Town of Apple Valley

Ranchos Acquisition Efforts Transparency Report

September 13, 2016





Council Request:

 To demonstrate transparency in the Town's acquisition efforts of Ranchos, a report was requested to be submitted to Council identifying costs incurred to date.



	Rancho Schedule	n of Apple Valley s Acquisition Eff of Expenditure De onth Ended August	orts tails		
	Budget	Current Month	Fiscal Year-to- date	Other related Ranchos Costs	Prior Fiscal Years (in total)
expenditure Details	3,500,000				
Au C D (II)					
Attorney Costs - Ranchos (1) Ranchos Acquisition	1 500 000		457.450		
Rate Cases and Advice Letters	1,500,000		167,450		806,755
Recycled Water				381,562	
Public Records Requests (2)				63,566	
Yermo				165,995	
Carlyle Merger				32,653	
Liberty Merger				154,277	
JLAC Audit				71,768	
Remcho Johansen				15,771	
Appraisal Costs				47,235	
The Hayward Consulting Group	127.400				127,377
Other Consulting Services (3)	127,400				127,377
Rincon	80,000				68.321
Urban Futures	12,500				12,500
Bartel Wells	42,500				42,154
Public Information					74,137
Fiona Hutton & Associates	13,601		-		13.601
True North Research	22,850				22,850
Katz & Associates	29,400				29,313
20/20 Network	180,000		23,132		132,094
Public Records Regusts (2)				111,425	
Other - Miscellaneous (4)	180,000		18		149,766
Unallocated	1,311,749				
Other Related Ranchos Costs				1,044,252	
Prior Fiscal Years Sub-total					1,404,731
Total Expenditures (5)	3,500,000	-	190,582		1,595,313
Footnote: (1) Attorney costs related to the post					
category. All other "highlighted"					
presented for illustrative purpose					
(2) Public Records Requests include of From FY 2011 through FY 2017 ye					u .
regarding water or related matter					
which cost \$277,420 to search file	es, gather records	review records	nd reproduce	onse to triese re	dnest2
(3) Consulting Services includes any se				n	
personnel. These amounts prim					
(4) Other - Miscellaneous also include	s radio, print and	media costs of \$:	22,496		
(5) Total Expenditures includes expen	ditures for FY 20:	11 thru FY 2017 ye	ar-to-date		

- To be presented periodically
- Interim Financial Report prepared for Mgt. & Council in conformity with GASB and NCGAS
- Will include all categories of expense such as;
 - Attorney costs
 - Appraisal costs
 - Other consultants costs
 - Public Information costs
 - Public Records Request costs



	Rancho: Schedule	n of Apple Valley s Acquisition Effe of Expenditure De oth Ended August	orts tails		
	As of the Wor	itii Liided Adgust			
	Budget	Current Month	Fiscal Year-to- date	Other related Ranchos Costs	Prior Fiscal Years (in total)
xpenditure Details	3,500,000				
Attorney Costs - Ranchos (1)					
Ranchos Acquisition	1,500,000		167,450		806,755
Rate Cases and Advice Letters	2,000,000		207,430	381.562	800,733
Recycled Water				63,566	
Public Records Requests (2)				165,995	
Yermo				32,653	
Carlyle Merger				154,277	
Liberty Merger				71,768	
JLAC Audit				15,771	
Remcho Johansen				47,235	
Appraisal Costs					
The Hayward Consulting Group Other Consulting Services (3)	127,400				127,377
Rincon	80,000		12		68,321
Urban Futures	12,500				12,500
Bartel Wells	42,500		-		42,154
Public Information					
Fiona Hutton & Associates	13,601		-		13,601
True North Research	22,850				22,850
Katz & Associates	29,400				29,313
20/20 Network	180,000		23,132		132,094
Public Records Regusts (2) Other - Miscellaneous (4)	100,000			111,425	2002000
Unallocated	180,000 1,311,749		18		149,766
	1,311,749				
Other Related Ranchos Costs				1,044,252	
Prior Fiscal Years Sub-total Total Expenditures (5)	3.500.000			2.5	1,404,731
Total Expelicitores	3,500,000		190,582		1,595,313
Footnote:					
(1) Attorney costs related to the post	sible Ranchos Acq	uisition are record	ded in total in th	e related	
category. All other "highlighted"					
presented for illustrative purpose (2) Public Records Requests include of					
From FY 2011 through FY 2017 ye					ar.
regarding water or related matter					
which cost \$277,420 to search file				onse to these rea	quests
(3) Consulting Services includes any se				n	
personnel. These amounts prim					
(4) Other - Miscellaneous also include	s radio, print and	media costs of \$1	22 496	mac.	
(5) Total Expenditures includes expen	ditures for FY 201	11 thru FY 2017 ve	ar-to-date		

- Includes summary of cost of all public records requests received associated with Ranchos surrogates
- Includes estimate of possible future costs
- Includes such other information as may be requested or deemed appropriate for inclusion



	Schedule	s Acquisition Eff of Expenditure De oth Ended August	tails		
	Budget	Current Month	Fiscal Year-to- date	Other related Ranchos Costs	Prior Fiscal Years (in total)
xpenditure Details	3,500,000				
Attorney Costs - Ranchos (1)					
Ranchos Acquisition	1,500,000		167,450		806,755
Rate Cases and Advice Letters	2,000,000		207,430	381.562	800,733
Recycled Water				63,566	
Public Records Requests (2)				165,995	
Yermo				32,653	
Carlyle Merger				154,277	
Liberty Merger				71,768	
JLAC Audit				15,771	
Remcho Johansen				47,235	
Appraisal Costs					
The Hayward Consulting Group Other Consulting Services (3)	127,400				127,377
Rincon	80,000				68,321
Urban Futures	12,500		13		12,500
Bartel Wells	42,500				42,154
Public Information					
Fiona Hutton & Associates	13,601		-		13,601
True North Research	22,850		10		22,850
Katz & Associates 20/20 Network	29,400				29,313
Public Records Regusts [2]	180,000		23,132		132,094
Other - Miscellaneous of	180,000			111,425	7.75.2.2.2
Unallocated	1,311,749		18		149,766
Other Related Ranchos Costs	4,544,745				
Prior Fiscal Years Sub-total				1,044,252	
Total Expenditures (5)	3.500.000		190.582		1,404,731
Total Experiatores	3,300,000		190,582		1,595,313
Footnote:					
(1) Attorney costs related to the portion category. All other "highlighted presented for illustrative purpo (2) Public Records Requests include.	d" Attorney costs no ses only and are no	t directly related t included in the	to the acquisition	n process are ls.	
From FY 2011 through FY 2017 regarding water or related matt which cost \$277,420 to search	year-to-date, eighty ters. Over 247,610	r-three (83) public documents were	records request provided in resp	s were submitte	
(3) Consulting Services includes any personnel. These amounts pri	services contracted imarily consist of pa	d privately; not pe yroll costs for cor	erformed by Tow isultant's person		
(4) Other - Miscellaneous also inclu					
		1 thru FY 2017 ye	ar to date		

- This report covers the reporting period from January 1, 2011 thru August 31, 2016.
- As noted within the report, year-to-date expenditures are included for those invoices paid during the months of July and August, 2016.



	Rancho Schedule	n of Apple Valley s Acquisition Effo of Expenditure De nth Ended August	orts tails		
	Budget	Current Month	Fiscal Year-to- date	Other related Ranchos Costs	Prior Fiscal Years (in total)
xpenditure Details	3,500,000				
Attorney Costs - Ranchos (1)					
Ranchos Acquisition	1,500,000		167,450		806,755
Rate Cases and Advice Letters	1,500,000		107,430	381,562	806,733
Recycled Water				63,566	
Public Records Requests (2)				165,995	
Yermo				32,653	
Carlyle Merger				154,277	
Liberty Merger				71,768	
JLAC Audit				15,771	
Remcho Johansen				47,235	
Appraisal Costs					
The Hayward Consulting Group	127,400		-		127,377
Other Consulting Services (3)					
Rincon	80,000		100		68,321
Urban Futures	12,500				12,500
Bartel Wells	42,500				42,154
Public Information	555557				
Fiona Hutton & Associates True North Research	13,601		-		13,601
Katz & Associates	22,850 29,400				22,850
20/20 Network	180,000		23,132		29,313
Public Records Regusts (2)	180,000		23,132	111,425	132,094
Other - Miscellaneous (6)	180,000			111,425	149,766
Unallocated	1,311,749				149,700
Other Related Ranchos Costs				1.044,252	
Prior Fiscal Years Sub-total					1,404,731
Total Expenditures (5)	3,500,000		190,582		1,595,313
Footnote:					
 Attorney costs related to the pos category. All other "highlighted" presented for illustrative purpose 	Attorney costs no	ot directly related	to the acquisitio	n process are	
(2) Public Records Requests include of From FY 2011 through FY 2017 year regarding water or related matte	cost estimates for ear-to-date, eighty rs. Over 247,610	staff time, duplica y-three (83) public documents were p	tion and attorne records reques provided in resp	ey's review. ts were submitte	
which cost \$277,420 to search file (3) Consulting Services includes any s	ervices contracted	d privately; not pe	rformed by Tow		
personnel. These amounts prim (4) Other - Miscellaneous also include				inei.	
(5) Total Expenditures includes exper					

- Attorney's costs
 - Acquisition costs
 - Direct costs \$974,205
 - Other related
 - Rate Cases and Advice Letters
 - Recycled Water
 - Public Records Requests
 - Yermo
 - Carlyle Merger
 - Liberty Merger
 - JLAC Audit



	Schedule	s Acquisition Efforts of Expenditure Details nth Ended August 31,	5		
	Budget	Current Month	scal Year-to- date	Other related Ranchos Costs	Prior Fiscal Years (in total)
xpenditure Details	3,500,000				
Attorney Costs - Ranchos (1)					
Ranchos Acquisition	1,500,000		167,450		806,755
Rate Cases and Advice Letters	1,300,000		167,430	381.562	806,755
Recycled Water					
Public Records Requests (2)				63,566 165,995	
Yermo					
Carlyle Merger				32,653	
Liberty Merger				154,277	
JLAC Audit				71,768	
Remcho Johansen				15,771	
Appraisal Costs				47,235	
The Hayward Consulting Group	127,400				
Other Consulting Services (1)	127,400				127,377
Rincon	80.000				68.321
Urban Futures	12,500		100		
Bartel Wells	42,500		- 9		12,500
Public Information	42,300				42,154
Fiona Hutton & Associates	13,601				*2.504
True North Research	22,850		-		13,601 22,850
Katz & Associates	29,400		- 9		29,313
20/20 Network	180,000		23,132		132,094
Public Records Regusts (2)	100,000		23,132	111,425	132,094
Other - Miscellaneous on	180,000			111,423	149,766
Unallocated	1,311,749				149,700
Other Related Ranchos Costs				1,044,252	
Prior Fiscal Years Sub-total				1,044,232	1,404,731
Total Expenditures (5)	3,500,000		190,582	1	1,595,313
	3,300,000		130,382		1,393,313
Footnote: (1) Attorney costs related to the pos category. All other "highlighted" presented for illustrative purpose (2) Public Records Requests include e From FY 2011 through FY 2017 vg regarding water or related matter which cost \$277,420 to search fill (3) Consulting Services includes any e personnel: These amounts prim (4) Other - Miscellaneous also include (5) Total Expenditures includes expen	Attorney costs no is only and are no ost estimates for ear-to-date, eighty iss. Over 247,610 iss, gather records ervices contracted arily consist of pa is radio, print and	ot directly related to to to included in the expu- staff time, duplication y-three (83) public re- documents were pro- s, review records and d privately; not perfora yroll costs for consult is media costs of \$122,	he acquisition enditure total n and attorne cords request vided in respo reproduce. rmed by Town tant's person 496	n process are is. y's review. s were submitte onse to these rec	
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Attorney's costs

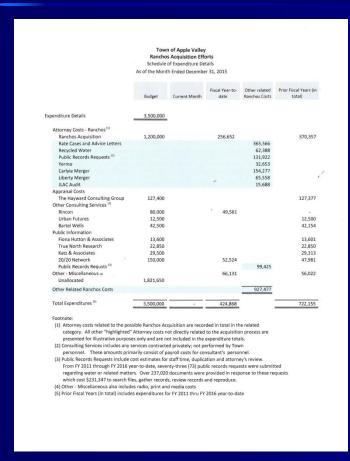
- Other related \$932,827
 - Rate Cases and Advice Letters
 - Recycled Water
 - Public Records Requests
 - Yermo
 - Carlyle Merger
 - Liberty Merger
 - JLAC Audit



	Rancho Schedule	n of Apple Valley is Acquisition Effo of Expenditure De inth Ended August	orts tails		
	Budget	Current Month	Fiscal Year-to- date	Other related Ranchos Costs	Prior Fiscal Years (i
expenditure Details	3,500,000				
Attorney Costs - Ranchos (1)					
Ranchos Acquisition	1,500,000		167,450		000 75
Rate Cases and Advice Letters	1,300,000		167,430	204 552	806,75
Recycled Water				381,562	
Public Records Requests (2)				63,566	
Yermo				165,995	
				32,653	
Carlyle Merger Liberty Merger				154,277	
				71,768	
JLAC Audit				15,771	
Remcho Johansen				47,235	
Appraisal Costs					
The Hayward Consulting Group	127,400				127,377
Other Consulting Services (1)	00.000				1000000
Rincon	80,000				68,321
Urban Futures Bartel Wells	12,500				12,500
	42,500				42,154
Public Information	500000				
Fiona Hutton & Associates	13,601		-		13,601
True North Research	22,850				22,850
Katz & Associates 20/20 Network	29,400				29,313
	180,000		23,132		132,094
Public Records Regusts (2) Other - Miscellaneous (4)				111,425	20002000
Unallocated	180,000		18		149,766
	1,311,749				
Other Related Ranchos Costs				1,044,252	
Prior Fiscal Years Sub-total					1,404,731
Total Expenditures (5)	3,500,000		190,582		1,595,313
Footnote: (1) Attorney costs related to the poss category. All other "highlighted", presented for illustrative purpose (2) Public Records Requests include cc From FY 2011 through FY 2017 ye regarding water or related matter which cost \$277,420 to search file (3) Consulting Services includes any sepersonnel. These amounts prim	Attorney costs no s only and are no ost estimates for ar-to-date, eight s. Over 247,610 s, gather records ervices contracted arily consist of pa	ot directly related to t included in the e staff time, duplical y-three (83) public documents were p to review records all d privately; not pe	to the acquisition of the acquisition and attorned records request provided in respond reproduce. Informed by Tow sultant's person	n process are is. y's review. s were submitte onse to these re	

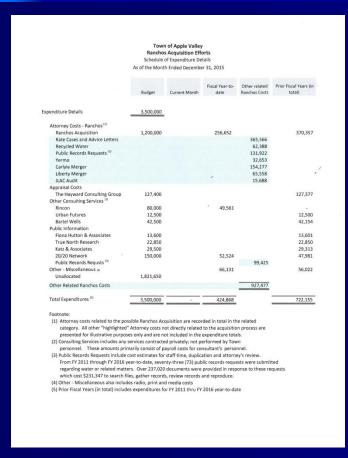
- Attorney's costs
 - Other related \$932,827:
 Rate Cases and Advice Letters
 - The Town has spent \$381,562 since 2011 fighting AVR rate increases and numerous advice letters, and hiring consultants to analyze the accuracy of AVR's claims and water rate modeling
 - AVR has not released any information about its legal bills.





- Attorney's costs
 - Other related <u>\$932,827</u>:Recycled Water
 - The Town has spent \$63,566 fighting for the right to use recycled water paid for by Town residents once it becomes available
 - AVR has threatened to sue the Town if the Town attempts to use recycled water without giving the water to Ranchos and allowing them to sell it back to the Town and its residents.

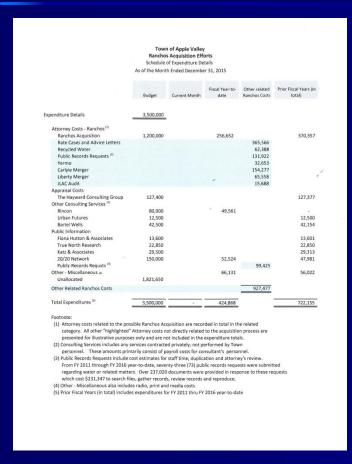




Attorney's costs

- Other related \$932,827:
 Public Records Requests
- The Town has spent \$165,995 (\$277,420 including staff time) in reviewing the 83 public records requests related to Ranchos and provided over 247,610 documents
- Ranchos has not released any records to the Town





- Attorney's costs
 - Other related \$932,827:

Yermo

- The Town has spent \$32,653 fighting AVR's purchase of Yermo
- Initial repairs and upgrades now in progress will cost \$7.7million, which works out to almost \$28,000 for each of Yermo's 278 active connections.
- The Town believes these costs will be rate-based and Apple Valley residents will be stuck paying for the repairs to Yermo's water system.



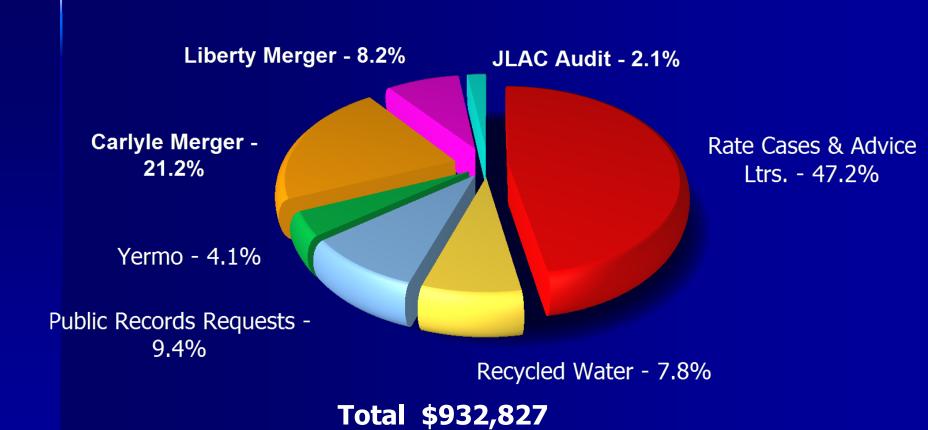
Other Consulting Services 11 12,500 12,501 12,5		Rancho: Schedule	of Apple Valley S Acquisition Eff of Expenditure De	orts tails		
Expenditure Details 3,500,000 Attorney Costs - Ranchos Costs Sanchos Acquisition 1,200,000 256,652 370,31 Ranchos Acquisition 1,200,000 256,652 370,31 Ranchos Acquisition 1,200,000 256,652 370,31 Ranchos Acquisition 1,300,000 256,652 370,31 Ranchos Acquisition 1,31,922 Vermo 32,653 131,922 Vermo 32,653 154,277 Uherty Merger 154,277 Uherty Merger 154,277 Uherty Merger 65,558 JAC Audit 156,88 Appraisal Costs 15,688 Appraisal Costs 15,688 Appraisal Costs 15,688 Appraisal Costs 12,500 49,561 12,731 The Hayward Consulting Group 127,400 127,300 127,301 The Hayward Consulting Services 12,500 49,561 12,500 12,541 The Hayward Consulting Services 12,500 12,541 The Hayward Consulting Services 12,500 12,541 The Worth Research 150,000 52,524 47,981 The Worth Research 150,000 52,524 47,981 The Worth Research 150,000 12,541 The Worth Research 150,000 150,00		As of the Mont	n Ended Decembe	17 31, 2015		
Attorney Costs - Ranchos ⁽¹⁾ Ranchos Acquisition 1,200,000 256,652 370,31 Rate Cases and Advice Letters 6,388 1,200,000 256,652 6,288 1,200,000 1,200,00		Budget	Current Month			
Ranchos Acquisition 1,200,000 256,652 370,3 Rate Cases and Advice Letters 62,388 62,586 8ecycled Water 131,922 Vermo 32,653 131,922 Vermo 32,653 154,277 Liberty Merger 154,277 Liberty Merger 65,558 JAC Audit 156,88 Appraisal Costs 15,688 Appraisal Costs 15,688 Appraisal Costs 15,688 Appraisal Costs 127,400 127,400 127,400 Cither Consulting Services 11 12,500 12,510 Rincon 80,000 49,561 1.5,688 Appraisal Costs 12,550 12,55 Ratel Wells 42,500 49,561 12,500 Ratel Wells 42,500 42,11 Public Information 13,600 13,60 13,60 True North Research 22,850 22,87 Xate & Associates 29,500 22,87 Xate & Associates 29,500 22,87 Zabil Research 22,850 22,87 Zabil Research 22,850 22,87 Zabil Research 23,500 52,524 47,91 Zabil Research 25,000 25,000 25,000 Zabil Research 25,000 25,000 Zabil Resear	Expenditure Details	3,500,000				
Ranchos Acquisition 1,200,000 256,652 370,31 Rate Cases and Advice Letters 62,388 62,586 Recycled Water 131,922 Vermo 32,653 62,586 Carlyle Merger 154,277 Liberty Merger 154,277 Liberty Merger 65,558 JAC Audit 154,277 Liberty Merger 65,558 JAC Audit 154,277 Liberty Merger 154,277 Liberty Merger 154,277 Liberty Merger 154,277 Liberty Merger 154,270 Liberty Merger 154,270 Liberty Merger 154,270 Liberty Merger 154,250 Liberty Merger 154,250 Liberty Merger 127,300 Liberty Me	m					
Rate Cases and Advice Letters 6,2388 Peculiar Recycled Water 6,2388 Public Records Requests (0) 131,922 Perm 3,32,653 Carlyle Merger 154,277 Liberty Merger 65,558 JLAC Audit 65,558 JLAC Audit 75,688 Appraisal Cots 15,688 Appraisal Cots 15,689						
Recycled Water		1,200,000		256,652		370,35
Public Records Requests 131,922						
Verm						
Carlyle Merger 154,777 Liberty Merger 55,558 Liberty Merger 65,558 Liberty Merger 65,558 Liberty Merger 65,558 Liberty Merger 65,558 Liberty Merger 156,688 Liberty Merger 156,688 Liberty Merger 156,688 Liberty Merger 157,400 Liberty Merger 127,310 Liberty Merger 136,600						
Liberty Merger						
JACA Judit						
Appraisal Costs 127,37 1				-		
The Hayward Consulting Group 127,400 Other Consulting Services 111 Rincon 80,000 49,561 Rincon 125,000 149,561 Rincon 125,000 142,500 Rarel Wells 42,500 152,500 125,500 Rarel Wells 42,500 152,500 125,500 Rinco Hatton & Associates 13,600 True North Research 22,850 22,850 Rarel & Associates 29,500 52,524 47,98 Rubic Records Requists 111 Rubic Records Requists 115,000 52,524 47,98 Rubic Records Requists 115,000 152,524 79,94,25 Rubic Records Requist 115,000 152,524 79,94,25 Rubic Records Requists 115,000 152,524 79,94,25 Rubic Records Requists 115,000 152,524 79,94,25 Rubic Records Records Rubic Rubi					15,688	
Other Consulting Services ⁵¹ Rincon 80,000 49,561 Urban Futures 12,500 12,50 Bartel Wells 42,500 12,50 Fuel Information 12,500 Fuel Information 12,500 True North Research 22,850 22,850 Kart & Asociates 29,500 22,851 20/20 Retwork 150,000 52,524 94,788 Public Records Requats ⁵¹ Other - Miscellaneous 9 66,331 99,425 Other Related Ranchos Costs 99,747 Total Expenditures ⁵⁰ 3,500,000 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the expenditure totals. (2) Consulting Services includes any services contracted privately not performed by Town personnel. (3) Public Records Requests include cast services contracted privately not performed by Town personnel. These amounts primarily consist of payroll costs for consultant's personnel. (3) Public Records Requests include so staff time, duplication and attorney's review. From P. 2011 through PY 2016 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 237,200 documents were provided in response to these requests which cost \$231,347 to search files, gather records, review records and reproduce. (4) Other - Miscellaneous also includes radio print and media costs						
Nicon 80,000 49,561 12,50 12		127,400				127,37
Urban Futures		0.0000		w 000000		
Bartel Wells 42,500 42,155 Public Information Fional Hutton & Associates 13,600 13,600 True North Research 22,850 22,850 True North Research 22,850 22,850 20/20 Network 150,000 52,524 47,98 Tublic Records Requists 10 50,000 52,524 97,98 Tublic Records Requists 10 50,000 52,524 97,97 Total Expenditures 10 52,525 97,77 Total Exp				49,561		
Public Information Finan Hutton & Associates 11,600 13,601 True North Research 22,850 22,850 Katz & Associates 29,500 22,851 Z0/20 Retwork 150,000 52,524 94,788 Public Records Requists 10,800 52,524 99,425 26,700 Other - Miscellaneous 10,821,650 66,131 99,425 Other Related Ranchos Costs 92,7477 Total Expenditures 10,821,650 92,						
Flone Hutton & Associates 13,600 13,601 True North Research 22,850 222,855 Katt & Associates 29,500 9,22,855 Katt & Associates 29,500 9,22,855 Cheer Miscellaneous 9, 150,000 52,524 99,425 Other Miscellaneous 9, 66,131 56,02 Unallocated 1,821,650 66,131 56,02 Unallocated 1,821,650 997,477 Total Expenditures 91 3,500,000 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the eagenditure totals. (2) Consulting Services includes any services contracted privately; not performed by Town personnel. These amounts primarily consist of payroll costs for consultant's personnel. (3) Public Records Requests include on set stimates for staff time, duplication and attorney's review. From IY 2011 through IY 2016 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 217,000 documents were provided in response to these requests which cost 5231,347 to search files, gather records, review records and reproduce.		42,500				42,15
True North Research 22,850 2,850 22,850 22,850 22,850 22,260 22,2						
Katz & Associates 29,500 29,312 20/20 Network 150,000 52,524 99,425 Public Records Requists 11 50,000 52,524 99,425 Cither-Miscellaneous 12 66,131 56,02 Unallocated 1,821,650 99,747 Total Expenditures 11 3,500,000 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the eagenditure totals. (2) Consulting Services includes an ayervices contracted privately not performed by Town personnel. These amounts primarily consist of payroll costs for consultant's personnel. (3) Public Records Requests includes an set affit time, duplication and attorney's review. From IY 2011 through IY 2015 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 237,020 documents were provided in response to these requests which cost 5231,347 to search files, gather records, review records and reproduce.						
20/20 Network 150,000 52,524 97,98 Public Records Regusts 11 Other - Miscellaneous in 1,821,650 66,331 99,425 Other Related Ranchos Costs 66,331 99,425 Total Expenditures 11 T						
Public Records Regusts 19 Other - Miscellaneous # 66,131 56,02 Unallocated 1,821,650 66,331 56,02 Other Related Ranchos Costs 927,477 Total Expenditures 19 3,500,000 - 424,868 722,155 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the eagenditure totals. (2) Consulting Services includes any services contracted privately not performed by Town personnel. These amounts primarily consist of payroll costs for consultant's personnel. (3) Public Records Requests include cast set tilting, diplication and attorney's review. From PX 2011 through PX 2016 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 237,020 documents were provided in response to these requests which cost 5231,347 to search files, gather records, review records and reproduce.						
Other Miscellaneous in Unallocated 1,821,650 Other Related Ranchos Costs 922,477 Total Expenditures (1) 3,500,000 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the expenditure totals. (2) Consulting Services includes any services contracted privately, not performed by Town personnel. 13 Public Records Requests include os survices to consultant's personnel. (3) Public Records Requests include os stratifies (application and attorney's review. From PY 2011 through PY 2016 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 237,000 documents were provided in response to these requests which cost \$231,347 to search files, gather records, review records and reproduce.		150,000		52,524		47,98
Unallocated 1,821,650 Other Related Ranchos Costs 927,477 Total Expenditures (1) 3,500,000 - 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the expenditure totals. (2) Consulting Services includes any services contracted privately; not performed by Town personnel. These amounts primarily consist of payroll costs for consultant's personnel. (3) Public Records Requests include cost estimates for staff time, duplication and attorney's review. From PY 2011 through PY 2015 year-to-date, swenty-three (73) public records requests were submitted regarding water or related matters. Over 237,000 documents were provided in response to these requests which cost 5231,347 to search files, gather records, review records and reproduce. (4) Other Miscellaneous also includes radio print and endial costs					99,425	
Other Related Ranchos Costs Total Expenditures (**) Total Expenditures (**) 3,500,000 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the expenditure totals. (2) Consulting Services includes any services contracted privately, not performed by Town personnel. (3) Public Records Requests include os services contracted stiff time, duplication and attorney's review. From PY 2011 through PY 2016 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 237,000 documents were provided in response to these requests which cost \$231,347 to search files, gather records, review records and reproduce. (4) Other - Miscellaneous also includes radio private media costs				66,131		56,02
Total Expenditures (1) 3,500,000 - 424,868 722,15 Footnote: (1) Attorney costs related to the possible Ranchos Acquisition are recorded in total in the related category. All other "highlighted" Attorney costs not directly related to the acquisition process are presented for illustrative purposes only and are not included in the expenditure totals. (2) Consulting Services includes any services contracted privately; not performed by Town personnel. These amounts primarily consist of payroll costs for consultant's personnel. (3) Public Records Requests include cost estimates for staff time, duplication and attorney's review. From Pt 2011 through Pt 2015 year-to-date, seventy-three (73) public records requests were submitted regarding water or related matters. Over 237,000 columents were provided in response to these requests which cost \$233,347 to search files, gather records, review records and reproduce. (4) OtherMiscellaneous also includes radio private media costs	Unallocated	1,821,650				
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(4) Other - Miscellaneous also includes radio, print and media costs					onse to these re	quests
				and reproduce.		
(5) Prior Fiscal Tears (iii total) includes expenditures for FY 2011 thru FY 2016 year-to-date				2016		
	(5) Prior Fiscal Years (in total) include	des expenditures fo	or FY 2011 thru FY	2016 year-to-da	te	

Attorney's costs

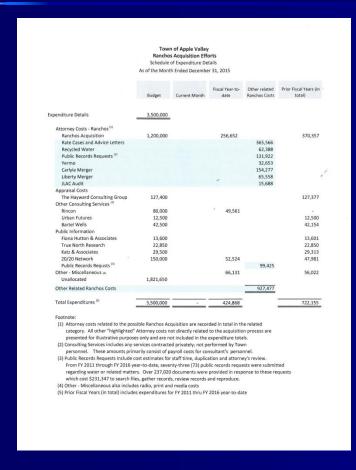
- Other related \$932,827:
 Carlyle Merger/Liberty Merger
- The Town has spent \$154,277 fighting the sale of AVR' to the Carlyle Group, a Washington D.C. based hedge fund.
- The Town has spent \$71,768 so far fighting the sale of AVR to Liberty utilities, a Canadian firm.
- Liberty Utilities has stated to investors that the California market is attractive because of its "favorable regulatory environment" and opportunities to "deploy capital" – at a guaranteed rate of return of 9.7%



What the Town has spent in Attorney fees protecting you, the resident (If the acquisition is successful, these expenditures cease)



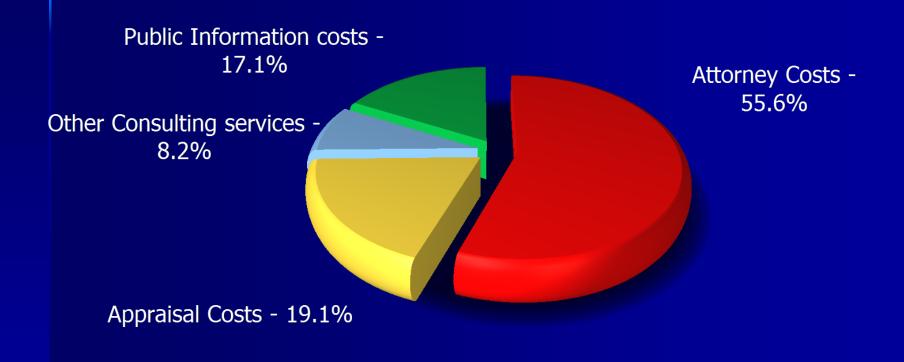




- Categories of expense: Direct
 Acquisition Costs \$1,595,313
 - Attorney's costs
 - **\$974,205**
 - Appraisal costs
 - **\$127,377**
 - Other consultants costs
 - **\$122,975**
 - Public Information costs
 - **\$197,858**
 - Other Misc
 - **\$149,766**
 - Public Records Requests (not included in total)
 - **\$277,420**



What the Town has spent protecting you, the resident (Direct costs of Acquisition) from exorbitant rate increases



Total \$1,595,313



REQUEST FOR RECORDS LOG 2017

Date Rec'd	Request Number	Requestor	Department	Staff Cost to Prepare Response (Does not include attorney review costs)
4/20/2015	106	K. Brogan	Finance/PIO/Town Manager & Municipal Operations— 1. All invoices from Best Best & Krieger LLP for work performed relating to Apple Valley Ranchos, from May 30, 2010 through and including launary 1, 2011; 20 to the extent not already produced, all invoices from Best Best & Krieger LLP for work performed relating to Apple Valley Ranchos from January 1, 2011 to present; 3. To the extent not already produced, all invoices from consultants or experts relating to work performed relating to Apple Valley Ranchos from January 1, 2011 to present; 4. All complete appraisal reports by Hayward Consulting Group of Apple Valley Ranchos; 5. All appraisal reports of any appraisers of any and all assets of Apple Valley Ranchos, 6. All correspondence and emails mentioning or relating to Apple Valley Ranchos from January 1, 2010 to present; 7. The request for proposal relating to public relations services for the Town of Apple Valley's acquisition of Apple Valley Kanchos,	12,400
			all responses to that request for proposal, all contract(s) for public relations services relating to or supporting the Town of Apple Valley's acquisition of Apple Valley Ranchos, including but not limited to the development and content of the website http://av/hozur.com/, and all invoices related thereto; and 8. All correspondence and emails between employees or agents of the Town of Apple Valley, on the one hand, and any firm providing public relations services supporting the Town of Apple Valley's acquisition of Apple Valley Ranchos, including but not limited to the development and content of the website http://avh2ours.com/. Requestor K. Brogan (dlt)	

- Public Records Request Costs - \$277,420
 - Attorney's costs
 - **\$165,995**
 - Staff costs
 - **\$111,425**
 - Over 247,610 records provided in response to 83 public records requests related to water or related matters



ESTIMATE OF POSSIBLE FUTURE COSTS

Total Expenditure Estimate	\$ 3,500,000
Expended as of August 31, 2016	1,595,313
Amount Unexpended	\$ 1,904,687
Percent Unexpended	54.42 %



TOTAL COST OF WATER TO THE TOWN FOR MUNICIPAL USES

MILM	har of A	ccounts
	ycı vı /	ICCUUITCS

85

Expended for FY 2016

\$ 702,668.21*

Cost per Billing Cycle

\$ 117,111.37

Annual Cost per Account

\$ 8,266.68

Average Bill

<u>\$ 1,377.78</u>

Average # of Surcharges/Bill

6

^{*}Reduction in annual water costs - \$125,541.05 due to water conservation and use of the AVGC well.

PARK WATER - STRATEGIC INVESTMENT IN THE WEST



- · Strategic investment in drought-challenged states
- · Infrastructure re-investment needed
- · Heightened awareness of value of water



Increase in Operating Profit of US\$ 18 million by 2020



Town of Apple Valley

Ranchos Acquisition Efforts Transparency Report

September 13, 2016

