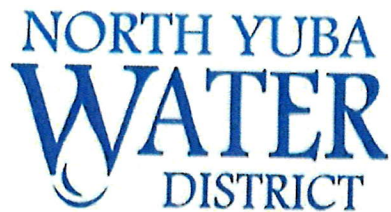


Mike Mayo
Director
Division 1

Steve Ronneberg
Director
Division 2

Gloria Bozza
Director
Division 3



Marieke Furnee
President
Division 4

Ann Plumb
Vice President
Division 5

Leona Harris
General Manager

AGENDA

**REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
NORTH YUBA WATER DISTRICT**

5:30 PM ♦ THURSDAY ♦ DECEMBER 21, 2023

NOTICE: THIS MEETING WILL BE PHYSICALLY OPEN TO THE PUBLIC AT THE DISTRICT OFFICE LOCATED AT 8691 LA PORTE RD, BROWNSVILLE, CA 95919. HOWEVER, THE MEETING WILL ALSO TAKE PLACE VIA ZOOM. MEMBERS OF THE PUBLIC MAY ATTEND AND PARTICIPATE IN THE MEETING VIA VIDEOCONFERENCE AT:

NYWD BoardRoom is inviting you to a scheduled Zoom meeting.

Topic: NYWD BoardRoom's Zoom Meeting
Time: Dec 21, 2023 05:30 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/81020027142?pwd=bnBGNnRnMk9VTnM4THNrMnQ3dzZ5dz09>

Meeting ID: 810 2002 7142

Passcode: 718044

One tap mobile

+16694449171,,81020027142#,,,,*718044# US
+16699009128,,81020027142#,,,,*718044# US (San Jose)

Dial by your location

- +1 669 444 9171 US
- +1 669 900 9128 US (San Jose)

Meeting ID: 810 2002 7142

Passcode: 718044

Find your local number: <https://us02web.zoom.us/j/kdJhwQM4tW>

**COMMENCEMENT OF
MEETING**

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact North Yuba Water District office staff at 530-675-2567 or fax 530-675-0462. Requests must be made as early as possible and at least one-full business day before the start of the meeting.

The Board of Directors shall provide at least twice the allotted time to a member of the public who utilizes a translator to ensure that non-English speakers receive the same opportunity to directly address the Board. Please contact District office staff at 530-675-2567 or fax 530-675-0462 at least 24 hours prior to the board meeting so a translator can be provided. Non-English speakers are welcomed to provide their own translator.

A. CALL TO ORDER/ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. OPPORTUNITY FOR PUBLIC COMMENT – Topics Not on the Agenda:

At the beginning of a regular meetings, the public has the opportunities to address the District Board of Directors about matters not on the agenda that are within the jurisdiction of the Board of Directors. Public comment is limited to no more than four (4) minutes per person, twenty (20) minutes total for all speakers.

D. OPPORTUNITY FOR PUBLIC COMMENT – Topics on the Agenda:

The public has the opportunities to address the District Board of Directors about matters on the agenda, including closed session items. Public comment is limited to no more than four (4) minutes per person, twenty (20) minutes total for all speakers for each agendized item.

**OPEN SESSION ACTION
CALENDAR**

E. CONSENT ITEMS

1. Approval of Minutes for Regular Board Meeting of November 22, 2023
2. Approval of Payroll for the Month of November 2023: \$ 71,842.50 (3 pay periods)
3. Approval of Bills for the Month of November 2023: \$ 1,309,921.44
4. Warrant # 52-37259, fund # 637, payable to North Yuba Water District, in the amount of \$150,000.00 for Services / Supplies, Bills & Payroll
5. Warrant # 52-37260, fund # 642, payable to North Yuba Water District, in the amount of \$150,000.00 for Services / Supplies, Bills & Payroll

F. STAFF REPORTS AND RECOMMENDATION

The Board will hear reports by District staff and receive their recommendations for future Board action, including but not necessarily limited to:

Financial Manager's Report

General Managers' Report/Requests:

The General Manager will:

1. Update the Board on the Operations Memorandum.
2. Update the Board on projects currently in progress.
3. Application for CEQA Exemption: The Board and General Manager will discuss, and the Board may possibly take action to approve, a CEQA exemption notice and application for the repair work being done on the District's water conveyance infrastructure for the purpose of canal stabilization and water loss mitigation.

President's Special Recognition Award (JPIA)

Legal Counsel's Report:

Legal counsel will update the Board on the District Administration's response to Tod Hickman's effort to persuade the State Water Resource Control Board to not renew North Yuba's water permits, to dissolve North Yuba and combine it with the South Feather Water and Power Agency, so that South Feather can use North Yuba's money and water to provide the Town of Bangor in Butte County, where Mr. Hickman lives and owns property, with more water.

Legal counsel will report to the Board on the District Administration's response to Gretchen Flohr, Alton Wright and Tod Hickman's effort to persuade the Butte County Local Agency Formation Commission to dissolve the North Yuba Water District and assign all of North Yuba's sphere of influence, assets and customers to the South Feather Water and Power Agency.

G. RATIFICATION OF CONTRACTS:

The Board will discuss and possibly act to ratify an agreement for Elevate Public Relations and Marketing, LLC. to provide public relations/information services for the District.

The Board will meet and possibly act to ratify an agreement for Herr, Pedersen, & Berglund, Attorneys at Law LLP, to act as District Special Counsel for CEQA issues.

H. UPCOMING BOARD MEETINGS:

The Board will discuss and possibly act upon the General Manager's request to reschedule January's regular meeting, and the Board President's request to schedule for a special meeting/public information meeting.

I. DIRECTORS REPORTS

CLOSED SESSION

J. Conference with Legal Counsel — Anticipated litigation (3 cases) – pursuant to Government Code section 54956.9, subdivision (d), paragraph (3):

The Board will meet in closed session to discuss two anticipated/potential legal actions.

RETURN TO OPEN SESSION

K. REPORT OF CLOSED SESSION ACTIONS

FINAL PUBLIC COMMENT

The Board provides the public an opportunity to address the District Board of Directors with a final comment about matters on the Agenda.

Repeating comment provided at the start of the meeting is not considered "additional" comment.

Final Public comment is limited to no more than five (5) minutes total, shared equally by all members of the public who wish to speak.

ADJOURNMENT

**REGULAR MEETING MINUTES OF THE BOARD OF DIRECTORS OF THE
NORTH YUBA WATER DISTRICT
Held at the District Office and Zoom
8691 LaPorte Road, Brownsville
Wednesday, November 22, 2023**

NOTICE: This meeting will be physically open to the public at the District OFFICE located at 8691 La Porte Rd, Brownsville, Ca 95919. the meeting will also take place via zoom. Members of the public may attend and participate in the meeting via videoconference at:

Join Zoom Meeting

Time: Nov 22, 2023, 05:30 PM Pacific Time (US and Canada) Join Zoom Meeting
Join Zoom Meeting
<https://us02web.zoom.us/j/89984590369?pwd=a2Jpbk9yMU9XeDVxRitJaEdCRHBtdz09>

Meeting ID: 899 8459 0369

Passcode: 074384

One tap mobile

+16699009128,,89984590369#,,,,*074384# US (San Jose)

+16694449171,,89984590369#,,,,*074384# US

Dial by your location •

+1 669 900 9128 US (San Jose) • +1 669 444 9171 US

Meeting ID: 899 8459 0369

Passcode: 074384

Find your local number: <https://us02web.zoom.us/j/89984590369>

COMMENCEMENT OF MEETING

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in the meeting, please contact North Yuba Water district office staff at 530-675-2567 or fax 530-675-0462. Requests must be made as early as possible and at least one-full day before the start of the meeting. The Board of Directors shall provide at least twice the allotted time to a member of the public who utilizes a translator to ensure that non-English speakers receive the same opportunity to directly address the Board.

A. BOARD MEMBER ATTENDING REMOTELY:

In compliance with Government Code SS 54953(f)(2)(A), Board Director Mike Mayo will address the Board to explain why he is attending and participating in the meeting via zoom.

B. CALL TO ORDER/ROLL CALL

The meeting was called to order at 5:35 PM, at the District Office in Brownsville, CA.

<i>NAME</i>	<i>PRESENT</i>	<i>ABSENT</i>	<i>VISITORS INCLUDING:</i>
<i>PRESIDENT</i>	Marieke Furnee		Charles Sharp, Jon
<i>VICE PRESIDENT</i>	Ann Plumb		Messick, Dr. Rulik Perla
<i>DIRECTORS:</i>	Gloria Bozza		
	Steven Ronneberg		
	Mike Mayo – Via Zoom		
<i>GENERAL MANGER</i>	Leona Harris		
<i>ATTORNEY</i>	Paul Nicholas Boylan		

C. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was led by the Board.

D. OPPORTUNITY FOR PUBLIC COMMENT ON NON AGENDIZED ITEMS:

The public has the opportunity to address the District Board of Directors about matters not on the agenda. Public comment is limited to no more than four (4) minutes per person, twenty (20) minutes total for all speakers. **NOTE: ALL PUBLIC PARTICIPANTS WILL BE MUTED UPON ENTRY INTO THE MEETING AND WILL ONLY BE UNMUTED TO ALLOW THEIR COMMENT. TO PROVIDE PUBLIC COMMENT BY TELECONFERENCE PRESS *9.**

PUBLIC COMMENT: Members of the public comments included the irrigation season of 2024.

DISCUSSION/OPEN SESSION ACTION CALENDAR

E. OPPRTUNITY FOR PUBLIC COMMENT – Topics on the Agenda:

Members of the public may address the Board concerning any item on the agenda. No other comments will be allowed. Any member of the public wishing to make comment shall identify the agenda item they intend to address, and they will be provided an opportunity to make comment on that item only. Public comment is limited to no more than two (4) minutes per person, twenty (20) minutes total for all speakers. **NOTE: ALL PUBLIC PARTICIPANTS WILL BE MUTED UPON ENTRY INTO THE MEETING AND WILL ONLY BE UNMUTED TO ALLOW THEIR COMMENT. TO PROVIDE PUBLIC COMMENT BY TELECONFERENCE PRESS *9.**

PUBLIC COMMENT: Members of the public comments included closed session, item 2. and hiring a CEQA lawyer.

F. CONSENT ITEMS

1. Approval of Minutes for Regular Board Meeting of October 26, 2023
2. Approval of Minutes for Special Board Meeting of September 29, 2023
3. Payroll for the Month of October 2023: \$42,420.25
4. Approval of Bills for the Month of October 2023: \$97,777.37

Director Bozza made a motion to approve consent items 1, 2, 3 and 4 with the correction of public comment, Mike Mayo for general manager to Mike Mayo for Division 1 Director. President Furnee seconded the motion. The motion was approved with a unanimous vote..

G. STAFF REPORTS AND RECOMMENDATION The Board will hear reports by District staff and receive their recommendations for future Board action, including but not necessarily limited to:

Financial Manager’s Report

1. Review of Cash on Hand and Income Statements for the period ending October 31, 2023

Heidi, Naether read the Financial Manager’s report. Cash on Hand and Income Statements for the period ending October 31, 2023. Total cash on hand in all accounts including reserves was \$6,258,414.83. Total income for the fiscal year to date (July 01, 2023 – October 31, 2023) was \$2,189,652.88. Total expenses were \$545,273.88, leaving a net revenue over expenses of \$1,644,379.00. Expenses out of Reserves/Savings year to date totaled \$93,474.77.

General Managers’ report/requests:

1. Update the Board on the Operations Memorandum: Attached.
2. Update the Board on projects currently in progress.

General Manager Leona Harris updated the board that the Indiana Ranch Siphon which has been leaking over 20 years was repaired and should save the district 1/2 CFS during irrigation season. The Hell 4 Stout Flume will be demolished next week, and the Challenge Redwood tank is already removed. All redwood that was salvageable is at the treatment plant. The Forbestown tank should be relined and completed next week, and PGE will be here with a light until the streetlight is installed.

Legal Counsel’s Report:

Legal Counsel, Paul Boylan discussed the three major problems inherited by the board almost a year ago. The disrepair of the districts infrastructure, including the Forbestown Ditch which Leona and her staff have addressed

and continue to make improvements. The erosion of other public agencies that the District works with, one of which was the State Water Control Board and the possibility of losing one or more of the districts water permits. The district hired a water rights expert, Gwyn-Mohr Tully, to get the truth of the state of the water permits. What was learned was the State Board had issued instructions to the district more than 10 years ago which the district ignored. The district is waiting to see what the state is going to do with the district's applications for extension of the water permits. During this time, it was learned that at least three people appeared before them during public comments recommending that the water board deny our applications and deny the districts permits as part of a plan to dissolve North Yuba in favor of South Feather Water and Power Agency. When this was learned the district snapped into action. Leona appeared in front of the State Board and on the strength of her presentation, the president of the State Water Board invited us to consult with their staff, including legal counsel, and we have done so. The relationship with the State Water Board has been improved and repaired. The district awaits to hear of any consequences from the State Water Board. The permits are secure, and our water is safe.

H. DISCUSSION ITEMS

1. Mission Vision Values statements crafted by Erin Hastey as a result of our workshop.

The board was invited to discuss the Mission Vision Values statement prepared by Erin Hastey and felt that she captured all that they discussed.

2. Future Irrigation Policy Update Workshops

President Furnee asked for suggestions on updating the current irrigation policy. After discussion it was suggested that after the board, legal counsel and administration have time to review previous and current policies workshops will be scheduled.

3. Future District Strategic Plan Workshop

District Strategic Plan workshops will be scheduled after the irrigation policy workshops begin..

4. Finance Committee – The Board will discuss establishing a District Finance Committee

President Furnee asked Ann Plum to sit on a Finance Committee which will help prepare a more professional budge. The district was also invited to attend South Feather's budget discussions for the first time which the finance committee can attend. Vice President Plumb accepted a seat on the Finance Committee.

CLOSED SESSION

Entered into closed session at 6:07 p.m.

- I. **Conference with Legal Counsel** — existing litigation (2 Cases) – pursuant to Government Code section 54956.9, subdivision (d), paragraph (1):

1. South Feather Water & Power Agency v. North Yuba Water District, Sutter County, Superior Court Case No. CVCS2 I -0002073
2. North Yuba Water District v. South Feather Water and Power District, Yuba County Superior Court Case No. Case No. CVCS21-0001857

- J. **Conference with Legal Counsel** —

Anticipated litigation (2 cases) – pursuant to Government Code section 54956.9, subdivision (d), paragraph (3):

The Board will meet in closed session to discuss two anticipated/potential legal actions.

K. PUBLIC EMPLOYMENT – Special Counsel

The Board will meet to discuss and possible act to hire/ratify the retention of Herr Pedersen & Berglund LLP to act CEQA matters.

The Board will meet to discuss and possibly act to extend and expand the current contract with G.M. Tully to act as special counsel for all water law related matters.

RETURN TO OPEN SESSION

Returned to Open Session at 6:42 p.m.

L. REPORT OF CLOSED SESSION ACTIONS

Regarding litigation, the Board met with legal counsel and gave instructions. Regarding public employment the Board voted unanimously to extend and expand the current contract with G.M. Tully to act as special counsel for all water law related matters. The Board also unanimously voted to hire/ratify the retention of Herr Pedersen & Berglund LLP to act as special counsel for CEQA matters.

M. DIRECTORS REPORTS

President Furnee will be attending the Aqua Conference in Sacramento next week and plans on attending all sessions regarding Hydro Power. The Science Charter Academy gave President Furnee an Outstanding Leadership Award. She has invited the school to present their project to the Board.

FINAL PUBLIC COMMENT

The Board provides the public an opportunity to address the District Board of Directors with a final comment about matters on the agenda. Repeating comment at the start of the meeting is not considered “additional comment”. Final public comment is limited to no more than five (5) minutes total, shared equally by all members of the public who wish to speak.

PUBLIC COMMENT: Members of the public commented on the most efficient infrastructure.

ADJOURNMENT

The meeting was adjourned at 6:48 p.m.

Catherine L. Fonseca, Recording Secretary

**North Yuba Water District
Monthly Net Payroll Report**

TOTAL MONTHLY NET PAYROLL FOR THE MONTH OF NOVEMBER, 2023

TOTAL NOVEMBER, 2023 \$ 71,842.50

North Yuba Water District Monthly Check Listing November 2023

	Type	Date	Num	Name	Amount
1000A - Cash - GC Separate Accounts					
Paypal	Check	11/30/2023	FEES	PayPal	-108.46
PayPal Fees					-108.46
Total Paypal					
11007 - River Valley Bank Checking					
Direct Deposit Fees	Liability Check	11/01/2023	DirD	QuickBooks Payroll Service	-24.50
Employee Retirement Fund	Liability Check	11/02/2023	26585	ICMA-457	-1,256.14
Vision Insurance	Bill Pmt -Check	11/02/2023	26586	Eye Med	-148.00
Administered Board zoom meeting	Bill Pmt -Check	11/02/2023	26587	Gilmore Computer Services LLC	-593.00
Alarm Service	Bill Pmt -Check	11/02/2023	26588	Golden Bear Alarms	-181.00
UBPro Annual Support	Bill Pmt -Check	11/02/2023	26589	Harris Computer Systems	-1,294.48
Billing Return Envelopes	Bill Pmt -Check	11/02/2023	26590	Independent Business Forms Inc	-418.34
Electricity	Bill Pmt -Check	11/02/2023	26591	Pacific Gas & Electric	-4,605.20
Cleaning Service	Bill Pmt -Check	11/02/2023	26592	Shelton's Janitorial	-560.00
D2 Employee Certification	Bill Pmt -Check	11/02/2023	26593	SWRCB-DWOCP	-60.00
Credit Card Fees	Check	11/02/2023	GLOBEX	Merchant Services	-424.31
State Payroll Taxes	Liability Check	11/03/2023	E-pay	EDD	-1,159.79
Federal Payroll Taxes	Liability Check	11/03/2023	E-pay	United States Treasury	-7,224.98
Domestic Customer Deposit Refund	Check	11/07/2023	26594	Wood, Renee	-96.92
Employee Paid Insurance	Liability Check	11/08/2023	26595	AFLAC	-263.84
Health Insurance	Bill Pmt -Check	11/08/2023	26596	ACWA/Jt Powers Ins Authority	-11,229.90
Legal	Bill Pmt -Check	11/08/2023	26597	BoutinJones Inc	-6,935.10
29 Clamps, 1 Hydrant, 6 Meter Couplings	Bill Pmt -Check	11/08/2023	26598	Ferguson Enterprises Inc	-7,571.91
Oil, Fluid and Filter Service, Transmission and Evap System Repair for Pick-up	Bill Pmt -Check	11/08/2023	26599	Lithia Motors, Inc	-4,112.94
Employee Pension Fund	Bill Pmt -Check	11/08/2023	26600	LIU of NA Nat'l Pension Fund	-4,004.25
D2 Employee Certification	Bill Pmt -Check	11/08/2023	26601	SWRCB-DWOCP	-60.00
Cellphone Service	Bill Pmt -Check	11/08/2023	26602	VERIZON WIRELESS	-211.66

North Yuba Water District Monthly Check Listing November 2023

Type	Date	Num	Name	Amount
Galv Pipe, Ellbow, Nipple, Pipe Tape, Pipe Thread Seal, Pipe Cutting and Threading, Mark Caulk, Netting, Wedge Anchor, 3/8 Rebar, Bushing, 2 Reducers, 5 Pairs of Gloves, 2 Plywood, 4 Couplings, PVC Cement, Primer, Utility Knife, Weatherstrip Foam, Hardware Cloth, Hose Clamp, 7 Hex Brushes, Oil, Saw Chain, Nitrile Powder, 2 Pressure Gauges				
Shotcrete Dobbins/Oregon House Canal, FT Ditch				
Pest Control Service	11/08/2023	26603	Ray's General Hardware	-843.88
Phone, Internet Service	11/08/2023	26604	Dees-Hennessey, Inc.	-300,261.00
Water Treatment Plant Chemicals	11/08/2023	26605	CAL KING PEST CONTROL	-74.00
11 Weekly/Monthly Planner, 5 Wall Calendars, Coffee Stirrers, Markers	11/09/2023	26606	CALNET3	-556.35
Water Treatment Plant Sludge Disposal	11/09/2023	26607	NTU Technologies Inc.	-2,284.80
Inspect existing Pipe to check for wall thickness on 24' Pipe Indiana Ranch Siphon				
Gravel				
Direct Deposit Fees	11/09/2023	26608	Quill Corporation	-324.68
Employee Retirement Fund	11/09/2023	26609	RECOLOGY OSTROM ROAD	-569.52
State Payroll Taxes	11/09/2023	26610	Builtware Fabrication, Inc	-1,875.00
Federal Payroll Taxes	11/09/2023	26611	Hansen Bros.	-1,057.53
Shotcrete Dobbins/Oregon House Canal				
Digital Path (\$110.95), Adobe (\$59.97), Bottled Water (\$8.22), Notice of Exemption (\$52.50), Wix Website (\$22.00), Toilet Tissue, Shop Towels, Cutlery, Paper Plates, Coffee, Paper Cups (\$156.36), Cleaning Wipes, Tea (\$58.35), Power Inverter Outlet (\$184.01), 2 Stoplight Switches (\$37.34), Service Line Pulling Kit (\$1,511.98), 15 ea Repair Kit Gauges (\$533.35), Hitch Pin (\$21.64), Diesel (\$80.00), Parcelquest 1 year Subscription (\$2,399.00), Christmas Dinner Deposit (\$150.00), Go Daddy Email Subscription (\$574.92), Go Pro Camera (\$663.63)				
Legal				
Copier Lease				
Bill Pmt -Check	11/17/2023	26627	Mechanics Bank	-6,624.22
Bill Pmt -Check	11/17/2023	26628	The Water Group	-6,697.50
Bill Pmt -Check	11/17/2023	26629	Wells Fargo Vendor Financial Services, LL	-129.90

North Yuba Water District Monthly Check Listing November 2023

	Type	Date	Num	Name	Amount
Oregon Peak Rent (Radio Tower use for Radio's)	Bill Pmt -Check	11/20/2023	26631	EIP Holdings II, LLC	-491.00
Halversterm Flume	Bill Pmt -Check	11/21/2023	26630	Duke Sherwood Construction	-451,900.43
4 Loads baserock and grade road by Water Treatment Plant	Bill Pmt -Check	11/27/2023	26632	Brownsville Sand & Gravel-V	-7,800.00
Repair Water line and installed new Gate Valve and flange Indiana Ranch Siphon	Bill Pmt -Check	11/27/2023	26633	Builtware Fabrication, Inc	-5,439.82
Dental Insurance	Bill Pmt -Check	11/27/2023	26634	Premier Access Insurance Co.	-1,083.37
Water Right Fees	Bill Pmt -Check	11/27/2023	26635	State Board of Equalization	-85,396.65
Legal	Bill Pmt -Check	11/27/2023	26636	The Water Group	-3,322.50
Vantage Weather Station	Bill Pmt -Check	11/27/2023	26637	USA Bluebook	-642.56
Direct Deposit Fees	Liability Check	11/29/2023	DirD	QuickBooks Payroll Service	-24.50
Employee Retirement Fund	Liability Check	11/30/2023	26654	ICMA-457	-1,342.16
Employee Paid Union Dues	Liability Check	11/30/2023	26655	UPEC	-445.50
State Payroll Taxes	Liability Check	11/30/2023	E-pay	EDD	-1,126.36
Federal Payroll Taxes	Liability Check	11/30/2023	E-pay	United States Treasury	-7,131.52
Water Testing	Bill Pmt -Check	11/30/2023	26656	Cranmer Engineering Inc	-365.00
3 Ponderosa Transfer Station Trash Loads	Bill Pmt -Check	11/30/2023	26657	Petty Cash	-69.60
Replace 5 Domestic Clay Valve Stations	Bill Pmt -Check	11/30/2023	26658	Griswold Industries	-12,498.55
Total 11007 · River Valley Bank Checking					-1,309,812.98
Total 1000A · Cash - GC Seperate Accounts					-1,309,921.44
TOTAL					-1,309,921.44

North Yuba Water District UNAUDITED FINANCIAL REPORT July 2023 - November 2023

	Jul - Nov 23	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense					
Income					
4000A · Irrigation	16,480.17	0.00	16,480.17	100.0%	7,996.09
4050A · Domestic	128,865.41	128,844.66	20.75	100.02%	271,111.89
4100.10 · Power Revenue SFPP	177,250.00	177,250.00	0.00	100.0%	709,000.00
4100.11 · SFPW Net Revenues 50% Distr.	1,705,498.00	1,600,000.00	105,498.00	106.59%	1,600,000.00
4150.10 · Younglife-Water Sales	0.00	0.00	0.00	0.0%	2,161.00
4200.10 · Yuba City-Water Sales	435,555.00	435,555.00	0.00	100.0%	435,555.00
4215.13 · Other Revenue	7,007.54	208.35	6,799.19	3,363.35%	500.00
4250.10 · Taxes - General	749.83	746.06	3.77	100.51%	266,404.20
4250D · Taxes - Domestic	1,090.50	1,087.25	3.25	100.3%	77,069.11
4250I · Taxes - Irrigation	0.00	0.00	0.00	0.0%	110,370.37
4300A · Interest	29,035.22	459.58	28,575.64	6,317.77%	40,000.00
Total Income	<u>2,501,531.67</u>	<u>2,344,150.90</u>	<u>157,380.77</u>	<u>106.71%</u>	<u>3,520,167.66</u>
Gross Profit	<u>2,501,531.67</u>	<u>2,344,150.90</u>	<u>157,380.77</u>	<u>106.71%</u>	<u>3,520,167.66</u>
Expense					
5050.30 · F/T Ditch	36,911.33	49,057.89	-12,146.56	75.24%	129,935.33
5050.95 · Yuba City Water Sale (1/2)	75,786.57	75,786.57	0.00	100.0%	217,777.50
5100.00 · Water Treatment Plant (WTP)	132,500.50	157,087.71	-24,587.21	84.35%	368,978.45
5200.00 · Irrigation Expense	80,239.67	55,230.09	25,009.58	145.28%	161,970.00
5251 · Domestic Expenses	119,549.07	110,638.84	8,910.23	108.05%	241,462.00
5400 · Board of Dir	6,442.08	11,791.65	-5,349.57	54.63%	29,400.00
5500 · Admin	170,929.01	248,087.51	-77,158.50	68.9%	563,756.10
5500U · Admin-Utilities	11,057.70	15,872.68	-4,814.98	69.67%	36,635.53
5600R · Regulator Driven	105,892.25	34,020.20	71,872.05	311.28%	171,883.59
5700 · General	89,084.21	87,876.13	1,208.08	101.38%	166,427.85
5700F · Fuel	11,314.01	15,165.60	-3,851.59	74.6%	28,805.94
5800 · OSHA/Safety	4,898.71	5,030.07	-131.36	97.39%	10,000.00
Total Expense	<u>844,605.11</u>	<u>865,644.94</u>	<u>-21,039.83</u>	<u>97.57%</u>	<u>2,127,032.29</u>
Net Ordinary Income	<u>1,656,926.56</u>	<u>1,478,505.96</u>	<u>178,420.60</u>	<u>112.07%</u>	<u>1,393,135.37</u>
Net Income	<u><u>1,656,926.56</u></u>	<u><u>1,478,505.96</u></u>	<u><u>178,420.60</u></u>	<u><u>112.07%</u></u>	<u><u>1,393,135.37</u></u>

North Yuba Water District

2022-23 EXPENSES OUT OF RESERVES/SAVINGS (July 01, 2023-November 30, 2023)

MEMO	DATE	AMOUNT BILLED/PAID UP TO DATE	ANNUAL BUDGET
L.U.I. Union Retirement Stabilization Fund			\$29,120.00
Additional Legal	July-November 2023	\$98,988.12	\$720,000.00
Public Relations	July-November 2023	\$5,760.00	\$20,000.00
Grant Pursuits			\$50,000.00
Special Projects/Emergency Repairs			
Water Rights Review (Grant Income from Yuba Water Agency) for Water Rights Review	\$6,244.70 July-November 2023		
	-\$92,748.47 July-November 2023		
Flood Damage Repair (Forsythe Rd)	\$5,435.45 July-November 2023		
Median Household Income Study	\$4,000.00 July-November 2023		
Total Special Projects/Emergency Repairs to date		-\$77,068.32	\$200,000.00
Water Treatment Plant Improvements/Repairs			\$350,000.00
FT Ditch			
Halversterm Flume	\$513,879.87 July-November 2023		
Shotcrete-Gunite-Cribbing	\$201,621.26 July-November 2023		
Total FT Ditch		\$715,501.13	\$500,000.00
Office Maintenance/Shop			\$50,000.00
Radio Read Meters			\$250,000.00
Tanks	July-November 2023	\$19,500.00	\$400,000.00
Flow Meters	July-November 2023	\$16,578.50	\$16,578.50
Water Losses			\$100,000.00
Irrigation Ditch			
Shotcrete	\$827,454.60 July-November 2023		
Total Irrigation Ditch		\$827,454.60	\$500,000.00
TOTAL		\$1,606,714.03	\$3,185,698.50

North Yuba Water District
Statement of Cash Flows
November 2023

	<u>Nov 23</u>
OPERATING ACTIVITIES	
Net Income	12,600.06
Adjustments to reconcile Net Income to net cash provided by operations:	
A/R:A/R Domestic Water	6,486.41
A/R:A/R Irrigation	2,571.56
1300.00 · Inventory-001	-885.55
1400.03 · Prepaid Worker's Comp Insurance	2,834.07
2000.00 · Accounts Payable	428,592.03
Payroll Liabilities	1.50
2150.30 · PR Tax-State Unemployment Tax	31.50
2150.35 · PR Tax -Union Dues	198.00
2150.50 · PR -Aflac Ins	131.92
2250.10 · Deposits-Customers	97.00
Net cash provided by Operating Activities	<u>452,658.50</u>
Expenses/Income from Reserves/Savings	
Additional Legal	-12,545.50
Irrigation Ditch Shotcrete	-827,454.60
FT Ditch: Shotcrete	-200,563.73
Halversterm Flume	-472,727.93
Net Expenses/Income from Reserves/Savings	<u>-1,513,291.76</u>
Net cash increase for period	-1,060,633.26
Cash at beginning of period	6,258,521.89
Cash at end of period	<u><u>5,197,888.63</u></u>

North Yuba Water District

Cash In Accounts prior Month Comparison

November 2023 compared to October 2023

	11/30/2023	10/31/2023	
	Amount	Amount	Increase/Decrease
River Valley Bank Checking	\$140,739.13	\$390,734.76	(\$249,995.63)
Savings Money Market Account (River Valley Bank)	\$249,393.01	\$1,345,864.28	(\$1,096,471.27)
PayPal Account	\$2,179.38	\$2,139.30	\$40.08
Petty & Register Cash	\$830.00	\$830.00	\$0.00
Tri Counties Bank (6 Month CD-matures 03/01/24-4.163%)	\$500,000.00	\$500,000.00	\$0.00
YC Treas Fund #637 (Gen Dist)	\$683,112.55	\$683,112.55	\$0.00
YC Treas Fund #641 (ID #1)	\$483,518.08	\$483,518.08	\$0.00
YC Treas Fund #642 (ID #2)	\$213,810.94	\$213,810.94	\$0.00
YC Treas Fund #639 (Fac Fee Domestic)	\$7,601.09	\$7,601.09	\$0.00
YC Treas Fund #640 (Savings)	\$816,674.86	\$816,674.86	\$0.00
YC Treas Fund #644 (Equip Res)	\$3,094.97	\$3,094.97	\$0.00
YC Treas Fund #646 (ID #6)	\$11,754.47	\$11,754.47	\$0.00
YC Treas Fund #647 (Annex Irr)	\$11.58	\$11.58	\$0.00
YC Treas Fund #648 (Annex Dom)	\$90.96	\$90.96	\$0.00
YC Treas Fund #649 (Off Equip Res)	\$5,653.34	\$5,653.34	\$0.00
YC Treas Fund #650 (Reserve)	\$897,744.94	\$897,744.94	\$0.00
YC Treas Fund #393 (Trmt Plnt)	\$2,825.18	\$2,825.18	\$0.00
Total Cash on Hand	\$4,019,034.48	\$5,365,461.30	(\$1,346,426.82)
Reserve Accounts			
Reserve Savings Money Market (River Valley Bank)	\$98,142.15	\$97,980.96	\$161.19
CIP Money Market Account (River Valley Bank)	\$530,161.08	\$529,290.32	\$870.76
Total in Reserve	\$628,303.23	\$627,271.28	\$1,031.95
Total in All Accounts not including FT Tank and YC Water Sale Account	\$4,647,337.71	\$5,992,732.58	(\$1,345,394.87)
FT Tank Money Market Account (River Valley Bank)	\$111,207.38	\$111,024.73	\$182.65
YC Water sale Account (River Valley Bank)	\$439,316.48	\$154,737.52	\$284,578.96
Total in All Accounts	\$5,197,861.57	\$6,258,494.83	(\$1,060,633.26)

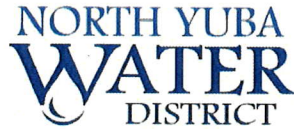
Finance Report for December 21, 2023 Board Meeting:

As of November 30, 2023 total cash in all accounts including reserves was \$5,197,861.57.

Total income for the fiscal year to date (July 1st, 2023 to November 30, 2023) was \$2,501,531.67. Total expenses were \$844,605.11

Net revenue over expenses was \$1,656,926.56

Expenses out of Reserves/Savings total \$1,606,714.03 for this fiscal year.



Memorandum

Date: December 18th, 2023

To: Leona Harris

From: Operations

Subject: Monthly work production/ Schedule of Maintenance review

The following is an overview of the work performed this month by operations staff.

Office Update:

1. PG&E installed a new street light for the district parking lot on December 7th.

Transmission:

1. Forbestown ditch is now in its winter cycle, receiving water every 10 days for the treatment plant. The ditch is being patrolled; trash racks cleaned, fallen trees removed, leaks plugged as they are found, along with daily inspections for new losses. Problem spots are being documented for off season repairs.

Distribution:

1. Domestic meter reads for Brownsville and Rackerby were completed on time.
2. There were 5 service line leaks for the last month. Job # 727. Job # 728. Job # 730. Job # 731. Job # 731.
3. There was 1 main line leak for the last month. Job # 730.
4. All blow offs were inspected, no problems were found.
5. All air releases were inspected, no problems were found.
6. All dead-end main were flushed.
7. The old challenge redwood tank has been dismantled for replacement. The new foundation is currently in the process of being prepared for installation.

Water Treatment Plant:

1. With the new upgrades mentioned in previous reports, the treatment plant is functioning normal at this time with no issues.

Backflow:

1. All backflows are current, there was 1 backflow tests required within the last 4 weeks.

Regulators:

1. All CDPH (Cal. Dept. of Public Health) and NPDES (Nat. Pollution Discharge Elimination System) tests and samples were taken and performed on time. These include 3 bacteriological distribution samples for the CDPH, which came back as non-detect. New radio data loggers for water reads/accounting are currently being installed at Costa creek, Oroleve creek, and Dry creek turnouts.

DOH Canal:

1. Staff is currently preparing the ditch for off season repairs. Shotcrete was started the second week of November. Approximately 2 miles is being prepped for shotcrete. Weather permitting it will all be completed this fall. As of today 12/15/2023, 6600 feet of shotcrete has been completed on O1. 5200 Feet from New York House Rd downstream and 1400 feet from New York House Rd upstream.

Schedule of Maintenance:

1. The SOM (schedule of maintenance) for the treatment plant, regulators (local, state and federal) and UFC were completed for the previous month. All regulatory (local, state and federal) reports for the current month were completed or are in process.

Safety Meetings:

1. Safety meetings are held weekly, all field employees are required to attend. The following is a list of completed safety meetings in the last 4 weeks.
2. #1 Stress
3. #2 811 safety.
4. #3 Workplace violence.
5. #4 Working around heavy equipment.













Challenge Tank Site





Hell 4 Stout Flume



Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044
County Clerk
County of: Yuba County
915 8th Street
Marysville, CA. 95901

From: (Public Agency): North Yuba Water District
PO Box 299
Brownsville, CA. 95919
(Address)

ENDORSED FILED
YUBA COUNTY CLERK/RECORDER

DEC 05 2023

Project Title: North Yuba Water District Canal Stabilization And Water Loss Mitigation

DONNA HILLEGASS, Clerk
BY BRIDGETTE EVANS
DEPUTY CLERK

Project Applicant: North Yuba Water District

Project Location - Specific:

This project is located in rural Yuba county. Map attached. Intermittent lengths along red line 01 and yellow line Forbestown. Vicinities of 39*32'57"N-121*11'21"W & 39*26'18"N-121*15'53"W & 39*24'01"N-121*12'51W.

Project Location - City: Woodleaf-Brownsville-Dhs Project Location - County: Yuba

Description of Nature, Purpose and Beneficiaries of Project:
See attached

Name of Public Agency Approving Project: North Yuba Water District

Name of Person or Agency Carrying Out Project: North Yuba Water District

Exempt Status: (check one):

- Ministerial (Sec. 21080(b)(1); 15268);
Declared Emergency (Sec. 21080(b)(3); 15269(a));
Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
[X] Categorical Exemption. State type and section number: see attached
Statutory Exemptions. State code number:

Reasons why project is exempt:
See attached

Lead Agency
Contact Person: Leona Harris Area Code/Telephone/Extension: 530-375-2567

If filed by applicant:

- 1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project?. [] Yes [] No

Signature: Leona Harris Date: 11/30/23 Title: General Manager

[X] Signed by Lead Agency [] Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR:

2023 FG-00039
Revised 2011

North Yuba Water District Canal Stabilization And Water Loss Mitigation

Description of Nature, Purpose and Beneficiaries of Project:

North Yuba is lining approximately 9500 linear feet of its irrigation canals and main transmission ditch with shotcrete to reduce water loss. This loss reduction effort has been ordered by the State Water Board. The areas to be lined are earthen and have been identified as susceptible to substantial water loss. In some areas, NYWD is installing shotcrete to end the annual replacement of plastic liners, reducing the use of plastics in and near water courses. Other stretches of the newly installed shotcrete will connect to ditches that have already been lined with shotcrete in earlier activities.

_ Categorical Exemption. State type and section number:

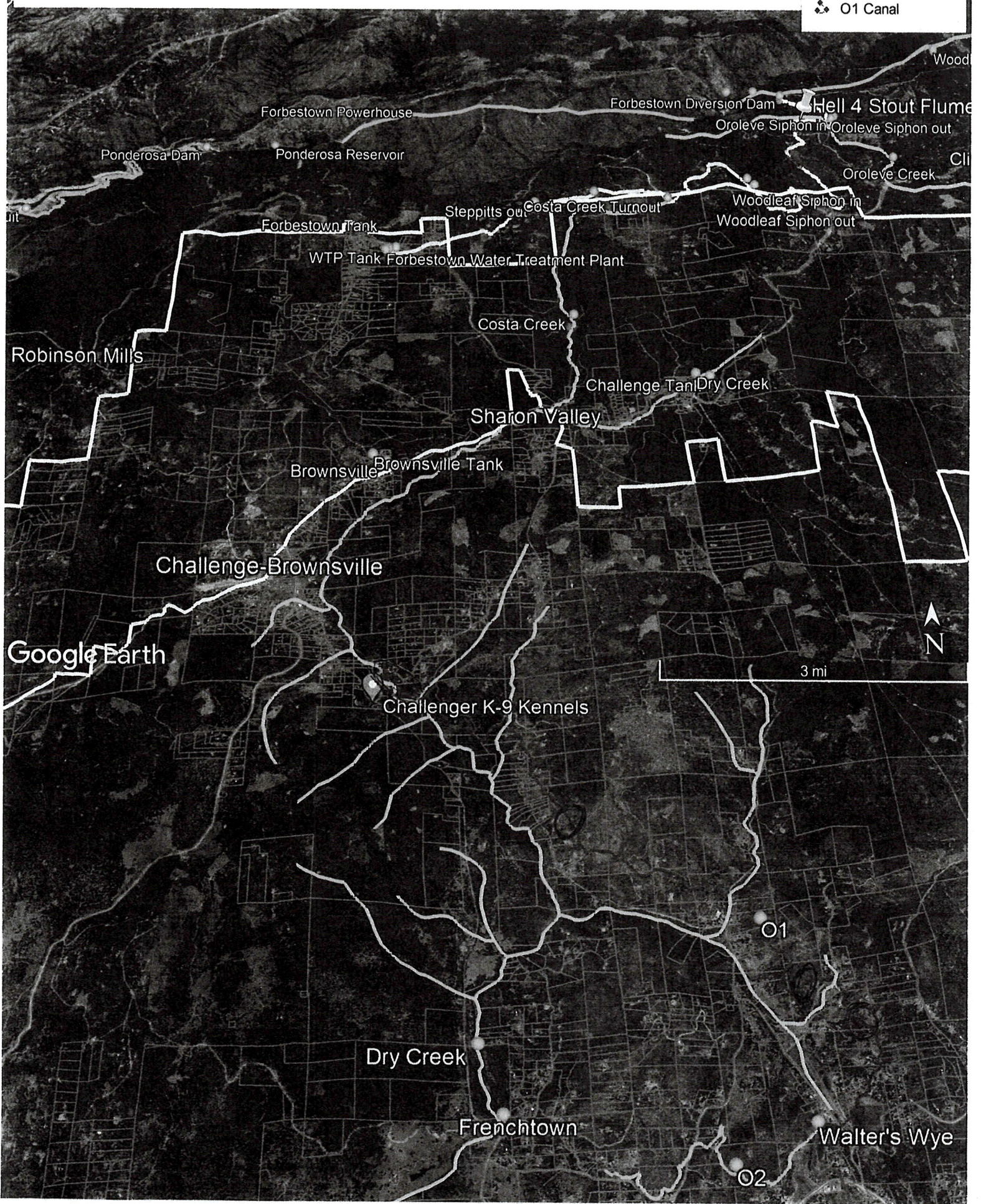
NYWD has determined that this activity is not a project as that term is defined in the California Environmental Quality Act. (CEQA Guideline 15378.) But, should this activity be determined to be a project as defined by the Act, NYWD has determined that it is subject to the following exemptions under CEQA Guidelines 15061(b)(2):

- Class 1 exemption as it is a repair of an existing facility used for the public utility service of delivering water. (CEQA Guidelines 15301(b).)
- Class 1 exemption as it is a minor repairs and alterations to an existing structure [the ditch] that is appurtenant to a dam [these ditches carry surface water only], under the supervision of the Department of Water Resources, which has ordered the activity. (CEQA Guidelines 15301(m).)
- Class 2 exemption as it is the reconstruction of an existing utility system and/or facility involving negligible or no expansion of capacity; the shotcrete is simply lining the pre-existing ditches. (CEQA Guidelines 15302(c).)
- Class 4 exemption as the activity is a minor trenching and backfilling of the ditches where the surface is restored through the use of shotcrete. (CEQA Guidelines 15304(f).)

North Yuba Water District Canal Stabilization And Water Loss Mitigation

Legend

- Forbestown Ditch
- O1 Canal





State of California - Department of Fish and Wildlife
2023 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
 DFW 753.5a (REV. 01/01/23) Previously DFG 753.5a

RECEIPT NUMBER:
 58 - 12052023 - 39
 STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY NORTH YUBA WATER DISTRICT	LEAD AGENCY EMAIL	DATE 12/05/2023
COUNTY/STATE AGENCY OF FILING YUBA	DOCUMENT NUMBER 2023FG-00039	

PROJECT TITLE
 NORTH YUBA WATER DISTRICT CANAL STABILIZATION AND WATER LOSS MITIGATION

PROJECT APPLICANT NAME NORTH YUBA WATER DISTRICT	PROJECT APPLICANT EMAIL	PHONE NUMBER (530) 375-2567
PROJECT APPLICANT ADDRESS PO BOX 299	CITY BROWNSVILLE	STATE CA
		ZIP CODE 95919

PROJECT APPLICANT (Check appropriate box)

Local Public Agency School District Other Special District State Agency Private Entity

CHECK APPLICABLE FEES:

- Environmental Impact Report (EIR) \$3,839.25 \$ _____
- Mitigated/Negative Declaration (MND)(ND) \$2,764.00 \$ _____
- Certified Regulatory Program (CRP) document - payment due directly to CDFW \$1,305.25 \$ _____

- Exempt from fee
 - Notice of Exemption (attach)
 - CDFW No Effect Determination (attach)
- Fee previously paid (attach previously issued cash receipt copy)

- Water Right Application or Petition Fee (State Water Resources Control Board only) \$850.00 \$ _____
- County documentary handling fee \$ _____ \$50.00
- Other 0.00 \$ _____

PAYMENT METHOD:

- Cash Credit Check Other

TOTAL RECEIVED \$ _____ \$50.00

SIGNATURE X <i>Bridgette Evans</i>	AGENCY OF FILING PRINTED NAME AND TITLE <i>Bridgette Evans</i> Deputy
--	--



State of California - Department of Fish and Wildlife
2023 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
 DFW 753.5a (REV. 01/01/23) Previously DFG 753.5a

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LEAD AGENCY NORTH YUBA WATER DISTRICT	LEAD AGENCY EMAIL	DATE 12/05/2023
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PROJECT APPLICANT (Check appropriate box)

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CHECK APPLICABLE FEES:

<input type="checkbox"/> Environmental Impact Report (EIR)	\$3,839.25	\$ _____
<input type="checkbox"/> Mitigated/Negative Declaration (MND)(ND)	\$2,764.00	\$ _____
<input type="checkbox"/> Certified Regulatory Program (CRP) document - payment due directly to CDFW	\$1,305.25	\$ _____

Exempt from fee

Notice of Exemption (attach)

CDFW No Effect Determination (attach)

Fee previously paid (attach previously issued cash receipt copy)

<input type="checkbox"/> Water Right Application or Petition Fee (State Water Resources Control Board only)	\$850.00	\$ _____
<input checked="" type="checkbox"/> County documentary handling fee		\$ _____ \$50.00
<input type="checkbox"/> Other 0.00		\$ _____

PAYMENT METHOD:

Cash Credit Check Other

TOTAL RECEIVED \$ _____ \$50.00

SIGNATURE <i>x Bridgette Evans</i>	AGENCY OF FILING PRINTED NAME AND TITLE <i>Bridgette Evans</i> Deputy
---------------------------------------	--

Yuba County
Donna Hillegass, County Clerk
and Recorder
915 8th Street, Suite 107
Marysville, CA 95901
(530) 749-7850

Receipt: 23-15020

Product Name	Extended
CLKCOPYCLERK PHOTOCOPIES	\$1.50
# of Copies	6
Comment	CEQA Notice
FG CLERK FISH AND GAME FILINGS	\$50.00
Document #	2023FG-00039
Filing Type	ADMIN FEE (NOTICE OF EXEMPT)
Comment	COUNTER

Total \$51.50
Tender (Cash) \$100.00
Paid NORTH YUBA WATER
BY DISTRICT
Change (Cash) (\$48.50)

Thank You for Your Business

12/5/23 8:56 AM PST
counterclerk1
Workstation: REC123



ACWA JPIA

P. O. Box 619082
Roseville, CA
95661-9082

phone
916.786.5742
800.231.5742

www.acwajpia.com

Core Values

- People
- Service
- Integrity
- Innovation

11/27/2023

North Yuba Water District (Y003)
P.O. Box 299
Brownsville, CA 95919-0299

General Manager:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "**President's Special Recognition Award**" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present North Yuba Water District (Y003) with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2024.

Sincerely,

Melody McDonald
President

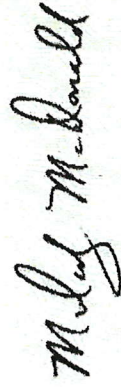
Enclosure: President's Special Recognition Award(s)

President's Special Recognition Award

*The President of the
ACWA JPIA
hereby gives Special Recognition to*

North Yuba Water District

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Property Program for the period 07/01/2019 - 06/30/2022
announced at the Board of Directors' Meeting in Indian Wells.*



Melody McDonald, President



November 27, 2023

President's Special Recognition Award

The President of the
ACWA JPIA
hereby gives Special Recognition to

North Yuba Water District

for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"
in the Liability Program for the period 10/01/2019 - 09/30/2022
announced at the Board of Directors' Meeting in Indian Wells.



November 27, 2023

Melody McDonald, President

December 12, 2023

VIA EMAIL DELIVERY

(bconnelly@buttecounty.net; slucas@buttecounty.net; scott@scottbrowne.com)

Butte County Local Agency Formation Commission
c/o Butte County LAFCo, Chairman
1453 Downer Street, Suite C
Oroville, CA 95965

RE: Response to Proposal to Dissolve the North Yuba Water District [Revised]

Dear Commissioners:

I am the General Manager for the North Yuba Water District. Tod Hickman has urged you to dissolve North Yuba, give all of North Yuba's assets to the South Feather Water and Power Agency, so that South Feather can then use these assets to provide Mr. Hickman with more water. Anticipating that the North Yuba Board of Directors will oppose Mr. Hickman's proposals, I write to request that you not bring this matter back as an agenda item.

BACKGROUND:

As you likely know, Mr. Hickman is not a Yuba County resident and is not a North Yuba water customer. He is a Butte County resident and Bangor property owner – which would benefit from any increased water deliveries Mr. Hickman seeks.

During the last year, three or four people lobbied North Yuba and South Feather to voluntarily merge. Three of them signed Mr. Hickman's letter attached to your December 7th meeting agenda. For the purpose of this letter, I will refer to the three signators as "co-authors."

The co-authors efforts to persuade South Feather and North Yuba to merge failed, and when it did, the co-authors began lobbying other public agencies to take part in a scheme that would result in North Yuba dissolving and South Feather absorbing North Yuba's customers and assets.

Before Mr. Hickman pitched to you his scheme to obtain more water for Bangor by taking it from North Yuba, Mr. Hickman repeatedly lobbied the State Water Resource Control Board to take actions that would end North Yuba's existence – once again to South

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 2

Feather's benefit. He based his pitch to the State Water Board on the same arguments he is using to pitch his proposals to you. However, like you, the State Water Board does not have the jurisdiction to do what Mr. Hickman requests, and is not expected to make any effort to do as Mr. Hickman urges.

NO JURISDICTION:

As you recognized at the end of Mr. Hickman's presentation, North Yuba is not within your jurisdiction. North Yuba is located within Yuba County. You cannot dissolve North Yuba without YubaLAFCo's approval and participation.

Despite your suggestion that Mr. Hickman bring his proposal to YubaLAFCo, Mr. Hickman has not done so. If and when he does, I am confident that YubaLAFCo will not be interested in dissolving North Yuba so that a Butte County resident can get more water. I am also confident that by Rath Moseley, South Feather's General Manager, will inform your staff that South Feather is not interested in absorbing any of North Yuba's customers or assets.

MR. HICKMAN'S MISREPRESENTATIONS:

The lack of jurisdiction is enough to end the question of whether or not you can deliver water to Bangor by taking it from North Yuba. However, we are informed that at least one of ButteLAFCo's commissioners is Mr. Hickman's personal friend. As far as I can tell from my review of your agenda and minutes archive, no correspondence agenda item has ever become a presentation/discussion item as it did on December 7th. The public did not receive any notice that Mr. Hickman would be personally appearing to disparage North Yuba. I am not accusing you of any wrongdoing or Brown Act violation, but all of this supports the appearance of possible bias in favor of Mr. Hickman, and that his proposals – no matter how incorrect or unworkable – could get your attention and assistance.

During and after Mr. Hickman's presentation on December 7, 2023, you instructed your staff to look into his proposals. Consequently, it is appropriate to assist your staff by responding to Mr. Hickman's accusations against North Yuba.

Responding to all of Mr. Hickman's untrue statements would result in a very, very long letter, so I will point out some of his more important untrue statements and arguments.

Accusations of Mismanagement:

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 3

The current board inherited a severely mismanaged water district with crumbling Mr. Hickman argues that, in the past, North Yuba was severely mismanaged. The current Board does not deny that, in the past, prior boards may have mismanaged the District. infrastructure suffering from decades of neglect. But Mr. Hickman implies that those practices continue with the current board. They do not. Mr. Hickman unfairly tries to blame the current Board for the sins of past boards.

When the current North Yuba directors were seated nearly one year ago, they rolled up their sleeves and set to work fixing what is broken in North Yuba, starting with the District's water conveyance infrastructure. The current board enacted massive repairs that not only allowed the first irrigation water delivery season in years, but is producing a water surplus. Steps were taken to improve drinking water quality, and to repair and replace leaking and damaged water tanks used to store treated domestic water. We are proud of passing unannounced water quality testing conducted by the State Water Board.

And we are not even closer to being done. The current board intends on continuing repairs and improvements, and expanding services by adding irrigation and domestic water customers. The current board intends on installing, if possible, fire suppression infrastructure such as pressurized hydrants and fire break green belts. We are working with water law experts, and are working closely with the Water Resource Control Board to achieve these goals.

No Water to Sell:

Mr. Hickman argues that North Yuba doesn't have water. He is very wrong.

Prior to the last election, there was wide-spread confusion over the state of the District's water supply. Everyone with access to some of the information and an understanding of some of the applicable law had a different opinion about the future of the District's water supply and the health of our water permits. But no one had the benefit of all of the facts and a clear knowledge of all of the law and regulations involved.

One of the very first things the new North Yuba Board did was to hire water expert G.M. Tully to advise the Board on the health of the District's water supply. We instructed Mr. Tully to do a "deep dive" into the complex factual, legal and historical questions surrounding the health of North Yuba's water supply, to leave no stone unturned. We wanted definitive answers.

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 4

Mr. Tully's report is attached to this letter. As a result of Mr. Tully's work, the new Board – and the public – have a clearer, accurate understanding of the District's water supply issues than at any other time in the past.

As a consequence of Mr. Tully's good work, North Yuba knows that, although there are challenges ahead, we can be confident that the District will have enough water to continue providing high quality irrigation and domestic water to our customers now and in the future – and possibly add irrigation and domestic water customers.

Mr. Hickman told you “[North Yuba] residents [are] screaming for water and there is never any water.” This also is not true. As I discussed above in the “mismanagement” section of this letter, due to the operational reforms and infrastructure repairs the current board ordered, irrigation water customers enjoyed the first irrigation water delivery season in many years, and there have been improvements to both the quantity and quality of domestic drinking water. Not one North Yuba water customer is suffering from lack of water.

Mr. Hickman claims that two of North Yuba's water permits expired in 2004. They haven't, and won't for many years. In the meantime, the current North Yuba administration is working closely and collaboratively with the State Water Resource Control Board to resolve the State's concerns about the errors committed by past boards and their administrations. As a result of these efforts, and combined with water provided through water licenses which do not need to be extended, North Yuba is confident it will meet the water needs for current customers, and water saved due to recent and future repairs will allow North Yuba to expand to include new water customers – including residents who's private wells are running dry.

Mr. Hickman states “According to SWRCB, when a water district's permits are expired, it is forbidden to sell any water to new customers.” If anyone at the State Board told this to Mr. Hickman, then Mr. Hickman was misinformed. Even if it is somehow true, only one of the two permits the State Board is considering might not be extended, and NYWD is prepared to use the time before expiration, years from now, to persuade the State Board to change its mind. And even if the State Board declines to extend one water permit, North Yuba is confident that water saved due to repaired and replaced infrastructure will allow expansion of existing services.

Mr. Hickman says that North Yuba does not have water storage facilities. But we do. North Yuba stores water in a pond that holds 9,123,828 gallons of water. We store water in the Little Grass Valley Reservoir, the Sly Creek Reservoir, and Lost Creek Reservoir. North Yuba built these reservoirs and jointly owns them with South Feather. We store 1.1 million gallons of treated domestic water in five storage tanks.

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 5

Underserved Community:

Mr. Hickman argues that North Yuba underserves the North Yuba community. His argument is historically and factually misleading. After North Yuba's founding, it needed the financial ability to provide water to prospective customers. To satisfy this goal, North Yuba became partners with South Feather to build power generation infrastructure.

For 50 years, the agreement between North Yuba and South Feather required North Yuba to devote water to the generation of electricity, allowing North Yuba to use very little water for irrigation and domestic uses. When, in 2010, the power infrastructure was paid off, North Yuba started planning a service expansion, but never carried out that plan.

North Yuba's current directors campaigned and won on the promise to expand services, and the new Board is formulating a plan to doing just that. Due to water savings from infrastructure repairs, we will hopefully have water to meet current demand *and* expand water service to new agricultural, domestic, and municipal water customers.

North Yuba vs South Feather:

Mr. Hickman paints an ugly picture of a bad relationship between North Yuba in Yuba County and South Feather in Butte County. The truth is that the working relationship between North Yuba and South Feather have never been better. Both Districts now enjoy a mutually beneficial partnership that is based on a joint power generating agreement that provides important income to both districts.

Mr. Hickman says that North Yuba and South Feather have engaged in "endless lawsuits for years." He did not tell you that the new Board retained new general legal counsel, who settled all existing lawsuits and managed all pending or anticipated lawsuits so as to avoid conflict and cost. All that remains is two lawsuits – one filed by South Feather and one filed by North Yuba, but settlement is the goal for both sides.

South Feather's Financial Hardships:

Mr. Hickman argues that South Feather is well-run, efficient, but failing to deliver millions of acre feet of water to Butte County customers. The reason? Mr. Hickman blames North Yuba for taking South Feather's water and money, and he argues that everything will be right as rain if North Yuba ceases to exist, and South Feather can keep all of the money it is paying to North Yuba.

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 6

I'm General Manager of a water district. I live and breathe this stuff. But even I am not sure where to begin to unravel this compilation of disinformation and statement of facts that are just plain wrong. But I will try.

First, Mr. Hickman argues that all of North Yuba's water comes from the South Feather watershed. It doesn't. Both districts export water from the Yuba River Watershed via a tunnel by Slate Creek.

Mr. Hickman actually said to you that the water North Yuba receives via South Feather is "our water." No it isn't. North Yuba owns the water South Feather conveys to North Yuba. None of the water North Yuba receives via South Feather is a gift. It isn't stolen. North Yuba owns it, and South Feather is obligated to allow it to pass through the Reservoirs and tunnels to the Woodleaf Penstock where it is released through the Valve called SF-14 – which is located in Butte County – and then into the Upper Forbestown Ditch, which is located in Yuba County. If North Yuba dissolves, South Feather will not necessarily keep any of the water it is currently obligated to deliver to North Yuba.

Mr. Hickman describes the water that comes to North Yuba via South Feather as part of the "South Feather watershed." There is no such watershed. That is a term that only South Feather uses to describe the water it controls.

Nevertheless, Mr. Hickman argues that water that passes through South Feather should stay in the "South Feather watershed." But that's not how California's water system works. Farmers, cities and water districts in Southern California receive water that originates in Northern California. Water that originates in the South Feather watershed – if there is such a thing – ends up in many places, not just North Yuba. If you buy into Mr. Hickman's argument, all California watersheds can and should stop exporting any of their water, and that is contrary to both existing law and historical practice.

Mr. Hickman's answer is money: according to him, what South Feather lacks isn't water, it is money – the money it is paying to North Yuba.

What Mr. Hickman doesn't tell you is that South Feather and North Yuba are equal partners in a mutually beneficial joint project, *sharing* income from selling electricity generated using North Yuba's water. Mr. Hickman wants you to believe that South Feather is losing millions of dollars on the joint project – money South Feather could spend to build a pipeline to Bangor. He is wrong.

Here is how it really works: the two agencies financed and built hydroelectric plants that South Feather operates. Before any profits are split, all of South Feather's expenses operating the power plants is reimbursed from the gross project earnings. Then the two

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 7

agencies split what is left. In other words, the power project takes no money from South Feather's general fund, money South Feather spends to serve its water customers.

What Mr. Hickman is actually proposing is that South Feather keep all of the net profits it currently shares with North Yuba – and he wants ButteLAFCo to dissolve North Yuba to make it happen. He wants you to rob North Yuba of the benefit of power infrastructure that North Yuba helped build so that South Feather can use those stolen funds to deliver more water to Mr. Hickman.

You should decide not to be part of such a scheme.

Wrongful Collection of Taxes:

Mr. Hickman asks you to dissolve North Yuba because of the wrongful “collection of taxes” from noncustomers. I have consulted with legal counsel about this argument, and I am advised that taxing residents within North Yuba's sphere of influence is not unlawful, the practice is wide-spread, and it is not a valid reason for dissolution.

What Mr. Hickman doesn't tell you is why some North Yuba residents are not receiving water. It can be due to matters of elevation and geography (North Yuba's water deliveries are powered by gravity, which means that parcels at higher elevations cannot receive water), or it can be due to the personal choice to rely on private wells (although they do not a North Yuba customer, their right to tap into the District's water supply enhances the value of their property).

Nor does Mr. Hickman inform you whether or not South Feather *also* taxes noncustomers, and whether or not South Feather is willing or even able to provide water to these parcels if South Feather somehow absorbs North Yuba's assets. All you know from what Mr. Hickman told you is that South Feather has decided not to provide Bangor with more water, Mr. Hickman thinks it is because South Feather cannot afford to do it, and he wants to use North Yuba's income to pay for it.

As I've covered earlier in this letter, this issue is a relic of past boards and administrations. The current North Yuba board and administration are committed to expanding service as much as possible, and that includes evaluating the possibility of building pump stations to help serve customers on elevated parcels and build another treatment plants to serve more domestic customers. For those whose circumstances have changed because their private wells are running dry, the District is including them in our expansion plans.

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 8

Conflict of Interest:

During your last meeting Ruth Duncan – a member of the South Feather Board of Directors - expressed her concern that it might be a conflict of interest for her to be part of any decision that is designed to benefit the South Feather. In my opinion, Commissioner Duncan is justifiably concerned about what appears to be a conflict.

However, there was fast discussion that seemed to conclude that, if Commissioner Duncan “abstains from voting” that she can avoid the apparent conflict. I’ve been informed that abstention is not enough, that Commissioner Duncan’s mere presence during discussion and any vote could influence the decision, and, therefore, that the best practice to avoid a conflict of interest is to leave the room whenever the Commission discusses and/or takes action connected to Mr. Hickman’s scheme.

CONCLUSION

The North Yuba Water District is not located within Butte County. Consequently, the Butte County Local Agency Formation Commission does not have the jurisdiction to reduce North Yuba’s sphere of influence or dissolve North Yuba.

Even if this was not true, Mr. Hickman gives no indication that South Feather – the expected beneficiary of his plans – wants to take on the duties of providing water to North Yuba’s existing and prospective customers.

If for some reason you believe the co-authors’ requests have merit, then please meet with and talk to North Yuba’s staff to learn the true facts. When you do, we are confident you will conclude that the actions the co-authors ask you to perform would not be good for anyone, except perhaps Mr. Hickman, and even that benefit is dependent on South Feather using resources and money stolen from North Yuba to build the pipeline Mr. Hickman wants South Feather to build.

The current North Yuba Board inherited a mess, but we are working hard to fix what is broken.

My door is open. Please call or visit if you have any questions.

Sincerely,

Butte County LAFCo

RE: Response to Letter Advocating for Dissolution of the North Yuba Water District

December 12, 2023

Page 9

Sincerely,



Leona Harris

North Yuba Water District, General Manager

530-675-2567

The Water Group
Water Law and Advocacy
 A Professional Corporation

701 University Ave., Suite 205, Sacramento, CA 95825

To: North Yuba Water District, Board of Directors
 Date: August 23, 2023
 From: Gwyn-Mohr Tully, J.D.
 Subject: Water Rights Summary

Summary and Overview

North Yuba Water District (NYWD) has a storied history for its water assets since its founding in 1952. NYWD’s primary obligation is to manage its water assets for its constituents’ benefit. This memorandum describes NYWD’s water asset portfolio and explains the key issues facing NYWD’s Board of Directors in managing these water assets.

NYWD possesses seven water assets. Each asset has unique characteristics that govern how it can be used by NYWD’s customers. Table 1 summarizes NYWD’s water assets. The table is separated into two categories – (1) assets held solely by NYWD and (2) assets held jointly between NYWD and South Feather Water and Power Agency (SFWPA). In general, NYWD’s assets are for consumptive uses while assets jointly held are for power production.

NYWD Rights	Priority Date	Quantity	Water Source	Purpose of Use	Area Served
License 12984	8/12/1922	21.4 cfs (4/1 - 10/15) and 6,060 af/yr	Dry Creek	Irrigation, Fire Protection	YCWD Improvement District No. 1
S022701	1860	6.86 cfs (all year)	Oroleve Creek	Domestic and Irrigation	NYWD Service Area
Permit 11516	9/20/1950	23,700 af/yr	Slate Creek	Domestic, Municipal, Industrial, Irrigation	YCWD Service Area, Yuba City/Lower Yuba County
Permit 11518	12/28/1950	23,700 af/yr	SF Feather River, Lost Creek, Feather River	Domestic, Municipal, Industrial, Irrigation	YCWD Service Area, Yuba City/Lower Yuba County
NYWD SFWPA Joint Rights	Priority Date	Quantity	Water Source	Purpose of Use	Area Served
License 10939	4/7/1950	300 cfs SFF; 77,300 af/yr in LGV & SC; 24,100 in SC from LC; 100 cfs from LC (max 350 cfs)	South Fork Feather River and Lost Creek	Power	Woodleaf P.P., Forbestown P.P., Kelly Ridge P.P.
License 10940	9/20/1950	300 cfs and 35,000 af/yr in SC (max 600 cfs); rediv at SC, LC, Forbestown, PD	Slate Creek	Power	Sly Creek P.P., Woodleaf P.P., Forbestown P.P., Kelly Ridge P.P.
License 10941	12/28/1950	100 cfs SFF and 200 LC; 73,300 and 40,000 storage; rediv at SC, LC, Forbestown, PD	South Fork Feather River and Lost Creek	Power	Sly Creek P.P.

Table 1: NYWD Water Asset Summary

The water asset characteristics described in Table 1 are derived from a number of NYWD actions, state agency regulatory orders, and agreements between NYWD and SFWPA. These items are further summarized in this memorandum as they affect NYWD's water asset portfolio and water management objectives.

Water Right Order 2004-0029 (Order)

On July 17, 2004, the State Water Resources Control Board (State Board) issued an Order related to NYWD's and SFWPA's water asset portfolios. In particular, the Order affected water right Permits 11516 and 11518 – two water rights that were jointly held by NYWD and SFWPA at that time. The Order conditionally extended the Permits and required NYWD and SFWPA to undertake a number of actions in order to release the conditional label. With these required actions pending in the background, the Order reduced the total water supply available under both Permits to 23,700 acre-feet per year and added Yuba City into the authorized place of use to Permit 11518.

The issuance of the conditional Permits extension motivated NYWD and SFWPA to take a number of actions. These actions were encapsulated in a 2005 Agreement between NYWD and SFWPA (Agreement). The three fundamental actions in the Agreement that affected NYWD were:

1. NYWD obtained complete ownership over Permits 11516 and 11518.
2. SFWPA quitclaimed the Upper Forbestown Ditch and its pre-1914 water rights associated with it to NYWD.
3. NYWD and SFWPA agreed to share power revenues related to certain power facilities.

The Agreement sorted the responsibilities and actions between SFWPA and NYWD as they resolved the issues identified in the Order. A final Order from the State Board regarding these rights is still pending.

NYWD Water Right Permits 11516 and 11518

Water rights have essentially five fundamental components as shown in Table 1: (1) priority date; (2) point of diversion and rediversion; (3) diversion rate, time, and volume; (4) purpose(s) of use; and (5) place(s) of use. This section generally describes those water right attributes for Permits 11516 and 11518.

Priority Date

The priority date identifies the seniority of the water right as compared to other water rights in a system. Generally, the older the water right priority date, the more senior the water right is in the system, and the more reliable the water right will be in times of water supply shortage. Permits 11516's and 11518's priority dates of 1950 are relatively junior. As such, in times of shortage – as occurred in 2022 – the right to divert *any water* under these water rights may cease when the

State Board issues a curtailment order for lack of available water supplies in the Yuba River and Feather River watersheds.

Points of Diversion

Permit 11516 is authorized to divert water from one source, Slate Creek. Permit 11518 is authorized to divert water from three sources: the Feather River, the South Fork of the Feather River, and Lost Creek (tributary to the South Fork Feather River). There are specific points where water may be diverted and rediverted from these water sources that are depicted on the map shown in Figure 1.

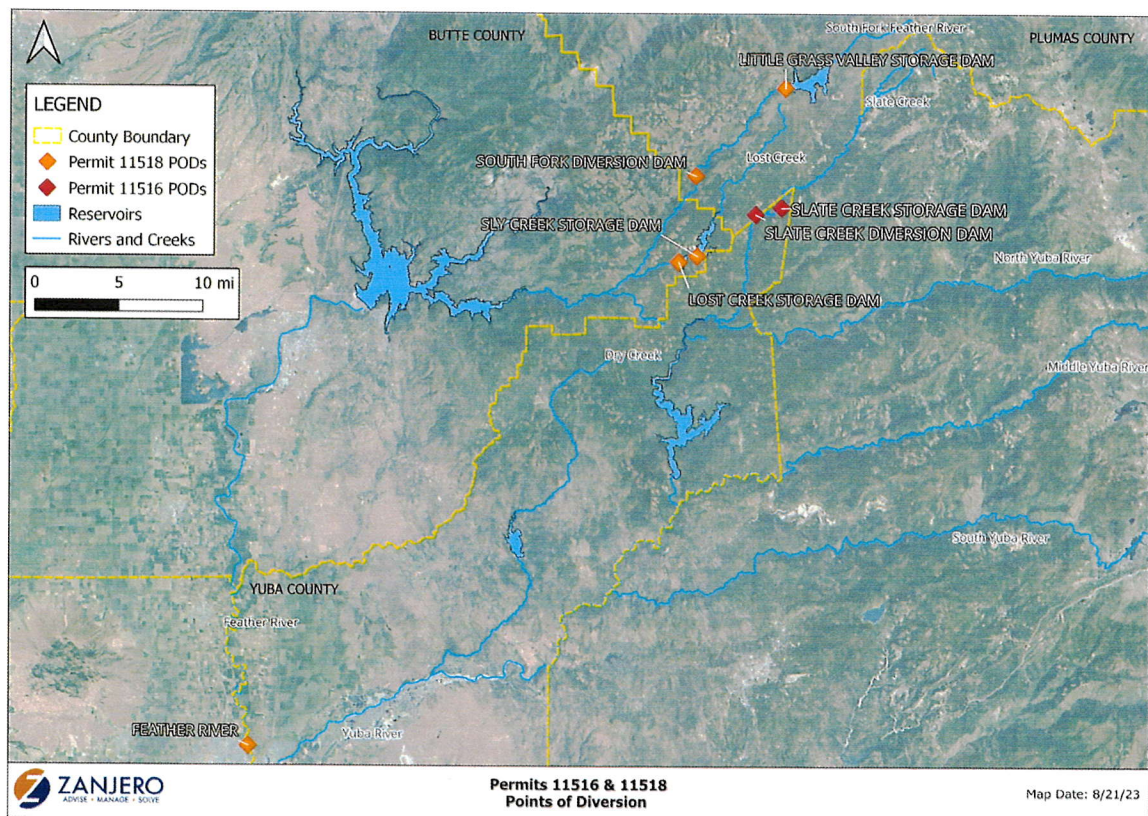


Figure 1: Points of Diversion for Permits 11516 and 11518

Diversion Rate, Volume, and Timing

Permit 11516 allows for diversion from Slate Creek and Permit 11518 allows diversion from Lost Creek, South Fork Feather River, and Feather River. The times of year that water may be diverted to storage as compared to directly diverted and rediverted vary. Nevertheless, pursuant to the Order, the total amount of water that can be diverted and used under Permits 11516 and 11518 may not exceed 23,700 acre-feet per year.

Purpose of Use

Permits 11516 and 11518 may be used for municipal, domestic, industrial, and irrigation uses. Both Permit 11516 and 11518 have specific limitations on the locations for various purposes of use (as described in next section) but the allowable uses are generally broad.

Place of Use

Permits 11516 and 11518 may be used for municipal, domestic, and industrial purposes within the boundaries of the NYWD and for irrigation purposes in NYWD and specific mapped locations in Yuba County. Permit 11518 water may also be used in Yuba City. Figure 2 below depicts the place of use qualifications under Permits 11516 and 11518.

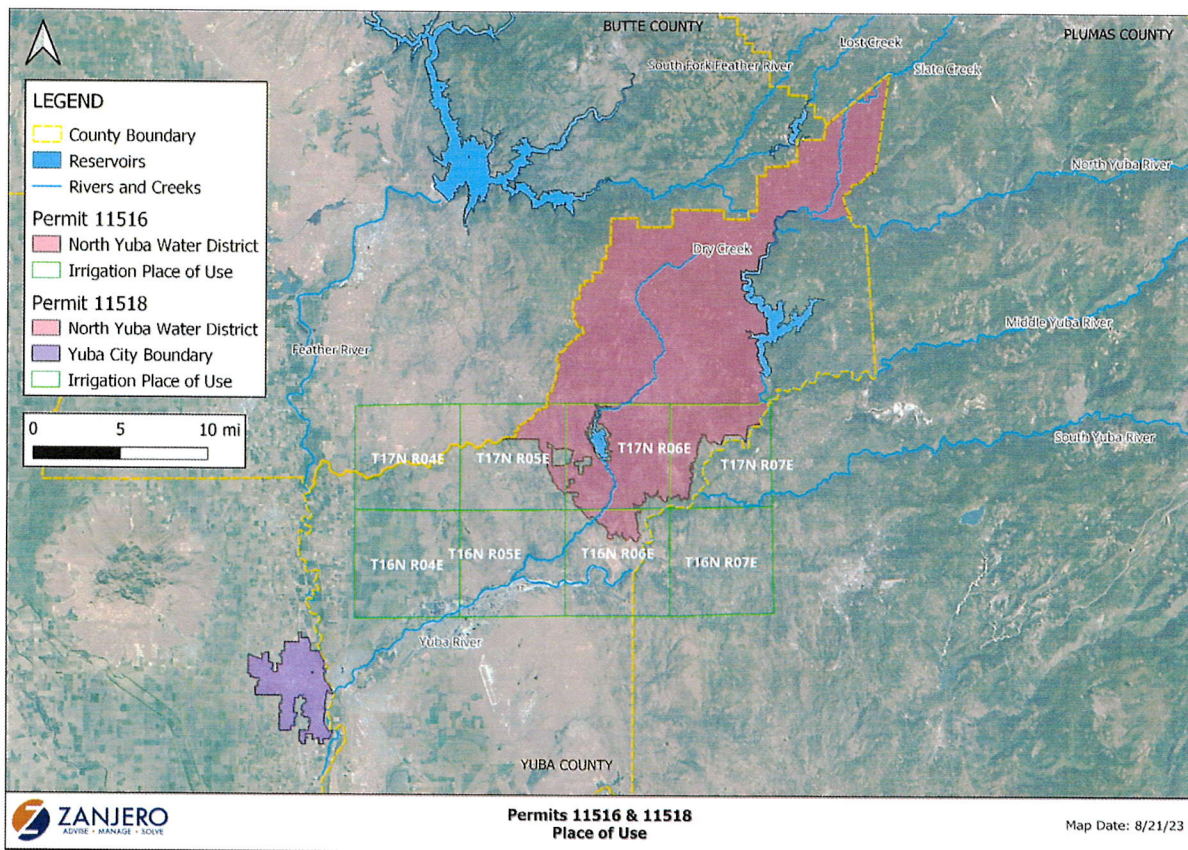


Figure 2: Place of Use Under Permits 11516 and 11518

License 12984

The SWRCB-issued appropriative water right, License 12984, allows for direct diversion from Dry Creek in Yuba County (tributary to the Yuba River). This right has a priority date of August 12, 1922 and the purpose of use under this License is for irrigation and fire protection uses. NYWD can divert 21.4 cubic feet per second (cfs) from Dry Creek from April 1 to October 15 for a total volume of 6,060 acre-feet per year.

The place of use under License 12984 is limited by the purpose of use. For fire protection and irrigation, the place of use includes 3,064 acres within the 4,481-acre area of Improvement District No. 1 of North Yuba Water District. Figure 3 below shows the point of diversion for License 12984 as well as the township, range, and sections that are described in the License to distinguish the area of place of use.

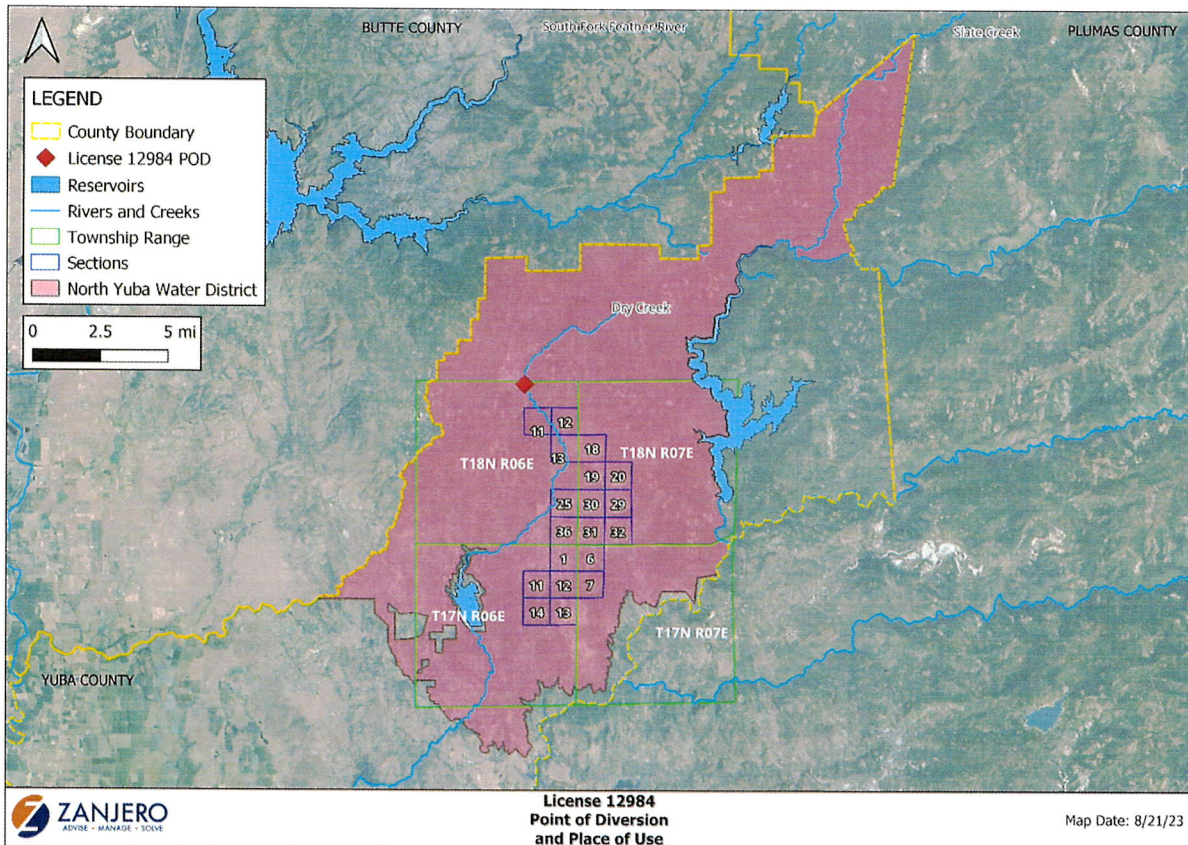


Figure 3: License 12984 Point of Diversion and Place of Use

Statement of Diversion and Use - S022701

NYWD's pre-1914 appropriative right claim from Oroleve Creek has a priority date of 1860. NYWD filed the Initial Statement of Diversion in 2012 through an assignment of rights from SFWPA as part of the Forbestown Ditch quitclaim as described in the Agreement. NYWD's water right claim is for direct diversion at a rate of 6.68 cfs from Oroleve Creek for delivery to NYWD's service area. The purpose of use under this right is for domestic and irrigation purposes. Figure 4 below shows the point of diversion on Oroleve Creek and the place of use for the pre-1914 water right. The water supply from this water right claim is distributed primarily through the Forbestown Ditch.

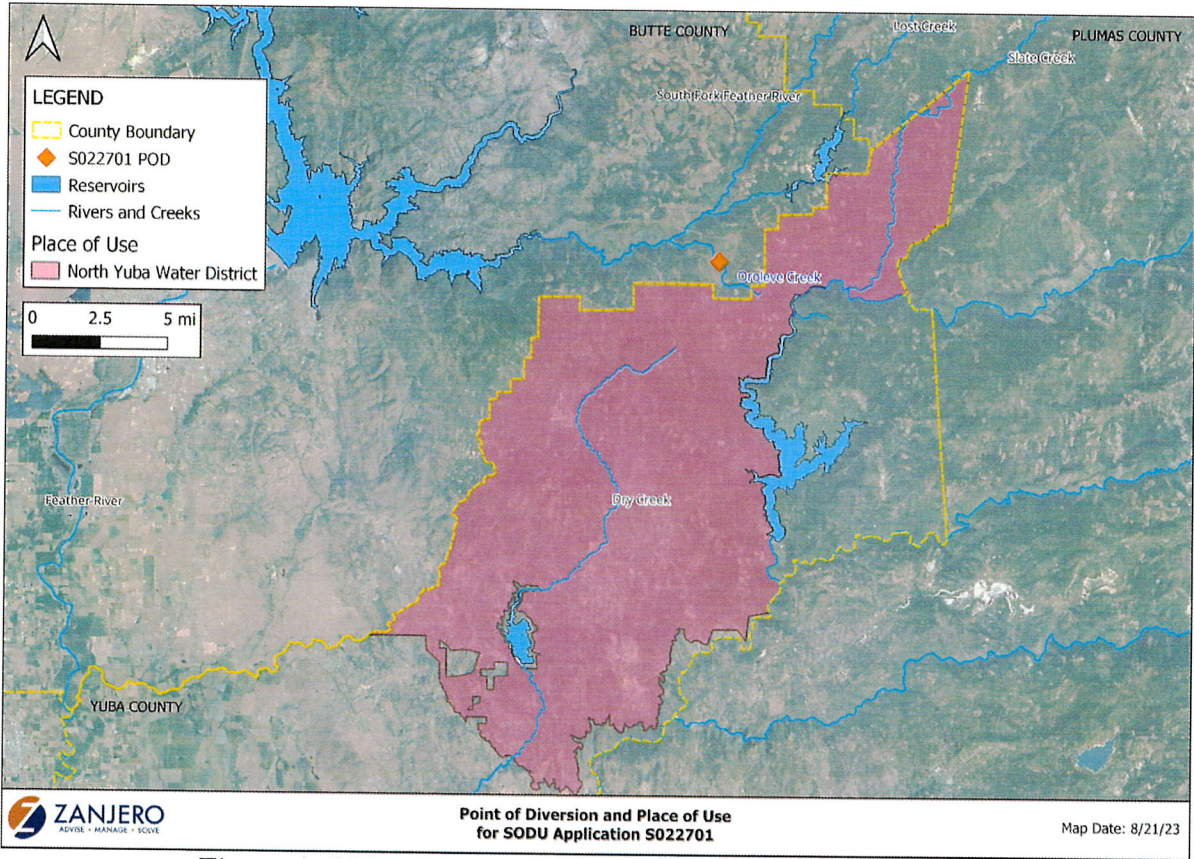


Figure 4: SODU S022701 Point of Diversion and Place of Use

Licenses 10939, 10940, and 10941

NYWD and SFWPA jointly hold Water Right Licenses 10939, 10940, and 10941. These three water rights may only be used for power production – a non-consumptive water use (there are no consumptive uses tied to these water rights). They may be diverted from January 1 through December 31 each year from various locations and are used to produce power in Sly Creek, Woodleaf, Forbestown, and Kelly Ridge power plants. The points of diversion are shown in Figure 5.

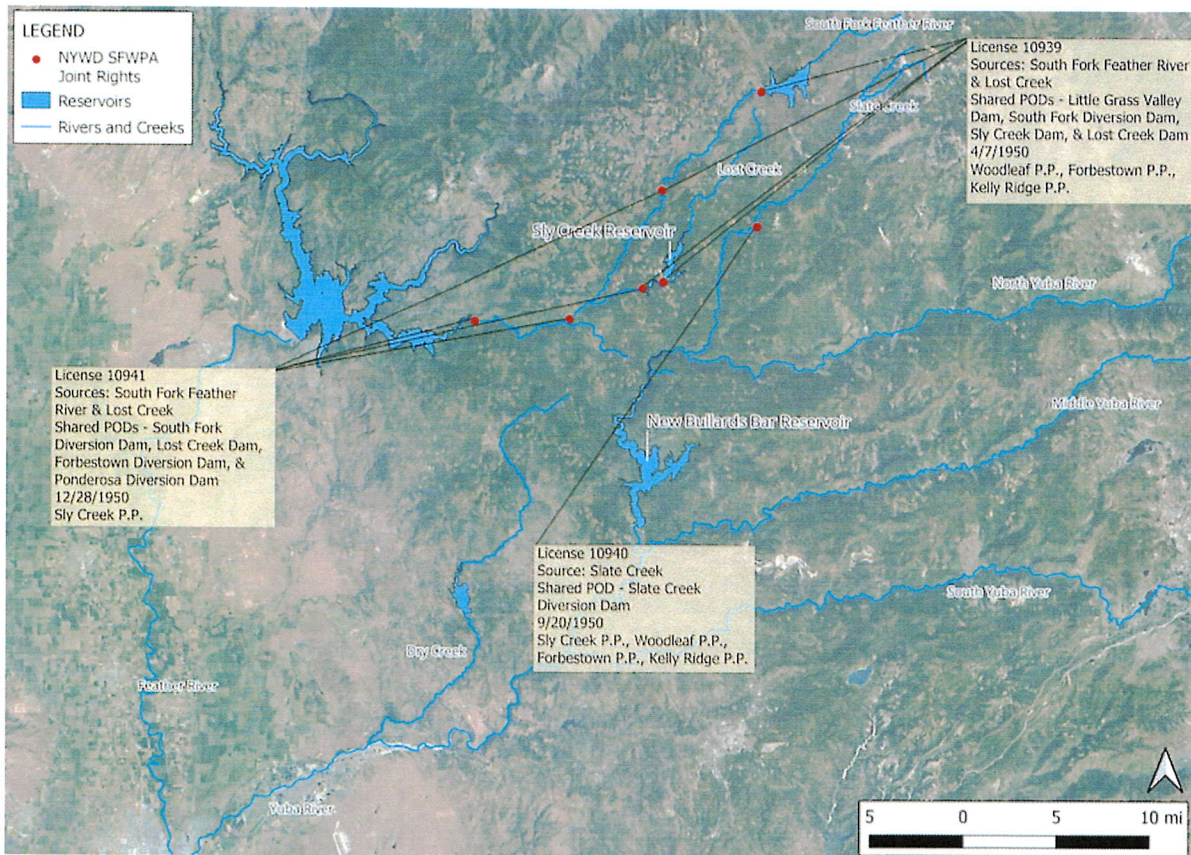


Figure 5: Licenses 10939, 10940, and 10941 Points of Diversion

The Agreement identifies the revenue sharing between NYWD and SFWPA related to these water assets as well as other cooperative aspects, like cost accounting, that would affect the utility of these assets for NYWD and SFWPA.

Summary

NYWD's seven water assets are the primary possessions that warrant NYWD's formation and continued operation. Water asset preservation requires reasonably and beneficially using water in line with Article X, Section 2 of California's Constitutional mandate while ensuring customers receive water assets to meet their needs. Accordingly, preservation of NYWD's water asset portfolio requires diligent actions by its Board and management to accomplish these mutually dependent purposes. The near-term preservation actions should focus on improving diversion and delivery efficiency (and reducing waste) for all water assets while expanding deliveries and consumptive uses among NYWD's customer base. Moreover, NYWD should solidify its revenue sharing relationship with SFWPA as it applies to its jointly held water assets as described in the Agreement. All of these actions will require securing adequate funding and effectively deploying capital to meet NYWD's water asset preservation and revenue objectives. The water assets contained in NYWD's portfolio require diligent protection to ensure their prolonged security for current and future NYWD customers.



**Elevate Public Relations and Marketing, LLC., LLC.
Agency Services Agreement**

This agreement ("Agreement") is made between North Yuba Water District("Client") with a principal place of business at 8691 La Porte Road, Brownsville, CA, and Elevate Public Relations and Marketing, LLC., LLC. (the "Agency") (collectively referred to as the "Parties"), with a principal place of business at 308 Evelyn Ct., Roseville, CA 95678.

1. Services to Be Performed

The Agency agrees to perform the services described in Exhibit A, which is attached to this Agreement.

2. Payment

Exhibit A, attached hereto, identify the monthly payments for specific services Agency will provide, and a total for those services per year (\$1662 per month total). Any work performed for services that are not specified in this Agreement will be estimated, approved by Client, and paid at \$150 per hour. PR work beyond 2 hours per month will be billed at \$150 per hour. Hourly work will be billed at 0.1 hour (six minute) increments. Payments should be directed to Elevate Public Relations and Marketing, LLC., LLC., 308 Evelyn Ct., Roseville, CA 95678. Federal Tax ID # 47-4311191

3. Expenses

Client shall reimburse Agency for the following expenses attributable directly to work performed under this Agreement: mileage per existing District policy; air travel; and lodging if necessary to perform under this contract, per General Manager's approval. Agency shall submit an itemized statement of Agency's expenses. Client shall pay Agency within 30 days after receipt of each statement.

4. Vehicles and Equipment

The Agency will furnish all vehicles, equipment, tools, and materials used to provide the services required by this Agreement.

5. Independent Contractor Status:

The Parties agree that the Agency and Agency staff are not employees of the Client and are not authorized to act on behalf of Client except as outlined in this agreement. Agency is an independent contractor, and neither Agency nor Agency's employees or contract personnel are, or shall be deemed, Client's

employees. In its capacity as an independent contractor, Agency agrees and represents, and Client agrees, as follows:

- The Agency shall not be treated as employees for state tax and federal tax purposes with respect to the services performed pursuant to this agreement.
- The Agency will not be entitled to any fringe benefits, including but not limited to unemployment insurance, workers compensation insurance, medical insurance, pension plans, or other such benefits that would be offered to regular employees.
- Agency has the right to perform services for others during the term of this Agreement. However, if there is a possible conflict of interest, Agency shall inform Client prior to engaging in that business relationship.
- Agency has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed. Agency shall select the routes taken, starting and quitting times, days of work, and order the work is performed.
- Agency has the right to hire assistants as subagencys or to use employees to provide the services required by this Agreement.
- Neither Agency nor Agency's employees or contract personnel shall be required to wear any uniforms provided by Client.
- The services required by this Agreement shall be performed by Agency, Agency's employees, or contract personnel, and Client shall not hire, supervise, or pay any assistants to help Agency.
- Neither Agency nor Agency's employees or contract personnel shall receive any training from Client in the professional skills necessary to perform the services required by this Agreement.
- Neither Agency nor Agency's employees or contract personnel shall be required by Client to devote full time to the performance of the services required by this Agreement.

6. Business Licenses, Permits, and Certificates

The Agency represents and warrants that the Agency and the Agency's employees and contract personnel will comply with all federal, state, and local laws requiring drivers and other licenses, business permits, and certificates required to carry out the services to be performed under this Agreement.

7. State and Federal Taxes

Client will not withhold FICA (Social Security and Medicare taxes) from the Agency's payments or make FICA payments on the Agency's behalf. The Client will not make state or federal unemployment compensation contributions on the Agency's behalf or withhold state or federal income tax from the Agency's

payments. The Agency shall pay all taxes incurred while performing services under this Agreement—including all applicable income taxes and, if the Agency is not a corporation, self-employment (Social Security) taxes. Upon demand, Contractor shall provide Client with proof that such payments have been made.

8. Insurance

Other than Errors and Omissions insurance coverage for purposes of the mutual indemnification agreement, described below, Client shall not provide insurance coverage of any kind for the Agency or the Agency's employees or contract personnel.

9. Indemnification

Each party shall defend, indemnify and hold harmless the other party, its officers, directors, members, employees and agents, and each of them, from and against any and all actions, causes of action, claims, demands, losses, damages, expenses or liabilities of whatsoever kind and nature including settlement and defense costs, judgments, interest and reasonable attorney's fees, and all other costs, expenses and charges that it incurs or may incur for any reason resulting or arising from acts or omissions or the performance or breach of this Agreement, except where caused by its gross negligence, intentional misconduct or criminal acts or omissions. Each party shall promptly notify the other party of adverse claims, demands or lawsuits (threatened or actual) and will provide cooperation to the extent possible to the other party, its attorneys and agents. Both Parties warrant that they possess errors and omissions insurance coverage to satisfy this indemnity agreement.

10. Term of Agreement

This agreement is from November 6, 2023 – November 1, 2024.

11. Terminating the Agreement

Either party may terminate this Agreement at any time by giving 30 days' written notice to the other party of the intent to terminate, with emailed notice considered effective delivery of notice.

12. Entire Agreement

The Parties agree that this Agreement is the entire Agreement between the Parties pertaining to the services described in this Agreement, superseding all prior oral or written agreements between the Parties, and that this Agreement can be altered or modified only through a writing signed and dated by authorized representative of both parties.

13. Resolving Disputes

The Parties agree that, if any dispute arises between them pertaining to this Agreement, the venue for any dispute resolution activity shall be Brownsville, California. The Parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the Parties. If mediation does not resolve the dispute through a settlement agreement within 90 days from either Party requesting Mediation, the Parties agree to submit their dispute to binding arbitration conducted according to the rules of the American Arbitration Association. The arbitrator's decision may be entered as a judgment by the Yuba County Superior Court. The costs of conducting the arbitration, including application fees, venue charges, and fees charged by the arbitrator, will be shared equally by the Parties. Both Parties shall bear their own attorney fees and any other costs associated with advocating their positions before the Arbitrator.

14. Confidentiality

The Agency acknowledges that it will be necessary for Client to disclose certain confidential and proprietary information to the Agency for the Agency to perform duties under this Agreement. The Agency acknowledges that disclosure to a third party or misuse of this proprietary or confidential information would irreparably harm Client. Accordingly, The Agency will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of Client without Client's prior written permission except to the extent necessary to perform services on Client's behalf. Upon termination of Agency's services to Client, or at Client's request, Agency shall deliver to Client all materials in Contractor's possession relating to Client's business. The Parties agree that all intellectual property created under this agreement, including but not limited to copyright and trademark, shall be Client's property.

15. No Partnership

This Agreement does not create a partnership relationship. The Agency does not have, and shall not make representations of having, authority to enter into contracts on Client's behalf.

16. Assignment and Delegation

The Agency may not assign or subcontract any rights or delegate any of its duties under this Agreement without Client's prior written approval.

17. Applicable Law

This Agreement will be governed by California law, without giving effect to conflict of laws principles.

18. Invalid Provisions

If any provision of this Agreement is held by an adjudicative tribunal of competent jurisdiction to be invalid or unenforceable, that provision shall be severed, and the remainder of the Agreement shall continue to remain in full force and effect and shall in no way be impaired or invalidated, unless such invalidity, illegality or unenforceability is deemed tantamount to a failure of consideration.

19. Counterparts:

This Agreement may be executed in any number of counterparts – including but not limited to counterparts in an electronic format - each of which shall be deemed an original, but all such counterparts shall together constitute but one and the same document.

20. Authorization to Enter Into this Agreement

The signators to this Agreement warrant that they are authorized to enter into this Agreement on behalf of their respective principals.

For Client: Paul Nicholas Boylan
Printed Name



Signature

December 5, 2023
Date

For the Agency: Mary Towne, Managing Member



Signature

December 5 2023
Date

47-4311191
Taxpayer ID Number



**HERR
PEDERSEN
BERGLUND**
ATTORNEYS AT LAW LLP

November 17, 2023

VIA ELECTRONIC MAIL AND U.S. MAIL

North Yuba Water District
c/o Paul Boylan, Esq.
8691 Quincy La Porte Rd.
Brownsville, CA 95919
Email: pnboylan@gmail.com

Re: 1. *South Feather Water and Power Agency vs. North Yuba Water District, et al.*
Sutter County Superior Court Case No.: CVCS21-0002073, and
2. Ongoing representation on the applicability of the California Environmental
Quality Act on activities to be undertaken by North Yuba Water District and by
other agencies in which the District has a potential interest

Dear Mr. Boylan:

Thank you for your consideration and expression of confidence in retaining Herr Pedersen & Berglund LLP, to represent North Yuba Water District ("NYWD") in the above-referenced matter. It is the recommended practice of the California State Bar that prior to my undertaking representation of NYWD, we enter into a written fee agreement. The following sets forth Herr Pedersen & Berglund LLP's policy on retainers and fee agreements. This letter is to serve as a formal retainer and fee agreement ("Agreement"), which will cover the circumstances under which Herr Pedersen & Berglund LLP shall provide legal representation to NYWD. All of the terms set forth herein are intended to be subject to negotiation and agreement between the parties. Unless we make a different agreement in writing, this Agreement will govern all future services that we may perform.

You are also welcome to have this Agreement reviewed by an attorney of your choice in order to obtain an independent analysis of this Agreement. NYWD should not sign this Agreement if there are any questions concerning any of the terms and conditions set forth herein. This Agreement will not take effect, and we will have no obligation to provide NYWD with legal services, until it has returned a signed copy of this Agreement.

1. Retainer. It is a standard practice of Herr Pedersen & Berglund LLP's policy to require an initial non-refundable retainer to cover file review and set up; however, no retainer will be required for this matter.

2. Rates and Charges. Unless other arrangements are made in writing, all fees will be charged on an hourly basis, in minimum units of tenths of an hour, for all work

VISALIA
100 WILLOW PLAZA, SUITE 300
VISALIA, CA 93291
TELEPHONE: (559) 636-0200
FACSIMILE: (559) 636-9759

HANFORD
1489 LACEY BOULEVARD, SUITE 103
HANFORD, CA 93230
TELEPHONE: (559) 410-8560
FACSIMILE: (559) 410-8922

Paul Boylan

(1) South Feather Water and Power Agency vs. North Yuba Water District, et al. and (2) Ongoing Representation of CEQA Activities

November 17, 2023

Page 2 of 5

expended on behalf of NYWD by each attorney or paraprofessional at his or her current hourly rate. This normally includes meetings, phone calls, document preparation, research, travel and correspondence. My current billing rate is \$350.00 per hour, and associates bill at the rate of \$250.00 per hour. Our paraprofessionals bill at the rate of \$125.00 per hour. Rates are periodically adjusted. I contemplate that I will perform most of the attorney work on the file, but I will refer matters to other attorneys or paraprofessionals in our office if I feel they could better serve NYWD.

In addition to the fees for legal services rendered, North Yuba Water District will be responsible for all out-of-pocket expenses which Herr Pedersen & Berglund LLP incurs on behalf of NYWD and for other costs such as filing and recording fees, document production, word processing, reproduction charges, messenger charges, on-line legal research and travel expenses. In the event the amount of a required charge or expense is substantial (i.e., deposition transcript costs, expert witness fees, etc.) Herr Pedersen & Berglund LLP's policy is to request payment for these expenses in advance from NYWD; however, we agree that NYWD can pay these expenses as they are accrued on a monthly basis. As these expenses accrue, they will be added to the monthly bills and therefore become part of the billing cycle as set forth in section 3 (Billing Cycle). If a statement is not paid monthly, we reserve the right to discontinue performing further services anytime thereafter, regardless of the status of the matter at such time.

3. Billing Cycle. Herr Pedersen & Berglund LLP's normal billing cycle runs from approximately the first day of the month to the last day of the month. All bills are due and payable in full within 30 days from the date of the bill. Although the bill is normally printed by computer, it is reviewed by the responsible attorney before being sent. If NYWD has any objection to any charge set forth in the bill, NYWD should notify my office within 60 days of the date the bill is dated. If NYWD does not contact my office within 60 days of the date the bill is dated, then NYWD agrees with all of the charges set forth in the bill. If NYWD desires bills more frequently than once a month, we will attempt to accommodate that request.

4. Fees Not Contingent. Because our fees are based upon the time devoted to a matter, the fees are not contingent upon the legal or financial outcome of a matter or project. While we take pride in the quality of our legal work and will make every effort to see that NYWD is satisfied with our services, its obligation to pay is not conditioned upon results obtained from our services.

5. Disputes Submitted to Arbitration. Any controversy or claim in law or equity arising under this Agreement or in connection with the provision of legal services by the attorneys and staff of Herr Pederson & Berglund LLP, including without any limitation, any claim for breach of contract, professional negligence or breach of fiduciary duty, payment for legal fees and quality of legal services shall be resolved by binding arbitration, in accordance with the California Arbitration Act (California Code of Civil

Paul Boylan

(1) *South Feather Water and Power Agency vs. North Yuba Water District, et al.* and (2) *Ongoing Representation of CEQA Activities*

November 17, 2023

Page 3 of 5

Procedure section 1280 et. al.), except as provided by California law for judicial review of arbitration proceedings. The losing party shall pay the arbitrator's fees and the prevailing party is entitled to reasonable attorney's fees and related expenses incurred in bringing such proceeding in addition to obtaining and enforcing a judgment.

It is agreed that the parties hereto shall submit to the jurisdiction and venue of the Sutter County, California, Municipal or Superior Court, whichever is applicable for any legal proceedings, regardless of your location. Further, NYWD hereby agrees to accept service of documents to commence legal proceedings via notice and acknowledgment of receipt.

BY SIGNING BELOW NYWD IS AGREEING TO HAVE ANY DISPUTE, INCLUDING A FEE DISPUTE OR MALPRACTICE CLAIM, ARISING OUT OF THE MATTERS INCLUDED IN THIS AGREEMENT DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND NYWD IS GIVING UP ANY RIGHTS NYWD MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY SIGNING BELOW NYWD IS GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN APPEAL, UNLESS SUCH RIGHTS ARE SPECIFICALLY INCLUDED IN THIS PROVISION. IF NYWD REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, NYWD MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF CALIFORNIA CODE OF CIVIL PROCEDURE. ALL ARBITRATION PROCEEDINGS HEREIN SHALL BE PURSUED PRIVATELY AND NEITHER PARTY SHALL PUBLICIZE THE FACT OF, OR THE DECISION OF ANY SUCH ARBITRATION, EXCEPT AS THE SAME MAY BE REQUIRED BY LAW OR FOR THE PURPOSE OF PURSUING THE RIGHTS OF JUDICIAL REVIEW. BY SIGNING BELOW NYWD REPRESENTS THAT NYWD HAS ENTERED INTO THIS ARBITRATION PROVISION OF ITS OWN VOLITION.

6. Service Charge on Past Due Accounts. As stated above, invoices for legal services rendered are due within 30 days from the date of the bill. ANY ACCOUNT NOT PAID PRIOR TO THE NEXT INVOICE DATE WILL INCUR A MONTHLY FINANCE CHARGE ON THE UNPAID BALANCE COMPUTED AT THE RATE OF 18 PERCENT ANNUAL PERCENTAGE RATE (1 ½ PERCENT PER MONTH). We figure the finance charge on its account by applying the periodic rate of 1.5% per month to the "adjusted balance" of the account. We get the "adjusted balance" by taking the balance owed at the end of the previous billing cycle and subtracting any payments and credits received during the present billing cycle.

If any checks are returned for insufficient funds, the account will be charged a penalty fee of \$20.00 per returned check.

7. Lien. Finally, a lien against your file is hereby granted to this firm in the event NYWD owes Herr Pedersen & Berglund LLP any money for attorney's fees or costs.

Paul Boylan

(1) *South Feather Water and Power Agency vs. North Yuba Water District, et al.* and (2) *Ongoing Representation of CEQA Activities*

November 17, 2023

Page 4 of 5

8. No Guarantees. Herr Pedersen & Berglund LLP cannot give NYWD any guarantees or make any representations as to the exact amount NYWD will incur for fees and costs in matters that we handle for NYWD. The amount of time necessary to handle any given matter depends on the complexity of the issues involved and, to a large degree, on the posture and actions of other parties. Because of such inherent uncertainties, NYWD understands that although we may give NYWD good faith estimates from time to time, they are no more than that -- merely estimates -- and are not binding unless we have specifically agreed in writing to a maximum or flat fee.

9. Disposition of Files. NYWD agrees to pick up all files within 90 days of the conclusion of Herr Pedersen & Berglund LLP's representation or the conclusion of any specific litigation matter. In the event the files are not picked up following the firm's written notice of its intent concerning such files, then Herr Pedersen & Berglund LLP can either confidentially destroy the files or charge NYWD for storage of the files.

If NYWD has any questions or comments regarding the matters in this letter, please contact me and I would be pleased to discuss it with NYWD. If the terms and conditions of this Agreement are satisfactory to NYWD, please indicate your agreement by executing this Agreement where indicated below. Thereafter, please return the Agreement.

Thank you very much for your cooperation and I look forward to working with you.

Very truly yours,

HERR PEDERSEN & BERGLUND LLP



Leonard C. Herr

LCH/bpa

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///
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Paul Boylan

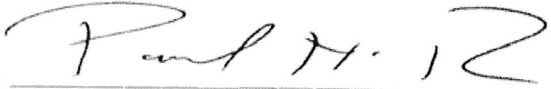
*(1) South Feather Water and Power Agency vs. North Yuba Water District, et al. and (2)
Ongoing Representation of CEQA Activities*

November 17, 2023

Page 5 of 5

The undersigned has read the foregoing Agreement, understands the same and agrees to be bound by the terms and conditions hereof.

DATED: November 17, 2023

By: 
PAUL NICHOLAS BOYLAN
Counsel for North Yuba Water
District