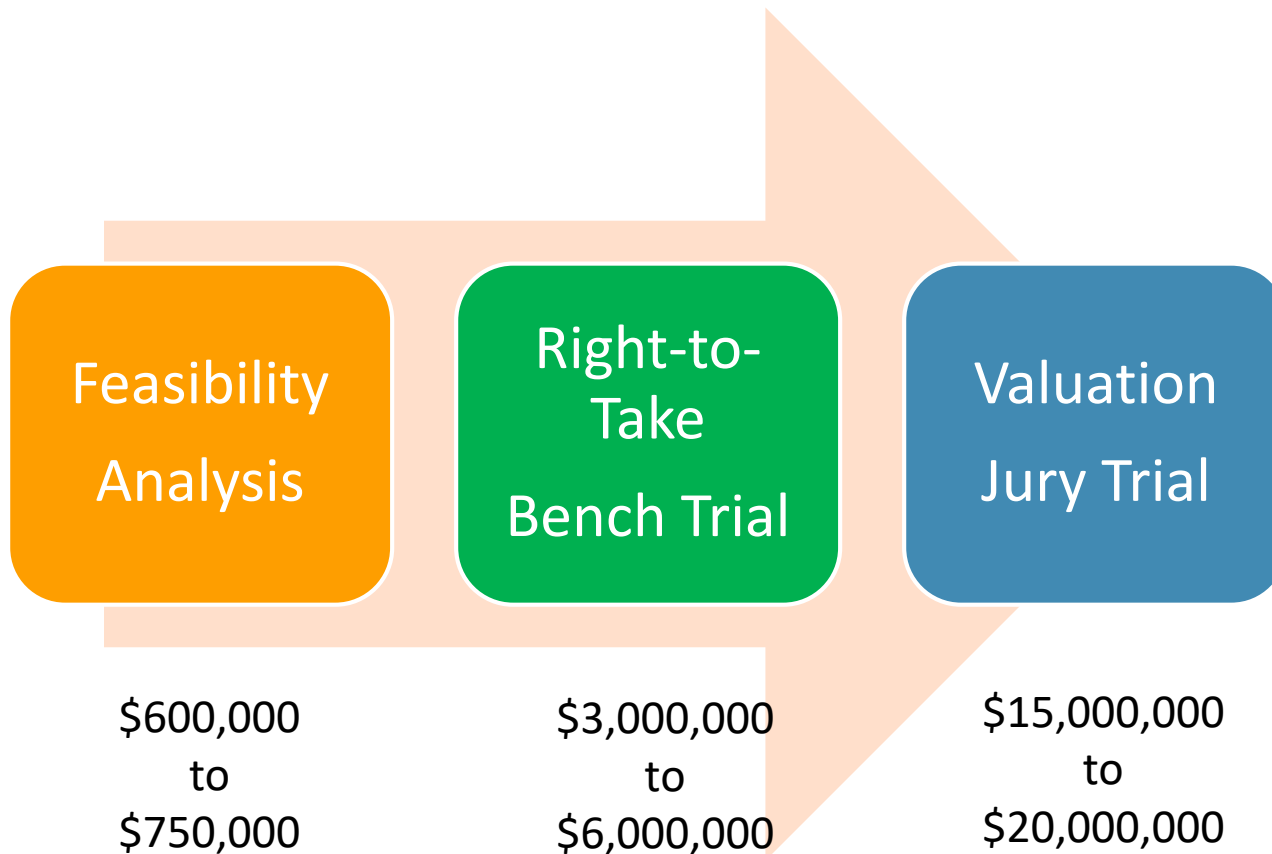


Costs to Date

Budget	\$650,000
To Date	<u>\$527,600</u>
Remaining	\$122,400

There is a likelihood final billings will exceed budget

Financial Exposure



Financial Exposure

Other Financial Risks

- Trial by attrition – challenging the District at every turn, increasing legal expenses
- Separate challenges – Sue over the financing; Sue over the District's authorities; Sue over CEQA; etc
- Cost of expert witnesses
- Cost of additional materials needed before Resolution of Necessity

Next Steps

- Consider authorizing additional consulting and legal work in advance of a Resolution of Necessity – majority Board vote;
 - More detailed operations plan
 - CEQA compliance (for LAFCO and Acquisition)
 - LAFCO Process
 - Formal appraisal
 - Findings
- Meet to review additional material and decide whether to move forward
- Vote on Resolution of Necessity – super-majority Board vote

Next Steps



	Item
Nov 18th	Regular Board Meeting – Discuss Scope of Additional Services Required to Proceed
Dec 16th	Authorize Funds for Additional Scope & Budget
Aug / Sep	Decision on Acquisition & Resolution of Necessity