

EXHIBIT G

Proposed Changes to the Consolidated Engineer's Report County Service Areas 34, 34A, 34C

Proposed Changes to Engineer's Report:

- 1.) One-time charges for CSA 34C
 - A. One-time charges that were incorporated into the proposed first year local service utility system assessment have been removed for CSA 34C. The developer pointed out that these one-time charges had already been funded through the annual developer contribution for the operating costs above the annual revenues received from customers. These one-time costs include \$17,000 for the Prop 218 charges that have already been incurred and the \$12,011 CSA 34C proportion of the 2013 transformer repair.

- 2.) One-time charges for CSA 34A
 - A. Per the request of several property owners in CSA 34A, the proportional transformer repair charges of \$186,168 and the Prop 218 costs of \$17,000 that were incorporated into the proposed first year local service utility system assessment for CSA 34A have been spread over a three year period.

- 3.) Sewer fee for CSA 34A
 - A. Staff discovered that a one-time expense for step tank parts/maintenance in FY2011-12 was included in the sewer services historical costs calculations. This one-time expense should not have been included in the base calculation and has been removed to provide a more accurate accounting of the actual standard costs to operate and repair the step tank systems on an annual basis. This modification decreased the proposed sewer fee.