to and made a part of this Agreement as **Exhibit A**.

b. At the end of each month in which any Work is performed, Hydros Engineering shall submit to the CLIENT an invoice for Work performed during the preceding month. The invoice shall include a brief description of the Work performed, the dates of Work, number of hours worked and by whom (if payment is based on time), and an itemization of any reimbursable expenses. If the Work is satisfactorily completed and the invoice is accurately computed, the CLIENT shall pay the invoice within 30 days of its receipt. Nothing in this paragraph limits the parties' discretion to agree to a different method of payment.

Invoices shall prepared for the following labor categories roughly corresponding to the California Public Utilities Commission Water Division Chart of Accounts. Time shall be

recorded against each of these accounts for using in billing. Task descriptions for each Task Number are included in **Exhibit B**.

- 630.0 Employee Labor (operations)
 - 630.1 Treatment Plant Operations
 - 630.2 Treatment Plant Maintenance
 - 630.3 Weed Abatement and other Outside Maintenance
 - 630.4 Service Repair
 - 630.5 Mainline Repair and maintenance
- 632 Capital Improvements
- 670 Administrative
- 671 Management

3. Term and Termination. This Agreement shall take effect on the above date and continue in effect until terminated by the CLIENT or Hydros Engineering upon 60 days advance written notice to the other party as provided in Section 17 hereof. In the event of such termination, Hydros Engineering shall be fairly compensated for all work performed to the date of termination as calculated by the CLIENT based on the above fee and payment provisions. Compensation under this section shall not include any cancellation or demobilization charges or lost profit associated with the expected completion of any Work or other such similar payments relating to Hydros Engineering's claimed benefit of the bargain.

5. Professional Skill of Hydros Engineering.

a. Hydros Engineering represents that it is specially trained and experienced, and possesses the skill, ability, knowledge and certification, to competently perform all Work provided by this Agreement. The CLIENT has relied upon Hydros Engineering's training, experience, skill, ability, knowledge and certification as a material inducement to enter into this Agreement. All Work performed by Hydros Engineering shall be in accordance with applicable legal requirements and meet the standard of care and quality ordinarily expected of competent professionals in Hydros Engineering's field.

6. Compliance with Laws.

a. Hydros Engineering shall perform the Work in compliance with all applicable federal, state and local laws and regulations. Hydros Engineering also shall possess, maintain and comply with all federal, state and local permits, licenses and certificates that may be required for it to perform the Work.

7. Hydros Engineering Records.

a. Hydros Engineering shall keep and maintain all reports, regulatory filings, test results, ledgers, books of account, invoices, vouchers, canceled checks, and other records and documents evidencing or relating to the Work and fees and charges for services, expenditures and disbursements charged to the CLIENT for a minimum period of four years (or for any longer period required by law) from the date this Agreement is terminated to Hydros Engineering for

Work performed under this Agreement. The CLIENT may inspect and audit such books and records, including source documents, to verify all Work performed and all related charges, payments and reimbursable costs under this Agreement. Hydros Engineering shall be compensated for time and expenses related to any work related to said inspections and audits according to the rates for administrative services and materials and supplies provided.

b. The parties acknowledge that this Agreement, and performance and payments under it, are subject to examination and audit by the California Public Utilities Commission for three years following final payment under the Agreement. Hydros Engineering shall be compensated for time and expenses related to any work related to said inspections and audits according to the rates for administrative services and materials.

8. Ownership of Documents. Every report, test result, regulatory filing, map, study, spreadsheet, worksheet, plan, blueprint, specification, drawing, map, photograph, computer model, computer disk, magnetic tape, CAD data file, GIS data file, computer software and any other document or thing prepared by Hydros Engineering under this Agreement (“Work Product”) shall be the property of the CLIENT, and the CLIENT shall have the right to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product without further compensation to Hydros Engineering or any other party. Hydros Engineering may retain a copy of any Work Product and use, reproduce, publish, display, broadcast and distribute any Work Product and prepare derivative and additional documents or works based on any Work Product; provided, however, that Hydros Engineering shall not provide any Work Product to any third party without the CLIENT’s prior written approval, unless compelled to do so by legal process. If any Work Product is copyrightable, Hydros Engineering may copyright the same, except that, as to any Work Product that is copyrighted by Hydros Engineering, the CLIENT reserves a royalty-free, nonexclusive and irrevocable license to use, reuse, reproduce, publish, display, broadcast and distribute the Work Product and to prepare derivative and additional documents or works based on the Work Product. If the CLIENT reuses or modifies any Work Product for a use or purpose other than that intended under this Agreement, then the CLIENT shall hold Hydros Engineering harmless against all claims, damages, losses and expenses arising from such reuse or modification. For Work Product provided to the CLIENT in paper format, upon request by the CLIENT, Hydros Engineering agrees to provide the Work Product to the CLIENT in an appropriate and usable electronic format (e.g., Word document, Excel spreadsheet, Adobe pdf, AutoCAD file), subject to the CLIENT compensating Hydros Engineering for time and expenses according to the rates for administrative services and materials and supplies provided in **Exhibit B** for providing any such electronic Work Product.

10. Insurance Coverage Provided by Hydros Engineering.

a. Hydros Engineering, at its sole cost and expense, shall procure and maintain for the duration of this Agreement the following types and limits of insurance:

<u>Type</u>	<u>Limits</u>	<u>Scope</u>
General liability	\$2,000,000 per occurrence & \$3,000,000 aggregate	at least as broad as ISO CG 0001

Automobile liability	\$2,000,000 per occurrence	at least as broad as ISO CA 0001 (Code 1, any auto)
Workers' compensation	Statutory limits	

b. The general liability, auto, and property and casualty policies will be endorsed to name the CLIENT, and its directors, officers, employees, authorized volunteers, and agents as additional insureds regarding liability arising out of this Agreement. Hydros Engineering shall provide all applicable certificates of insurance and additional insured endorsements to the CLIENT within ten days after execution of this Agreement. The policies shall contain no special limitations on the scope of protection afforded to the CLIENT, and its directors, officers, employees, authorized volunteers, and agents within the scope of risks arising from or related to the work performed. Each insurance policy will provide that coverage will not be canceled, except after 30 days' prior written notice to the CLIENT (10 days for non-payment of premium and fraud). The worker's compensation policy will be endorsed to include a waiver of subrogation against the CLIENT and its directors, officers, employees, volunteers, and agents.

c. Hydros Engineering's coverage will be primary and apply separately to each insurer against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. The CLIENT's insurance or self-insurance, if any, will be excess and will not contribute with Hydros Engineering's insurance.

d. Insurance is to be written on policy forms acceptable to the CLIENT and be placed with insurers with a current A.M. Best's rating of A:VII or better unless otherwise acceptable upon notice to and acceptance by the CLIENT.

e. Upon execution of this Agreement and annually thereafter, Hydros Engineering will provide to the CLIENT the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance; and (b) endorsement(s) on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf the insurer(s), and certifying the additional insured coverage.

f. The requirements as to the types, limits, and the CLIENT's approval of insurance coverage to be maintained by the Hydros Engineering are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by Hydros Engineering under this Agreement. In addition, in the event any change is made in the insurance carrier, policies or nature of coverage required under this Agreement, Hydros Engineering shall notify the CLIENT prior to making such changes.

g. Hydros Engineering shall ensure that all required insurance coverages are maintained throughout the term of this Agreement. If any of the required coverages expire during the term of this Agreement, Hydros Engineering shall deliver renewal certificates and any required endorsements to the CLIENT at least 10 days before the expiration date.

h. Hydros Engineering must declare any deductible or self-insured retention and such must be approved by the CLIENT. At the CLIENT's sole option, Hydros Engineering may be required to either reduce or eliminate such deductibles or self-insured retentions.

11. Indemnification and Hold Harmless.

a. To the fullest extent permitted by law, Hydros Engineering shall indemnify, defend (with counsel mutually agreed upon) and hold harmless the CLIENT, and its directors, officers, employees, volunteers from and against any and all suits, actions, judgments, legal or administrative proceedings, arbitrations, claims, demands, damages, liabilities, interest, reasonable attorney's fees, fines, penalties, losses, costs and expenses regardless of nature or type ("claims" or "claim"), arising out of, pertaining to or in any way connected with the negligence, recklessness or willful misconduct of Hydros Engineering or arising out of or in any way related to the negligence, recklessness or willful misconduct of Hydros Engineering or its employees, agents, or subcontractors, or the agent, employee or subcontractor of any one of them, in the performance of their duties or in their operations under this Agreement, except where caused by the negligence or willful misconduct of the CLIENT or as otherwise provided or limited by law. The provisions of this indemnification provision shall survive the completion of the services under, or the termination of, this Agreement. Submission of insurance certificates or submission of other proof of compliance with the insurance requirements in this Agreement does not relieve Hydros Engineering or the CLIENT from liability under this indemnification and hold harmless provision. The obligations of this indemnity provision shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

b. To the fullest extent permitted by law, the CLIENT shall indemnify, defend (with counsel mutually agreed upon) and hold harmless Hydros Engineering, and its directors, officers, employees, subcontractors from and against any and all suits, actions, judgments, legal or administrative proceedings, arbitrations, claims, demands, damages, liabilities, interest, reasonable attorney's fees, fines, penalties, losses, costs and expenses regardless of nature or type ("claims" or "claim"), arising out of, pertaining to or in any way connected with the negligence, recklessness or willful misconduct of the CLIENT or arising out of or in any way related to the negligence, recklessness or willful misconduct of the CLIENT or its employees, agents, or subcontractors, or the agent, employee or subcontractor of any one of them, in the performance of their duties or in their operations under this Agreement, except where caused by the negligence or willful misconduct of Hydros Engineering or as otherwise provided or limited by law. The CLIENT specifically acknowledges that equipment and pipeline failures within the CLIENT's system are likely to occur in the future and that this indemnity provision is specifically intended to protect Hydros Engineering from liability for damage or injury caused by such facilities failures, except to the extent that any such failure results from the negligence or willful misconduct of Hydros Engineering.

12. Entire Agreement. This Agreement and the attached exhibits represent the sole, final, complete, exclusive, and integrated expression and statement of the terms of the agreement between the parties concerning the Work. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties to this Agreement. There are no written or oral agreements, conditions, representations, warranties, or

promises with respect to the subject matter of this Agreement except those contained in or referred to in this writing.

13. Independent Contractor. It is expressly understood and agreed by the parties that Hydros Engineering's relationship to the CLIENT is that of an independent contractor. All persons hired by Hydros Engineering and performing the Work shall be Hydros Engineering's employees or agents. The CLIENT shall not be obligated in any way to pay any wages or other claims by any such employees or agents or any other person by reason of this Agreement. Hydros Engineering shall be solely liable to such employees and agents for losses, costs, damages, or injuries by said employees or agents during the course of the Work.

14. Successors and Assignment. This Agreement shall be binding on, and inure to the benefit of, the heirs, successors, executors, administrators, and assigns of the parties; however, Hydros Engineering agrees that it will not assign, transfer, convey, or otherwise dispose of this Agreement or any part thereof, or its rights, title or interest therein, or its power to execute the same without the prior written consent of the CLIENT.

15. No Waiver of Rights. Any waiver at any time by either party of its rights as to a breach or default of this Agreement shall not be deemed to be a waiver as to any other breach or default. No payment by the CLIENT to Hydros Engineering shall be considered or construed to be an approval or acceptance of any Work or a waiver of any breach or default.

16. Notices. Any notice or other communication required or permitted to be given under this Agreement will be in writing and will be deemed to be properly given if delivered, mailed or sent by facsimile or e-mail in the manner provided in this paragraph, to the following persons:

CLIENT	Hydros Engineering Inc.
Attn: Paul Fejes	Attn: Gerry LaBudde
PO Box 598	PO Box 81
Weimar, CA 95736	Weimar, CA 95736
Fax: (530) 637-4441	Fax: (530) 637-4441
E-mail: pfjejes@weimarwater.com	E-mail: glabudde@hydros-consulting.com

If sent by mail, any notice or other communication will be effective or deemed to have been given three days after it has been deposited in the United States mail, with postage prepaid, and addressed as set forth above. If sent by facsimile or e-mail, any notice or other communication will be deemed to have been given only after it has been confirmed in writing by the other party as received. If delivered personally or by overnight delivery service, any such notice or other communication will be deemed to have been given on the date of delivery. Either party may change that party's address or contact person by giving written notice of the change to the other party in the manner provided in this paragraph.

17. Subcontractors. No subcontract shall be awarded nor any outside contractor engaged by Hydros Engineering without the CLIENT's prior written approval. Any approved subcontractor

shall be covered by Hydros Engineering's insurance in accordance with the insurance requirements of paragraphs 10 and 11 of this Agreement or such subcontractor services will be subject to a separate agreement between the CLIENT and the subcontractor.

18. Interpretation. The CLIENT and Hydros Engineering each had the opportunity to consult independent counsel in the negotiation and execution of this Agreement. For the purposes of interpretation of this Agreement, neither party will be deemed to have been its drafter.

19. Licensing. Hydros Engineering represents that it has sufficient personnel certified by the California Department of Public Health to act both as Chief Operator and Shift Operator of the CLIENT's water treatment and distribution systems. Hydros Engineering warrants that all of the above certifications and licenses are in good standing and will be kept in good standing during the term of this Agreement. Hydros Engineering shall also maintain a valid General Engineering A contractor's license issued by the California Contractors State License Board through the duration of the contract.

20. Attorney's Fees. The parties agree that in the event of controversy, claim or dispute between the parties hereto arising out of or relating to this agreement or the breach thereof the prevailing party shall be entitled in addition to such other relief as may be granted a reasonable sum as and for attorney's fees which shall be determined by the Arbitrator in any arbitration, Court in any litigation or in a separate action brought for that purpose.

21. MEDIATION/ARBITRATION OF DISPUTES

a. Any controversy between the parties involving the construction, application or performance of any of the terms, provisions, or conditions of this agreement shall, on the written request of either party served on the other, be submitted to mediation before a mediator acceptable to all parties. The mediation shall occur within 45 days of the initial request, unless extended by agreement of the parties. Should any party commence arbitration or court action based on a dispute or claim to which this Section applies, without first attempting to resolve the matter through mediation, then that party shall not be entitled to recover attorneys' fees, even if they would otherwise be available to that party in any such action or arbitration.

b. If the mediation is unsuccessful, either party may, within 5 days thereafter, serve a written request on the other demanding that the matter be submitted to binding arbitration.

c. Exceptions to Mediation/Arbitration. Neither mediation, nor arbitration is required under the following limited circumstances:

i) If the matter is justiciable in small claims court, than the dispute shall be resolved through that court.

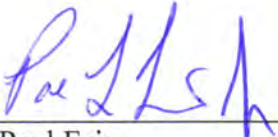
- ii) If the controversy to be arbitrated also involves third parties who are not willing to submit the matter to arbitration, and multiple proceedings would result from enforcement of this arbitration clause, then the dispute shall be resolved through the courts without referral to arbitration.
- iii) If it is alleged that irreparable harm would occur prior to the completion of the arbitration, a party may immediately apply for injunctive relief to prevent the irreparable harm, but the matter shall be stayed and submitted to mediation/arbitration after the Court has acted on the issue of injunctive relief.
- d. Except as provided herein, Arbitration shall comply with and be governed by the provisions of the California Arbitration Act, Section 1280 et.seq. of the California Code of Civil Procedure.
- e. Upon receipt of a notice of intent to arbitrate, the parties shall mutually agree on an arbitrator within 15 days. If they are unable to agree on a single arbitrator, each party shall appoint another individual as a selection arbitrator and the two selection arbitrators shall select a third impartial arbitrator to decide the matter within 30 days of notice of arbitration. If for any reason this process fails to result in the selection of an impartial arbitrator in a timely manner, either party may petition the Court for appointment of an arbitrator pursuant to CCP 1281.6.
- f. The decision of the Arbitrator, after close of the hearing, shall be final and conclusive upon the parties.
- g. The parties agree to do all acts necessary to expedite the arbitration proceedings such that the matter can be arbitrated within 90 days of service of the notice of intent to arbitrate.
- h. Upon a showing of good cause and the approval of the arbitrator, either party may obtain discovery necessary for the proof of their case. Provided that the arbitrator shall supervise the discovery process to insure that it is carried out in an expeditious manner and that it is not permitted to be unduly burdensome or delay the hearing.
- i. Up to the time of award, the cost of arbitration shall be split by the parties. In the event a party fails to pay their share in a timely fashion, the Arbitrator shall treat the omission as a default and enter judgment in favor of the other party. The Arbitrator may award the prevailing party reimbursement for any fees and expenses incurred, including arbitration costs paid, or allocate the attorneys fees and expenses between the parties in such proportions as the Arbitrator decides is just and reasonable.
- j. The Arbitrator shall make his or her decision in writing. In making his or her decision, the arbitrator shall follow California Law and shall have authority to impose any appropriate remedy permitted under California Law. Either party may seek clarification or reconsideration of the award within 10 days of issuance.

k. Mediation and Arbitration Confidentiality. All proceedings and all documents prepared in connection with any Arbitrable Claim shall be confidential and, unless otherwise required by law, the subject matter thereof shall not be disclosed to any person other than the parties to the proceedings, their counsel, witnesses and experts, the mediator, the arbitrator, and, if involved, the court and court staff. All documents filed with the arbitrator or with a court shall be filed under seal. The parties shall stipulate to all arbitration and court orders necessary to effectuate fully the provisions of this Section concerning confidentiality.

IN WITNESS WHEREOF, the parties execute this Agreement on the day and year first above written.

CLIENT:

HYDROS ENGINEERING:

By: 
Paul Fejes
Vice President 3/2/17


By: 
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CFO 3-1-17

EXHIBIT A

**HYDROS ENGINEERING
FEE SCHEDULE
2017**

Fees are based on employee burdened costs and provide a small margin on work. Rates will be adjusted as needed depending on burdened rates and concert with minimizing profits from operation of Weimar Water.

Staff	Burdened Rate
Gerry LaBudde	\$65.00
Heidi LaBudde	\$44.00
Paul Fejes	\$65.00
Austin Perry	\$33.00
Daniel Stephens	\$40.00
Mason Banish	\$22.00
Mimi Scott	\$35.00
<u>Parker Sullivan</u>	\$15.00
<u>Zac Fejes</u>	\$15.00
<u>Griffin LaBudde</u>	\$15.00

EXHIBIT B

**HYDROS ENGINEERING
TASK NUMBERS AND DESCRIPTION OF WORK**

Services provided by Hydros Engineering will be billed based on the following job numbers. Tasks shall be categorized per descriptions listed below for each task number.

- 630.0 Employee Labor (operations)
 - 630.1 Treatment Plant Operations
 - 630.2 Treatment Plant Maintenance
 - 630.3 Service Repair
 - 630.4 Mainline Repair and maintenance
- 632 Capital Improvements
- 670 Administrative
- 671 Management

Task 630 – Employee Labor (operations) – Work related to water treatment plant and distribution system operation and maintenance shall be charge to the following categories.

630.1 – Plant Operations. – Water treatment plant operations includes all work associated with the water treatment plant. Tasks include, but not limited to:

<ul style="list-style-type: none"> • Daily rounds of water treatment plant 	<ul style="list-style-type: none"> • Chemical adjustments to chemical feed 	<ul style="list-style-type: none"> • Coordination with PCWA on raw water supply
<ul style="list-style-type: none"> • Filling and mixing chemicals 	<ul style="list-style-type: none"> • Maintaining and monitoring raw water pump station 	<ul style="list-style-type: none"> • Calibration and verification of instrumentation; maintaining calibration logs
<ul style="list-style-type: none"> • WTP flow adjustments 	<ul style="list-style-type: none"> • Interaction with State Water Resources Control Board 	<ul style="list-style-type: none"> • Regulatory reporting to State
<ul style="list-style-type: none"> • Responding to call outs on plant alarms 	<ul style="list-style-type: none"> • Monitoring plant operations via SCADA system. 	<ul style="list-style-type: none"> • Backwashing filters
<ul style="list-style-type: none"> • Pumping sludge from basin 	<ul style="list-style-type: none"> • Ordering treatment chemicals including polymer, soda ash, zinc, and chlorine 	<ul style="list-style-type: none"> • Operation of backwash return system; annual cleaning of backwash basin

630.2 – Plant Maintenance – Tasks associated with work outside of the WTP or distribution system related to main:

<ul style="list-style-type: none"> • Pumping sludge from basin 	<ul style="list-style-type: none"> • Cutting brush and grass at plant 	<ul style="list-style-type: none"> • Maintenance of all mechanical equipment (e.g. pumps, flocculators, valves, etc.)
<ul style="list-style-type: none"> • Painting and upkeep of various buildings and structures 	<ul style="list-style-type: none"> • Maintaining and monitoring raw water pump station 	

630.3 – Service Repair – Work related to water services up to and including the meter and meter box.

<ul style="list-style-type: none"> • Meter replacement/repair 	<ul style="list-style-type: none"> • Responding/investigating to customer questions/complaints 	<ul style="list-style-type: none"> • Meter profiling
<ul style="list-style-type: none"> • Repairing, replacing or cleaning meter boxes 	<ul style="list-style-type: none"> • Marking water boxes 	<ul style="list-style-type: none"> • Repairing/replacing service lines to meters from main
<ul style="list-style-type: none"> • Inspecting meter boxes 		

630.4 – Mainline Repair and Maintenance – Work related to maintaining and operating distribution and storage system.

<ul style="list-style-type: none"> • Meter reading 	<ul style="list-style-type: none"> • Responding/investigating to customer questions/complaints 	<ul style="list-style-type: none"> • Updating water distribution system map
<ul style="list-style-type: none"> • Valve exercising 	<ul style="list-style-type: none"> • Flushing 	<ul style="list-style-type: none"> • Fixing leaks on mains
<ul style="list-style-type: none"> • Checking and maintaining PRV stations 	<ul style="list-style-type: none"> • Water quality monitoring and testing 	<ul style="list-style-type: none"> • Fixing leaks on services
<ul style="list-style-type: none"> • Checking and maintaining PRV stations 	<ul style="list-style-type: none"> • Clearing easements 	<ul style="list-style-type: none"> • Cleaning meter boxes
<ul style="list-style-type: none"> • Responding to USA markings 	<ul style="list-style-type: none"> • Maintaining valve/pipeline markers 	<ul style="list-style-type: none"> • Tank inspections and maintenance

632 – WW Capital. – This job number was used to account for all capital work when we started operating under the reorganization. We realized it would be more accurate to charge time to distinct projects so we could assign it to the proper fixed asset account. Use of this job number is minimal, and used when we do smaller projects of very short duration that do not justify generation of another job number to simplify accounting system. Extensions are added for larger projects with an extended duration (e.g. 632.1 Snooks Main Replacement).

670 – WW Administration. – Administration includes all work associated with the administration of the Weimar Water Company. Tasks include but are not limited to:

<ul style="list-style-type: none"> • Customer service related to billing and other inquirers 	<ul style="list-style-type: none"> • Accounts payable/receivable 	<ul style="list-style-type: none"> • Billing water customers including overseeing meter reading, printing reports, and administering billing program
<ul style="list-style-type: none"> • Filing and managing paper work for PUC, taxes, Placer County, State Water Resources Control Board, etc. 	<ul style="list-style-type: none"> • Monitoring overdue accounts and preparing various customer notices (e.g. 10-days, 24-hr, disconnects) 	<ul style="list-style-type: none"> • Updating and maintain accounting program
<ul style="list-style-type: none"> • Printing and sending bills to customers 	<ul style="list-style-type: none"> • Assist General Manager with various tasks associated with admin duties 	<ul style="list-style-type: none"> • Prepare Will Serve letters
<ul style="list-style-type: none"> • Bank deposits 	<ul style="list-style-type: none"> • Monthly reconciliation of accounts and review bank statements 	<ul style="list-style-type: none"> • Ensure credit card receipts and invoices are turned in and have proper documentation

671 – WW Management. – Management includes work associated with managing Weimar Water Company. Tasks include but are not limited to:

<ul style="list-style-type: none"> • Oversee all staff and resolve potential issues 	<ul style="list-style-type: none"> • Monitor a field activities 	<ul style="list-style-type: none"> • Develop budgets and prioritize projects
<ul style="list-style-type: none"> • Review State reports for water quality 	<ul style="list-style-type: none"> • Provide technical support for staff regarding plant operation 	<ul style="list-style-type: none"> • Resolve problems with customers when issues cannot be handled at administrative level
<ul style="list-style-type: none"> • Negotiate with developers for mainline extensions including technical and administrative issues. 	<ul style="list-style-type: none"> • Work with consultants regarding PUC annual report and GRCs 	<ul style="list-style-type: none"> • Review company financials and ensure proper cash flow
<ul style="list-style-type: none"> • Review and approve billings from vendors 	<ul style="list-style-type: none"> • Prepare various annual reports to State and Counties agencies 	<ul style="list-style-type: none"> • Work with accountant for tax planning