

Christian Valley Park, CSD

From: Joshua M. Horowitz [JMH@bkslawfirm.com]
Sent: Monday, August 06, 2007 5:26 PM
To: Christian Valley Park, CSD
Cc: Gerry LaBudde
Subject: RE: Next Meeting

Hi Don:

I have answered Ed's questions by typing my answers in red font under each item listed in the attached e-mail. Please let me know if you or Ed has any additional questions.

Also, should I plan to attend the August 14 Board meeting?

Thanks,

Josh

Joshua M. Horowitz
Bartkiewicz, Kronick & Shanahan
1011 Twenty-Second Street
Sacramento, CA 95816-4907
Telephone: (916) 446-4254
Facsimile: (916) 446-4018
E-mail: jmh@bkslawfirm.com

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From: Christian Valley Park, CSD [mailto:cvpcsd@suddenlink.net]
Sent: Sunday, August 05, 2007 10:15 PM
To: Joshua M. Horowitz
Subject: FW: Next Meeting

Hi Josh,

We have a meeting coming up on the 14th and the Gayle Loop people have some questions... Would you respond to the questions and I will send it off to the Board and the Gayle Loop people? My first thought is that the Bond council will address some of these issues when it's time, but I thought it would be best from you.

Thanks,

Don Elias

From: Ed Morgado [mailto:eamorgado@gmail.com]
Sent: Sunday, August 05, 2007 5:11 PM
To: Christian Valley Water
Subject: Next Meeting

Don,

At the forthcoming meeting (14 August), the Gayle/Campbell/Sunshine Meadow group will be seeking additional details of the Assessment District.

Specifically, will believe there is a need for a document which defines and memorializes the specifics of the Assessment District.

Some items the document might address and/or define are:

- A formal description of the District

The assessment district and its operation are described in the Engineer's Report that Gerry LaBudde prepared before the district was voted on and approved by the landowners and Board. The description includes a boundary map and the parcels included within the assessment district's territory. I am not clear what other information the landowners are interested in beyond that contained in the Engineer's Report.

- Stand-by options

I am not sure what Ed means by "stand-by options", but I am assuming that he is addressing those landowners who have working wells of adequate capacity and quality, but who do not plan on immediately connecting their homes to the new water system when it is completed. All landowners within the assessment district will be charged and required to pay the annual assessment amount on their annual property tax bill regardless of whether or not they obtain a connection when the new water system facilities are completed and available for service. A landowner in the assessment district would not be obligated to pay connection fees or other District rates and charges until he or she hooks up to the water system and begins receiving District water service. A public water provider is legally permitted to impose a "standby charge" on any landowner that does not immediately hook up to public water service facilities that the landowner could conveniently connect to if he or she desired public water service. In such cases, the water provider may assess a "standby charge" to ensure that each landowner who has water service immediately available to his or her property but does not hook up is paying his or her fair share of the existing water users' investment in the water system. If the District has an existing standby charge or fee in its rate ordinance or rules and regulations, then any GSMC assessment district landowners that do not immediately connect to the District water system can be assessed the standby charge until they hook up.

- Guidelines as to the splitting of a property

This issue should be addressed in a District policy or in its rules and regulations. As a general matter, splitting of property would most equitably be addressed by recalculating the amount of the assessment on a prorated basis for all parcels, including the newly created one(s), plus requiring the new parcel(s) to make a one-time payment (or pay a higher assessment for some period) to repay the existing parcel owners for their previous investment benefiting the new parcel(s). If the Board would like to consider such a policy (which should also include some of the issues discussed below), I can assist with drafting an appropriate policy for Board consideration in collaboration with you and Gerry.

- Guidelines as to the possible additions of properties outside the Assessment District but benefiting from the Assessment District

Subject to available capacity as calculated by Gerry, the policy discussed above should include a procedure for annexing properties into the assessment district. Such annexations also would be subject to any annexation proceedings conducted by Placer County LAFCO if the parcel is outside of the District and to compliance with any applicable District rules and regulations connecting to the District water system and commencing new water service.

- Information regarding the bond, payment options

If USDA requires the District to issue a bond, the required documents for bond issuance will more than adequately describe the bond securing the project financing. Assuming that Ed's reference to "payment options" is meant to refer to options for assessment district landowners to repay their assessment obligation in a lump sum or by early payment of a portion of that obligation, such pre-payment arrangements and formulas can be addressed in the policy discussed above.

- Etc

I am not sure what other assessment district issues the landowners feel should be addressed, so this might be more efficiently answered by public comment if and when the Board considers the recommended assessment district policy or regulation.

Thanks much for all of your support.

Regards,

Ed