

**ARGUMENT IN FAVOR OF
MEASURE E**

The majority of Walnut Ranch owners and residents have been trying to resolve the issues of our poor water quality and our failing septic systems for over two years. The most effective way to resolve these issues is to annex to the City of Colusa. Annexation will provide us with city water and the ability to connect to the city sewer system, as well as other city programs and benefits.

Past attempts to secure the funding necessary for the annexation process has been cumbersome and inefficient. In a spirit of cooperation and assistance, the County of Colusa has agreed to loan the residents of Walnut Ranch the funds necessary to cover the pre-annexation costs. Terms of the loan will guarantee that the funds are used only for approved costs.

This loan will be paid back over a two year period, through the special tax approved by the passage of this measure. The special tax will be in the amount of \$687.57 per year, (\$343.79 per installment) per parcel, and will be placed on the county property tax bill.

Once the special tax is approved the annexation process will be able to move forward much faster than it has been.

/s/ Jennifer Vennery
/s/ Leonard E. Bolen
/s/ Paul C. Harmon
/s/ Fred Leonard

**ARGUMENT AGAINST
MEASURE E**

The proposed assessment, totaling \$107,261 for Del Oro Water Company customers (\$1375.14 per parcel), funds the preliminary annexation study. This study does not guarantee annexation. In addition, Del Oro Water Company and City of Colusa engineers have approximately the same estimated final costs for the infrastructure to connect Walnut Ranch residents to both water and sewer with the City. The estimated cost of \$3,682,000 carries an estimated monthly cost to the residents of approximately \$230 (annually \$2,760).

An alternative for the consumers to consider would be for Del Oro to connect to the Colusa Industrial Park for water only with an estimated cost of \$348,408 which carries a monthly cost of \$56.64 (annually \$679.68). However, with the escalating levels of contaminants such as arsenic in the water supply, Del Oro will qualify for a State Revolving Fund Low Interest Rate Loan bringing the revised estimated monthly cost to the consumer to connect to the Colusa Industrial Park down to approximately \$23.45 (annually \$281.45).

/s/ Paul J. Matulich
Vice President

**REBUTTAL TO ARGUMENT AGAINST
MEASURE E**

The special assessment is not intended to fund a study, but to pay pre-annexation costs. The residents of Walnut Ranch have been assured by the City and the County that once the pre-annexation process was funded and completed, annexation would take place in a timely manner. Annexation will resolve both our water and sewer issues. Del Oro cannot address our failing septic systems.

Private companies are seldom, if ever, eligible to apply for a state loan. The loan process normally takes 2-3 years after an application has been received. No loan has been applied for and nothing regarding a connection cost of \$23.45 has ever been presented or discussed by Del Oro.

The special assessment will be paid off in two years, at which time the assessment will no longer be shown on our property taxes. Actual annexation costs are completely different than the issue under discussion.

Should Del Oro connect to CIP, our rates will increase to at least \$123.08. Del Oro has already told us that even after the CIP inter-tie was paid for, our rates would not go back down.

/s/ Jennifer Vennery
/s/ Leonard E. Bolen
/s/ Fred Leonard

**NO REBUTTAL TO ARGUMENT IN FAVOR OF
MEASURE E FILED**