

Agenda  
Sacramento Suburban Water District  
**Regular Board Meeting**

3701 Marconi Avenue, Suite 100  
Sacramento, California 95821

Monday, September 20, 2021  
6:00 p.m.

**This meeting will be conducted both in-person in the District’s Boardroom at the address above, and by videoconference and teleconference using the information provided below. The public is invited to listen, observe, and provide comments during the meeting by any method provided. The President will call for public comment on each agenda item at the appropriate time and all votes will be taken by roll call.**

**The District recommends that members of the public participate in public meetings via videoconference and/or teleconference per the instructions below.**

**For members of the public interested in viewing and having the ability to comment at the public meeting via Zoom, an internet enabled computer equipped with a microphone and speaker or a mobile device with a data plan is required. Use of a webcam is optional. You also may call in to the meeting using teleconference without video. Please use the following login information for videoconferencing or teleconferencing:**

**Join the meeting from a computer, tablet or smartphone:**

<https://us02web.zoom.us/j/87559670738?pwd=QkU5dDJwZzcvRkVJUUw2UDhSM0JvZz09>

**Meeting ID:** 875 5967 0738

**Password:** 969365

**You can also dial in using your phone:** 1 (669) 900-6833

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Zoom uses encryption of data during Zoom meetings. The District uses a secure password to restrict access to scheduled meetings. The meeting host has control of content sharing, recording, and chat.

**Please mute your line.**

Where appropriate or deemed necessary, the Board may take action on any item listed on the agenda, including items listed as information items. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District’s Administrative Office at the address listed above.

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Persons who wish to comment on either agenda or non-agenda items should fill out a Comment Card and give it to the General Manager. The President will call for comments at the appropriate time. Comments will be subject to reasonable time limits (3 minutes).

In compliance with the Americans with Disabilities Act, if you have a disability, and you need a disability-related modification or accommodation to participate in this meeting, then please contact Sacramento Suburban Water District Human Resources at 916.679.3972. Requests must be made as early as possible and at least one full business day before the start of the meeting.

### **Call to Order**

### **Pledge of Allegiance**

### **Roll Call**

### **Announcements**

### **Public Comment**

This is the opportunity for the public to comment on non-agenda items within the Board's jurisdiction. Comments are limited to 3 minutes.

### **Consent Items**

The Board will be asked to approve all Consent Items at one time without discussion. Consent Items are expected to be routine and non-controversial. If any Board member, staff, or interested person requests that an item be removed from the Consent Items, it will be considered with the Items for Discussion and/or Action.

1. Minutes of the August 16, 2021, Regular Board Meeting  
*Recommendation: Approve subject minutes.*
2. Policy Review - Water Banking and Transfer Policy (PL – BOD 006)  
*Recommendation: Ratify subject policy without changes.*
3. Treasurer's Report  
*Recommendation: Approve the items in the report as recommended.*
4. Resolution No. 21-11 Amending Regulations 1, 3, 8, 9, 12, and 13 of the Regulations Governing Water Service  
*Recommendation: Adopt Resolution No. 21-11 Amending Regulations No. 1, 3, 8, 9, 12, and 13 of the Regulations Governing Water Service as shown in the attachments to this resolution, effective September 20, 2021.*

### **Items for Discussion and/or Action**

5. Proposal to Merge the Sacramento Groundwater Authority and the Sacramento Central Groundwater Authority  
*Recommendation: Receive staff recommendation and direct staff as appropriate.*
6. Employee Handbook Review - Sick Leave Policy Amendments  
*Recommendation: Review staff recommendation regarding options for amending sick leave policy and direct staff as appropriate.*
7. Committee and Liaison Appointments – Ad Hoc Employee Benefits Committee  
*Recommendation: The Board President will consider amending the appointments to the Ad Hoc Employee Benefits Committee.*
8. Public Agencies' Use of Private Sector Compensation Data for Compensation Study Comparisons  
*Recommendation: Receive information from staff regarding public agencies' use of private sector employers' compensation data for compensation comparison information.*
9. Resolution No. 21-12 Fixing the 2022 Employer Contribution Under the Public Employees' Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants, and Resolution No. 21-13 Fixing the 2022 Employer Contribution For Public Agency Vesting Under Section 22893 of the Public Employees' Medical and Hospital Care Act  
*Recommendation: Adopt the recommended CalPERS resolutions to set the District's maximum 2022 contribution levels for employees and retiree medical insurance.*

### **General Manager's Report**

10. General Manager's Report
  - a. Capital Budget Augmentation Need Anticipated

### **Department/Staff Reports**

11. Financial Report
  - a. COVID-19 Financial Update
  - b. Financial Highlights
  - c. Budgets

- d. Information Required by LOC Agreement
- 12. District Activity Report
- 13. Engineering Report
  - a. Major Capital Improvement Program (CIP) Projects
  - b. Planning Documents
  - c. Other

**Information Items**

- 14. Sacramento Suburban Water District Goals – 2021 Update
- 15. 2022 Budget Preparation Status Update
- 16. Capital Improvement Program and Operations Mid-Year Status Report
- 17. RWA Proposition 1 Grant Funding
- 18. Monitoring of Perfluoroalkyl and Polyfluoroalkyl Substances
- 19. Correspondence received by the District
- 20. Upcoming Water Industry Events

**Director's Reports (Per AB 1234, Directors will report on their meeting activities)**

- 21. a. Regional Water Authority (Director Jones)  
Agenda for the September 9, 2021 Board Meeting  
  
Regional Water Authority Executive Committee (General Manager York)  
Agenda for the August 25, 2021 Board Meeting.
- b. Sacramento Groundwater Authority (Director Wichert)  
None.
- c. Director Reports – AB 1234



**Committee Reports**

- 22. a. Regulatory Compliance Committee Meeting (Director Wichert)  
Draft Minutes from the August 11, 2021 meeting.
- b. Carmichael Water District/SSWD 2x2 Ad Hoc Committee (Director Locke)  
Minutes from the August 24, 2021 meetings.
- c. Employee Benefits Ad Hoc Committee Meeting (Director McPherson)  
Draft Minutes from the September 1, 2021 meeting.

**Director’s Comments/Staff Statements and Requests**

The Board and District staff may ask questions for clarification and make brief announcements and comments, and Board members may request staff to report back on a matter or direct staff to place a matter on a subsequent agenda.

**Closed Session (Closed Session Items are not opened to the public)**

None.

**Adjournment**

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**Upcoming Meetings**

- Tuesday, September 28, 2021, at 4:00 p.m., Special Board Meeting – Closed Session
- Wednesday, September 29, 2021, at 3:30 p.m., CWD/SSWD Ad Hoc 2x2 Committee Meeting
- Wednesday, October 6, 2021, at 6:00 p.m., CWD/SSWD Joint Board Meeting
- Monday, October 11, 2021, at 6:00 p.m., Special Board Workshop - Budget
- Monday, October 18, 2021, at 6:00 p.m., Regular Board Meeting

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I certify that the foregoing agenda for the September 20, 2021, meeting of the Sacramento Suburban Water District Board of Directors was posted by September 13, 2021, in a publicly-accessible location at the Sacramento Suburban Water District office, 3701 Marconi Avenue, Suite 100, Sacramento, California, and was freely available to the public.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District



## **Agenda Item: 1**

**Date:** September 20, 2021

**Subject:** Minutes of the August 16, 2021, Regular Board Meeting

**Staff Contact:** Dan York, General Manager

**Recommended Board Action:**

Approve the draft minutes of the August 16, 2021, Regular Board Meeting.

**Attachment:**

1 – Draft Minutes

## Minutes

Sacramento Suburban Water District  
**Regular Board Meeting**  
Monday, August 16, 2021

### Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, and Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting Id #845 7757 0729.

### Call to Order – Videoconference/Audioconference Meeting

President Wichert called the meeting to order at 6:00 p.m.

### Pledge of Allegiance

President Wichert led the Pledge of Allegiance.

### Roll Call

Directors Present: Dave Jones, Craig Locke, Kathleen McPherson, Kevin Thomas, and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Heather Hernandez-Fort, Jeff Ott, Ann Bradford, Dana Dean, Todd Artrip, Julie Nemitz, and Susan Schinnerer.

Public Present: William Eubanks, Jennifer Harris, Paul Helliker, Alan Driscoll, Ted Costa, Josh Horowitz, and Ryan Bezerra.

### Announcements

General Manager Dan York (GM York) announced:

- Three of Del Paso Manor Water District's Board members resigned.

### Public Comment

William Eubanks (Mr. Eubanks) expressed his disagreement with a section of the minutes of the July 16, 2021, Employee Benefits Ad Hoc Committee meeting.

President Wichert expressed that Mr. Eubanks would be able to address his concerns regarding the minutes of the July 16, 2021, Employee Benefits Ad Hoc Committee meeting at the next meeting of that Committee.

### Consent Items

1. **Minutes of the July 19, 2021, Regular Board Meeting**

2. **Policy Review - Purchasing Card Policy (PL – Fin 006)**
3. **Policy Review - Impaired Capital Asset Policy ( PL – Fin 008)**
4. **Treasurer’s Report**
5. **Surplus Real Property**
6. **2021 Mid-Year Budget Update**

Director McPherson requested to pull Item 1 of the Consent Items.

Director Thomas moved to approve Items 2 through 6; Director Jones seconded. The motion passed by unanimous vote.

AYES:	Jones, Locke, McPherson, Thomas, and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

Director McPherson expressed that she had a correction to the bottom of page 11 in the Board packet, page 54 of the Minutes of the July 19, 2021, Regular Board Meeting. She expressed that she stated, “the problem was the monetization of sick leave.” She asked to include that statement in those minutes.

President Wichert requested to insert the expressed statement into the minutes.

With the addition of the statement, Director Thomas moved to approve Item 1; Director Locke seconded. The motion passed by unanimous vote.

AYES:	Jones, Locke, McPherson, Thomas, and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

**Items for Discussion and/or Action**

7. **Annual Fraud Prevention Presentation**  
Jeff Ott (Mr. Ott) presented the staff report and PowerPoint presentation.
8. **Calendar Year 2022 Budget Timeline and Budget Assumptions**  
Mr. Ott presented the staff report and answered clarifying questions.

Discussion ensued over placing funds into a reserve account for purchasing water in the future.

Directors Locke, Thomas, and Jones supported the idea.

Director McPherson just wanted to be sure the change in budgeting did not inhibit the District from giving back to the ratepayers, should that become a possibility, and expressed she didn't want it to seem like there was too much of a revenue surplus.

President Wichert expressed if the Board approved the water transfer, he didn't feel the Board would need to provide a second approval in the future.

The Board agreed to the staff recommendation regarding surface water.

Ted Costa commented the intentions of the proposal were very good, however, he suggested to bank the water instead of the funds.

Mr. Ott continued his presentation and discussion regarding Merit and COLA.

Directors Thomas and McPherson expressed they felt a combined total of 11% increase for Merit and COLA was too high.

President Wichert disagreed, noting the Cost of Living had increased, and that Merit pay was incentive for employees to strive to have greater job performance. He expressed he supported a 6% COLA increase as well as a 5% Merit increase.

Director Thomas expressed he would feel more comfortable with a 3% Merit increase.

Director McPherson expressed she didn't think it was fair to the ratepayers to increase salaries by that much.

Directors McPherson and Thomas were comfortable with a combined total of 9% increase for Merit and COLA.

Directors Locke, Jones, and Wichert were comfortable with the combined total of 11% increase for Merit and COLA.

The direction was to budget for 5% Merit increase and a 6% COLA increase.

Mr. Ott continued his presentation and discussion regarding rate increase projections.

The Board approved the proposed budget timeline.

Discussion ensued over where the vacation and sick leave buyout budget was placed.

Director Thomas left the meeting, as he was not feeling well.

9. **Employee Handbook Review - Sick Leave**

Susan Schinnerer (Ms. Schinnerer) presented the staff report and PowerPoint presentation.

President Wichert expressed he felt employees will do whatever they can to maximize their income, including coming to work sick, and he did not support that.

Director Jones disagreed, noting he has never experienced a person come into work sick, in an effort to receive a payout several years later.

Director Locke expressed that the responsibility of the Board was to set policies, not run the District, further noting that if the General Manager had an issue with staff coming into work sick, that would be a management issue, not a policy issue.

Director McPherson expressed that the Board reviewing the sick leave policy had nothing to do with how much the employees are valued, and further expressed that the Board was reviewing employee sick leave to keep up with industry trends and make sure the rate payers didn't think of the District as overly generous with benefits to the point of waste.

GM York commented that any time the Board reviewed employee benefits, there was concern among the employees.

Director McPherson identified that although sick leave was a very small portion of the budget, she was not in favor of paying for unused sick time either during employment or at retirement.

Directors' McPherson and Wichert both agreed that they wanted to remove the sick leave payout.

President Wichert moved to adopt a policy that included private sector salaries and benefits as well as public sector salaries and benefits when conducting any salary studies for the District; Director McPherson seconded.

Director Locke inquired why there needed to be a policy on that, and suggested to just provide direction at the time of the next salary survey.

Josh Horowitz (Mr. Horowitz) reminded the Board that the topic was inappropriate as it was not an agenda item.

President Wichert requested to place the topic on the next regular Board meeting agenda.

President Wichert requested to table the sick leave item until Director Thomas was at the meeting.

## **General Manager's Report**

- 10. General Manager's Report**  
A written report was provided.

- a. *Grant of Easement and Right of Way*  
A written report was provided.

## **Department/Staff Reports**

### **11. Financial Report**

Mr. Ott presented the staff report and answered clarifying questions.

Jennifer Harris inquired what agency approved the arrearage reimbursement program.

Mr. Ott answered that the Governor of California approved the assistance program funding in the last budget that was approved and that the Division of Drinking Water was managing the program.

- a. *COVID-19 Financial Update*  
A written report was provided.
- b. *Financial Highlights*  
A written report was provided.
- c. *Budgets*  
A written report was provided.
- d. *Information Required by LOC Agreement*  
A written report was provided.

### **12. District Activity Report**

A written report was provided.

Director Locke commended staff on their preventive maintenance efforts.

### **13. Engineering Report**

Dana Dean presented the staff report and answered clarifying questions.

President Wichert requested to schedule a meeting where he would be allowed to view the SCADA Asset Management Plan.

Assistant General Manager Matt Underwood clarified that due to the sensitive nature of the information, disclosing the plan at a public meeting would not be safe.

Mr. Horowitz expressed that it would be appropriate for the Board to hold the discussed meeting in closed session, as it was sensitive infrastructure topic.

President Wichert requested staff schedule a Special Closed Session meeting, separate from a Regular Board meeting.

- a. *Major Capital Improvement Program (CIP) Projects*  
A written report was provided.
- b. *Planning Documents*  
A written report was provided.
- c. *Other*  
A written report was provided.

**Information Items**

- 14. **Merit Program Implementation Analysis**  
Mr. Ott presented the staff report and answered clarifying questions.
- 15. **Sacramento Suburban Water District Goals – 2021 Update**  
GM York presented the staff report.  
  
Director McPherson expressed she was hoping to see Issue Paper Board reports condensed down to one to two pages.
- 16. **Upcoming Water Industry Events**  
A written report was provided.
- 17. **Upcoming Policy Review**  
A written report was provided.
  - a. Water Banking and Transfer Policy (PL – BOD 006)

**Director’s Reports (Per AB 1234, Directors will report on their meeting activities)**

- 18. a. Regional Water Authority (Director Jones)  
The agenda for the July 15, 2021 Special Board Meeting was provided.  
  
Regional Water Authority Executive Committee (General Manager York)  
None.
- b. Sacramento Groundwater Authority (Director Wichert)  
The agenda for the August 12, 2021 Board Meeting was provided.
- c. Director Reports – AB 1234

**Committee Reports**

- 19. a. Carmichael Water District/SSWD 2x2 Ad Hoc Committee (Director Locke)  
The agenda from the July 23, 2021 meeting was provided.



Mr. Eubanks expressed he was unsure what benefit the ratepayers of the District would gain from a consolidation with Carmichael Water District (CWD), as he noted he did not see any benefit.

Director McPherson pointed out that CWD had some rights to the American River which could be a benefit to the District.

President Wichert noted he would not support a consolidation unless there was specific benefits to the ratepayers of the District.

Director McPherson expressed she was interested in understanding the impacts preemptively, however she was not interested in impacting the Districts ratepayers.

Paul Helliker commended the District for proceeding in the consolidation discussion with caution, noting that all members of that committee were looking for a clear statement of what the goals are. He additionally pointed out there was a desire to have a well-defined roadmap. He commended District staff on doing a great job.

- b. Finance and Audit Committee Meeting (Director Thomas)  
The draft notes from the August 2, 2021 meeting were provided.

Director Jones provided an oral report of the meeting.

- c. Regulatory Compliance Committee Meeting (Director Wichert)  
The agenda from the August 11, 2021, meeting was provided.

President Wichert provided an oral report of the meeting.

Director Locke expressed he would like if the Committee meetings still offered the Zoom option.

President Wichert agreed.

GM York expressed staff would include Zoom options for upcoming meetings.

#### **Director's Comments/Staff Statements and Requests**

None.

#### **Closed Session (Closed Session Items are not opened to the public)**

The Board convened in Closed Session 8:11 p.m. to discuss the following:

- 20. Conference with legal counsel – potential litigation; Government Code sections 54954.5(c) and 54956.9(a) and (d)(4); consideration of initiating litigation involving the State Water Resources Control Board's proceedings related to the California Water Fix and the Bay-Delta Water Quality Control Plan Update.

**Return to Open Session**

The Board convened in Open Session at 8:28 p.m. There was no reportable action.

**Adjournment**

President Wichert adjourned the meeting at 8:29 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District

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## Agenda Item: 2

**Date:** September 20, 2021

**Subject:** Policy Review – Water Banking and Transfer Policy (PL - BOD 006)

**Staff Contact:** Matt Underwood, Assistant General Manager

### **Recommended Board Action:**

Ratify the Water Banking and Transfer Policy (PL - BOD 006) without changes.

### **Background:**

The Water Banking and Transfer Policy (Policy) was adopted by the Board of Directors on October 17, 2011, and was last reviewed by the Board on September 16, 2019. On August 16, 2021, the Policy was brought to the Board for its biennial review. Comments from Directors were requested by August 23, 2021. No comments were received. This Policy was not reviewed by legal counsel for this update.

### **Discussion:**

Staff has reviewed the Policy and has no recommended changes. Staff recommends approving the Policy without changes. A redline version (Attachment 1) and clean version (Attachment 2) are included for your reference.

### **Fiscal Impact:**

Approving the Policy does not have a fiscal impact.

### **Strategic Plan Alignment:**

Goal A: Provide a High Quality Reliable Water Supply by Ensuring it is Sustainable, Clean, and Safe

Goal C: Fiscal Responsibility and Affordable Rates

This policy benefits District customers because it helps ensure water supply for future generations by establishing multiple supply sources, such as water banking and water transfers.

### **Attachments:**

- 1 – Water Banking and Transfer Policy – redline
- 2 – Water Banking and Transfer Policy - clean

Sacramento Suburban Water District

## **Water Banking and Transfer Policy**

Adopted: October 17, 2011

Ratified without changes: September 20, 2021

Deleted: Approved with Changes: September 16, 2019

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### **100.00 Purpose of the Policy**

The primary purpose of this policy is to establish the parameters that will govern the actions of staff in the pursuit of water banking and transfer opportunities and agreements.

### **100.10 Definitions**

Water is considered a public resource, and its use is permitted through water rights and contractual entitlements. The following definitions are used in this policy:

Aquifer Storage and Recovery (ASR) – Means injecting water into an underground aquifer through wells or by surface spreading and infiltration and then pumping it out when needed. The aquifer essentially functions as a reservoir.

Conjunctive Use – Means the joint use of surface water and groundwater to more effectively manage water resources. Typically, during average or wet hydrologic years, surface water is used in lieu of groundwater, allowing the groundwater to remain in the aquifer for future use.

Water Banking – Means the practice of actively using surface water supplies in lieu of available groundwater and leaving the groundwater in the basin for later extraction and use by the storing party. Banking generally involves active management of the basin and accounting of the water supplies stored and withdrawn from underground storage. Water Banking and ASR are two means of conducting a Conjunctive Use program.

Water Transfer – Means a transaction in which a holder of a surface water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water that would have been consumptively used under that water right or entitlement, provided the transfer does not injure another water right holder or unreasonably affect instream beneficial uses. The transferor retains title to the surface water right or entitlement, which distinguishes a Water Transfer from a sale or assignment of a water right or entitlement in which the buyer obtains the title or right. Under California Law, a Water Transfer is either short-term, i.e., a transfer of the right of use for one year or less, or long-term, i.e., for a period of more than one

year. Water Transfers may occur between a transferor and transferee in the same watershed or basin or between parties in different watersheds.

#### **200.00 Policy**

Sacramento Suburban Water District has invested considerable resources in a Conjunctive Use water supply system in an effort to ameliorate declining groundwater levels in the groundwater basin beneath its service area. This investment has created opportunities for the District to partner with others to utilize District assets during periods when such asset capacity is excess to the immediate needs of District customers. Allowing these available assets to be used by others can create a financial benefit to the ratepayers of the District while providing needed water supplies to agencies whose water supplies have been reduced.

It is the policy of the Board of Directors to authorize Water Banking and Water Transfer actions whenever prudent and to more fully utilize excess asset capacity to benefit District ratepayers and to maximize water use efficiency on a regional and statewide basis. The Board of Directors will protect the long term interests of the District and its ratepayers first by maintaining and defending the District's:

1. Water rights and contractual entitlements,
2. Groundwater quality,
3. Groundwater resource sustainability, and
4. The condition of physical assets.

#### **300.00 Policy Review**

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

## **Water Banking and Transfer Policy**

Adopted: October 17, 2011  
Ratified without changes: September 20, 2021

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### **100.00 Purpose of the Policy**

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1. Water rights and contractual entitlements,
2. Groundwater quality,
3. Groundwater resource sustainability, and
4. The condition of physical assets.

## **300.00 Policy Review**

This Policy shall be reviewed at least biennially.



### Agenda Item: 3

**Date:** September 20, 2021

**Subject:** Treasurer’s Report

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

**Recommended Board Actions:**

Staff requests the Board of Directors to take the following actions on the items included in the Treasurer’s report.

1. Ratify the Sacramento Suburban Water District Warrant Register as submitted for the period August 1, 2021 through August 31, 2021.
2. Accept the credit card expenditures listing for the period August 1, 2021 through August 31, 2021.
3. Ratify the Investment Activity register for the period August 1, 2021 through August 31, 2021.

**Background:**

The Treasurer’s Report contains several items required by various Government and Water Code sections that need to be presented to the Board of Directors periodically for various actions including ratification, acceptance or approval.

Per District Policy PL – Fin 014, Payment of Demands, the Board of Directors will ratify all demands for payment at the first regular Board Meeting following the month of payment. The Board has also requested to receive and file a register of credit card transactions. District policy PL – Fin 003, Investment Policy, and Government Code Section’s 53607 and 53646 require the District Treasurer to report to the Board of Directors monthly on the investment transactions conducted and quarterly on the status of the investment portfolio. Government Code Section 53065.5 requires the annual reporting of reimbursements to any employee or member of the governing body. This Treasurer’s report satisfies the requirements of the above listed policies and government code sections for the reporting to and ratification of the Board of Directors the various financial transactions of the District.

**Discussion:**

Three (3) registers are attached for Board review and acceptance or ratification:

- Cash Expenditures (AP Warrants) Register – August 2021
- Credit Card Expenditures Register – August 2021
- Investment Activity Register – August 2021



**Cash Expenditures (AP Warrants) Register– August 2021**

During the month of August 2021, the District made cash payments totaling \$3.4 million. The primary expenditures were: \$0.9 million for 2021 capital improvement projects, \$0.7 million for payroll, pension and health benefits, \$1.0 million for water costs including pumping costs, \$0.3 million for operating supplies, \$0.1 customer billing related costs, \$0.3 million for all other O&M expenses and \$0.1 million for debt service,. Per District Policy PL – Fin 014, the District Treasurer confirms that the cash expenditures contained in this register conform to the approved 2021 Annual Budget. The Cash Expenditures (AP Warrants) Register is included as Attachment 1.

**Credit Card Expenditures Register – August 2021**

Per the District's Purchasing Card Policy (PL – FIN 006), a monthly report detailing each purchasing card transaction by cardholder is provided.

During the month, the District spent \$13,560 for various purchases on the five District purchasing cards. Details by vendor and purpose are included in this report as Attachment 2.

**Investment Activity Register – August 2021**

During the month of August 2021, the District purchased one Corporate Note for \$0.2 million (par). The District received principal pay downs on four Federal Agency Collateralized Mortgage Obligations for \$2,574 (par) and four Asset-Backed Security Obligations for \$59,433 (par). Two Federal Agency Notes were matured for \$0.6 million and one US Treasury Note was matured for \$0.4 million (par). Details of the investment transactions are included as Attachment 3.

All investments are invested and accounted for in accordance with the District Investment Policy (PL - FIN 003) and Government Code. As required by California Government Code 53646, the District affirms its ability to meet its pool's expenditure requirements for the next six months.

**Attachments:**

1. Cash Expenditures (AP Warrants) Register – August 2021
2. Credit Card Expenditures Register – August 2021
3. Investment Activity Register – August 2021

**Cash Expenditures  
August 2021**

## AP Warrant List from 8/1/2021 to 8/31/21

Group	Vendor Name	Amount	Description
<b>Benefits</b>			
	PAYROLL - 2	\$ 544,938.82	Payroll
	PERS PENSION - Invoices:4	\$ 44,075.66	Employee Benefit -Pension
	PERS HEALTH - Invoices:2	\$ 112,253.86	Employee Benefit -Health Insurance
	ACWA JPIA INSURANCE/EAP - Invoices:1	\$ 159.46	Employee Benefit -EAP
	PERS LONG TERM CARE PROGRAM -	\$ 2,657.04	Employee Benefit -Retiree LT Care
	AMERITAS (VISION) - Invoices:1	\$ 1,956.00	Employee Benefit -Vision Insurance
	UNUM - Invoices:1	\$ 4,394.68	Employee Benefit - life/LTD Insurance
<b>CIP &amp; OCB</b>			
	ANTHONY CARUSO - Invoices:1	\$ 1,000.00	Construction In Progress
	AUBURN CONSTRUCTORS - Invoices:1	\$ 193,325.00	Construction In Progress
	BENDER ROSENTHAL INC - Invoices:3	\$ 5,760.00	Construction In Progress
	BENNETT ENGINEERING SERVICES -	\$ 25,368.08	Construction In Progress
	BROWN & CALDWELL - Invoices:3	\$ 34,361.36	Construction In Progress
	COUNTY OF SAC ENVIRO MGT DEPT -	\$ 1,682.70	Construction In Progress
	DOMENICHELLI & ASSOCIATES -	\$ 38,597.75	Construction In Progress
	DOUG VEERKAMP GENERAL ENGR -	\$ 37,856.87	Construction In Progress
	ERC CONTRACTING - Invoices:1	\$ 6,875.00	Construction In Progress
	ERROL L MONTGOMERY & ASSOCIATES	\$ 41,302.26	Construction In Progress
	FLOWLINE CONTRACTORS INC -	\$ 14,054.35	Construction In Progress
	GEOCON CONSULTANTS INC - Invoices:1	\$ 420.00	Construction In Progress
	GM CONSTRUCTION & DEVELOPERS -	\$ 97,081.76	Construction In Progress
	ICONIX WATERWORKS (US) INC -	\$ 4,399.15	Construction In Progress
	KIRBY PUMP AND MECHANICAL -	\$ 6,430.00	Construction In Progress
	LOEWEN PUMP MAINTENANCE - Invoices:4	\$ 47,999.00	Construction In Progress
	PACE SUPPLY CORP - Invoices:4	\$ 2,468.56	Construction In Progress
	PAPE MACHINERY - Invoices:3	\$ 71,063.18	Construction In Progress
	PETERSON BRUSTAD INC - Invoices:2	\$ 2,497.03	Construction In Progress
	PSOMAS - Invoices:2	\$ 5,349.00	Construction In Progress
	RAWLES ENGINEERING - Invoices:4	\$ 16,690.00	Construction In Progress
	ROADRUNNER DRILLING & PUMP CO -	\$ 14,790.00	Construction In Progress
	S E AHLSTROM INSPECTION - Invoices:1	\$ 1,045.00	Construction In Progress
	SAC VALLEY ELECTRIC INC - Invoices:1	\$ 22,800.00	Construction In Progress
	SMUD ACCOUNTING - Invoices:1	\$ 500.00	Construction In Progress
	T&S CONSTRUCTION COMPANY INC -	\$ 102,125.00	Construction In Progress
	TESCO - Invoices:6	\$ 18,320.56	Construction In Progress
	WEST YOST & ASSOCIATES - Invoices:8	\$ 19,410.50	Construction In Progress
	WOOD RODGERS ENGINEERING -	\$ 50,589.91	Construction In Progress
<b>Financial Services</b>			
	MOODYS INVESTORS SERVICE -	\$ 8,500.00	Financial Services
	MUFG UNION BANK NA-DEBT SERVICES -	\$ 4,450.00	Financial Services
	PFM ASSET MANAGEMENT LLC - Invoices:1	\$ 3,887.71	Financial Services
	WESTAMERICA BANK ANALYSIS FEES -	\$ 5,270.78	Financial Services
	WESTAMERICA CARD PROCESSING STMT -	\$ 9,689.92	Financial Services
	WORLDPAY INTEGRATED PAYMENTS -	\$ 718.08	Financial Services

## AP Warrant List from 8/1/2021 to 8/31/21

Group	Vendor Name	Amount	Description
<b>Debt Service</b>			
	SUMITOMO MITSUI BANKING	\$ 572.19	2009A COP Interest Expense
	WELLS FARGO SWAP - Invoices:1	\$ 95,584.60	2009A COP Interest Expense
<b>Other</b>			
	A.I. ELECTRIC - Invoices:5	\$ 5,502.64	Contract Services
	ABA DABA RENTAL - Invoices:1	\$ 115.40	Contract Services
	ACWA JPIA INSURANCE AUTHORITY -	\$ 1,195.00	Other Training
	ADVANCED ROOF DESIGN INC - Invoices:1	\$ 2,193.00	Building Maintenance - Office & Yard
	ADVANCED SEPTIC SERVICE LLC -	\$ 3,600.00	Contract Services
	AFFORDA-TEST - Invoices:1	\$ 465.00	Equipment Maintenance Services
	AFLAC - Invoices:1	\$ 737.77	Supplemental Insurance
	AIRGAS USA LLC - Invoices:1	\$ 116.71	Operating Supplies
	ALL PRO BACKFLOW - Invoices:1	\$ 4,122.00	Backflow Testing Services
	ANSWERNET - Invoices:1	\$ 797.52	Communication
	AT&T - Invoices:1	\$ 181.56	Communication
	ATLAS DISPOSAL - Invoices:2	\$ 266.32	Building Service Expense - Office & Yard
	AUTOZONE - Invoices:1	\$ 34.39	Equipment Maintenance Supplies
	BADGER METER INC - Invoices:4	\$ 14,025.86	Inventory Supplies - Meter
	BARTKIEWICZ KRONICK & SHANAHAN -	\$ 12,267.50	Legal Services
	BASIC PACIFIC - Invoices:1	\$ 38.50	Miscellaneous Employment
	BROADRIDGE MAIL LLC - Invoices:13	\$ 48,980.73	Contract Services
	BROWER MECHANICAL - Invoices:4	\$ 2,109.00	Building Maintenance - Office & Yard
	BUD OLAFSSON - Invoices:1	\$ 97.57	BMP Rebates
	BURTON ROBB /BURT'S LAWN & GARDEN	\$ 8,350.00	Contract Services
	CALIFORNIA LABORATORY SERVICES -	\$ 9,507.00	Inspection & Testing
	CAPITAL RUBBER CO LTD - Invoices:2	\$ 1,987.49	Operating Supplies
	CAPITAL SWEEPER SERVICE - Invoices:1	\$ 170.00	Building Service Expense - Office & Yard
	CDWG - Invoices:2	\$ 4,458.14	Operating Supplies
	CENTRAL VALLEY ENG & ASPHALT -	\$ 24,056.50	Misc. Repairs
	CINTAS - Invoices:8	\$ 2,083.51	Building Maintenance - Office & Yard
	CITRUS HEIGHTS WATER DISTRICT -	\$ 3,325.00	Consulting Services
	CITY OF SACRAMENTO DEPT OF	\$ 55.90	Utilities
	CLEAR VISION WINDOW CLEANING -	\$ 225.00	Building Service Expense - Office & Yard
	COMCAST - Invoices:1	\$ 65.71	Communication
	COUNTY OF SAC PUBLIC WORKS -	\$ 465.50	Licenses, Permits & Fees
	COUNTY OF SAC UTILITIES - Invoices:2	\$ 227.18	Utilities
	COUNTY OF SACRAMENTO WEB -	\$ 4,522.50	Licenses, Permits & Fees
	CULLIGAN - Invoices:1	\$ 42.75	Building Maintenance - Office & Yard
	Customer Refunds: 140	\$ 10,429.05	Refund Clearing Account
	DIRECT TV - Invoices:1	\$ 5.00	Communication
	DOMCO PLUMBING - Invoices:1	\$ 325.00	Building Maintenance - Office & Yard
	ELEVATOR TECHNOLOGY INC - Invoices:2	\$ 210.00	Building Service Expense - Office & Yard
	EMCOR SERVICES - Invoices:4	\$ 1,821.54	Contract Services
	EMIGH ACE HARDWARE - Invoices:6	\$ 94.04	Operating Supplies
	EMPLOYEE RELATIONS NETWORK -	\$ 107.37	Employment Cost
	FERGUSON WATERWORKS - Invoices:2	\$ 2,859.12	Operating Supplies
	FLEETWASH INC - Invoices:2	\$ 871.19	Vehicle Maintenance Services
	FUTURE FORD - Invoices:7	\$ 762.90	Vehicle Maintenance Services
	GRAINGER - Invoices:5	\$ 241.49	Operating Supplies

## AP Warrant List from 8/1/2021 to 8/31/21

Group	Vendor Name	Amount	Description
Other			
	GREEN MEDIA CREATIONS INC -	\$ 390.00	Consulting Services
	HACH COMPANY - Invoices:4	\$ 2,929.07	Field Supplies
	HANNAH DUNRUD - Invoices:1	\$ 90.00	Other Training
	HARRIS INDUSTRIAL GASES - Invoices:1	\$ 100.00	Operating Supplies
	HOLT OF CALIFORNIA - Invoices:2	\$ 1,976.18	Contract Services
	IN COMMUNICATIONS - Invoices:1	\$ 5,325.00	Public Relations
	INFERRERA CONSTRUCTION	\$ 11,542.50	Consulting Services
	INTEGRA CHEMICAL CO - Invoices:2	\$ 8,267.88	Operating Supplies
	IRON MOUNTAIN OFF SITE DATA	\$ 575.58	Equipment Maintenance Services
	J&J LOCKSMITH - Invoices:1	\$ 396.19	Building Maintenance - Office & Yard
	LAKE VUE ELECTRIC INC - Invoices:2	\$ 190.00	Building Maintenance - Office & Yard
	LES SCHWAB TIRE CENTER/MADISON -	\$ 1,742.12	Equipment Maintenance Services
	LOUIS R ZALAR - Invoices:1	\$ 150.00	BMP Rebates
	MARY WILLETT - Invoices:1	\$ 150.00	BMP Rebates
	MESSENGER PUBLISHING GROUP -	\$ 143.00	Public Relations
	MICHAEL PHILLIPS LANDSCAPE CORP -	\$ 6,412.00	Building Service Expense - Office & Yard
	NINJIO LLC - Invoices:1	\$ 134.46	Equipment Maintenance Services
	OFFICE DEPOT INC - Invoices:2	\$ 38.95	Office Supplies
	PEST PROS - Invoices:4	\$ 372.90	Building Service Expense - Office & Yard
	POWERS ELECTRIC PRODUCTS CO -	\$ 561.79	Operating Supplies
	REGIONAL WATER AUTHORITY -	\$ 5,365.00	Consulting Services
	REGIONALSAN - Invoices:1	\$ 1,244.32	Licenses, Permits & Fees
	RIVER CITY PAINTING - Invoices:1	\$ 450.00	Contract Services
	RON TURLEY ASSOCIATES INC -	\$ 2,945.00	Licenses, Permits & Fees
	RUE EQUIPMENT INC - Invoices:9	\$ 1,180.00	Equipment Maintenance Services
	SAC ICE LLC - Invoices:2	\$ 911.98	Building Maintenance - Office & Yard
	SACRAMENTO SUBURBAN WATER	\$ 299.30	Operating Supplies
	SENSUS USA INC - Invoices:3	\$ 285,023.04	Inventory Supplies - Meter
	SHRED-IT - Invoices:1	\$ 83.59	Contract Services
	SILICON VALLEY SHELVING AND EQUIP -	\$ 4,550.66	Office Supplies
	SONITROL - Invoices:3	\$ 3,457.58	Building Maintenance - Office & Yard
	TEE JANITORIAL & MAINTENANCE -	\$ 4,108.00	Building Service Expense - Office & Yard
	TELSTAR INSTRUMENTS - Invoices:2	\$ 6,388.75	Temporary Help
	THOMAS SAWYER - Invoices:1	\$ 245.64	Uniforms
	TINA LYNN DESIGN - Invoices:2	\$ 2,344.52	Employment Ads
	TRUE POINT SOLUTIONS LLC - Invoices:1	\$ 1,320.00	Contract Services
	UNDERGROUND SERVICE ALERT -	\$ 21,070.42	Membership & Dues
	US BANK CORP. PAYMENT SYSTEM -	\$ 6,323.03	Calcard
	USC UNIVERSITY OF SOUTHERN CA -	\$ 500.00	Membership & Dues
	VALLEY REDWOOD & YARD SUPPLY -	\$ 28.55	Operating Supplies
	VERIZON WIRELESS/DALLAS TX -	\$ 6,398.98	Communication
	VOYAGER FLEET SYSTEMS - Invoices:1	\$ 1,590.74	Operating Supplies
	WALKERS EXPRESS OFFICE PRODUCTS -	\$ 26.93	Office Supplies
	WASTE MANAGEMENT - Invoices:3	\$ 565.05	Building Service Expense - Office & Yard
	WATERWISE CONSULTING, INC. -	\$ 1,425.00	Consulting Services
	WEX - Invoices:1	\$ 9,495.20	Operating Supplies
	WHITE CAP - Invoices:2	\$ 182.54	Operating Supplies
	ZORO - Invoices:4	\$ 1,401.25	Operating Supplies

## AP Warrant List from 8/1/2021 to 8/31/21

Group	Vendor Name	Amount	Description
Water Costs			
	PG&E - Invoices:3	\$ 192.45	Utilities
	CITY OF SACRAMENTO WATER -	\$ 34,272.85	Purchased Water-City of Sacramento
	SAN JUAN WATER DISTRICT - Invoices:2	\$ 306,122.72	Purchased Water - SJWD
	SACRAMENTO GROUNDWATER	\$ 223,762.00	SGA Dues
	SIERRA CHEMICAL COMPANY - Invoices:6	\$ 75,187.29	HFA, Chemical & Delivery
	SMUD - Invoices:3	\$ 408,375.33	Electrical Charges
		<u>\$ 3,355,711.50</u>	

**Credit Card Expenditures  
August 2021**

**Sacramento Suburban Water District  
US Bank Purchasing Card Program  
CalCard Expenditures  
August 2021**

Vendor Name	Description	Amount	Proj/GLAcct
ACWA	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 475.00	17-51402
AMAZON	KITCHEN SUPPLIES-WALNUT	\$ 19.97	03-52108
AMAZON	KITCHEN SUPPLIES-WALNUT	\$ 26.79	03-52108
AMAZON	SUPPLIES-PRODUCTION DEPARTMENT	\$ 22.03	06-52101
AMAZON	B2B RENEWAL	\$ 192.87	03-52501
AMAZON	WAREHOUSE SUPPLIES	\$ 86.16	05-52101
AMAZON	KITCHEN SUPPLIES-WALNUT	\$ 19.38	03-52108
AMAZON	OFFICE SUPPLIES-WALNUT	\$ 60.33	03-52108
AMAZON	KITCHEN SUPPLIES-WALNUT	\$ 45.24	03-52108
AMAZON	OFFICE SUPPLIES-WALNUT	\$ 30.60	03-52108
AMAZON	GIANT TOWER GAME - STAFF TEAMBULIDING	\$ 107.70	02-51403
AMAZON	GIANT 4-IN-A-ROW GAME - STAFF TEAMBULIDING	\$ 161.61	02-51403
AMAZON	TABLE CLOTHS	\$ 23.69	03-52108
AMAZON MARKETPLACE	WRONG PHONE CASE PURCHASED FOR AGM AND HAS BEEN RETURNED	\$ 12.92	18-52101
AMAZON MARKETPLACE	PHONE CASE AND HOLDER FOR AGM	\$ 11.84	18-52101
AMAZON MARKETPLACE	MAGNETIC POWER CONNECTORS	\$ 94.76	18-52101
AMAZON.COM	DIGITAL CAMERA PURCHASE	\$ 580.77	17-52108
AMAZON.COM	AIR FILTER FOR MQ PUMPS	\$ 25.83	12-54004
AUTONATION	AIR CLEANER - REPLACED TURN ACTUATOR (WARRANTY)	\$ 56.30	12-54005
AUTOZONE	MOTOR OIL TO SERVICE EQUIPMENT	\$ 34.39	12-54004
BLUESNAP	ANNUAL MAINTENANCE FOR SMARTFTP	\$ 299.70	18-54509
BROWN & CALDWELL	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 200.00	17-51402
BROWN & CALDWELL	INSTRUMENTATION TECHNICIAN JOB POSTING EXTENSION	\$ 100.00	17-51402
CAJPA	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 100.00	17-51402
CAREERBUILDER	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 384.00	17-51402
COSTCO	SAFETY BBQ/STAFF COMMUNICATIONS/TEAM BUILDING	\$ 452.95	02-51403
COSTCO	SAFETY BBQ/ STAFF COMMUNICATIONS/TEAM BUILDING	\$ 93.30	02-51403
COSTCO.COM	GENERAL OFFICE SUPPLIES	\$ 84.93	03-52108
CROWNE PLAZA	HEATHER HERNANDEZ-FORT HOTEL FOR NOTARY RE-CERTIFICATION SEMINAR	\$ 175.47	02-55001
CSDA CAREER CENTER	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 265.00	17-51402
DON QUIXOTE	REFRESHMENTS FOR STAFF COMMUNICATIONS & TEAM BUILDING	\$ 332.68	02-51403
DON QUIXOTE'S RESTAURANT	BREAKFAST FOR ALL STAFF APPRECIATE AND SAFETY	\$ 294.69	02-51403
DOORDASH - JERSEY MIKE'S	LUNCH FOR INTERVIEW PANEL FOR 7/8/21 SUPERINTENDENT INTERVIEWS	\$ 42.92	17-56000
GCIRON>COM	WHEELS FOR PUMP #212 AND CASE PLUGS	\$ 150.09	12-54003
GRAC.ORG	CORPORATE MEMBERSHIP	\$ 1,500.00	02-52501
GRAC.ORG	STAFF TRAINING CONFERENCE THROUGH GRAC	\$ 900.00	15-51407
HUSTRIES TRUCK & TRAILER ALIGNMENT	REPAIR SUSPENSION - TRAILER #108	\$ 970.67	12-54003



**Sacramento Suburban Water District  
US Bank Purchasing Card Program  
CalCard Expenditures  
August 2021**

<b>Vendor Name</b>	<b>Description</b>	<b>Amount</b>	<b>Proj/GLAcct</b>
KONA ICE	ALL STAFF TEAM BUILDING/SAFETY/ALL EMPLOYEE MEETING REFRESHMENT	\$ 300.00	02-51403
MICROSOFT	ONEDRIVE ANNUAL FEE	\$ 89.42	18-54509
MITCHS CERTIFIED CLASS	TRAINING-JEOVANI BENAVIDEZ	\$ 700.00	06-51406
NEOGOVS	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 199.00	17-51402
O'REILLY AUTO PARTS	8 - 2.5 GALLONS OF DEF	\$ 103.35	12-54006
PAYPAL - CWEA	JOB BUNDLE PACKAGE OF 3 POSTINGS - 1 USED FOR INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 800.00	17-51402
POWER MARKET	RAUL'S FUEL CARD FOR VEHICLE #65 DID NOT WORK. USED CREDIT CARD TO FUEL VEHICLE	\$ 139.55	12-52101
RALEYS	REFRESHMENTS FOR STAFF COMMUNICATIONS & TEAM BUILDING	\$ 19.07	02-51403
SAMSClub.COM	GENERAL OFFICE SUPPLIES	\$ 186.86	03-52108
SAVEMART	SAFETY BBQ/STAFF COMMUNICATIONS/TEAM BUILDING	\$ 22.35	02-51403
SHERMANS FORKLIFT	SERVICE FORKLIFT #128	\$ 627.14	12-54003
SHERMANS FORKLIFT	SERVICE FORKLIFT #130	\$ 298.53	12-54003
SMART & FINAL	SAFETY BBQ/STAFF COMMUNICATIONS/TEAM BUILDING	\$ 229.91	02-51403
TARGET	WAREHOUSE SUPPLIES	\$ 98.08	05-52101
TARGET	KITCHEN SUPPLIES-WALNUT	\$ 26.93	03-52108
TERAMIND	MONTHLY MONITORING FEE FOR REMOTE WORKING	\$ 264.00	18-54003
THE HOME DEPOT	SUPPLIES TO MOUNT SHELVING TO WALL - BLUE CARD PRIZE ROOM - MARCONI	\$ 21.79	12-54008
THE HOME DEPOT	SHRINK TUBE FOR LAP TOP POWER SUPPLIES	\$ 12.80	12-52101
THE HOME DEPOT	SHRINK TUBING FOR LAP TOP POWER TO INSTALL IN VEHICLES	\$ 12.80	12-54006
TRANSITTalent.COM	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 175.00	17-51402
WATER SMART INNOVATIONS	GREG BUNDESEN REGISTRATION DISCOUNT REFUND	\$ (50.00)	13-55001
WILSON'S TROPHY CO	STAFF NAMEPLATE UPDATES FOR DAIS IN BOARDROOM	\$ 163.13	02-52108
WILSON'S TROPHY CO	STAFF NAMEPLATE FOR PLAQUE	\$ 27.19	02-52108
YOURMEMBER-CAREERS	INSTRUMENTATION TECHNICIAN JOB POSTING	\$ 659.00	17-51402
	<b>Totals:</b>	<b>\$ 13,560.48</b>	

**Investment Activity  
August 2021**



**Managed Account Security Transactions and Interest**

As of: **August 31, 2021**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

**Transaction Type**

Trade	Settle	Security Description	Broker	CUSIP	S&P Rating	Par	Principal Proceeds	Accrued Interest	Total
<b>BUY</b>									
08/03/21	08/09/21	PACCAR FINANCIAL CORP CORPORATE NOTES DTD 08/09/2021 0.500% 08/09/2024	MITSU	69371RR40	A+	170,000.00	(169,908.20)	0.00	(169,908.20)
<b>Transaction Type Sub-Total</b>						<b>170,000.00</b>	<b>(169,908.20)</b>	<b>0.00</b>	<b>(169,908.20)</b>

**INTEREST**

08/01/21	08/01/21	MN ST TXBL GO BONDS DTD 08/25/2020 0.630% 08/01/2025		60412AVJ9	AAA	130,000.00	0.00	409.50	409.50
08/01/21	08/01/21	BB&T CORPORATION CORP BONDS DTD 07/29/2019 2.500% 08/01/2024		05531FBH5	A-	400,000.00	0.00	5,000.00	5,000.00
08/01/21	08/01/21	SAN JUAN USD, CA TXBL GO BONDS DTD 10/29/2020 0.702% 08/01/2024		798306WN2	NR	200,000.00	0.00	702.00	702.00
08/01/21	08/01/21	BANK OF AMERICA CORP NOTES DTD 07/30/2015 3.875% 08/01/2025		06051GFS3	A-	275,000.00	0.00	5,328.13	5,328.13
08/01/21	08/01/21	CHAFFEY UHSD, CA TXBL GO BONDS DTD 12/05/2019 2.101% 08/01/2024		157411TK5	AA-	100,000.00	0.00	1,050.50	1,050.50
08/01/21	08/01/21	LOS ANGELES CCD, CA TXBL GO BONDS DTD 11/10/2020 0.773% 08/01/2025		54438CYK2	AA+	175,000.00	0.00	676.38	676.38
08/01/21	08/25/21	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022		3137BM6P6	AA+	191,101.18	0.00	492.09	492.09
08/01/21	08/25/21	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023		3137FKK39	AA+	16,085.70	0.00	42.94	42.94
08/01/21	08/25/21	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024		3137BGK24	AA+	275,000.00	0.00	701.71	701.71
08/01/21	08/25/21	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024		3137FQ3V3	AA+	85,455.71	0.00	148.98	148.98
08/01/21	08/25/21	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021		3136B1XP4	AA+	2,050.02	0.00	6.08	6.08
08/02/21	08/02/21	MONEY MARKET FUND		MONEY0002	NR	0.00	0.00	4.66	4.66



**Managed Account Security Transactions and Interest**

As of: **August 31, 2021**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

**Transaction Type**

Trade	Settle	Security Description	Broker	CUSIP	S&P Rating	Par	Principal Proceeds	Accrued Interest	Total
<b>INTEREST</b>									
08/14/21	08/14/21	SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022		83369XDL9	A-1	400,000.00	0.00	3,600.00	3,600.00
08/14/21	08/14/21	TOYOTA MOTOR CREDIT CORP CORPORATE NOTES DTD 08/14/2020 0.500% 08/14/2023		89236THF5	A+	250,000.00	0.00	625.00	625.00
08/15/21	08/15/21	COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024		14041NFU0	AAA	800,000.00	0.00	1,146.67	1,146.67
08/15/21	08/15/21	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025		44933LAC7	AAA	95,000.00	0.00	30.08	30.08
08/15/21	08/15/21	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025		89190GAC1	AAA	450,000.00	0.00	97.50	97.50
08/15/21	08/15/21	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026		14314QAC8	AAA	145,000.00	0.00	62.83	62.83
08/15/21	08/15/21	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023		65478NAD7	AAA	145,666.35	0.00	390.87	390.87
08/15/21	08/15/21	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023		43815AAC6	AAA	97,069.12	0.00	255.62	255.62
08/15/21	08/15/21	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022		89238TAD5	AAA	36,303.93	0.00	89.55	89.55
08/15/21	08/15/21	CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025		14316NAC3	AAA	65,000.00	0.00	18.42	18.42
08/15/21	08/15/21	MBALT 2021-B A3 DTD 06/29/2021 0.400% 11/15/2024		58769KAD6	AAA	195,000.00	0.00	65.00	65.00
08/15/21	08/15/21	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023		02007JAC1	AAA	32,505.11	0.00	81.26	81.26
08/15/21	08/15/21	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026		14317DAC4	AAA	275,000.00	0.00	71.42	71.42
08/15/21	08/15/21	US TREASURY NOTES DTD 08/15/2012 1.625% 08/15/2022		912828TJ9	AA+	500,000.00	0.00	4,062.50	4,062.50
08/15/21	08/15/21	NAROT 2021-A A3 DTD 06/23/2021 0.330% 10/15/2025		65480BAC1	AAA	410,000.00	0.00	112.75	112.75



**Managed Account Security Transactions and Interest**

As of: **August 31, 2021**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

**Transaction Type**

Trade	Settle	Security Description	Broker	CUSIP	S&P Rating	Par	Principal Proceeds	Accrued Interest	Total
<b>INTEREST</b>									
08/15/21	08/15/21	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025		14316HAC6	AAA	150,000.00	0.00	62.50	62.50
08/16/21	08/16/21	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026		380140AC7	AAA	170,000.00	0.00	56.67	56.67
08/16/21	08/16/21	GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025		36260KAC8	AAA	135,000.00	0.00	42.75	42.75
08/20/21	08/20/21	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024		92348TAA2	AAA	200,000.00	0.00	308.33	308.33
08/20/21	08/20/21	GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025		380144AD7	AAA	50,000.00	0.00	17.08	17.08
08/20/21	08/20/21	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025		92868VAD1	AAA	265,000.00	0.00	99.38	99.38
08/24/21	08/24/21	FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023		3137EAEV7	AA+	1,200,000.00	0.00	1,500.00	1,500.00
08/25/21	08/25/21	FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025		3135G05X7	AA+	450,000.00	0.00	843.75	843.75
08/26/21	08/26/21	SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022		83050PDR7	A-1	400,000.00	0.00	3,740.67	3,740.67
08/26/21	08/26/21	NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022		65558TLL7	A-1+	400,000.00	0.00	3,720.56	3,720.56
08/30/21	08/30/21	WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024		254687FK7	BBB+	400,000.00	0.00	3,500.00	3,500.00
<b>Transaction Type Sub-Total</b>						<b>9,566,237.12</b>	<b>0.00</b>	<b>39,164.13</b>	<b>39,164.13</b>

<b>MATURITY</b>									
08/17/21	08/17/21	FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	MATURITY	3135G0N82	AA+	130,000.00	130,000.00	812.50	130,812.50
08/17/21	08/17/21	FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	MATURITY	3135G0N82	AA+	420,000.00	420,000.00	2,625.00	422,625.00
08/31/21	08/31/21	US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	MATURITY	912828D72	AA+	375,000.00	375,000.00	3,750.00	378,750.00



**Managed Account Security Transactions and Interest**

As of: **August 31, 2021**

**SACRAMENTO SUBURBAN WATER DISTRICT - 76850100**

**Transaction Type**

Trade	Settle	Security Description	Broker	CUSIP	S&P Rating	Par	Principal Proceeds	Accrued Interest	Total
<b>Transaction Type Sub-Total</b>						<b>925,000.00</b>	<b>925,000.00</b>	<b>7,187.50</b>	<b>932,187.50</b>
<b>PAYDOWNS</b>									
08/01/21	08/25/21	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	GNMA	3137FKK39	AA+	38.41	38.41	0.00	38.41
08/01/21	08/25/21	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	GNMA	3137FQ3V3	AA+	171.44	171.44	0.00	171.44
08/01/21	08/25/21	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	GNMA	3137BM6P6	AA+	321.37	321.37	0.00	321.37
08/01/21	08/25/21	FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	GNMA	3136B1XP4	AA+	2,042.78	2,042.78	0.00	2,042.78
08/15/21	08/15/21	TAOT 2018-B A3 DTD 05/16/2018 2.960% 09/15/2022	GNMA	89238TAD5	AAA	13,050.09	13,050.09	0.00	13,050.09
08/15/21	08/15/21	HAROT 2018-4 A3 DTD 11/28/2018 3.160% 01/15/2023	GNMA	43815AAC6	AAA	14,791.65	14,791.65	0.00	14,791.65
08/15/21	08/15/21	ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	GNMA	02007JAC1	AAA	14,044.86	14,044.86	0.00	14,044.86
08/15/21	08/15/21	NAROT 2018-C A3 DTD 12/12/2018 3.220% 06/15/2023	GNMA	65478NAD7	AAA	17,546.72	17,546.72	0.00	17,546.72
<b>Transaction Type Sub-Total</b>						<b>62,007.32</b>	<b>62,007.32</b>	<b>0.00</b>	<b>62,007.32</b>
<b>Managed Account Total</b>							<b>\$817,099.12</b>	<b>\$46,351.63</b>	<b>\$863,450.75</b>



## Agenda Item: 4

**Date:** September 20, 2021

**Subject:** Resolution No. 21-11 Amending Regulations No. 1, 3, 8, 9, 12, and 13 of the Regulations Governing Water Service

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

### Recommended Board Action:

Adopt Resolution No. 21-11 Amending Regulations No. 1, 3, 8, 9, 12, and 13 of the Regulations Governing Water Service as shown in the attachments to this resolution, effective September 20, 2021.

### Summary:

Regulation No 1 – Definitions is being updated based on changes to existing terms and the addition of new terms. Facility Development Charge and related terms are being replaced by Capacity Fee; Residential and Non-Residential Parcel are being updated based on the 2019 Rate Study definitions along with the addition of Multi-Family Parcel.

Two items are recommended to be changed and one item added in Regulation 3 – Water Service Charges and Rates. Section A - Charges for Water Service and Section P - Construction Water Charge are being updated along with a Section W being added for a Manual Meter Reading Fee. Based on review of the 2019 Rate Study, staff are recommending a one percent (1.0%) reduction in the 2021 and 2022 rates and a reduction of the published rates for the years 2021 – 2024 as listed in Section A. Section P is being updated by adjusting the permit fee required for Hydrant Meters. This change is being requested to bring up to date the permit fee amounts and components as well as to allow for automated billing through the District’s customer billing application. Hydrant meters are currently billed manually. The addition being requested is to create a Manual Meter Reading Fee. As the District completes its meter reading technology upgrade, all customers will be on one of the two District meter reading systems. However, we have had a few customers decline to allow the District to install the new meter reading devices. As staff will have to obtain the read manually in these situations, a new fee is required to cover the costs of the manual read.

Regulations No. 8 and 9 are being updated to change references for Facility Development to Capacity as Facility Development Charges have been renamed to Capacity Fees as approved by the Board at the July 19, 2021 Board meeting adopting Resolution 21-09; and Regulations No. 12 and 13 have minor changes in language relating to fire hydrant use.

**Background:**

Staff, upon reviewing the 2019 Rate Study, have determined that the rates for the periods 2021 and 2022 should have the escalation factor reduced by one percent (1%). There was a miscalculation in the 2021 and 2022 rate adjustments. This will reduce the rates for the period 2021 – 2024. Upon further investigation of the 2019 Rate Study, staff also discovered that the new rate class, residential multi-family, was defined but not included in Regulation No. 1. Prior to the 2019 Rate Study, the District had two rate classes – residential and nonresidential. Parcels with up to four (4) units were considered residential while parcels with more than four (4) units were considered nonresidential. The 2019 Rate Study added a third rate class of residential multi-family defined as parcels with more than three (3) residential units. There now exists three rate classifications: residential single-family – parcels with up to three (3) residential units; residential multi-family– parcels with four (4) or more residential units; and nonresidential. Staff are now requesting to update Regulations No. 1 and 3 to reflect the change in definitions and the changes in rate amounts for the periods 2021 – 2024.

At the July 19, 2021 Board meeting, the Board of Directors approved Resolution 21-09 Amending Regulation No. 7 of the Regulations Governing Water Service. Regulation No. 7 governs, among other items, the determination and application of what was called Facility Development Charges. The Resolution changed, among other items, the name of Facility Development Charge to Capacity Fee. Staff is now requesting to change Regulations No. 8 and 9 that refer to Facility Development Charges to the new term Capacity Fee.

**Discussion:**

Staff are requesting several changes to Regulations No. 1, 3, 8, 9, 12, and 13 of the Regulations Governing Water Service. Staff will discuss the requested changes to each regulation.

Regulation 1:

Based on the change of the name Facility Development to Capacity, staff have removed Facility Development Charge, Facilities Development Fund and Facilities Reimbursement Fund and replaced with Capacity Fee, Capacity Fee Fund and Capacity Reimbursement Fund, respectively. The definitions have remained the same.

Non-Residential Parcel definition has been updated to include specific language from County of Sacramento land use code definitions. Commercial has been defined to include agricultural, retail, office, personal care and health, church and welfare, recreational or miscellaneous. Institutional has been further defined as “public and utility”. Multi-family has been removed from Non-Residential and is now a separate parcel type. Additionally, hotel, motel, boarding or rooming house, bed and breakfast, or other such temporary rental properties will be considered Non-Residential.

Multi-Family Parcel has been added to definitions based on the definition utilized in the 2019 Rate Study. The definition has two components:

- a. An improved Parcel containing 4 or more residences, each containing a separate resident, family unit or group. Quadraplexes, apartments, condominiums, and



mobile home parks are common examples of Multi-Family Parcels. Any hotel, motel, boarding or rooming house, bed and breakfast, or other short-term rental property will not be considered a Multi-Family Parcel.

- b. For billing purposes, any Multi-Family Parcel where units are individually served or metered will be billed at a single-family residential rate. All other Multi-Family Parcels will be billed at a multi-family residential rate.

Residential Parcel has been updated to mean any Single-Family or Multi-Family Parcel. In addition, any hotel, motel, boarding or rooming house, bed and breakfast, or other short-term rental property will not be considered a Residential Parcel and will be billed at the nonresidential rate

Service Connection has been updated to include the Service Connection types of Domestic, Irrigation, Fire and Hydrant.

Single-Family Parcel has been updated. The number of units on a parcel allowing the Single-Family classification has changed from four (4) or less residential units to three (3) or less residential units as defined in the 2019 Rate Study. In addition, a sorority/fraternity house shall be considered a Single-Family parcel.

Regulation No. 3:

Section A – Charges for Water Service. The following table illustrates the differences in the rates for 2021 – 2024 related to the 2021 and 2022 one percent (1.0%) reduction in the escalation factor.

Sacramento Suburban Water District						
Flat Rate Customers						
		01/01/20	01/01/21	01/01/22	01/01/23	01/01/24
<b>Usage Charge</b> (\$/1,000 sq. ft.)	Orig	\$ 2.35	\$ 2.47	\$ 2.57	\$ 2.65	\$ 2.73
	New	same	2.44	2.52	2.59	2.67
<b>Fixed Charge</b>						
3/4" connection	Original	\$ 44.40	\$ 46.68	\$ 48.61	\$ 50.13	\$ 51.63
	New	same	46.18	47.56	48.99	50.46
1" connection	Original	\$ 69.19	\$ 72.75	\$ 75.75	\$ 78.12	\$ 80.45
	New	same	71.96	74.12	76.34	78.63
1 1/2" connection	Original	\$ 131.17	\$ 137.90	\$ 143.60	\$ 148.11	\$ 152.53
	New	same	136.42	140.51	144.72	149.07
2" connection	Original	\$ 205.53	\$ 216.08	\$ 225.01	\$ 232.07	\$ 238.99
	New	same	213.75	220.16	226.77	233.57

<b>Sacramento Suburban Water District Metered Rate Customers</b>						
<b>Meter Usage Charge (\$/CCF) – 1 CCF = 748 gallons</b>		<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
Residential - 1st Tier (0-15 CCF)	Original	\$ 0.88	\$ 0.93	\$ 0.97	\$ 1.00	\$ 1.03
	New	Same	0.92	0.95	0.98	1.01
Residential - 2nd Tier (16+ CCF)	Original	\$ 1.15	\$ 1.21	\$ 1.26	\$ 1.30	\$ 1.34
	New	Same	1.20	1.24	1.28	1.32
Multi-Family Residential - Uniform	Orig	\$ 1.26	\$ 1.33	\$ 1.39	\$ 1.44	\$ 1.49
	New	Same	1.31	1.35	1.39	1.43
Non-Residential – Uniform	Original	\$ 1.33	\$ 1.40	\$ 1.46	\$ 1.51	\$ 1.56
	New	Same	1.38	1.42	1.47	1.52
<b>Fixed Charge</b>						
5/8" meter	Original	\$ 32.01	\$ 33.65	\$ 35.04	\$ 36.13	\$ 37.21
	New	Same	33.29	34.29	35.32	36.38
3/4" meter	Original	\$ 44.40	\$ 46.68	\$ 48.61	\$ 50.13	\$ 51.63
	New	Same	46.18	47.56	48.99	50.46
1" meter	Original	\$ 69.19	\$ 72.75	\$ 75.75	\$ 78.12	\$ 80.45
	New	Same	71.96	74.12	76.34	78.63
1 1/2" meter	Original	\$ 131.17	\$ 137.90	\$ 143.60	\$ 148.11	\$ 152.53
	New	Same	136.42	140.51	144.72	149.07
2" meter	Original	\$ 205.53	\$ 216.08	\$ 225.01	\$ 232.07	\$ 238.99
	New	Same	213.75	220.16	226.77	233.57
3" meter	Original	\$ 403.85	\$ 424.59	\$ 442.15	\$ 456.03	\$ 469.62
	New	Same	420.00	432.60	445.58	458.95
4" meter	Original	\$ 626.95	\$ 659.16	\$ 686.42	\$ 707.97	\$ 729.07
	New	Same	652.03	671.59	691.74	712.49
6" meter	Original	\$ 1,246.68	\$ 1,310.72	\$ 1,364.95	\$ 1,407.81	\$ 1,449.77
	New	Same	1,296.55	1,335.44	1,375.51	1,416.77
8" meter	Original	\$ 2,238.25	\$ 2,353.23	\$ 2,450.59	\$ 2,527.55	\$ 2,602.87
	New	Same	2,327.78	2,397.61	2,469.54	2,543.63
10" meter	Original	\$ 2,981.93	\$ 3,135.11	\$ 3,264.82	\$ 3,367.35	\$ 3,467.69
	New	Same	3,101.21	3,194.24	3,290.07	3,388.77
12" meter	Original	\$ 4,190.40	\$ 4,405.66	\$ 4,587.93	\$ 4,732.02	\$ 4,873.03
	New	Same	4,358.02	4,488.76	4,623.42	4,762.12

Section P – Construction Water Charge. The current charges for a construction meter are as follows:

1. A refundable \$2,300 deposit.
2. A quarterly \$50.00 permit fee.
3. The current metered non-residential peak usage rate per hundred cubic feet of water taken paid at time of meter return.

The charges are calculated manually upon return of the meter and are generally subtracted from the deposit then the remaining amount is refunded.

Staff are proposing the following fee structure for Construction Water Charges:

1. A refundable \$2,300.00 deposit for the hydrant meter with backflow prevention assembly.
2. A \$100.00 Application Fee.
3. On a monthly basis the following:
  - i) the current metered nonresidential usage rate per hundred cubic feet of water taken.
  - ii) a \$50.00 service charge.
  - iii) a \$20.00 equipment rental charge
  - iv) a \$5.00 Backflow Assembly test fee.

Staff are also recommending changing the name to Fire Hydrant Water Charge. The charges would be billed monthly utilizing the District's billing application. The fees and charges have been developed in accordance with District policy PL-Fin 009 – Water Service Rates, Fees and Charges Setting Policy, section 200.20.

Section W – Manual Meter Reading Fee is being added to address situations where a customer declines to allow the District to install the new meter reading technology at the customer's service location. The proposed fee is \$60.00 and will cover the cost of staff having to drive to the customer's service location and obtain a manual meter reading.

#### Regulations No. 8 and 9

With the change in the name of Facility Development Charges to Capacity Fees that was approved by the Board through the adoption of Resolution 21-09, staff have identified two regulations that referred to the old term Facility Development Charge. Staff are requesting to change the language in Regulations No. 8 and 9 as follows:

1. Regulation No. 8, Section D and E change Facilities Development Charges to Capacity Fees.
2. Regulation No. 9, Section G, K and L change Facilities to Capacity and change Facilities Development Charges to Capacity Fees.

#### Regulations No. 12 and 13

Regulations 12 and 13 both govern the use of fire hydrants for providing temporary service for other than fire response. Staff are requesting to change the language in Regulations No. 12 and 13 as follows:

1. Regulation No. 12, Section B include street cleaning and/or storm drain cleaning along with construction in the allowed uses. Add as a condition of service the issuance of a permit and the payment of the fees required in Regulation 3 Section P.
2. Regulation No. 13, Section D added a reference to Regulation No. 12 – Temporary Service. Updated reference to Regulation No. 3 Section P for permit fee amounts.

These changes have been reviewed by legal counsel.

**Fiscal Impact:**

The one percent (1.0%) reduction in the 2021 rates charged to customers from January 1, 2021 through June 30, 2021 will not impact budgeted revenues going forward as the budget was calculated utilizing the proper escalation factor. The impact of the proposed change in hydrant meter permit fees will increase revenue collected. As an example, if a construction meter is issued for 6 months and used 100 units of water the fee difference is as follows:

Current Fee Structure

1. \$2,300 deposit
2. Two quarterly \$50.00 permit fees = \$100.00
3. 100 units of water at 1.38 per unit = \$138.00
4. Total Charge = \$238.00. Customer would be refunded \$2,062.00

Proposed Fee Structure

1. \$2,300 deposit
2. \$100.00 application fee = \$100.00
3. 100 units of water at 1.38 per unit = \$138.00
4. 6 months of \$50.00 service charge = \$300.00
5. 6 months of \$20.00 rental charge = \$120.00
6. 6 months of \$5.00 backflow charge = \$30.00
7. Total Charge = \$688.00 (billed as incurred). Customer would be refunded \$2,300.00 deposit.

The addition of the Manual Meter Reading Fee would increase revenues insignificantly as staff does not anticipate a large number of customers declining to have the new meter reading devices installed.

**Strategic Plan Alignment:**

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Provide rates and connection fees that are fair, simple to understand, logical, and meet the revenue requirements, including bond rate covenants of the District.

Approval of this amendment to the Regulations Governing Water Service will improve staff's ability to operate efficiently and allow District customers to better understand the regulations upon which staff bases decisions while implementing Board policy.

**Attachment:**

- 1 – Resolution No. 21-11, A Resolution of the Board of Directors of the Sacramento Suburban Water District amending Regulations No. 1, 3, 8, 9, 12, and 13 of the Regulations Governing Water Service.
- 2 – Regulation No. 1 of the Regulations Governing Water Service. Redline
- 3 – Regulation No. 3 of the Regulations Governing Water Service. Redline
- 4 – Regulation No. 8 of the Regulations Governing Water Service. Redline
- 5 – Regulation No. 9 of the Regulations Governing Water Service. Redline

Resolution No. 21-11 Amending Regulations No. 1, 3, 8, 9, 12, and 13 of the Regulations  
Governing Water Service  
September 20, 2021  
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6 – Regulation No. 12 of the Regulations Governing Water Service. Redline  
7 – Regulation No. 13 of the Regulations Governing Water Service. Redline

**RESOLUTION NO. 21-11**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SACRAMENTO SUBURBAN WATER DISTRICT  
AMENDING REGULATIONS NO. 1, 3, 8, 9, 12 AND 13 OF THE  
REGULATIONS GOVERNING WATER SERVICE**

WHEREAS, on July 19, 2004, the Board enacted Ordinance 2004-03, entitled “An Ordinance of the Board of Directors of Sacramento Suburban Water District Adopting Regulations Governing Water Service”;

WHEREAS, the Board now desires to amend Regulations No. 1, 3, 8, 9, 12 and 13 of the Regulations Governing Water Service as described in this Resolution and as further set forth in the revised version of the regulations as attached hereto;

WHEREAS, the Board now desires to update Regulation No. 3, Section P – Construction Water Charge as described in Attachment 2 and in accordance with District policy PL-Fin 009 – Water Service Rates, Fees and Charges Setting Policy and in accordance with Government Code section 66016 and 66018;

WHEREAS, the Board now desires to add to Regulation No. 3, Section W a new charge for Manual Meter Reading as described in Attachment 2 and in accordance with District policy PL-Fin 009 – Water Service Rates, Fees and Charges Setting Policy and in accordance with Government Code section 66016 and 66018; and

WHEREAS, none of the described amendments to Regulations No. 1, 3, 8, 9, 12 and 13 are subject to Proposition 218’s notice and hearing requirements as provided in Article XIII D, section 6 of the California Constitution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento Suburban Water District as follows:

1. Regulation No. 1 is hereby amended as shown in Attachment 1, which is attached to and made a part of this Resolution.
2. Regulation No. 3 is hereby amended as shown in Attachment 2, which is attached to and made a part of this Resolution.
3. Regulation No. 8 is hereby amended as shown in Attachment 3, which is attached to and made a part of this Resolution.
4. Regulation No. 9 is hereby amended as shown in Attachment 4 which is attached to and made a part of this Resolution.
5. Regulation No. 12 is hereby amended as shown in Attachment 5, which is attached to and made a part of this Resolution.

6. Regulation No. 13 is hereby amended as shown in Attachment 6, which is attached to and made a part of this Resolution.

7. The Board authorizes and directs the General Manager and staff to take all actions necessary to amend Regulations No. 1, 3, 8, 9, 12 and 13 and to enforce such amended regulations in accordance with the authority granted by this Resolution.

8. Except as modified by the terms of this Resolution, the existing District Regulations Governing Water Service shall remain in full force and effect. Any provisions in the existing regulations that conflict with the amendments approved in this Resolution are deemed superseded and of no further effect.

9. This Resolution shall take effect as of September 20, 2021.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 20th day of September 2021, by the following vote:

AYES:

NOES:

ABSENT:

By: \_\_\_\_\_  
Robert Wichert  
President, Board of Directors  
Sacramento Suburban Water District

\*\*\*\*\*

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the Board of Directors of Sacramento Suburban Water District at a regular meeting hereof held on the 20th day of September 2021.

(SEAL)

By: \_\_\_\_\_  
Daniel R. York  
General Manager/Secretary  
Sacramento Suburban Water District

Attachment 1  
Regulation No. 1  
Definitions

Adopted: July 19, 2004

Amended: June 15, 2015; March 19, 2018; September 20, 2021

1. Adequate and Reserve Capacity

The amount of capacity in District water mains sufficient to supply potable and all other types of water service to an Applicant's Parcel in accordance with the velocity and pipe size specifications set forth in the District Standards, Section D.

2. Administration Cost

A charge that is assessed to accounts to pay certain costs of providing special District services, for example large landscape irrigation agreements, wholesale water contracts, and duplicate billing to tenants.

3. Agent

A person or company designated by the Landowner to manage a property or to act on behalf of a Customer.

4. Applicant

A person or entity, including a developer of a subdivision or any individual Parcel, that files an application for services with the District.

5. Application for Water Service

A formal, written application requesting water service from Sacramento Suburban Water District to a specific Premises, in a form provided by the District, together with such plans, specifications, and payment of all fees that the District's then-applicable Regulations shall require.

6. Auxiliary Water Supply

Any water supply on or available to a Premise other than water supplied by the District.



7. AWWA

American Water Works Association, a national nonprofit association that provides scientific and educational assistance to public and private water purveyors for managing and operating water resources and facilities.

8. Backflow

The reverse flow of water or any other fluid or substance or any combination or mixture thereof from a Customer's System into the District's water system caused by Cross-Connection with Auxiliary Water Supplies or with sources of possible contaminated water.

9. Backflow Prevention Assembly

Equipment used to protect the District's water system against actual or potential Backflow. All Backflow Prevention Assemblies installed within the District shall comply with state and local laws and regulations, including District regulations.

10. Capacity Fee

A charge imposed by the District to new and to certain changes to connections to the District Water System to cover a portion of the District's costs incurred for installing wells, pumps, and treatment, storage and transmission facilities to serve increased demand for water service within the District, and adopted in accordance with Government Code section 66013.

11. Capacity Fee Fund

Eighty percent of the amount received from Capacity Fees are placed in this fund to offset District costs for infrastructure necessary to meet requirements of the District Master Plan or to serve new development.

12. Capacity Reimbursement Fund

Twenty percent of the amount received from Capacity Fees are placed in this fund to reimburse Applicants that upsize Extension Facilities as required by the District to meet planning requirements for future development and redevelopment as related to Master Plan requirements.

13. Certified Tester

A person who is certified as a Backflow Prevention Assembly General Tester by Sacramento County or other agency having jurisdictional authority.

14. Check Valve Assembly

A mechanical device installed on either a main line or service line to restrict the flow of water in one direction only.

15. Contract

A written agreement between the District and a second party that defines and creates one or more obligations to take or to refrain from taking a certain action or actions.

16. Control Valve

A device used to control or shut off the flow of water, including to a Service Connection.

17. Cross-Connection

Any connection or link between District's water distribution system and an Auxiliary Water Supply, piping system, plumbing fixture, appliance, container, receptacle, vessel or other device of any nature that may permit contaminated or used water or other fluid of questionable or unsafe quality, or any other substance of any nature other than the potable water supplied by District, to enter any part of the District's water distribution system.

18. Cross-Connection Control Representative

A Certified Tester or Cross-Connection Control Specialist authorized by the District to administer the Cross-Connection Control and Backflow Program.

19. Curb Stop

A District Control Valve located in a water service pipe near the curb and between the water main and building. This valve is usually located in the main side of the service meter box and is operated with a valve key or wrench to stop and start flows in the water service line to the building. Lockable Curb stops are also used to lock out a water Service Connection at the Point of Responsibility.

20. Customer

Any Landowner, Tenant or other water user who is entitled to service from or who pays a water bill to the District.

21. Customer's System

Non-Responsible Facilities located and attached to the outlet side of the Point of Responsibility.

22. Developer

Developer and Owner shall mean one and the same.

23. District

The Sacramento Suburban Water District.

24. District Board of Directors

The governing body of the District composed of five Directors elected by divisions of voters residing within the District's boundaries.

25. District Standards

The District's specific requirements for water service plumbing, facilities, and equipment provided in the document entitled District's Improvement Standards and Technical Specifications and all subsequent amendments or replacements to any such requirements or documents.

26. District Water System

The water transmission and distribution system owned and operated by the District, including all piping, fittings, valves and other equipment used to supply water to Customers up to and including the Point of Responsibility.

27. Existing Non-Metered Water Service

Services installed on single-family residences prior to April 2, 1991 that do not include a Meter and which are billed on a flat rate, also known as "flat rate service."

28. Extension Facilities

New pipelines and related water service facilities of whatever type installed for the purpose of improving existing District water service and/or extending it to unserved or annexed areas.

29. Final Approval

The District's written certification that installed water facilities are in compliance with all regulations, District Standards, that all plans and supporting documents have been delivered to the District as its property, that all documents have been approved by the District, and that all required fees have been paid, as evidenced by a District form dated and signed by the District General Manager or his/her designated representative.

30. Furnish Only Materials

Meters and related materials supplied by the District and required to be installed by an Applicant at its cost, which are supplied to an Applicant upon payment of furnish-only fees established by the District.

31. Inactive Account

An account applicable to a Parcel with an existing service connection to which the District is not currently supplying water service and for which water service bill is not being rendered.

32. ISO (Insurance Services Office) Fire Suppression Standards

Fire demand pipe size requirements specified by the fire suppression rating schedule published by the ISO, Edition 6.80, or most current edition.

33. Local Agency Formation Commission (LAFCO)

A statutory, quasi-judicial, countywide commission responsible for approving boundary changes for, and the consolidation or reorganization of, local public agencies, including the District.

34. Landowner

A person who possesses a fee interest in a Parcel located within the District's boundaries.

35. Meter

A device capable of measuring the quantity of water delivered by the District to a Service Connection.

36. Metered Rates

Water service fees and charges that are calculated from monthly consumption measured by a Meter attached to a Service Connection serving any Water User within the District.

37. Meter Setters

A prefabricated copper device constructed to house a Meter with valves on the inlet and outlet side of the device.

38. Multi-Family Parcel (Multi-Family)

- a. An improved Parcel containing 4 or more residences, each containing a separate resident, family unit or group. Quadraplexes, apartments, condominiums, and

mobile home parks are common examples of Multi-Family Parcels. Any hotel, motel, boarding or rooming house, bed and breakfast, or other short-term rental property will not be considered a Multi-Family Parcel.

- b. For billing purposes, any Multi-Family Parcel where units are individually served or metered will be billed at a single-family residential rate. All other Multi-Family Parcels will be billed at a multi-family residential rate.

39. New Service

A Service Connection provided to a Parcel not previously served by the District or a reactivation of an inactive Service Connection.

40. Non-Residential Parcel

Any commercial (agriculture, retail, office, personal or health care, religious, welfare, recreational or miscellaneous), industrial, and/or institutional (public and utility) parcel based on the land use code obtained from Sacramento County. In addition, any hotel, motel, boarding or rooming house, bed and breakfast, or other short-term rental property will be considered Non-Residential.

41. Non-Responsible Facilities

Water service facilities that the District does not own and for which it is not responsible to install, operate, use, repair, maintain or replace. Non-Responsible Facilities include all privately owned and maintained Service Connections located on any Parcel beyond the Point of Responsibility.

42. Parcel

Any piece of real property within the District defined on a parcel or subdivision map or designated by any other legal means, and to which the Sacramento County Assessor has or will assign an assessor's parcel number.

43. Plan approval

The District's services related to approval of an Applicant's final plans for an improved Parcel, as evidenced by the date and signature of an authorized District representative on the final plans.

44. Point of Responsibility

- a. Metered Service: The connection point of the Customer's System at the outlet side of the Meter Setter where a Landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

- b. Non-Metered Service: The connection point of the Customer's System at the outlet side of either a Curb Stop or an unmetered Meter Setter where a Landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.
- c. Private Fire Service: The connection point at the District's main shut-off valve connecting the District's water main and the inlet side of the Private Fire Service facilities where a Landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

45. Point of Service

- a. Private Fire Hydrants: The District's Point of Service begins at the District's main shut-off valve located at the District's supply water main.
- b. Private System: The District's Point of Service begins at the District's main shut-off valve located at the District's supply water main.

46. Premises

A residential or non-residential Parcel together with all buildings, facilities, equipment, and other fixtures and personal property located thereon.

47. Principal Boundary

All boundaries of an Applicant's Parcel that abut one or more public rights-of-way.

48. Private System

Non-Responsible Facilities utilized by a Landowner solely for private use on a Parcel. Private use can be, but is not limited to, fire suppression in the form of fire sprinklers or fire hydrants. Private systems shall be separated from a public system by an approved backflow prevention assembly.

49. Residential Flat Rate

Non-Metered water service fees and charges that are calculated according to estimated water consumption, size of service line and the size of the Parcel per the Sacramento County Tax Assessor's parcel maps.

50. Residential Parcel

Single-Family Parcels and Multi-Family Parcels shall be considered Residential Parcels. Any hotel, motel, boarding or rooming house, bed and breakfast, or other short-

term rental property will not be considered a Residential Parcel and will be billed at the nonresidential rate.

51. Service Connection

The water piping system connecting a Customer's System with a District water main beginning at the outlet side of the Point of Responsibility, including all plumbing and equipment located on a Parcel downstream of the Meter outlet, Curb Stop or Meter Setter required for the District's provision of water service to that Parcel. A Service Connection can be one of four types: Domestic, Irrigation, Fire or Hydrant.

52. Service Valve

The equipment located at the inlet side of the Point of Responsibility by which the District controls water service to a Parcel.

53. Single-Family Parcel (Single-Family)

An improved Parcel containing a single-family residence, or an improved Parcel containing up to three residences, each containing a separate resident, family unit or group. A duplex, triplex, or sorority/fraternity house shall be considered a Single-Family Parcel.

54. Surcharge

A limited-term, specific purpose charge assessed to all or to a class of Customers to repay certain costs incurred by the District, such as bond indebtedness issued to finance District capital projects.

55. Tenant

A person or entity leasing or renting a Parcel or Premises from a Landowner.

56. Up-Sized Line

Mainline facilities having capacity in excess of that necessary to supply existing water demand to a specific area or Parcel with an Adequate and Reserve Capacity of water, but which is deemed necessary by the District to provide an adequate future water supply to the area or Parcel. The District will bear the cost of an Up-Sized Line.

Attachment 2  
**Regulation No. 3**  
**Water Service Charges and Rates**

Adopted: March 15, 2004  
 Approved with Changes on: September 20, 2021

A. **Charges for Water Service**

The District charges all Customers on a monthly basis. Customers billed on a Residential Flat Rate are billed in advance, while Metered Rate Customers are billed in arrears. All charges are based on the District's costs of providing District Water Service. Therefore, the basis for charges and rates are categorized on the same basis as District costs. Explanations of each charge and the related District costs are as follows:

1. **Flat Rate Customers:**

**Usage Charge:** This charge is based on Parcel square footage. The charge is intended to cover District operations and maintenance variable costs, attributable to Residential Flat Rate Customers.

**Fixed Charge:** This charge is based on connection size. The charge is intended to cover District operations and maintenance fixed costs, attributable to serving Residential Flat Rate Customers.

<b>Sacramento Suburban Water District Flat Rate Customers</b>					
	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
<b>Usage Charge</b> (\$/1,000 sq. ft.)	\$ 2.35	\$ 2.44	\$ 2.52	\$ 2.59	\$ 2.67
<b>Fixed Charge</b>					
3/4" connection	\$ 44.40	\$ 46.18	\$ 47.56	\$ 48.99	\$ 50.46
1" connection	\$ 69.19	\$ 71.96	\$ 74.12	\$ 76.34	\$ 78.63
1 1/2" connection	\$ 131.17	\$ 136.42	\$ 140.51	\$ 144.72	\$ 149.07
2" connection	\$ 205.53	\$ 213.75	\$ 220.16	\$ 226.77	\$ 233.57

2. **Metered Customers:**

**Usage Charge:** This charge is based on water usage. The charge is intended to cover District operations and maintenance variable costs attributable to Metered Rate Customers, including the cost of water and treatment and pumping and conveyance costs. The Usage Charge is based on 100 cubic feet of water (748 gallons.).

**Fixed Charge:** This charge is based on meter size and property location. The charge is intended to cover District fixed operations and maintenance costs attributable to serving



Metered Rate Customers. This charge also covers District capital improvement costs and periodic principal and interest payments due on District debt.

<b>Sacramento Suburban Water District Metered Rate Customers</b>					
<b>Meter Usage Charge (\$/CCF) – 1 CCF = 748 gallons</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
Residential - 1st Tier (0-15 CCF)	\$ 0.88	\$ 0.92	\$ 0.95	\$ 0.98	\$ 1.01
Residential - 2nd Tier (16+ CCF)	\$ 1.15	\$ 1.20	\$ 1.24	\$ 1.28	\$ 1.32
Multi-Family Residential - Uniform	\$ 1.26	\$ 1.31	\$ 1.35	\$ 1.39	\$ 1.43
Non-Residential - Uniform	\$ 1.33	\$ 1.38	\$ 1.42	\$ 1.47	\$ 1.52
<b>Fixed Charge</b>					
5/8" meter	\$ 32.01	\$ 33.29	\$ 34.29	\$ 35.32	\$ 36.38
3/4" meter	\$ 44.40	\$ 46.18	\$ 47.56	\$ 48.99	\$ 50.46
1" meter	\$ 69.19	\$ 71.96	\$ 74.12	\$ 76.34	\$ 78.63
1 1/2" meter	\$ 131.17	\$ 136.42	\$ 140.51	\$ 144.72	\$ 149.07
2" meter	\$ 205.53	\$ 213.75	\$ 220.16	\$ 226.77	\$ 233.57
3" meter	\$ 403.85	\$ 420.00	\$ 432.60	\$ 445.58	\$ 458.95
4" meter	\$ 626.95	\$ 652.03	\$ 671.59	\$ 691.74	\$ 712.49
6" meter	\$ 1,246.68	\$ 1,296.55	\$ 1,335.44	\$ 1,375.51	\$ 1,416.77
8" meter	\$ 2,238.25	\$ 2,327.78	\$ 2,397.61	\$ 2,469.54	\$ 2,543.63
10" meter	\$ 2,981.93	\$ 3,101.21	\$ 3,194.24	\$ 3,290.07	\$ 3,388.77
12" meter	\$ 4,190.40	\$ 4,358.02	\$ 4,488.76	\$ 4,623.42	\$ 4,762.12

## B. Service Fees and Charges

- For each new account to be established, a service charge shall be assessed and added to the first or opening water bill for payment in accordance with the following provisions:

Service charge with water service already on. \$9.00

Service charge during regular business hours,  
which requires restoration of water. \$31.00

- The following dispatch service charges shall be assessed in accordance to Section K.2, Regulation 5 and Section C, Regulation 6:

Dispatching personnel to deliver delinquency notice \$35.00

Dispatching personnel to terminate water service \$60.00

Other than in an emergency, to locate a service or shut-off water service after regular business hours the District will charge its actual cost of time and material, not to exceed \$150.00.

C. Temporary Turn-On Charges

When water service has been terminated for non-payment or put into an inactive status, and temporary (24-hour maximum) service is required for third-party inspection purposes, a non-refundable charge of \$40.00 shall be paid before service is turned on.

D. Cross-Connection Control Program

Monthly charges shall be paid to fund the District’s Cross-Connection Control Program (CCCP). This charge shall be billed monthly per Backflow Prevention Assembly (Assembly) to each Account holder with one or more Assemblies. Each Assembly is the property of the Landowner. The services covered by this charge shall include, but are not limited to, administering/monitoring the program, notifying Customers, performing inspections, reviewing and recording test results and reporting to the State Water Resources Control Board Division of Drinking Water (DDW). The charge shall be determined each year based on program expenses and the number of Assemblies within the District. The monthly charge for the CCCP shall be (see table below) per Assembly for all connection sizes.

<b>Monthly CCCP Charge</b>					
	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
Per Unit Charge	\$ 2.31	\$ 2.41	\$ 2.49	\$ 2.57	\$2.65

If a Customer requests Assembly testing or the District determines it is necessary to test an Assembly, the District will impose an Assembly test charge of \$61.00 per Assembly. The charge includes the fee for the required District tag. While the District does not routinely perform repairs or replacements, labor and materials will be charged to the Account holder if the District is required to repair or replace an Assembly.

As part of the Assembly test, a District tag must be attached to the Assembly indicating whether it “passed” or “failed”. These tags are to be purchased by the tester at the District office. The cost of the tag shall be determined each year based on the cost of producing the tag and overseeing the tag distribution. The current cost shall be \$1.00 per tag.

E. Privately-Owned Fire Protection Systems

A monthly charge shall be paid for water service at un-metered connections to the District’s Water System which supplies water to privately-owned and maintained sprinklers used exclusively for firefighting, irrespective of the quantity of water used and based on the size of the fire service assembly as follows:

<b>Private Fire Service</b>					
<b>Size</b>	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
2-inch	\$ 13.95	\$ 14.51	\$ 14.95	\$ 15.40	\$ 15.87
3-inch	\$ 26.17	\$ 27.22	\$ 28.04	\$ 28.89	\$ 29.76
4-inch	\$ 42.62	\$ 44.33	\$ 45.66	\$ 47.03	\$ 48.45
6-inch	\$ 84.82	\$ 88.22	\$ 90.87	\$ 93.60	\$ 96.41
8-inch	\$ 150.05	\$ 156.06	\$ 160.75	\$ 165.58	\$ 170.55
10-inch	\$ 234.44	\$ 243.82	\$ 251.14	\$ 258.68	\$ 266.45
12-inch	\$ 261.28	\$ 271.74	\$ 279.90	\$ 288.30	\$ 296.95

**F. Security Deposits**

Whenever an Applicant's or Customer's credit rating or payment history is or becomes unacceptable to the District because of poor credit history, non-payment of water bills, or frequent delinquent bill payment, a cash deposit may be required in accordance with the schedule set below:

1. Residential Customers shall be required to pay the sum equal to two (2) months water charge, but not less than \$90.00 (cost of ¾" flat base charges).
2. Business Customers shall be required to pay the sum equal to three (3) times the estimated water bill, but not less than \$180.00 (cost of 1" meter base charges).

The District may apply the security deposit to any account of a Customer that is delinquent for more than 30 days and will notify the Customer of such application. Water service may be terminated if the account is not fully paid and the security deposit replenished, subject to the conditions and procedures described in Regulation 6, Section B.

The security deposit will be returned to the Customer without interest upon termination of the service and payment of all rates and charges owed to the District by the Customer, or at such earlier time as the District may determine that the credit of the Customer is satisfactory. Security deposits that remain unclaimed after five (5) years from the date the deposit became refundable will become property of the District.

For the purpose of this Regulation 3, the District shall determine whether a Customer's credit is satisfactory. The credit of a Customer who has paid all rates and charges without delinquency for twelve months shall be deemed satisfactory.

**G. Application of Payments**

Any monies received on an account will be applied first to the oldest outstanding charges.

**H. Returned Payments**

The District shall levy a charge for each returned payment as defined in Regulation 5, Section C. The amount shall be the District's actual Bank Service Charge plus \$10.00.

I. Meter Testing Fee

This charge will be assessed to accounts that request a meter test with results within the range set by AWWA per Regulation 4, Section D. The fee will be \$285.00 per meter test for large meters (3" and above), \$200.00 for intermediate meters (1-1/2" and 2"), and \$60.00 for small meters (1" and below).

J. Bacteriological Testing

The District will assess actual time and material costs but not less than a minimum charge of \$25.00 for each bacteriological test as defined in Regulation 7, Section H.8.

K. Annexation Fees

The District will charge annexation fees for each Parcel located outside of the District's legal boundaries that desires to be annexed into the District. The fee will be charged on a time and materials basis and reflect all District costs to apply for and complete the annexation of a Parcel, including without limitation staff time, attorneys' and consultant fees, LAFCO application fees, and costs of studies and environmental review. Upon application for an annexation into the District, staff will estimate the costs to process the annexation and the applicant shall deposit the estimated costs with the District. Upon conclusion of the annexation proceedings, if a portion of the deposit remains, it will be refunded to the applicant. If the District has expended the entire deposit and advanced additional funds to pay costs of the annexation proceedings, the applicant will repay the entire amount of any funds advanced by the District as a condition of LAFCO's recording of the Certificate of Completion approving the annexation and of the District's approval of the applicant's Application for Water Service.

L. Water Conservation Violation

In accordance with Section B of Regulation 15, the following charges may be imposed for a Water User's violation of the District's water conservation regulations:

1. A charge of \$50.00 will be added to the next billing for serving the second water conservation violation as defined in Regulation 15, Section B.
2. A charge of \$100.00 will be added to the next billing for serving the third water conservation violation as defined in Regulation 15, Section B.

M. Variance Application Service Fees

1. A service fee of \$300.00 will be charged to any person or entity for a filing variance application as provided in Regulation 17, Section B.
2. If an Applicant desires a hearing at a special Board of Directors meeting, a fee of \$1,200.00 will be charged as provided in Regulation 17, Section E.

N. Facility Use Fees

District Facilities may be used only upon approval of the General Manager. Interested parties must apply for use of District Facilities by completing the District's "Facility Use Application." All charges for use of District Facilities, including insurance requirements, are as noted on the Application and are dependent on facility location, event duration and recovery of all District costs required for the event.

O. Public Information Request

A charge of \$0.10 per page shall be charged for requests for copying of disclosable District records. Additional charges and terms of reproduction and delivery of copies of records are provided in the District's Records Inspection, Retention and Disposal Policy, PL-Admin 002.

P. Fire Hydrant Water Charge

Water provided by the District for construction, street cleaning or storm/sewer cleaning purposes will be charged subject to conditions of the service or project and in conformance with Regulation 12. The following charges will apply:

1. For construction water taken through a District Fire Hydrant Meter the contractor or owner who obtains the permit will be required to pay the following:
  - a) A refundable \$2,300.00 deposit for the hydrant meter with backflow prevention assembly.
  - b) A one-time \$100.00 Application Fee.
  - c) On a monthly basis the following:
    - i) The current metered nonresidential usage rate per hundred cubic feet of water taken.
    - ii) A \$50.00 service charge.
    - iii) A \$20.00 equipment rental charge
    - iv) A \$5.00 Backflow Assembly test fee.
2. For water taken by other municipal agencies or their subcontractors through a District Fire Hydrant for street cleaning or storm/sewer cleaning, the agency is required to obtain a permit in accordance with Regulation 12 and to pay the following fees and charges:
  - a) A \$200.00 annual permit fee.
  - b) The current metered nonresidential usage rate per hundred cubic feet of water taken.
3. Use of District Fire Hydrants is authorized by a permit issued by the District only, as conditioned in Regulation 13, Section D. Illegal use of a Fire Hydrant may be subject to a \$500.00 charge.

4. The permit holder will be responsible for paying the costs of repair or replacement incurred by the District for any damage sustained to the Fire Hydrant, Fire Hydrant Meter or Backflow Prevention Assembly. The District shall have the right to retain all or a portion of the deposit to pay any such costs incurred.

Q. Plan Check Fee

An hourly rate of \$90.00 shall be assessed for review of an Applicant's construction plans as provided in Regulation 7 under Part H.1. The minimum plan check fee shall be \$900.00.

R. Supervision and Inspection

An hourly charge of \$87.00 shall be used to calculate the deposit for supervision and inspection of new or upgraded water facilities to be connected to the District system, as provided in Regulation 7, Section H.6. The minimum fee for Supervision and Inspection shall be \$600.00.

S. Hydrant Flow Test

A completed application for hydrant flow test and \$350.00 fee shall be paid in advance to supervise and perform a fire hydrant flow test and to provide written results of the test to the person or entity requesting it.

T. Abandonment of Service and Reinstallation of Abandoned Service

The District charge for abandoning an existing water service from the existing water main as provided in Regulation 7, Section K shall be calculated on a time and materials basis, with a minimum charge of \$3,000.00. The estimated charge shall be paid to the District prior to scheduling the abandonment. In addition, if requested by a Landowner, the District will restore an abandoned service connection by charging on a time and materials basis, with a minimum charge of \$3,000.00.

U. Administration Fee

This fee will be assessed to those accounts that participate in certain District programs, including without limitation the Large Irrigation Service, Wholesale Water, and Owner/Tenant Billing Agreement. Each fee is based on actual District costs for administering the individual program and is reviewed at least annually.

V. Locking Device Replacement Fee

If the District has installed a locking device on a water meter, curb stop or service valve and such a device is damaged or removed, then a \$35.00 charge shall be imposed on the Landowner.

If installed locking devices on the same service connection continue to be damaged or removed, the District reserves the right to abandon the service. Charges for service abandonment and any subsequent reinstallation of service will be on time and materials for the abandonment of the service as provided in Section T of this Regulation 3. The charges will be added to the Customer's water bill and must be paid before service is restored.

W. Manual Meter Reading Fee

In the event a customer declines to allow the District to install an electronic meter reading device at the customer's service connection, thereby requiring the District to read the meter manually, the customer will comply with the following requirements as a condition of receiving water service:

1. Complete an application for manual meter reading and pay a \$13.00 application fee. The customer must complete the application agreeing to the charges.
2. On a monthly basis, pay a \$60.00 manual meter reading fee. The customer also will be responsible for paying all other water service charges imposed as a condition of receiving District water service.

Attachment 3  
Regulation No. 8  
Location and Number of Meters

Adopted: July 19, 2004

Amended: December 17, 2007; December 21, 2009; June 15, 2015, September 20,  
2021

A. Number of Meters

A Service Connection and Meter shall be established for each Parcel in accordance with the provisions of Regulation 7, Section I. A Backflow Prevention Assembly shall be required on all non-residential services, irrigation services, and multi-family structures with five or more units fed from one Service Connection and on all residential Meters used for business purposes as determined by the District. No more than one service shall serve a single Residential Parcel unless a Customer requests multiple Meters and, as determined by the District, the Parcel's service needs require multiple Meters.

B. Location of Meters

The location of Meters shall be governed by the following:

1. Meters shall be installed along the Principal Boundary of a Parcel no more than one foot behind the Sacramento County right-of-way. The Meter shall be installed at a location convenient to Applicant and to the District, but shall be installed in accordance with the District's applicable detailed drawings and specifications.
2. Meters shall be installed outside of driveways or areas used by heavy equipment and, when applicable, within an area with sufficient space for installation of a Backflow Prevention Assembly.

C. Size of Meter

The size of Meter for each Service Connection may be selected by the Applicant in accordance with AWWA Standards for recommended maximum flow rates for continuous operation of coldwater-type Meters that are in effect at the date of the service application. In general, the meter size shall match the service line size to the Parcel or as shown in the District's Specification and Standard Details. In no case will a meter be installed that is less than one nominal size increment smaller than the service line size without approval of the General Manager or designee.

Residential buildings that have fire sprinklers shall not be allowed to downsize their meter without approval from design engineer and the Sacramento Metropolitan Fire District.

D. Change of Size



A Meter will be replaced with a different sized Meter upon a Customer's request. Any Capacity Fees in excess of the current value of the existing size service shall be paid by the Customer, together with any District costs for any necessary modifications or changes to the service line to accommodate the new Meter. If the Customer is downsizing from an existing Meter, no Capacity Fees will be refunded. In general, the meter size shall not be less than one nominal size increment smaller than the service line size to the Parcel.

E. Damage to Water Meter

Damage to an undersized water Meter caused by an Applicant's choice of Meter shall be corrected by the Applicant, who shall pay the costs of a replacement Meter, any related plumbing and the cost of the damaged Meter, and any additional Capacity Fees if a larger Meter is installed.

## Regulation No. 9 Extensions of and Additions to District Facilities

Adopted: July 19, 2004

Amended: June 15, 2015; March 19, 2018, September 20, 2021

### A. Extension Facilities

Extension Facilities are a water distribution system, including without limitation, water mains, storage tanks, pumps, wells, and appurtenances, which provide for water transportation and/or production to a Parcel or Parcels not presently served by an adequate water supply as the same is defined in Sections D of the District Standards. There are two classes of such facilities, namely:

1. **Applicant's Cost:** In those situations where the District does not maintain a main line of Adequate and Reserve Capacity in a street or public right-of-way completely fronting the Applicant's Parcel(s), the Applicant shall install, at Applicant's sole cost, Extension Facilities of the size defined in District Standards, Section D fronting his, her or its Parcel(s) in the public right-of-way. As used in this Section, street or public right-of-way shall be plural when the Applicant's Parcel(s) fronts streets or public rights-of-way on two (2) or more sides. In this situation, the Applicant shall provide Extension Facilities on the Principal Boundary that correlates to the District Master Plan as a necessary extension to provide for future extension of the District Water System. Should the Applicant be required to service the Parcel(s) on the other right-of-way, then the Applicant shall be required to also provide a water main of Adequate and Reserve Capacity along this frontage; said mains shall be of the size defined in District Standards, Section D from a point where a water main of Adequate and Reserve Capacity exists to the point most distant from that main on the Principal Boundaries of the Applicant's Parcel(s).
2. **District's Cost:** There will be situations where additional water demand will require the installation of additional Extension Facilities beyond Applicant's Principal Boundary or Up-Sized Lines, or where future development will require the installation or construction of such facilities that otherwise would be prohibited from construction for a period of time by the County of Sacramento. In such cases, the District may, at its cost, authorize the construction of such Extension Facilities or Up-Sized Lines as are deemed necessary by the Board of Directors to comply with the current District Master Plan.

### B. Location, Design, and Specifications of Extension Facilities

The location, design, and specifications of all Extension Facilities shall be determined by the District's Master Plan and by the application of the provisions of this Regulation and Regulation 7, and the application of the District Standards and all revisions thereof.

C. Ownership and Operation

Extension Facilities constructed in accordance with the District's requirements shall, upon acceptance by the District, be owned, operated, and maintained by the District as part of its water storage and distribution system. As a condition of approval of Extension Facilities, the Applicant will convey the new facilities to the District if constructed at Applicant's cost. Prior to acceptance by the District in writing, ownership and responsibility of all Extension Facilities shall remain the Applicant or the Applicant's contractor, agent or other authorized representative. The Applicant shall provide and fund a one-year guarantee bond or similar security on all Extension Facilities. The guarantee period shall begin on the date of final acceptance by the District.

D. Location of Existing Facilities

Any existing facilities located on an Applicant's Parcel or Parcels that are situated above ground or at ground level shall be relocated below ground as specified in the District Standards. All such relocations shall be at Applicant's cost.

E. Location of Extension Facilities

Extension Facilities shall be located as determined in the District's sole discretion on land granted to or owned by the District in fee, in a public right-of-way, or in an easement granted to and accepted by the District. The Applicant will, without cost to the District, cause to be conveyed or granted such lands and/or easements as the District determines to be necessary for the Extension Facilities. The land and/or easement shall be conveyed to the District free and clear of all liens and encumbrances. An Applicant's failure to cause to be conveyed or granted the lands and/or easements required by the District as a condition of acceptance of Extension Facilities shall be grounds for the District to refuse to provide water service to the Applicant or cause discontinuance of any existing service until such facilities are furnished.

F. Payment of Cost of Extension Facilities

Except for the incremental cost of any required Up-Sized Lines or other facilities to be built at the District's cost in accordance with Section A.2, the Applicant shall pay all costs of constructing the Extension Facilities required to serve his, her or its Parcel or Parcels in accordance with the provisions of Section A.1 hereof and Regulation 7. In cases where the District constructs the Extension Facilities in accordance with Section A.2 of this Regulation 9, the District's actual costs and party responsible for construction will be determined solely by the District. The District's actual costs for any facilities shall include labor, materials, equipment, engineering, inspection, and usual overhead expenses related to such work.

## G. Deposit of Installation Costs

The Applicant shall deposit with the District, as a condition precedent to written District approval of plans for Extension Facilities, a sum equal to the estimated total cost of those facilities, including all charges defined in accordance with provisions of Regulation 7, Section F hereof. The required deposit shall be in cash or an irrevocable letter of credit in a form and issued by a bank or financial institution acceptable to the District. Upon completion of the work, and if the deposit paid to the District is less than the actual cost of the work, the difference shall be paid by the Applicant prior to the District's commencement of water service. Any amount paid, including Capacity Fees, Supervision and Inspection fees, overhead costs, and any other charges that may be owing, which are in excess of the actual cost of installation of the Extension Facilities, will be refunded by the District after Final Approval of the new facilities.

## H. Acknowledgement of Necessity for and Reasonableness of Extension Facilities

Anyone who pays, deposits, or agrees to pay all or part of the cost of Extension Facilities thereby acknowledges that such facilities are necessary and reasonable.

## I. Installation

Extension Facilities will be installed by the District or by the Applicant, unless the District elects to require the installation of Up-Sized Lines, in which case the District will install or pay the incremental cost of those facilities. The Applicant may, when permitted, hire a competent and experienced licensed contractor to install the Extension Facilities. Such contractor must have specific experience in the construction of water facilities and be approved in writing by the District. All work performed by an Applicant's contractor is subject to final inspection and approval by the District as a condition of its acceptance of the Extension Facilities and provision of water service to the Applicant. The District reserves the exclusive right to construct with its own personnel or by Contract, all Extension Facilities required, including Up-Sized Lines and complicated connections or extensions involving interference with existing District Water System facilities.

## J. Reimbursable Costs

1. Whenever the Applicant is required in accordance with the provisions of this Regulation or Regulation 7 to install Extension Facilities that include the construction of an Up-Sized Line or the extension of facilities beyond the frontage of the Parcel or Parcels to be developed, the Applicant shall be entitled to a reimbursement for a portion of such installation, if the Parcel or Parcels that Extension Facilities cross is already developed with service from a backyard main or has not been developed. For Parcels that have service from an existing water main in the front yard, reimbursements for Extension Facilities that are in addition to or replacing existing facilities as necessary per District regulations will not be eligible for reimbursement.

2. Reimbursement shall be made in accordance with the following terms and conditions:
  - a. The Applicant has furnished the District the bid or cost of the Facilities Extension.
  - b. The Applicant approves in writing of the reimbursement calculated by the District based on the supplied bidder costs.
  - c. The main extension is installed per plans and District standards with all deficiencies corrected to the satisfaction of the District.
  - d. The Extension Facilities are successfully completed, and all required tests are performed and satisfactorily passed (including a hydro-test, and sanitary test).
  - e. If applicable, performance of a certified on-site test of Backflow Prevention Assembly(s) demonstrating compliance with Sacramento County requirements.
  - f. The District has issued final written acceptance of all Extension Facilities as installed per the approved plans.
  - g. When the above items have been completed, the Applicant shall then request, in writing, the reimbursement. Reimbursements will not be provided if any of the above conditions are not satisfied.

#### K. Capacity Reimbursement Fund

There is established a separate Capacity Reimbursement Fund. The District will credit to said fund 20% of all Capacity Fees paid to the District during each fiscal year. The deposits so obtained shall be the sole source of income to said fund for that year. Any remaining balance in the said fund after payment in that fiscal year to all reimbursement entitlements shall be transferred into the District's Capital Asset Fund.

#### L. Capacity Reimbursement Payments

On or before April 1st of each year, the District shall pay to Applicants eligible for reimbursement, as provided in paragraph J above, that proportionate share of the total amount deposited into the Capacity Fund during the year of his/her payment for the work as his/her contribution bears to the total amount paid into the fund during the fiscal year.

On or before April 1st of the second and successive years, the District shall pay to the Applicant that proportionate share of the total amount credited to the Capacity Fund during the year of payment as the balance due the Applicant bears to the total amount paid into said fund during the second and successive years.

An Applicant's reimbursement entitlement shall expire and terminate when the District has paid the same in full without interest, or has made payments for a ten (10) year period from the date of first payment, whichever comes first.

M. Assignment of Reimbursement Entitlement

The District will not recognize any assignment or attempted assignment of a reimbursement entitlement unless the assignment is on a form satisfactory to the District and is signed and acknowledged by the assignor. The District will furnish such forms of assignment upon request.

Attachment 5  
Regulation No. 12  
Temporary Service

Adopted: July 19, 2004  
Amended: June 15, 2015; September 20, 2021

A. Installation and Payment

Service which the District determines will be for less than one year and will not require installation of a permanent connection shall be provided upon payment of the total estimated cost of installing and removing the connection and such reasonable security deposits for the Meter, service charges, and fees as shall be determined by the District.

In no event shall the District-estimated cost for installing the temporary service and removal of service be less than that stated in Regulation 7, Sections H.2 and K.

B. Service through Fire Hydrants

Temporary services for water used in construction, street cleaning or storm/sewer cleaning shall be provided at locations approved by the District through portable Meters and Backflow Prevention Assemblies furnished by the District or by equipment approved by the District. The District shall require, as a condition of such services, the issuance of a permit and the payment of the fees required in Regulation 3, Section P.

Attachment 6  
Regulation No. 13  
Interference with District Facilities

Adopted: July 19, 2004  
Amended: January 28, 2013; June 15, 2015; September 20, 2021

A. Unlawful Acts

The District will prosecute all violations of Sections 498, 624, and 625 of the California Penal Code that make it a crime to interfere with the orderly supply of water to the District's Customers.

Unless authorized by the District, it shall be unlawful for any person, firm or corporation, to do, commit or assist in committing any of the following acts:

1. To open or close any Control Valve, fire hydrant or stopcock connected with the District's water system or lift or remove the cover of any gate valve or shutoffs thereof.
2. To interfere with, destroy, deface, injure or force open any gate or door, or destroy, injure or deface any part of any well, engine house, reservoir, standpipe, tank, building, appurtenances, fences, trees, shrubs, fixtures or property connected or pertaining to the District Water System.
3. To go upon or ascend the stairway or steps of any elevated water storage tank, reservoir, or standpipe owned, leased or possessed by the District.
4. To resort to any fraudulent device or arrangement for the purpose of procuring water to any person without proper payment of all applicable rates, fees and charges in violation of District regulations or ordinances.
5. To interfere with or injure any groundwater well, reservoir, tank, fountain, hydrant, pipe, valve, or other apparatus pertaining to the District's water system, or to turn on or off the water in any street hydrant or other public water fixture within the District's boundaries.
6. To make or permit to be made any connection with a main or service pipes of the District Water System, or to turn on or use the water of said system without first obtaining a permit for such use.
7. To cover or conceal from view any water valve box, service or meter box placed with or without District authorization anywhere within the District's service area.



8. To remove any Meter that has been placed by the District, or to in any manner change, interfere with or tamper with any such Meter.
9. To turn on the water supply to any building or to any supply pipe where the supply has been turned off because of the nonpayment of any charge or because of the violation of any District rule, regulation, ordinance, resolution or policy.

**B. Damage to District Facilities**

A Customer, by applying for or receiving water service from the District, agrees that in addition to any right or remedy available to the District by law, the Customer will pay to the District its costs for repairing or replacing any of its facilities damaged as a result of construction or other work on the Customer's property, or for any violation of the District's rules, regulations, ordinances, resolutions or policies.

**C. Failure to Apply for Service**

In addition to any criminal and civil legal remedies available, the District shall charge an unauthorized user of the District's water system as follows:

1. **Non-Metered Service.** Anyone using water without having made application to the District for service shall be held liable for that service from the date of first use, as determined in the absence of factual evidence to the contrary, by the District.
2. **Metered Service.** Anyone using water without having made application to the District for water service shall be held liable for the service from the date of any previous meter reading that most nearly coincides with the actual date the service was first used by the unauthorized person.

**D. Fire Hydrant Use**

Fire hydrants shall be used only by public fire protection agencies, District staff or other persons authorized by the District. The District shall permit water use provided through fire hydrants as permitted in Regulation 12 – Temporary Service. An Applicant or other authorized user shall cease using water from a hydrant at any time requested by the District. A permit for use of a fire hydrant may be revoked at any time at the sole discretion of the District. The District shall have the right to immediately terminate any unpermitted or other unauthorized use of a fire hydrant and no further use will be authorized except if permitted by the District in accordance with this Section. The permit fee for a District authorized use of a fire hydrant is provided in Regulation 3, Section P.

Regulation No. 1  
Definitions

Adopted: July 19, 2004

Amended: June 15, 2015; March 19, 2018; September 20, 2021

1. Adequate and Reserve Capacity

The amount of capacity in District water mains sufficient to supply potable and all other types of water service to an Applicant's Parcel in accordance with the velocity and pipe size specifications set forth in the District Standards, Section D.

2. Administration Cost

A charge that is assessed to accounts to pay certain costs of providing special District services, for example large landscape irrigation agreements, wholesale water contracts, and duplicate billing to tenants.

3. Agent

A person or company designated by the Landowner to manage a property or to act on behalf of a Customer.

4. Applicant

A person or entity, including a developer of a subdivision or any individual Parcel, that files an application for services with the District.

5. Application for Water Service

A formal, written application requesting water service from Sacramento Suburban Water District to a specific Premises, in a form provided by the District, together with such plans, specifications, and payment of all fees that the District's then-applicable Regulations shall require.

6. Auxiliary Water Supply

Any water supply on or available to a Premise other than water supplied by the District.

7. AWWA

American Water Works Association, a national nonprofit association that provides scientific and educational assistance to public and private water purveyors for managing and operating water resources and facilities.

8. Backflow

The reverse flow of water or any other fluid or substance or any combination or mixture thereof from a Customer's System into the District's water system caused by Cross-Connection with Auxiliary Water Supplies or with sources of possible contaminated water.

9. Backflow Prevention Assembly

Equipment used to protect the District's water system against actual or potential Backflow. All Backflow Prevention Assemblies installed within the District shall comply with state and local laws and regulations, including District regulations.

10. Capacity Fee

A charge imposed by the District to new and to certain changes to connections to the District Water System to cover a portion of the District's costs incurred for installing wells, pumps, and treatment, storage and transmission facilities to serve increased demand for water service within the District, and adopted in accordance with Government Code section 66013.

11. Capacity Fee Fund

Eighty percent of the amount received from Capacity Fees are placed in this fund to offset District costs for infrastructure necessary to meet requirements of the District Master Plan or to serve new development.

12. Capacity Reimbursement Fund

Twenty percent of the amount received from Capacity Fees are placed in this fund to reimburse Applicants that upsize Extension Facilities as required by the District to meet planning requirements for future development and redevelopment as related to Master Plan requirements.

13. Certified Tester

A person who is certified as a Backflow Prevention Assembly General Tester by Sacramento County or other agency having jurisdictional authority.

14. Check Valve Assembly

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A mechanical device installed on either a main line or service line to restrict the flow of water in one direction only.

15. Contract

A written agreement between the District and a second party that defines and creates one or more obligations to take or to refrain from taking a certain action or actions.

16. Control Valve

A device used to control or shut off the flow of water, including to a Service Connection.

17. Cross-Connection

Any connection or link between District's water distribution system and an Auxiliary Water Supply, piping system, plumbing fixture, appliance, container, receptacle, vessel or other device of any nature that may permit contaminated or used water or other fluid of questionable or unsafe quality, or any other substance of any nature other than the potable water supplied by District, to enter any part of the District's water distribution system.

18. Cross-Connection Control Representative

A Certified Tester or Cross-Connection Control Specialist authorized by the District to administer the Cross-Connection Control and Backflow Program.

19. Curb Stop

A District Control Valve located in a water service pipe near the curb and between the water main and building. This valve is usually located in the main side of the service meter box and is operated with a valve key or wrench to stop and start flows in the water service line to the building. Lockable Curb stops are also used to lock out a water Service Connection at the Point of Responsibility.

20. Customer

Any Landowner, Tenant or other water user who is entitled to service from or who pays a water bill to the District.

21. Customer's System

Non-Responsible Facilities located and attached to the outlet side of the Point of Responsibility.

22. Developer

Developer and Owner shall mean one and the same.

23. District

The Sacramento Suburban Water District.

24. District Board of Directors

The governing body of the District composed of five Directors elected by divisions of voters residing within the District's boundaries.

25. District Standards

The District's specific requirements for water service plumbing, facilities, and equipment provided in the document entitled District's Improvement Standards and Technical Specifications and all subsequent amendments or replacements to any such requirements or documents.

26. District Water System

The water transmission and distribution system owned and operated by the District, including all piping, fittings, valves and other equipment used to supply water to Customers up to and including the Point of Responsibility.

27. Existing Non-Metered Water Service

Services installed on single-family residences prior to April 2, 1991 that do not include a Meter and which are billed on a flat rate, also known as "flat rate service."

28. Extension Facilities

New pipelines and related water service facilities of whatever type installed for the purpose of improving existing District water service and/or extending it to unserved or annexed areas.

29. Final Approval

The District's written certification that installed water facilities are in compliance with all regulations, District Standards, that all plans and supporting documents have been delivered to the District as its property, that all documents have been approved by the District, and that all required fees have been paid, as evidenced by a District form dated and signed by the District General Manager or his/her designated representative.

30. Furnish Only Materials

**Deleted:** <#>Facilities Development Charge¶  
<#>¶  
<#>A charge imposed by the District to cover a portion of the District's costs incurred for installing wells, pumps, and treatment, storage and transmission facilities to serve increased demand for water service within the District.¶  
<#>¶  
<#>Facilities Development Fund¶  
<#>¶  
<#>Eighty percent of the fees received from Facilities Development Charges are placed in this fund to offset District costs for infrastructure necessary to meet requirements of the District Master Plan or to serve new development.¶  
<#>¶  
<#>Facilities Reimbursement Fund¶  
<#>¶  
<#>Twenty percent of the fees received from Facilities Development Charges are placed in the fund to reimburse Applicants that upsize Extension Facilities as required by the District to meet planning requirements for future development and redevelopment as related to Master Plan requirements.¶  
<#>¶

Meters and related materials supplied by the District and required to be installed by an Applicant at its cost, which are supplied to an Applicant upon payment of furnish-only fees established by the District.

31. Inactive Account

An account applicable to a Parcel with an existing service connection to which the District is not currently supplying water service and for which water service bill is not being rendered.

32. ISO (Insurance Services Office) Fire Suppression Standards

Fire demand pipe size requirements specified by the fire suppression rating schedule published by the ISO, Edition 6.80, or most current edition.

33. Local Agency Formation Commission (LAFCO)

A statutory, quasi-judicial, countywide commission responsible for approving boundary changes for, and the consolidation or reorganization of, local public agencies, including the District.

34. Landowner

A person who possesses a fee interest in a Parcel located within the District's boundaries.

35. Meter

A device capable of measuring the quantity of water delivered by the District to a Service Connection.

36. Metered Rates

Water service fees and charges that are calculated from monthly consumption measured by a Meter attached to a Service Connection serving any Water User within the District.

37. Meter Setters

A prefabricated copper device constructed to house a Meter with valves on the inlet and outlet side of the device.

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38. Multi-Family Parcel (Multi-Family)

a. An improved Parcel containing 4 or more residences, each containing a separate resident, family unit or group. Quadraplexes, apartments, condominiums, and

mobile home parks are common examples of Multi-Family Parcels. Any hotel, motel, boarding or rooming house, bed and breakfast, or other short-term rental property will not be considered a Multi-Family Parcel.

b. For billing purposes, any Multi-Family Parcel where units are individually served or metered will be billed at a single-family residential rate. All other Multi-Family Parcels will be billed at a multi-family residential rate.

39. New Service

A Service Connection provided to a Parcel not previously served by the District or a reactivation of an inactive Service Connection.

40. Non-Residential Parcel

Any commercial (agriculture, retail, office, personal or health care, religious, welfare, recreational or miscellaneous), industrial, and/or institutional (public and utility) parcel based on the land use code obtained from Sacramento County. In addition, any hotel, motel, boarding or rooming house, bed and breakfast, or other short-term rental property will be considered Non-Residential.

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41. Non-Responsible Facilities

Water service facilities that the District does not own and for which it is not responsible to install, operate, use, repair, maintain or replace. Non-Responsible Facilities include all privately owned and maintained Service Connections located on any Parcel beyond the Point of Responsibility.

Deleted: For rate purposes Multi-family parcels are defined as:  
An improved Parcel containing five or more residences each containing a family unit or group.

42. Parcel

Any piece of real property within the District defined on a parcel or subdivision map or designated by any other legal means, and to which the Sacramento County Assessor has or will assign an assessor's parcel number.

43. Plan approval

The District's services related to approval of an Applicant's final plans for an improved Parcel, as evidenced by the date and signature of an authorized District representative on the final plans.

44. Point of Responsibility

a. Metered Service: The connection point of the Customer's System at the outlet side of the Meter Setter where a Landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

- b. Non-Metered Service: The connection point of the Customer's System at the outlet side of either a Curb Stop or an unmetered Meter Setter where a Landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.
- c. Private Fire Service: The connection point at the District's main shut-off valve connecting the District's water main and the inlet side of the Private Fire Service facilities where a Landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

45. Point of Service

- a. Private Fire Hydrants: The District's Point of Service begins at the District's main shut-off valve located at the District's supply water main.
- b. Private System: The District's Point of Service begins at the District's main shut-off valve located at the District's supply water main.

46. Premises

A residential or non-residential Parcel together with all buildings, facilities, equipment, and other fixtures and personal property located thereon.

47. Principal Boundary

All boundaries of an Applicant's Parcel that abut one or more public rights-of-way.

48. Private System

Non-Responsible Facilities utilized by a Landowner solely for private use on a Parcel. Private use can be, but is not limited to, fire suppression in the form of fire sprinklers or fire hydrants. Private systems shall be separated from a public system by an approved backflow prevention assembly.

49. Residential Flat Rate

Non-Metered water service fees and charges that are calculated according to estimated water consumption, size of service line and the size of the Parcel per the Sacramento County Tax Assessor's parcel maps.

50. Residential Parcel

Single-Family Parcels and Multi-Family Parcels shall be considered Residential Parcels. ~~Any hotel, motel, boarding or rooming house, bed and breakfast, or other short-~~

**Deleted:** An improved Parcel containing a single-family residence, or an improved Parcel containing up to four residences, each containing a separate resident, family unit or group. A duplex, or triplex, or fourplex



term rental property will not be considered a Residential Parcel and will be billed at the nonresidential rate.

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51. Service Connection

The water piping system connecting a Customer's System with a District water main beginning at the outlet side of the Point of Responsibility, including all plumbing and equipment located on a Parcel downstream of the Meter outlet, Curb Stop or Meter Setter required for the District's provision of water service to that Parcel. A Service Connection can be one of four types: Domestic, Irrigation, Fire or Hydrant.

52. Service Valve

The equipment located at the inlet side of the Point of Responsibility by which the District controls water service to a Parcel.

53. ~~Single-Family Parcel (Single-Family)~~

~~An improved Parcel containing a single-family residence, or an improved Parcel containing up to three residences, each containing a separate resident, family unit or group. A duplex, triplex, or sorority/fraternity house shall be considered a Single-Family Parcel.~~

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54. Surcharge

A limited-term, specific purpose charge assessed to all or to a class of Customers to repay certain costs incurred by the District, such as bond indebtedness issued to finance District capital projects.

Deleted: An improved Parcel used as a place of residence by one family unit or group.¶

55. Tenant

A person or entity leasing or renting a Parcel or Premises from a Landowner.

56. Up-Sized Line

Mainline facilities having capacity in excess of that necessary to supply existing water demand to a specific area or Parcel with an Adequate and Reserve Capacity of water, but which is deemed necessary by the District to provide an adequate future water supply to the area or Parcel. The District will bear the cost of an Up-Sized Line.

Regulation No. 3  
Water Service Charges and Rates

Adopted: March 15, 2004

Approved with Changes on: September 20, 2021

Deleted: January 27, 2020

A. Charges for Water Service

The District charges all Customers on a monthly basis. Customers billed on a Residential Flat Rate are billed in advance, while Metered Rate Customers are billed in arrears. All charges are based on the District's costs of providing District Water Service. Therefore, the basis for charges and rates are categorized on the same basis as District costs. Explanations of each charge and the related District costs are as follows:

1. Flat Rate Customers:

Usage Charge: This charge is based on Parcel square footage. The charge is intended to cover District operations and maintenance variable costs, attributable to Residential Flat Rate Customers.

Fixed Charge: This charge is based on connection size. The charge is intended to cover District operations and maintenance fixed costs, attributable to serving Residential Flat Rate Customers.

Sacramento Suburban Water District Flat Rate Customers					
	01/01/20	01/01/21	01/01/22	01/01/23	01/01/24
Usage Charge (\$/1,000 sq. ft.)	\$ 2.35	\$ 2.44	\$ 2.52	\$ 2.59	\$ 2.67
<b>Fixed Charge</b>					
3/4" connection	\$ 44.40	\$ 46.18	\$ 47.56	\$ 48.99	\$ 50.46
1" connection	\$ 69.19	\$ 71.96	\$ 74.12	\$ 76.34	\$ 78.63
1 1/2" connection	\$ 131.17	\$ 136.42	\$ 140.51	\$ 144.72	\$ 149.07
2" connection	\$ 205.53	\$ 213.75	\$ 220.16	\$ 226.77	\$ 233.57

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2. Metered Customers:

Usage Charge: This charge is based on water usage. The charge is intended to cover District operations and maintenance variable costs attributable to Metered Rate Customers, including the cost of water and treatment and pumping and conveyance costs. The Usage Charge is based on 100 cubic feet of water (748 gallons.).

Fixed Charge: This charge is based on meter size and property location. The charge is intended to cover District fixed operations and maintenance costs attributable to serving Metered Rate Customers. This charge also covers District capital improvement costs and periodic principal and interest payments due on District debt.

Sacramento Suburban Water District Metered Rate Customers					
Meter Usage Charge (\$/CCF) – 1 CCF = 748 gallons	01/01/20	01/01/21	01/01/22	01/01/23	01/01/24
Residential - 1st Tier (0-15 CCF)	\$ 0.88	\$ 0.92	\$ 0.95	\$ 0.98	\$ 1.01
Residential - 2nd Tier (16+ CCF)	\$ 1.15	\$ 1.20	\$ 1.24	\$ 1.28	\$ 1.32
Multi-Family Residential - Uniform	\$ 1.26	\$ 1.31	\$ 1.35	\$ 1.39	\$ 1.43
Non-Residential - Uniform	\$ 1.33	\$ 1.38	\$ 1.42	\$ 1.47	\$ 1.52
<b>Fixed Charge</b>					
5/8" meter	\$ 32.01	\$ 33.29	\$ 34.29	\$ 35.32	\$ 36.38
3/4" meter	\$ 44.40	\$ 46.18	\$ 47.56	\$ 48.99	\$ 50.46
1" meter	\$ 69.19	\$ 71.96	\$ 74.12	\$ 76.34	\$ 78.63
1 1/2" meter	\$ 131.17	\$ 136.42	\$ 140.51	\$ 144.72	\$ 149.07
2" meter	\$ 205.53	\$ 213.75	\$ 220.16	\$ 226.77	\$ 233.57
3" meter	\$ 403.85	\$ 420.00	\$ 432.60	\$ 445.58	\$ 458.95
4" meter	\$ 626.95	\$ 652.03	\$ 671.59	\$ 691.74	\$ 712.49
6" meter	\$ 1,246.68	\$ 1,296.55	\$ 1,335.44	\$ 1,375.51	\$ 1,416.77
8" meter	\$ 2,238.25	\$ 2,327.78	\$ 2,397.61	\$ 2,469.54	\$ 2,543.68
10" meter	\$ 2,981.93	\$ 3,101.21	\$ 3,194.24	\$ 3,290.07	\$ 3,388.77
12" meter	\$ 4,190.40	\$ 4,358.02	\$ 4,488.76	\$ 4,623.42	\$ 4,762.99

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B. Service Fees and Charges

- For each new account to be established, a service charge shall be assessed and added to the first or opening water bill for payment in accordance with the following provisions:

Service charge with water service already on. \$9.00

Service charge during regular business hours, which requires restoration of water. \$31.00

- The following dispatch service charges shall be assessed in accordance to Section K.2, Regulation 5 and Section C, Regulation 6:

Dispatching personnel to deliver delinquency notice \$35.00

Dispatching personnel to terminate water service \$60.00

Other than in an emergency, to locate a service or shut-off water service after regular business hours the District will charge its actual cost of time and material, not to exceed \$150.00.

C. Temporary Turn-On Charges

When water service has been terminated for non-payment or put into an inactive status, and temporary (24-hour maximum) service is required for third-party inspection purposes, a non-refundable charge of \$40.00 shall be paid before service is turned on.

D. Cross-Connection Control Program

Monthly charges shall be paid to fund the District’s Cross-Connection Control Program (CCCP). This charge shall be billed monthly per Backflow Prevention Assembly (Assembly) to each Account holder with one or more Assemblies. Each Assembly is the property of the Landowner. The services covered by this charge shall include, but are not limited to, administering/monitoring the program, notifying Customers, performing inspections, reviewing and recording test results and reporting to the State Water Resources Control Board Division of Drinking Water (DDW). The charge shall be determined each year based on program expenses and the number of Assemblies within the District. The monthly charge for the CCCP shall be (see table below) per Assembly for all connection sizes.

<b>Monthly CCCP Charge</b>					
	<b>01/01/20</b>	<b>01/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
Per Unit Charge	\$ 2.31	\$ 2.41	\$ 2.49	\$ 2.57	\$2.65

If a Customer requests Assembly testing or the District determines it is necessary to test an Assembly, the District will impose an Assembly test charge of \$61.00 per Assembly. The charge includes the fee for the required District tag. While the District does not routinely perform repairs or replacements, labor and materials will be charged to the Account holder if the District is required to repair or replace an Assembly.

As part of the Assembly test, a District tag must be attached to the Assembly indicating whether it “passed” or “failed”. These tags are to be purchased by the tester at the District office. The cost of the tag shall be determined each year based on the cost of producing the tag and overseeing the tag distribution. The current cost shall be \$1.00 per tag.

E. Privately-Owned Fire Protection Systems

A monthly charge shall be paid for water service at un-metered connections to the District’s Water System which supplies water to privately-owned and maintained sprinklers used exclusively for firefighting, irrespective of the quantity of water used and based on the size of the fire service assembly as follows:

Private Fire Service					
Size	01/01/20	01/01/21	01/01/22	01/01/23	01/01/24
2-inch	\$ 13.95	\$ 14.51	\$ 14.95	\$ 15.40	\$ 15.87
3-inch	\$ 26.17	\$ 27.22	\$ 28.04	\$ 28.89	\$ 29.76
4-inch	\$ 42.62	\$ 44.33	\$ 45.66	\$ 47.03	\$ 48.45
6-inch	\$ 84.82	\$ 88.22	\$ 90.87	\$ 93.60	\$ 96.41
8-inch	\$ 150.05	\$ 156.06	\$ 160.75	\$ 165.58	\$ 170.55
10-inch	\$ 234.44	\$ 243.82	\$ 251.14	\$ 258.68	\$ 266.45
12-inch	\$ 261.28	\$ 271.74	\$ 279.90	\$ 288.30	\$ 296.95

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F. Security Deposits

Whenever an Applicant's or Customer's credit rating or payment history is or becomes unacceptable to the District because of poor credit history, non-payment of water bills, or frequent delinquent bill payment, a cash deposit may be required in accordance with the schedule set below:

1. Residential Customers shall be required to pay the sum equal to two (2) months water charge, but not less than \$90.00 (cost of ¾" flat base charges).
2. Business Customers shall be required to pay the sum equal to three (3) times the estimated water bill, but not less than \$180.00 (cost of 1" meter base charges).

The District may apply the security deposit to any account of a Customer that is delinquent for more than 30 days and will notify the Customer of such application. Water service may be terminated if the account is not fully paid and the security deposit replenished, subject to the conditions and procedures described in Regulation 6, Section B.

The security deposit will be returned to the Customer without interest upon termination of the service and payment of all rates and charges owed to the District by the Customer, or at such earlier time as the District may determine that the credit of the Customer is satisfactory. Security deposits that remain unclaimed after five (5) years from the date the deposit became refundable will become property of the District.

For the purpose of this Regulation 3, the District shall determine whether a Customer's credit is satisfactory. The credit of a Customer who has paid all rates and charges without delinquency for twelve months shall be deemed satisfactory.

G. Application of Payments

Any monies received on an account will be applied first to the oldest outstanding charges.

H. Returned Payments

The District shall levy a charge for each returned payment as defined in Regulation 5, Section C. The amount shall be the District's actual Bank Service Charge plus \$10.00.

I. Meter Testing Fee

This charge will be assessed to accounts that request a meter test with results within the range set by AWWA per Regulation 4, Section D. The fee will be \$285.00 per meter test for large meters (3" and above), \$200.00 for intermediate meters (1-1/2" and 2"), and \$60.00 for small meters (1" and below).

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J. Bacteriological Testing

The District will assess actual time and material costs but not less than a minimum charge of \$25.00 for each bacteriological test as defined in Regulation 7, Section H.8.

K. Annexation Fees

The District will charge annexation fees for each Parcel located outside of the District's legal boundaries that desires to be annexed into the District. The fee will be charged on a time and materials basis and reflect all District costs to apply for and complete the annexation of a Parcel, including without limitation staff time, attorneys' and consultant fees, LAFCO application fees, and costs of studies and environmental review. Upon application for an annexation into the District, staff will estimate the costs to process the annexation and the applicant shall deposit the estimated costs with the District. Upon conclusion of the annexation proceedings, if a portion of the deposit remains, it will be refunded to the applicant. If the District has expended the entire deposit and advanced additional funds to pay costs of the annexation proceedings, the applicant will repay the entire amount of any funds advanced by the District as a condition of LAFCO's recording of the Certificate of Completion approving the annexation and of the District's approval of the applicant's Application for Water Service.

L. Water Conservation Violation

In accordance with Section B of Regulation 15, the following charges may be imposed for a Water User's violation of the District's water conservation regulations:

1. A charge of \$50.00 will be added to the next billing for serving the second water conservation violation as defined in Regulation 15, Section B.
2. A charge of \$100.00 will be added to the next billing for serving the third water conservation violation as defined in Regulation 15, Section B.

M. Variance Application Service Fees

1. A service fee of \$300.00 will be charged to any person or entity for a filing variance application as provided in Regulation 17, Section B.
2. If an Applicant desires a hearing at a special Board of Directors meeting, a fee of \$1,200.00 will be charged as provided in Regulation 17, Section E.

N. Facility Use Fees

District Facilities may be used only upon approval of the General Manager. Interested parties must apply for use of District Facilities by completing the District's "Facility Use Application." All charges for use of District Facilities, including insurance requirements, are as noted on the Application and are dependent on facility location, event duration and recovery of all District costs required for the event.

O. Public Information Request

A charge of \$0.10 per page shall be charged for requests for copying of disclosable District records. Additional charges and terms of reproduction and delivery of copies of records are provided in the District's Records Inspection, Retention and Disposal Policy, PL-Admin 002.

P. Fire Hydrant Water Charge

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Water provided by the District for construction, street cleaning or storm/sewer cleaning purposes will be charged subject to conditions of the service or project and in conformance with Regulation 12. The following charges will apply:

1. For construction water taken through a District Fire Hydrant Meter the contractor, or owner who obtains the permit will be required to pay the following:

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a) A refundable \$2,300.00 deposit for the hydrant meter with backflow prevention assembly.

b) A one-time \$100.00 Application Fee.

c) On a monthly basis the following:

i) The current metered nonresidential usage rate per hundred cubic feet of water taken.

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ii) A \$50.00 service charge.

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iii) A \$20.00 equipment rental charge

iv) A \$5.00 Backflow Assembly test fee.

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2. For water taken by other municipal agencies or their subcontractors through a District Fire Hydrant for street cleaning or storm/sewer cleaning, the agency is required to obtain a permit in accordance with Regulation 12 and to pay the following fees and charges:

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a) A \$200.00 annual permit fee.

b) The current metered nonresidential usage rate per hundred cubic feet of water taken.

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3. Use of District Fire Hydrants is authorized by a permit issued by the District only, as conditioned in Regulation 13, Section D. Illegal use of a Fire Hydrant may be subject to a \$500.00 charge.

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4. The permit holder will be responsible for paying the costs of repair or replacement incurred by the District for any damage sustained to the Fire Hydrant, Fire Hydrant Meter or Backflow Prevention Assembly. The District shall have the right to retain all or a portion of the deposit to pay any such costs incurred.

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**Q. Plan Check Fee**

An hourly rate of \$90.00 shall be assessed for review of an Applicant's construction plans as provided in Regulation 7 under Part H.1. The minimum plan check fee shall be \$900.00.

**R. Supervision and Inspection**

An hourly charge of \$87.00 shall be used to calculate the deposit for supervision and inspection of new or upgraded water facilities to be connected to the District system, as provided in Regulation 7, Section H.6. The minimum fee for Supervision and Inspection shall be \$600.00.

**S. Hydrant Flow Test**

A completed application for hydrant flow test and \$350.00 fee shall be paid in advance to supervise and perform a fire hydrant flow test and to provide written results of the test to the person or entity requesting it.

**T. Abandonment of Service and Reinstallation of Abandoned Service**

The District charge for abandoning an existing water service from the existing water main as provided in Regulation 7, Section K shall be calculated on a time and materials basis, with a minimum charge of \$3,000.00. The estimated charge shall be paid to the District prior to scheduling the abandonment. In addition, if requested by a Landowner, the District will restore an abandoned service connection by charging on a time and materials basis, with a minimum charge of \$3,000.00.

**U. Administration Fee**

This fee will be assessed to those accounts that participate in certain District programs, including without limitation the Large Irrigation Service, Wholesale Water, and Owner/Tenant Billing Agreement. Each fee is based on actual District costs for administering the individual program and is reviewed at least annually.

**V. Locking Device Replacement Fee**

If the District has installed a locking device on a water meter, curb stop or service valve and such a device is damaged or removed, then a \$35.00 charge shall be imposed on the Landowner.



If installed locking devices on the same service connection continue to be damaged or removed, the District reserves the right to abandon the service. Charges for service abandonment and any subsequent reinstallation of service will be on time and materials for the abandonment of the service as provided in Section T of this Regulation 3. The charges will be added to the Customer's water bill and must be paid before service is restored.

W. Manual Meter Reading Fee

In the event a customer declines to allow the District to install an electronic meter reading device at the customer's service connection, thereby requiring the District to read the meter manually, the customer will comply with the following requirements as a condition of receiving water service:

1. Complete an application for manual meter reading and pay a \$13.00 application fee. The customer must complete the application agreeing to the charges.
2. On a monthly basis, pay a \$60.00 manual meter reading fee. The customer also will be responsible for paying all other water service charges imposed as a condition of receiving District water service.

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Regulation No. 8  
Location and Number of Meters

Adopted: July 19, 2004

Amended: December 17, 2007; December 21, 2009; June 15, 2015, [September 20, 2021](#)

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A. Number of Meters

A Service Connection and Meter shall be established for each Parcel in accordance with the provisions of Regulation 7, Section I. A Backflow Prevention Assembly shall be required on all non-residential services, irrigation services, and multi-family structures with five or more units fed from one Service Connection and on all residential Meters used for business purposes as determined by the District. No more than one service shall serve a single Residential Parcel unless a Customer requests multiple Meters and, as determined by the District, the Parcel's service needs require multiple Meters.

B. Location of Meters

The location of Meters shall be governed by the following:

1. Meters shall be installed along the Principal Boundary of a Parcel no more than one foot behind the ~~Sacramento County right-of-way~~. The Meter shall be installed at a location convenient to Applicant and to the District, but shall be installed in accordance with the District's applicable detailed drawings and specifications.
2. Meters shall be installed outside of driveways or areas used by heavy equipment and, when applicable, within an area with sufficient space for installation of a Backflow Prevention Assembly.

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C. Size of Meter

The size of Meter for each Service Connection may be selected by the Applicant in accordance with AWWA Standards for recommended maximum flow rates for continuous operation of coldwater-type Meters that are in effect at the date of the service application. In general, the meter size shall match the service line size to the Parcel or as shown in the District's Specification and Standard Details. In no case will a meter be installed that is less than one nominal size increment smaller than the service line size without approval of the General Manager or designee.

Residential buildings that have fire sprinklers shall not be allowed to downsize their meter without approval from design engineer and the Sacramento Metropolitan Fire District.

D. Change of Size

A Meter will be replaced with a different sized Meter upon a Customer's request. Any [Capacity Fees](#) in excess of the current value of the existing size service shall be paid by the Customer, together with any District costs for any necessary modifications or changes to the service line to accommodate the new Meter. If the Customer is downsizing from an existing Meter, no [Capacity Fees](#) will be refunded. In general, the meter size shall not be less than one nominal size increment smaller than the service line size to the Parcel.

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E. Damage to Water Meter

Damage to an undersized water Meter caused by an Applicant's choice of Meter shall be corrected by the Applicant, who shall pay the costs of a replacement Meter, any related plumbing and the cost of the damaged Meter, and any additional [Capacity Fees](#) if a larger Meter is installed.

**Deleted:** Facilities Development Charges

Regulation No. 9  
Extensions of and Additions to District Facilities

Adopted: July 19, 2004

Amended: June 15, 2015; March 19, 2018, September 20, 2021

A. Extension Facilities

Extension Facilities are a water distribution system, including without limitation, water mains, storage tanks, pumps, wells, and appurtenances, which provide for water transportation and/or production to a Parcel or Parcels not presently served by an adequate water supply as the same is defined in Sections D of the District Standards. There are two classes of such facilities, namely:

1. Applicant's Cost: In those situations where the District does not maintain a main line of Adequate and Reserve Capacity in a street or public right-of-way completely fronting the Applicant's Parcel(s), the Applicant shall install, at Applicant's sole cost, Extension Facilities of the size defined in District Standards, Section D fronting his, her or its Parcel(s) in the public right-of-way. As used in this Section, street or public right-of-way shall be plural when the Applicant's Parcel(s) fronts streets or public rights-of-way on two (2) or more sides. In this situation, the Applicant shall provide Extension Facilities on the Principal Boundary that correlates to the District Master Plan as a necessary extension to provide for future extension of the District Water System. Should the Applicant be required to service the Parcel(s) on the other right-of-way, then the Applicant shall be required to also provide a water main of Adequate and Reserve Capacity along this frontage; said mains shall be of the size defined in District Standards, Section D from a point where a water main of Adequate and Reserve Capacity exists to the point most distant from that main on the Principal Boundaries of the Applicant's Parcel(s).
2. District's Cost: There will be situations where additional water demand will require the installation of additional Extension Facilities beyond Applicant's Principal Boundary or Up-Sized Lines, or where future development will require the installation or construction of such facilities that otherwise would be prohibited from construction for a period of time by the County of Sacramento. In such cases, the District may, at its cost, authorize the construction of such Extension Facilities or Up-Sized Lines as are deemed necessary by the Board of Directors to comply with the current District Master Plan.

B. Location, Design, and Specifications of Extension Facilities

The location, design, and specifications of all Extension Facilities shall be determined by the District's Master Plan and by the application of the provisions of this Regulation and Regulation 7, and the application of the District Standards and all revisions thereof.

C. Ownership and Operation

Extension Facilities constructed in accordance with the District's requirements shall, upon acceptance by the District, be owned, operated, and maintained by the District as part of its water storage and distribution system. As a condition of approval of Extension Facilities, the Applicant will convey the new facilities to the District if constructed at Applicant's cost. Prior to acceptance by the District in writing, ownership and responsibility of all Extension Facilities shall remain the Applicant or the Applicant's contractor, agent or other authorized representative. The Applicant shall provide and fund a one-year guarantee bond or similar security on all Extension Facilities. The guarantee period shall begin on the date of final acceptance by the District.

D. Location of Existing Facilities

Any existing facilities located on an Applicant's Parcel or Parcels that are situated above ground or at ground level shall be relocated below ground as specified in the District Standards. All such relocations shall be at Applicant's cost.

E. Location of Extension Facilities

Extension Facilities shall be located as determined in the District's sole discretion on land granted to or owned by the District in fee, in a public right-of-way, or in an easement granted to and accepted by the District. The Applicant will, without cost to the District, cause to be conveyed or granted such lands and/or easements as the District determines to be necessary for the Extension Facilities. The land and/or easement shall be conveyed to the District free and clear of all liens and encumbrances. An Applicant's failure to cause to be conveyed or granted the lands and/or easements required by the District as a condition of acceptance of Extension Facilities shall be grounds for the District to refuse to provide water service to the Applicant or cause discontinuance of any existing service until such facilities are furnished.

F. Payment of Cost of Extension Facilities

Except for the incremental cost of any required Up-Sized Lines or other facilities to be built at the District's cost in accordance with Section A.2, the Applicant shall pay all costs of constructing the Extension Facilities required to serve his, her or its Parcel or Parcels in accordance with the provisions of Section A.1 hereof and Regulation 7. In cases where the District constructs the Extension Facilities in accordance with Section A.2 of this Regulation 9, the District's actual costs and party responsible for construction will be determined solely by the District. The District's actual costs for any facilities shall include labor, materials, equipment, engineering, inspection, and usual overhead expenses related to such work.

G. Deposit of Installation Costs

The Applicant shall deposit with the District, as a condition precedent to written District approval of plans for Extension Facilities, a sum equal to the estimated total cost of those facilities, including all charges defined in accordance with provisions of Regulation 7, Section F hereof. The required deposit shall be in cash or an irrevocable letter of credit in a form and issued by a bank or financial institution acceptable to the District. Upon completion of the work, and if the deposit paid to the District is less than the actual cost of the work, the difference shall be paid by the Applicant prior to the District's commencement of water service. Any amount paid, including Capacity Fees, Supervision and Inspection fees, overhead costs, and any other charges that may be owing, which are in excess of the actual cost of installation of the Extension Facilities, will be refunded by the District after Final Approval of the new facilities.

Deleted: Facilities Development Charges

H. Acknowledgement of Necessity for and Reasonableness of Extension Facilities

Anyone who pays, deposits, or agrees to pay all or part of the cost of Extension Facilities thereby acknowledges that such facilities are necessary and reasonable.

I. Installation

Extension Facilities will be installed by the District or by the Applicant, unless the District elects to require the installation of Up-Sized Lines, in which case the District will install or pay the incremental cost of those facilities. The Applicant may, when permitted, hire a competent and experienced licensed contractor to install the Extension Facilities. Such contractor must have specific experience in the construction of water facilities and be approved in writing by the District. All work performed by an Applicant's contractor is subject to final inspection and approval by the District as a condition of its acceptance of the Extension Facilities and provision of water service to the Applicant. The District reserves the exclusive right to construct with its own personnel or by Contract, all Extension Facilities required, including Up-Sized Lines and complicated connections or extensions involving interference with existing District Water System facilities.

J. Reimbursable Costs

1. Whenever the Applicant is required in accordance with the provisions of this Regulation or Regulation 7 to install Extension Facilities that include the construction of an Up-Sized Line or the extension of facilities beyond the frontage of the Parcel or Parcels to be developed, the Applicant shall be entitled to a reimbursement for a portion of such installation, if the Parcel or Parcels that Extension Facilities cross is already developed with service from a backyard main or has not been developed. For Parcels that have service from an existing water main in the front yard, reimbursements for Extension Facilities that are in addition to or replacing existing facilities as necessary per District regulations will not be eligible for reimbursement.

2. Reimbursement shall be made in accordance with the following terms and conditions:

- a. The Applicant has furnished the District the bid or cost of the Facilities Extension.
- b. The Applicant approves in writing of the reimbursement calculated by the District based on the supplied bidder costs.
- c. The main extension is installed per plans and District standards with all deficiencies corrected to the satisfaction of the District.
- d. The Extension Facilities are successfully completed, and all required tests are performed and satisfactorily passed (including a hydro-test, and sanitary test).
- e. If applicable, performance of a certified on-site test of Backflow Prevention Assembly(s) demonstrating compliance with Sacramento County requirements.
- f. The District has issued final written acceptance of all Extension Facilities as installed per the approved plans.
- g. When the above items have been completed, the Applicant shall then request, in writing, the reimbursement. Reimbursements will not be provided if any of the above conditions are not satisfied.

K. Capacity Reimbursement Fund

There is established a separate Capacity Reimbursement Fund. The District will credit to said fund 20% of all Capacity Fees paid to the District during each fiscal year. The deposits so obtained shall be the sole source of income to said fund for that year. Any remaining balance in the said fund after payment in that fiscal year to all reimbursement entitlements shall be transferred into the District's Capital Asset Fund.

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L. Capacity Reimbursement Payments

On or before April 1st of each year, the District shall pay to Applicants eligible for reimbursement, as provided in paragraph J above, that proportionate share of the total amount deposited into the Capacity Fund during the year of his/her payment for the work as his/her contribution bears to the total amount paid into the fund during the fiscal year.

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On or before April 1st of the second and successive years, the District shall pay to the Applicant that proportionate share of the total amount credited to the Capacity Fund during the year of payment as the balance due the Applicant bears to the total amount paid into said fund during the second and successive years.

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An Applicant's reimbursement entitlement shall expire and terminate when the District has paid the same in full without interest, or has made payments for a ten (10) year period from the date of first payment, whichever comes first.

M. Assignment of Reimbursement Entitlement

The District will not recognize any assignment or attempted assignment of a reimbursement entitlement unless the assignment is on a form satisfactory to the District and is signed and acknowledged by the assignor. The District will furnish such forms of assignment upon request.



Regulation No. 12  
Temporary Service

Adopted: July 19, 2004

Amended: June 15, 2015; September 20, 2021

A. Installation and Payment

Service which the District determines will be for less than one year and will not require installation of a permanent connection shall be provided upon payment of the total estimated cost of installing and removing the connection and such reasonable security deposits for the Meter, service charges, and fees as shall be determined by the District.

In no event shall the District-estimated cost for installing the temporary service and removal of service be less than that stated in Regulation 7, Sections H.2 and K.

B. Service through Fire Hydrants

Temporary services for water used in construction, street cleaning or storm/sewer cleaning shall be provided at locations approved by the District through portable Meters and Backflow Prevention Assemblies furnished by the District or by equipment approved by the District. The District shall require, as a condition of such services, the issuance of a permit and the payment of the fees required in Regulation 3, Section P.

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Regulation No. 13  
Interference with District Facilities

Adopted: July 19, 2004

Amended: January 28, 2013; June 15, 2015; September 20, 2021

A. Unlawful Acts

The District will prosecute all violations of Sections 498, 624, and 625 of the California Penal Code that make it a crime to interfere with the orderly supply of water to the District's Customers.

Unless authorized by the District, it shall be unlawful for any person, firm or corporation, to do, commit or assist in committing any of the following acts:

1. To open or close any Control Valve, fire hydrant or stopcock connected with the District's water system or lift or remove the cover of any gate valve or shutoffs thereof.
2. To interfere with, destroy, deface, injure or force open any gate or door, or destroy, injure or deface any part of any well, engine house, reservoir, standpipe, tank, building, appurtenances, fences, trees, shrubs, fixtures or property connected or pertaining to the District Water System.
3. To go upon or ascend the stairway or steps of any elevated water storage tank, reservoir, or standpipe owned, leased or possessed by the District.
4. To resort to any fraudulent device or arrangement for the purpose of procuring water to any person without proper payment of all applicable rates, fees and charges in violation of District regulations or ordinances.
5. To interfere with or injure any groundwater well, reservoir, tank, fountain, hydrant, pipe, valve, or other apparatus pertaining to the District's water system, or to turn on or off the water in any street hydrant or other public water fixture within the District's boundaries.
6. To make or permit to be made any connection with a main or service pipes of the District Water System, or to turn on or use the water of said system without first obtaining a permit for such use.
7. To cover or conceal from view any water valve box, service or meter box placed with or without District authorization anywhere within the District's service area.

8. To remove any Meter that has been placed by the District, or to in any manner change, interfere with or tamper with any such Meter.
9. To turn on the water supply to any building or to any supply pipe where the supply has been turned off because of the nonpayment of any charge or because of the violation of any District rule, regulation, ordinance, resolution or policy.

**B. Damage to District Facilities**

A Customer, by applying for or receiving water service from the District, agrees that in addition to any right or remedy available to the District by law, the Customer will pay to the District its costs for repairing or replacing any of its facilities damaged as a result of construction or other work on the Customer's property, or for any violation of the District's rules, regulations, ordinances, resolutions or policies.

**C. Failure to Apply for Service**

In addition to any criminal and civil legal remedies available, the District shall charge an unauthorized user of the District's water system as follows:

1. **Non-Metered Service.** Anyone using water without having made application to the District for service shall be held liable for that service from the date of first use, as determined in the absence of factual evidence to the contrary, by the District.
2. **Metered Service.** Anyone using water without having made application to the District for water service shall be held liable for the service from the date of any previous meter reading that most nearly coincides with the actual date the service was first used by the unauthorized person.

**D. Fire Hydrant Use**

Fire hydrants shall be used only by public fire protection agencies, District staff or other persons authorized by the District. The District shall permit water use provided through fire hydrants as permitted in Regulation 12 – Temporary Service. An Applicant or other authorized user shall cease using water from a hydrant at any time requested by the District. A permit for use of a fire hydrant may be revoked at any time at the sole discretion of the District. The District shall have the right to immediately terminate any unpermitted or other unauthorized use of a fire hydrant and no further use will be authorized except if permitted by the District in accordance with this Section. The permit fee for a District-authorized use of a fire hydrant is provided in Regulation 3, Section P.

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## Agenda Item: 5

**Date:** September 20, 2021

**Subject:** Proposal to Merge the Sacramento Groundwater Authority and the Sacramento Central Groundwater Authority

**Staff Contact:** Dan York, General Manager

### **Recommended Board Action:**

Receive staff recommendation and direct staff as appropriate.

### **Background:**

At the regular Sacramento Groundwater Authority Board meeting on June 11, 2020, the Sacramento Groundwater Authority (SGA) authorized a memorandum of understanding that established a 3x3 Committee consisting of the Chair and Vice Chair of SGA, Sacramento Central Groundwater Authority (SCGA), and Regional Water Authority (RWA) representatives to explore the potential of having the RWA provide staffing services to the SCGA and to provide recommendations to the three authorities.

At the January, 2021 RWA Board meeting, Jim Peifer, Executive Director of RWA and SGA, presented on the deliberations of the 3x3 committee regarding staffing services for the SCGA. The report to the Board suggested staffing services for an independent SCGA would require additional employees. An alternative would be for the SGA and SCGA to merge which would allow for a more efficient staffing model. Mr. Peifer noted that staffing from the RWA would allow for additional benefits such as the coordination of policies and activities across the SGA and SCGA service areas, retention of institution knowledge

Mr. Peifer gave a presentation to the SGA board in December 2020 on how the RWA may provide staffing services to the SCGA. The content was similar to the presentation to the RWA board. There was a discussion about potential staffing costs, legal costs, and administrative costs. It was noted there could be a possible cost savings by the SGA with consolidation. After discussion, it was suggested that the effort move forward working through different proposals and options addressing the many questions and concerns. Total employment costs and future costs to agencies need to be explored and reported to the Boards. Mr. Peifer explained that the services of a facilitator would be obtained and paid for through the State Department of Water Resources.

At a special combined RWA, SGA and SCGA board meeting on June 7, 2021, Ms. Gina Bartlett presented on stakeholder findings of the consolidation and presented a proposed Decision-

Proposal to Merge the Sacramento Groundwater Authority and the Sacramento Central Groundwater Authority  
September 20, 2021  
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Making Roadmap with how decisions would be made to under a process of consolidating the SGA and SCGA.

**Discussion:**

At the September 9<sup>th</sup> RWA Board meeting, Mr. Peifer reported that a number of board members have raised questions at the SGA and RWA regular board meetings. Mr. Peifer recommended we slow up the process to allow for answers to some of the questions.

Mr. Peifer will be in attendance at the September 20<sup>th</sup> regular Board meeting and can answer relevant questions from the District's Board of Directors.

**Fiscal Impact:**

Unknown at this time.



## Agenda Item: 6

**Date:** September 20, 2021

**Subject:** Employee Handbook Review – Sick Leave Policy Amendments

**Staff Contact:** Susan Schinnerer, Human Resources Administrator

### **Recommended Board Action:**

Direct the General Manager to make changes to the Employee Handbook regarding sick leave by selecting one of the following seven (7) options below:

#### Option 1

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts to staff who would qualify to receive payouts.
- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), effective the first pay period after Board approval, the District will offer current and prospective retiring employees the following options regarding accrued sick leave:
  - i. cash payout will be at 1/2 their current rate of pay (as opposed to the current offering of cash payout at full rate of pay);
  - ii. payment to a deferred compensation plan at ½ their current rate of pay; or
  - iii. conversion of accrued hours to CalPERS service credit.

Note: All “Pre-merger” employees will retain the current benefits in the Employee Handbook.

#### Option 2

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts staff who would qualify to receive payouts.

- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), all current employees will retain the benefits listed in Option 1.c. (i.-iii). For employees hired after September 1, 2021, accrued sick leave will be credited as follows:
  - i. cash payout using the service-based schedule to follow.
  - ii. payment to a deferred compensation plan at their current rate of pay using the service-based schedule to follow; or
  - iii. conversion of accrued hours to CalPERS service credit.

No more than 960 hours of sick leave may be used for cash payout or conversion to deferred compensation. Any sick leave over 960 hours will be converted to CalPERS service credit.

CREDITED YEARS OF SSWD SERVICE	PERCENTAGE OF SICK LEAVE PAYOUT
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20	100

Option 3

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts staff who would qualify to receive payouts.
- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), all current employees will

retain the benefits listed in Option 1.c. (i.-iii). For employees hired after September 1, 2021, the District will cease offering both of the following options for resolving accrued sick leave: a) cash payouts; and b) payment to deferred compensation.

Instead, accrued sick leave will only be converted to CalPERS service credit upon retirement.

#### Option 4

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts staff who would qualify to receive payouts.
- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Upon retirement, effective the first pay period after Board approval, for all current and prospective employees with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), the District will cease offering both of the following options for resolving accrued sick leave: a) cash payouts; and b) payment to deferred compensation.

Instead, accrued sick leave will only be converted to CalPERS service credit upon retirement.

#### Option 5

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts staff who would qualify to receive payouts.
- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), all current employees will retain the benefits listed in Option 1.c (i.-iii).

For employees hired after September 1, 2021, the District will cease offering cash payouts for accrued sick leave and allow either a) payment to a deferred compensation



account at their current rate of pay or b) conversion of sick leave to CalPERS service credit.

#### Option 6

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts staff who would qualify to receive payouts.
- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Upon retirement, effective the first pay period after Board approval, for all current and prospective employees, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), the District will cease offering cash payouts for accrued sick leave and allow either a) payment to a deferred compensation account at their current rate of pay or b) conversion of sick leave to CalPERS service credit.

#### Option 7

- a) Remove the sick leave accrual cap of 240 hours for District employees under age 55 (allow “unlimited” sick leave accrual for all employees), to be effective the first pay period of September 2021. The removal of this accrual would also eliminate annual payouts staff who would qualify to currently receive payouts.
- b) Employees may not “run out” or “run down” sick leave to remain off work and in a paid status without proper supporting medical documentation.
- c) Maintain current sick leave accrual benefits in Employee Handbook for all current and prospective employees.

Staff would like to note that at the July 19, 2021, Board meeting, a request was made by a Board member to propose an option that would provide District staff with unlimited sick leave during employment, but with no cash payouts and no ability to convert accrued sick leave to CalPERS service credit. Upon investigation into this request, staff was able to confirm that the benefit of accrued sick leave conversion to CalPERS service credit (Government Code Section 20965) is a mandated benefit under CalPERS, and is a requirement of the District’s contract in CalPERS.

Staff would like to encourage the Board to make any reductions to benefits prospectively, for future employees only; so as not to interfere with the longevity benefits of the District’s long term and valued employees.

The Board should be aware of several potential issues involving benefit takeaways:

- 1) It is a stated District value to “attract and retain a skilled and professional workforce.” Of importance to the long-term viability of the District is not only attracting the kind of employees that are included as part of this mission, but retaining that caliber of employees.
- 2) Reducing benefits can lead to increased turnover costs and affect employee morale. It can also lead to equity issues for current employees who accepted and maintained their positions, some for decades, with the District based on pay and benefit levels represented at their time of hire. New employees will not have this issue if benefits are changed prospectively.
- 3) Taking away benefits from “pre-merger” staff would violate the Agreement from the Sacramento Local Agency Formation Commission (LAFCo), when Northridge and Arcade Water Districts consolidated into Sacramento Suburban Water District (LAFCo Resolution No. LAFC 1237 and Board Resolution No. 02-02). These contracts state that benefits for these employees “shall not be reduced.”

**Discussion:**

At the June 16, 2021, Employee Benefits Ad Hoc Committee (Committee) meeting, as part of an ongoing update to the Employee Handbook and in the District’s efforts to remain comparable and competitive with similar agencies, District staff presented information on sick leave accrual. The Committee asked staff for more detailed information on the sick leave information presented, and during the subsequent Board meeting on June 21, 2021, the Board directed staff to continue further analysis on the sick leave program, particularly regarding accrual and retirement, and provide such information at the next Board meeting.

As directed, at the July 19, 2021, Board meeting, staff presented three options to the Board. The Board responded by stating that they wanted to review options such as allowing unlimited sick leave with no payouts or conversion to service credit (which, as stated previously, the District is required by law to allow conversion to service credit) and a “hybrid” option that allowed for conversion of accrued sick leave to be paid into a deferred compensation account or converted to PERS service credit.

Staff presented seven (7) options at the August 16, 2021 Board meeting for the Board’s review. Since one Board member was required to leave the Board meeting early, the Board requested that staff present the item at the next meeting, on September 20, 2021.

The Employee Handbook currently states that District employees 55 and over may accrue unlimited sick leave, though they can cash out any amount of accumulated sick leave exceeding 240 hours. Employees under age 55 are allowed a maximum of 240 sick leave hours, and are paid out once per year in December at ½ their rate of pay for hours in excess of 240. The District does not pay out sick leave at separation, which is different from retirement.

District staff surveyed comparable agencies and found that the majority allow for unlimited accrual of sick leave; none of them have age restrictions. The agencies who do have a sick leave maximum accrual have a higher maximum allowed than the District's 240 hours. Some agencies allow cash-outs, but limit the amount of hours that the employee can cash out during active employment. Almost all, the District included, preclude cash-outs at separation. Only one agency provides a cash payout of sick leave upon separation, which is paid on a scale based on years of service.

In addition, staff was able to confirm that all other agencies, including the District, allow sick leave hours to convert to service credit in retirement as part of their contracts with CalPERS. Some agencies allow for cash outs of sick leave accruals at retirement. These allowances for payment and/or conversion of sick leave accrual are used as a tool to maintain longevity among staff, reduce turnover rates, and demonstrate a sense of appreciation to long-term employees.

Upon analyzing District staff over 55, there are currently 13 employees who have over 240 hours of sick leave (out of 19 total over 240 hours). The average number of accrued sick leave hours among those employees is 331 hours. In consideration of CalPERS' requirement of 2,000 hours of sick leave to equal 1 year of service credit, sick leave accrual hours at the District are comparatively low.

For staff under 55 who were paid out because they were over the maximum allowed accrual of 240 hours in 2020, 16 staff members were paid out a total of \$18,489. The average hours per payout was 51.56 hours, and the average payout amount was \$1,156 at ½ employee's normal pay rate.

The five year average for sick leave payouts of District employees under 55 was \$21,328.

There are currently 13 District employees who are considered "pre-merger" employees - those who were first employed by Arcade Water District ("AWD") or Northridge Water District ("NWD") and who remained employed by the District when it was formed on February 1, 2002 by consolidation of the former districts. Under Sacramento LAFCO Resolution No. LAFC 1237 approving the consolidation and Board Resolution No. 02-02, all "pre-consolidation" employees are vested in the compensation, benefits and other terms and conditions of their respective employment with AWD or NWD as of January 31, 2002. As a result, the Board has been advised in the past not to reduce the level of pension, health care and other employment benefits that such employees were entitled to on the consolidation date.

### **Fiscal Impact:**

The cost of under 55 sick leave payouts over the last 5 years averaged .09 percent of the District's operating budget of \$23.1 million, or \$21,328. The cost of all District benefits is 14 percent of the District's total 2021 operating budget of \$23.1 million.

Cost savings or increases will vary depending on the option that the Board chooses. Because there is limited ability to estimate how many hours of sick leave each future staff member will accumulate because there is no way to predict the age and future tenure of District employees,

staff is unable to provide a specific dollar amount for any potential savings, but there would be a reduction in cash payouts, which has averaged \$21,328 over the last 5 years, if the District ceases to pay out employees under 55 for sick leave hours over 240 at ½ their rate of pay.

If the Board opts to pay out accrued sick leave balances at retirement at a percentage of sick leave accrual based on years of service, with a cap on the number of hours available to receive the payout, future payout amounts could be reduced.

Allowing accrued sick leave hours to convert to service year credit is the least costly option for the District, because service year credits cost less than the full amount of an employee's sick leave hours. For example, it takes 2,000 hours of sick leave = 1 year of service credit.

**Strategic Plan Alignment:**

**Goal B:** Optimize Operational and Organizational Efficiencies

**Goal C:** Ensure Fiscal Responsibility and Affordable Rates

**Goal E:** Retain and Recruit a Qualified and Stable Workforce

**Attachments:**

1 – Sick Leave (SL) Comparison 2021

2 - Employee Handbook re: Sick Leave (pages 25-27)

3 - PowerPoint Presentation

Sick Leave (SL) Comparison 2021  
Attachment 1

AGENCY	Sick Lave Annual Accrual (days/year)	Sick Leave Max Accrual	Sick Leave Cash Out
Sacramento Suburban Water District	12	Unlimited accrual over age 55. Mandatory buy out over 240 hours for employees under 55.	<b>Retirement:</b> District pays EE for all unused SL at rate of pay OR payment to deferred comp OR converted to service credit to PERS.
Carmichael WD	12	Unlimited	<b>Retirement:</b> SL converted to service credit to PERS.
City of Davis	12	Unlimited	<b>Retirement:</b> SL converted to service credit to PERS.
City of Folsom	Included in Annual Leave Bank for use as vacation or sick leave	Unlimited except for Public Safety - caps at 400	<b>Retirement:</b> SL converted to service credit to PERS. <b>Payout:</b> Allowed during employment.
City of Roseville	12	Unlimited	<b>Retirement:</b> SL cashed out or PERS credit at percentages based on length of service.

Sick Leave (SL) Comparison 2021  
Attachment 1

AGENCY	Sick Lave Annual Accrual (days/year)	Sick Leave Max Accrual	Sick Leave Cash Out
City of Sacramento	12	480	<p><b>Retirement/Separation for PERS members hired prior to 1/1/2005 with more than 20 YOS:</b> May receive payment for 33 1/3 of total SL credits OR PERS credit. <b>Retirement</b> for EEs hired after 1/1/2005: Convert SL balance to service credit.</p> <p><b>Payout:</b> Allowed during employment.</p>
City of West Sac	12	Unlimited	<p><b>Retirement, layoff or death:</b> Up to 50% payoff of hours at separation rate with remaining hours to service credit OR 100% of hours as service credit.</p>
City of Woodland	12	Unlimited	<p><b>Retirement:</b> Converted to PERS credit.</p>
El Dorado Irrigation District	<p><i>First 3 years: 160 hours. 4-9 years: 200. 10-14 years: 240. 15 or more years: 280</i></p>	<p>PTO - 280 in Bank A; unlimited in Bank B.</p>	<p><b>Retirement:</b> Convert all or some to PERS service credit.</p>
Elk Grove WD	<p>12 (categorized as PTO)</p>	<p>(PTO) 320</p>	<p><b>Retirement/Separation:</b> Unused accrued PTO will be paid out. <b>Payout</b> allowed for all or part of PTO hours upon written approval of GM.</p>

Sick Leave (SL) Comparison 2021  
Attachment 1

AGENCY	Sick Lave Annual Accrual (days/year)	Sick Leave Max Accrual	Sick Leave Cash Out
Placer County Water Agency	12	Unlimited	<p><b>Retirement:</b> Allows cash out, time credit, and premiums for health/accident insurance for EE paid for each day of unused accrued SL or combination.</p> <p><b>Payout:</b> EEs may "buy back" leave time used during medical Leaves of Absence.</p>
Sacramento County	15	Unlimited	<p><b>Retirement:</b> For management, cash value of one half of accrued SL. PERS service credit to all employees.</p> <p><b>Payout:</b> If employees use 12 hours or less of SL in a 6 month period, they receive 8 hours of PTO to be used in next 6 months.</p>
San Juan WD	12	480	<p><b>Retirement:</b> Converted to PERS service credit upon retirement. <b>Payout:</b> EEs get payout at end of FY for any amounts over 480 at 50% of value of leave - with other 50% removed from bank to bring balance below 480 for new FY.</p>
Amador Water Agency	12	Unlimited	<p><b>Retirement:</b> Converted to PERS service credit</p>
Stockton East WD	12	Unlimited	<p><b>Retirement:</b> Converted to PERS service credit and/or cash payment at 25% after 5 years of service and 50% after 10 years.</p>

## D. Sick Leave

When an employee is absent from work, it affects everyone in his/her department and the District as a whole. Sick leave should be viewed as a form of insurance that is accumulated in order to minimize the economic hardships that may result from extraordinary, unexpected or emergency need to take time off, such as short-term illness or injury to an employee or a covered family member, which includes the employee's spouse, registered domestic partner, child/stepchild, parent/stepparent, sibling, grandparent and grandchild. Time off for medical and dental appointments will be treated as sick leave, and visits related to pregnancy, regardless of the employee's marital status, will also be allowed if medical verification is provided. Advance notice and approval of scheduled medical, dental, vision and related appointments is required to avoid work group calendar conflicts and coverage concerns. Sick leave is not intended to be used in lieu of vacation. The General Manager has discretion to approve or deny the use of sick leave.

Sick leave benefits for Introductory/Regular/Management employees accrue at the rate of twelve (12) days (or 96 hours) per year starting with the employee's first full pay period following his/her hire date. If an employee resigns or is terminated, all sick leave benefits are forfeited. Sick leave does not accrue after the first ninety (90) days of a Workers' Compensation leave and cannot be used for any sickness or injury sustained while an employee is on a leave of absence without pay.

**It is the employee's responsibility to notify his/her immediate supervisor of a sick leave absence no later than fifteen (15) minutes before his/her regular start time.** Sick leave used must be reported on timesheets in fifteen (15) minute (i.e., .25 hour) increments.

A medical verification from an employee's or immediate family member's health care provider confirming an office visit may be required by the District. For any sick leave absence exceeding three (3) consecutive work days (unless the employee is using protected sick leave/kin care as discussed below), the employee must provide a medical verification to his/her immediate supervisor. For extended illness or injury absences, a medical verification confirming the necessity of a continued absence will be required, and the employee may be required to submit a medical release and/or fitness for duty certification from the health care provider confirming s/he is able to return to work with or without restrictions. The District retains the right to require a medical verification for an employee's or immediate family member's claimed illness or injury at any time.

Employees may use up to six (6) days of protected sick leave/kin care per calendar year for the diagnosis, care or treatment of the employee's or a covered family member's existing health condition, or if the employee is a victim of domestic violence sexual assault or stalking. No medical verification will be required for protected sick leave/kin care. This leave shall be specified as "PSL/Kin Care" on the employee's time sheet.

Any use of unearned sick leave will be treated as unpaid leave. An employee must notify his/her immediate supervisor if s/he will not have sufficient accrued sick leave to cover an



absence, and his/her time sheet cannot show unearned sick leave as paid "Time Off" unless the General Manager or his/her designee has given advance written approval.

Up to three (3) days of sick leave may be used in addition to the amount allowed for bereavement leave.

In addition to leave provided to a female employee before and after the birth of her child, a male employee may use up to six (6) days of sick leave as kin care immediately following the birth of his child.

Employees who have reached age 55 will be allowed to accumulate unused sick leave without limit. Employees under age 55 will be paid once per year in December for all accumulated sick leave exceeding 240 hours at one-half (1/2) their current rate of pay, which specifically does not include any temporary pay upgrade for Working Out of Class/Temporary Special Assignments. The amount will be included in their regular paycheck prior to December 31<sup>st</sup> unless they provide written notification to the Finance Department by November 15<sup>th</sup> that the cash out amount is to be paid 1) by separate paycheck, or 2) into a designated deferred compensation plan provided through the District if the employee has determined that s/he has not yet reached the IRS maximum contribution limit (it is the employee's responsibility to make this determination and then instruct the District as to the amount to be deferred).

Employees who have reached age 55 may cash out any amount of accumulated sick leave exceeding 240 hours at one-half (1/2) their current rate of pay once per year in December. Employees wishing to do so must provide written notification to the Finance Department by November 15<sup>th</sup> and payment will be made prior to December 31<sup>st</sup>. Employees must indicate if the cash out amount is to be paid 1) in their regular paycheck, 2) by separate paycheck, or 3) into a designated deferred compensation plan provided through the District if the employee has determined that s/he has not yet reached the IRS maximum contribution limit (it is the employee's responsibility to make this determination and then instruct the District as to the amount to be deferred).

Upon retirement, the District will pay an employee for all accrued unused sick leave at the employee's rate of pay at the time of payment. An employee may instead choose to exchange unused sick leave for additional CalPERS service year credit at time of retirement or have any or all of the payout amount paid into a designated deferred compensation plan provided through the District if the employee has determined that s/he has not yet reached the IRS maximum contribution limit (it is the employee's responsibility to make this determination and then instruct the District as to the amount to be deferred).

If an employee is absent due to injury or illness covered under Workers' Compensation or Short-Term Disability insurance benefits, the employee may elect during such absence to apply accrued sick leave, and other accrued paid leave after sick leave is exhausted, on a pro-rated basis to such absence and receive compensation in an amount equal to the difference between the employee's regular pay and the amount received as Workers' Compensation or Short-Term Disability benefits. This coordination of benefits is required if the leave is designated as PDL or FMLA/CFRA leave.

Paid leave will continue to accrue during any period of Workers' Compensation or disability leave if an employee elects to coordinate paid leave and Workers' Compensation or disability benefits. Sick leave will not accrue after the first ninety (90) days of Worker's Compensation leave, or if the employee is not coordinating paid leave and disability benefits. Other paid leave will not accrue if the employee is not coordinating paid leave and Workers' Compensation or disability benefits. If an employee is on Workers' Compensation leave, there will be no loss of time or pay, and accrued sick leave will not be charged, for the day the injury occurred.



# SICK LEAVE

SEPTEMBER 20, 2021

# OPTION 1

c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), effective the first pay period after Board approval, the District will offer current and prospective retiring employees the following options regarding accrued sick leave:

- i. cash payout will be at  $1/2$  their current rate of pay (as opposed to the current offering of cash payout at full rate of pay);
- ii. payment to a deferred compensation plan at  $1/2$  their current rate of pay; or
- iii. conversion of accrued hours to CalPERS service credit.

## OPTION 2

- c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), all current employees will retain the benefits listed in Option 1.c (i.-iii.). For employees hired after September 1, 2021, accrued sick leave will be credited as follows:
- i. cash payout using the service-based schedule to follow.
  - ii. payment to a deferred compensation plan at their current rate of pay using the service-based schedule to follow;
  - or
  - iii. conversion of accrued hours to CalPERS service credit.

No more than 960 hours of sick leave may be used for cash payout or conversion to deferred compensation. Any sick leave over 960 hours will be converted to CalPERS service credit.

## OPTION 2 (CONT.)

CREDITED YEARS OF SSWD SERVICE	PERCENTAGE OF SICK LEAVE PAYOUT
10	50
11	55
12	60
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14	70
15	75
16	80
17	85
18	90
19	95
20	100

## OPTION 3

- c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), all current employees will retain the benefits listed in Option 1.c (i.-iii). For employees hired after September 1, 2021, the District will cease offering both of the following options for resolving accrued sick leave: a) cash payouts; and b) payment to deferred compensation.

Instead, accrued sick leave will only be converted to CalPERS service credit upon retirement.

## OPTION 4

- c) Upon retirement, effective the first pay period after Board approval, for all current and prospective employees with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), the District will cease offering both of the following options for resolving accrued sick leave: a) cash payouts; and b) payment to deferred compensation.

Instead, accrued sick leave will only be converted to CalPERS service credit upon retirement.



## OPTION 5

c) Upon retirement, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), all current employees will retain the benefits listed in Option 1.c (i.-iii).

For employees hired after September 1, 2021, the District will cease offering cash payouts for accrued sick leave and allow either a) payment to a deferred compensation account at their current rate of pay or b) conversion of sick leave to CalPERS service credit.

## OPTION 6

c) Upon retirement, effective the first pay period after Board approval, for all current and prospective employees, with the exception of employees who were employed with either Arcade Water District or Northridge Water District (considered “pre-merger” employees; their benefits cannot be reduced under the LAFCo Resolution), the District will cease offering cash payouts for accrued sick leave and allow either a) payment to a deferred compensation account at their current rate of pay or b) conversion of sick leave to CalPERS service credit.

# OPTION 7

Maintain current benefits in Employee Handbook for all current and prospective employees.

# ADDITIONAL INFORMATION

Staff would like to note that at the July 19, 2021 Board meeting, a request was made by a Board member to propose an option that would provide District staff with unlimited sick leave during employment, but with no cash payouts and no ability to convert accrued sick leave to CalPERS for service credit upon retirement. Upon investigation into this request, staff was able to confirm that the benefit of accrued sick leave conversion to CalPERS service credit (Government Code Section 20965) is a mandated benefit under CalPERS, and is a mandated benefit under CalPERS, and is a requirement of the District's contract in CalPERS.

The next slide contains the information from CalPERS that confirms this. It is an excerpt (page 26) from CalPERS' Optional Benefits Listing document, available at: <https://www.calpers.ca.gov/docs/circular-letters/2008/200-010-08-attach1.pdf>

# ADDITIONAL INFORMATION (CONT.)

## F. RISK POOLING

Risk pooling consists of pooling assets and liabilities across employers to produce large risk sharing pools that will dramatically reduce or eliminate the large fluctuations in the employer's contribution rate caused by unexpected demographic events. Government Code Sections 20840, 20841, and 20842 authorize the CalPERS' Board to create risk pools for public agencies and mandate participation for all plans with less than 100 active members. Article 7.5 of Title 2 of the California Code of Regulations establishes the criteria for participation in risk pools.

Beginning July 1, 2005, plans with less than 100 active members will be mandated into risk pools. Non-mandated plans will be allowed to amend their contract to voluntarily join a risk pool, unless it would be harmful to the pool. School districts will be allowed to voluntarily leave the schools' pool and join a public agency risk pool if they contract separately. However, once a plan participates in a risk pool, there is no option to exit the risk pool.

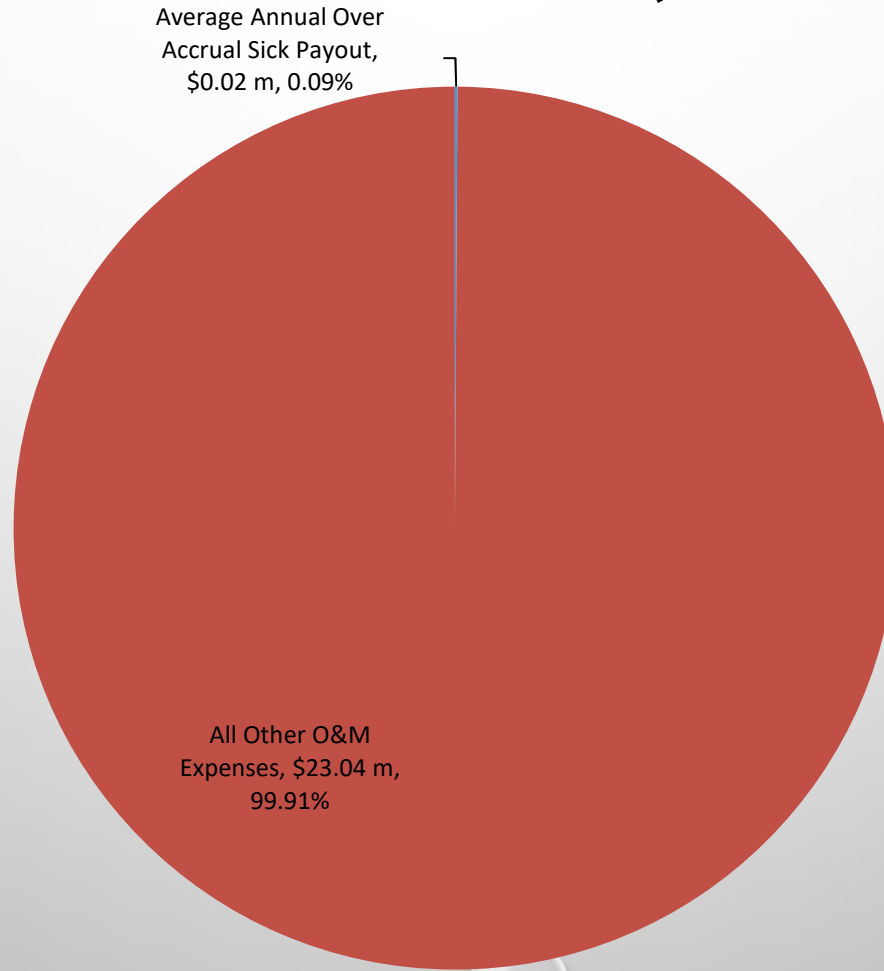
Plans will be assigned to one of two risk pools, one for all miscellaneous groups and one for all safety groups.

### **Mandated Benefits:**

Government Code Section 20840(e) requires that each pool contain certain benefits:

- **Section 20965** (Credit for Unused Sick Leave)
- Section 21022 (Public Service Credit for Periods of Layoffs)
- Section 21023.5 (Public Service Credit for Peace Corps or AmeriCorps: VISTA Service)
- Section 21024 (Military Service Credit as Public Service)
- Section 21026 (Public Service Credit for Service Rendered to a Nonprofit Corporation)
- Section 21027 (Military Service Credit for Retired Persons)
- Section 21536 (Local System Service Credit Included in Basic Death Benefit)
- Section 21548 (Pre-Retirement Option 2W Death Benefit)

# 5 YEAR AVERAGE SICK LEAVE OVER-ACCRRUAL PAYOUT AS A % OF 2021 TOTAL O&M BUDGET (\$000,000S)



**QUESTIONS?**



## Agenda Item: 7

**Date:** September 20, 2021

**Subject:** Committee and Liaison Appointments – Ad Hoc Employee Benefits Committee

**Staff Contact:** Dan York, General Manager

**Recommended Board Action:**

The Board President will consider amending the appointments to the Ad Hoc Employee Benefits Committee.

**Discussion:**

The Board President has requested to add this item to consider amending appointments to the Ad Hoc Employee Benefits Committee for the 2021 year.

Included with this report is the most recent list of the 2021 Committee and Liaison Assignments (Attachment 1).

**Fiscal Impact:**

Payment to Directors will be made in accordance to District policy. Total annual payments are expected to be within budgeted amounts.

**Strategic Plan Alignment:**

**Goal B** - Optimize Operational and Organizational Efficiencies.

Representation at meetings can forward the District’s position and increase knowledge of other professional groups’ activities.

**Attachments:**

1. 2021 Committee and Liaison Assignments



## Sacramento Suburban Water District 2021 Committee and Liaison Assignments

### Committees

Regulatory Compliance Committee.....	Bob Wichert, Chair
(Standing: no regularly assigned meeting time) .....	Dave Jones
Facilities and Operations Committee.....	Bob Wichert, Chair
(Standing: no regularly assigned meeting time) .....	Dave Jones
Finance and Audit Committee .....	Kevin Thomas, Chair
(Standing: no regularly assigned meeting time) .....	Dave Jones
Carmichael Water District/SSWD 2x2 Ad Hoc Committee.....	Craig Locke, Chair
(Ad Hoc: no regularly assigned meeting time) .....	Dave Jones
.....	Kevin Thomas, Alternate
SJWD/SSWD Water Management/Re-organization Committee.....	Kevin Thomas, Chair
(Ad Hoc: no regularly assigned meeting time) .....	Bob Wichert
.....	K. McPherson, Alternate
.....	Dave Jones, Alternate
Employee Benefits Ad Hoc Committee.....	Kathleen McPherson, Chair
(Ad Hoc: no regularly assigned meeting time) .....	Kevin Thomas
Ad Hoc General Manager Performance Review Committee.....	Bob Wichert, Chair
(Ad Hoc: no regularly assigned meeting time) .....	Kevin Thomas
Ad Hoc Water Banking and Transfer Committee.....	Kevin Thomas, Chair
(Ad Hoc: no regularly assigned meeting time) .....	Kathleen McPherson
.....	Craig Locke, Alternate

### Liaison Assignments

ACWA/JPIA .....	Kathleen McPherson
.....	Staff Position: Dan York
ACWA General Election Voting Delegate .....	Kathleen McPherson
ACWA Groundwater Committee.....	Dave Jones
.....	Kevin Thomas
.....	Craig Locke
.....	Kathleen McPherson
.....	Dan York
ACWA Water Quality Committee.....	Kathleen McPherson
.....	Dave Jones

ACWA Energy Committee .....	Bob Wichert
ACWA Communications Committee .....	Kevin Thomas
ACWA Legal Affairs Committee .....	Ryan Bezerra
California Special Districts Association .....	Kathleen McPherson
.....	Dave Jones
LAFCo Special District Advisory Committee .....	Kathleen McPherson
Regional Water Authority .....	Dave Jones
.....	Dan York
Regional Water Authority Executive Committee .....	Staff Rep: Dan York
Sacramento Groundwater Authority .....	Bob Wichert, Board Rep.
.....	Dan York, Staff Rep.
.....	Kevin Thomas, Alternate
.....	Craig Locke, Alternate
.....	Dave Jones, Alternate
.....	K. McPherson, Alternate
Sacramento Water Forum Successor Effort.....	Staff Rep: Dan York
.....	Bob Wichert
.....	Craig Locke, Alternate
.....	Kevin Thomas, Alternate
.....	Dave Jones, Alternate
.....	K. McPherson, Alternate



## Agenda Item: 8

**Date:** September 20, 2021

**Subject:** Public Agencies' Use of Private Sector Compensation Data for Compensation Study Comparisons

**Staff Contact:** Susan Schinnerer, Human Resources Administrator

### Recommended Board Action:

Receive information from staff regarding public agencies' use of private sector employers' compensation data for compensation comparison information.

### Background:

At the August 16, 2021, Board Meeting, a Board member expressed the desire to utilize private sector comparisons when analyzing District benefit and compensation information. Though staff has requested general information from District consultants in addressing this desire in the past, staff will provide more detailed information to the Board at this time. The information below was gathered from Shellie Anderson of Bryce Consulting, a well-known classification and compensation consultant for public agencies who has worked with the District previously, and staff research.

### Discussion:

In selecting organizations to compare to for total compensation, several factors are considered, including the nature of services provided. In general, organizations that provide similar services are used as comparators because they are more likely to compete with one another for employees, to have comparable jobs, and to have similar organizational characteristics and structure. Public agencies such as water districts provide very specific services, many of which are not provided by other types of public agencies or by the private sector. Therefore, comparing to non-public organizations can lead to inconsistencies in compensation data. For instance, when comparing a water district to a private company, the private company may not have many of the classifications that are found within the water district, such as operators or certain conservation positions. Each of these functions has classifications that are specific to the services and programs offered by the District, and because private sector companies do not provide these services in the same way, a large number of classes would not be compared. This can lead to an inequity in that those classifications that are specific to water districts will only have other water districts or perhaps some city organizations as a point of comparison, whereas classifications that are more general

and administrative in nature will have the benefit of the private companies as a point of comparison.

The analysis becomes even more problematic when comparing to the private sector as the comparability for the classifications will be even more limited. For instance, if a private engineering firm is surveyed, only engineering and possibly a few administrative classifications would be compared because of the narrow scope of the services provided within private entities. Very few, if any, private sector employers provide the breadth of services provided by public agencies such as water districts, and including organizations that have comparability for a very limited number of classes can impact the consistency of the results.

Furthermore, private entities tend to have a more flexible structure, often without detailed job descriptions which are critical for determining comparability in terms of duties, complexity, level of authority, and requirements including knowledge, skills, abilities, education, and certification. In addition, the benefits are often difficult to compare between the private and public sector, as the public sector typically has a defined retirement benefit plan whereas the private sector has a defined contribution plan. The overall administration of these retirement plans and other employee benefits are very different.

In addition to the differences in the benefits, the salary structure within the private sector is different than the public sector, which can impact the comparison between the District's classification plan. For example, private entities don't have a set salary for a particular classification - the salary is often set specific to a person and their particular skills and abilities. Many job postings for private sector job openings use verbiage such as, "salary commensurate with experience" or offer a large salary range for this reason. Management salaries are also based on the profit and loss of the entire organization, where managers are provided with a base salary but could have the opportunity to significantly increase their earnings by meeting specific goals through bonus programs or profit sharing if profit margins are met. The public sector does not have similar incentive pay for managers and therefore, they are compensated less. In addition, the private sector tends to compensate lower paid classifications less generously than the public sector, negatively impacting the lower paid positions within the public agency.

Lastly, salary and benefit data within the public sector is public information and readily available. The same cannot be said of private entities as the information is often kept confidential and the traditional mode for obtaining compensation data is not conducive to the private sector. For public entities, consultants or staff are able to collect salary schedules, memoranda of understanding, benefit summaries, and job descriptions. Where such documents are not provided, the consultants or staff can usually contact a member of the agency's human resources team to request the specific information using a very detailed survey document. This method does not tend to be successful with private entities as they typically do not have the same level of documentation that public entities have, and often do not want to (or simply refuse to) disclose the data requested. Essentially, there is no "Transparent California" requirement for the public sector. With

public agencies, information can be requested through a Public Records Act request if absolutely necessary, but the same option is not available with private entities.

While the desire was expressed to include private sector data in the District's compensation study, the collection, analysis, and use is problematic for a variety of reasons. These include:

- Lack of data for many classifications that are specific to District services
- Lack of detailed job descriptions to ensure comparability
- Lack of benefit data, inability to break out benefit data for the purpose of comparison, or a different analysis and value placed on benefit data
- Overall difficulty with blending the private sector data with the public data because of a lack of or a different analysis of benefits.

**Fiscal Impact:**

There is no fiscal impact related to this item.

**Strategic Plan Alignment:**

Goal B: Optimize Operational and Organizational Efficiencies

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Goal E: Retain and Recruit a Qualified and Stable Workforce

**Attachments:**

None.



## Agenda Item: 9

**Date:** September 20, 2021

**Subject:** Resolution No. 21-12 Fixing the 2022 Employer Contribution Under the Public Employees’ Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants, and Resolution No. 21-13 Fixing the 2022 Employer Contribution For Public Agency Vesting Under Section 22893 of the Public Employees’ Medical and Hospital Care Act

**Staff Contact:** Susan Schinnerer, Human Resources Administrator  
Jeffery S. Ott, Director of Finance and Administration

**Recommended Board Action:**

Adopt the following CalPERS resolutions to set the District’s maximum 2022 contribution levels for employee and retiree medical insurance:

1. Resolution No. 21-12 Fixing the Employer Contribution Under the Public Employees’ Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants (Attachment 1); and
2. Resolution No. 21-13 Fixing the Employer Contribution For Public Agency Vesting Under Section 22893 of the Public Employees’ Medical and Hospital Care Act (Attachment 2).

**Summary:**

Staff recommends that the Board approve the attached resolutions fixing the District’s employer contribution at the CalPERS 100/90 rate for all medical plans for 2022. Last year, in 2021, the District’s caps were a combination of the CalPERS 100/90 rates and the Western Health Advantage (WHA) rates; but this year, the 100/90 rates will apply to all coverage levels. The contributions will change as follows:

Coverage	2021 Monthly “Cap”	2022 Monthly “Cap”	Difference
Employee	\$798	\$816	\$18
Employee + 1	\$1,519	\$1,548	\$29
Employee + Family	\$1,968.25	\$1,983	\$14.75

**Discussion:**

Staff has determined the District should remain in the CalPERS medical program for 2022 after EPIC, the District’s benefits consultant, provided their recommendation that the District should remain with CalPERS for the 2022 plan year. EPIC provided the District information comparing

plans and rates with those offered through CalPERS and the Special District Risk Management Authority (SDRMA). ACWA/JPIA declined to provide a quote for 2022, citing the District's high enrollment in Kaiser and high retiree population as cost-prohibitive.

EPIC's recommendation to continue with CalPERS health insurance for 2022 is due to CalPERS remaining the least costly option for the District that provides the District with cost savings compared to the SDRMA health plan rates.

EPIC obtained the following information:

- SDRMA offers PPO and HMO plans.
  - SDRMA's rate for comparable Kaiser (HMO) Employee Only coverage is \$101 higher than the CalPERS 2022 Kaiser rate of \$857 per month. SDRMA's rate is \$179 more than CalPERS for Employee +1, and \$225 more than CalPERS for Employee + Family.
  - SDRMA's plan that is most similar to Western Health Advantage (WHA), the District's "cap" plan for 2021, Blue Shield Access +, is \$348 more per month for Employee Only coverage, almost \$698 more per month for Employee +1, and \$908 more per month for Employee + Family coverage.
  - For the lowest and most comparable PPO plan, which, for 2022 is SDRMA's Gold PPO in comparison to the PERS Gold plan, SDRMA's rate for Employee Only coverage is \$112 more per month. For Employee +1, the cost is \$225 more under SDRMA, and the cost for Employee + Family coverage in SDRMA is \$292 more per month.
- Using the most comparable Kaiser plan as the contribution amount, it would cost the District approximately \$500,000 more annually to move to coverage under SDRMA.

The last day to file a resolution to terminate enrollment in the 2022 CalPERS health insurance program was September 14, 2021. Because the rates from CalPERS were released later this year than in past years, and the benefits consultant was subsequently not able to provide the analysis of the CalPERS and SDRMA rates until September 1, 2021, staff is bringing this item forward for Board approval and would note two important reminders: 1) The rates for CalPERS remain lower than the rates for SDRMA for comparable coverage, and 2) plans currently in the CalPERS medical program (e.g., Kaiser, United Healthcare, Blue Shield of California, etc.) will not provide a quote for separate group coverage until a Board Resolution is provided that confirms the agency's intent to leave the CalPERS program. There are no annual rate guarantees for group coverage; what could be a cost savings in the first year could easily increase on a large scale the following year, with no options for the District to return to CalPERS. This is because once an agency leaves the CalPERS health insurance program, it cannot return for five years. In

addition, because Open Enrollment runs from September 20 to October 15, 2021, in the interest of time, staff felt it was appropriate to move forward with this information as it was available.

The General Manager determines the maximum or “cap” amount to be paid by the District for employee medical insurance premiums prior to Open Enrollment each year based on the higher of the Sacramento Region Basic lowest cost HMO or PPO plans or the CalPERS “100/90 Formula.” This was reviewed by the Board at the August 21, 2017 Board Meeting. Based on the rate chart attached as Attachment 3, for 2022, the District will pay the “100/90” Formula rate for all three benefit plans, including single, 2-party, and family coverages for 2022. The 100/90 Formula amounts, listed below, are higher than the District “cap” amount for the HMO and PPO plans:

**100/90 Formula for 2022**

<b>Single</b>	<b>2-Party</b>	<b>Family</b>
\$816	\$1,548	\$1,983

The monthly premium rates for the HMO and PPO plans offered by CalPERS in 2021 and 2022 for single party coverage are shown below (the District’s “cap” amount for 2021 is shown in **bold**). There are proportionate increases in two-party and family coverage rates based on the CalPERS plan ratio of 1:2:2.6 (i.e., the two-party rate is 2 times greater than the single rate and the family rate is 2.6 times greater than the single rate). Some plans, however, in particular Western Health Advantage (WHA) and the Blue Shield Access + plans, saw a small reduction in premiums for 2022. WHA’s premiums for 2022 show a 2.08% decrease in cost.

<b>HMO Medical Benefit Plan</b>	<b>2021 Monthly Premium</b>	<b>2022 Monthly Premium</b>
Anthem HMO Select	\$925.60	\$1,015.81
Anthem HMO Traditional	\$1,307.86	\$1,304.00
Blue Shield Access+	\$1,170.08	\$1,116.01
Health Net SmartCare	\$1,120.21	\$1,153.00
Kaiser CA	\$813.64	\$857.06
United Healthcare	\$941.17	\$1,020.28
<b>Western Health Advantage</b>	<b>\$757.02</b>	\$741.26



Among the changes for 2022, the three CalPERS PPO plans, PERSCare, PERS Choice, and PERS Select, will transition to two plans, PERS Platinum and PERS Gold, as shown below:

<b>PPO Medical Benefit Plan</b>	<b>2021 Monthly Premium</b>	<b>2022 Monthly Premium</b>
PERS Choice (Platinum)	\$935.84	\$1,057.01
PERS Select (Gold )	\$566.67	\$701.23
PERSCare (Platinum)	\$1,294.69	\$1,057.01

Given this change in the “cap” for 2022 to reflect the 100/90 formula rates, staff has prepared updated CalPERS resolutions (using the required CalPERS templates) for adoption by the Board of Directors as follows:

1. Resolution No. 21-12 Fixing the Employer Contribution Under the Public Employees’ Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants (Attachment 1): This Resolution applies to **all employees and annuitants hired prior to January 1, 2003**. It states the District will pay up to a maximum of the amounts prescribed by Government Code Section 22893(a)(1) – which refers to the 100/90 formula.
2. Resolution No. 21-13 Fixing the Employer Contribution For Public Agency Vesting Under Section 22893 of the Public Employees’ Medical and Hospital Care Act (Attachment 2): This Resolution applies to **all employees and annuitants hired on or after January 1, 2003**, who are subject to the CalPERS vesting schedule for their post-retirement benefits. It states the District will pay up to a maximum of the amounts prescribed by Government Code Section 22893(a)(1) – which refers to the 100/90 formula.

**Fiscal Impact:**

There will be a slight increase in the 2022 Operations and Maintenance medical benefit expenses. Based on the current enrollment and the CalPERS rates, the increase will be 3.09%, or around \$49,000 for 2022. District staff may elect to change plans during Open Enrollment, so the precise cost impact to the District is unknown at this time, but the new rates will be included during CY2022 budget preparation.

**SSWD “Cap” Premium Comparison**

<b>Year</b>	<b>Single</b>	<b>2-Party</b>	<b>Family</b>
2021 “Cap”	\$798	\$1,519	\$1,968.25
2022 “Cap” (100/90 Formula)	\$816	\$1,548	\$1,983

Resolution No. 21-12 Fixing the 2022 Employer Contribution Under the Public Employees’ Medical and Hospital Care Act At An Equal Amount for Employees and Annuitants, and Resolution No. 21-13 Fixing the 2022 Employer Contribution For Public Agency Vesting Under Section 22893 of the Public Employees’ Medical and Hospital Care Act  
 September 20, 2021  
 Page 5 of 5

Total Employees	<b>13</b>	<b>8</b>	<b>30</b>
Percentage Increase	<b>2.26%</b> (9% in 2020)	<b>1.90%</b> (3.8% in 2020)	<b>.75%</b> (3.4% in 2020)

**Strategic Plan Alignment:**

**Goal B:** Optimize Operational and Organizational Efficiencies

**Goal C:** Fiscal Responsibility and Affordable Rates

**Goal E:** Retain and Recruit a Qualified and Stable Workforce

**Attachments:**

- 1 – Resolution No. 21-12 Fixing the Employer Contribution Under the Public Employees’ Medical and Hospital Care Act at an Equal Amount for Employees and Annuitants
- 2 – Resolution No. 21-13 Fixing the Employer Contribution Under Section 22893 of the Public Employees’ Medical and Hospital Care Act
- 3 – 2022 Regional Health Plan Rates Region 1 and 100/90 Formula Rates
- 4 - EPIC Medical Review

**RESOLUTION NO. 21-12**  
**FIXING THE EMPLOYER CONTRIBUTION**  
**UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**  
**AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS**

- WHEREAS, (1) Sacramento Suburban Water District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it
- RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the amounts prescribed by Government Code Section 22893(a)(1), plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (b) Sacramento Suburban Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (c) That the participation of the employees and annuitants of Sacramento Suburban Water District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Sacramento Suburban Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further
- RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Susan Schinnerer, Human Resources Administrator, or Jeffery S. Ott, Director of Finance and Administration, to file with the Board a verified copy of this resolution, and to perform on behalf of Sacramento Suburban Water District all functions required of it under the Act; and be it further
- RESOLVED, (e) That coverage under the Act be effective on January 1, 2022.

Adopted at a regular meeting of the Sacramento Suburban Water District Board of Directors at Sacramento, CA, this 20th day of September, 2021.

Signed: \_\_\_\_\_  
Robert Wichert, President, Board of Directors

Attest: \_\_\_\_\_  
Daniel York, General Manager/Secretary

**RESOLUTION NO. 21-13**  
**FIXING THE EMPLOYER CONTRIBUTION FOR PUBLIC AGENCY VESTING UNDER SECTION 22893**  
**OF THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT**

- WHEREAS, (1) Sacramento Suburban Water District is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”); and
- WHEREAS, (2) Sacramento Suburban Water District is a contracting agency has filed a resolution with the Board of the California Public Employees’ Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22893; now, therefore be it
- RESOLVED, (a) That the employer contribution for each annuitant subject to vesting shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the amounts prescribed by Government Code Section 22893(a)(1), plus administrative fees and Contingency Reserve assessments; and be it further
- RESOLVED, (b) Sacramento Suburban Water District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (c) That the participation of the employees and annuitants of Sacramento Suburban Water District shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Sacramento Suburban Water District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees’ Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further
- RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, Susan Schinnerer, Human Resources Administrator or Jeffery S. Ott, Director of Finance and Administration, to file with the Board a verified copy of this resolution, and to perform on behalf of Sacramento Suburban Water District all functions required of it under the Act; and be it further
- RESOLVED, (e) That coverage under the Act be effective on January 1, 2022.

Adopted at a regular meeting of the Sacramento Suburban Water District Board of Directors at Sacramento, CA, this 20th day of September, 2021.

Signed: \_\_\_\_\_  
Robert Wichert, President, Board of Directors

Attest: \_\_\_\_\_  
Daniel York, General Manager/Secretary

# CaIPERS

## 2022 Regional Health Plan Rates Region 1 and 100/90 Formula Rates

Plan	Employee Only	Employee + 1	Employee + Family
<b>HMOs</b>			
Anthem HMO Select	\$1,015.81	\$2,031.62	\$2,641.11
Anthem HMO Traditional	\$1,304.00	\$2,608.00	\$3,390.40
Blue Shield Access+	\$1,116.01	\$2,232.02	\$2,901.63
Blue Shield Trio	\$898.54	\$1,797.08	\$2,336.20
Health Net SmartCare	\$1,153.00	\$2,306.00	\$2,997.80
Kaiser	\$857.06	\$1,714.12	\$2,228.36
United Healthcare	\$1,020.28	\$2,040.56	\$2,652.73
Western Health Advantage	\$741.26	\$1,482.52	\$1,927.28

<b>PPOs</b>			
Anthem BC Del Norte	\$1,057.01	\$2,114.02	\$2,748.23
PERS Platinum (Choice)	\$1,057.01	\$2,114.02	\$2,748.23
PERS Select (Gold)	\$701.23	\$1,402.46	\$1,823.20
PERS Platinum (Care)	\$1,057.01	\$2,114.02	\$2,748.23

<b>100/90 Formula</b>	
<b><i>Single</i></b>	<b><i>\$816</i></b>
<b><i>Two-Party</i></b>	<b><i>\$1,548</i></b>
<b><i>Family</i></b>	<b><i>\$1,983</i></b>

***“Cap” Plan for 2022 is the 100/90 Formula, Shown in Bold Italics***



# Sacramento Suburban Water District

Medical Review  
Effective January 1, 2022

Presented by:  
Terri Ezaki  
Katie Huddleston  
September 8, 2021



CA License 0B29370



# Table of Contents

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Overview

Pages 4-7

Medical Information

Pages 8 - 11

Carriers Contacted	Bid Response
<b>Medical</b>	
CalPERS	Presented
ACWA-JPIA	Declined to Quote - Kaiser enrollment & Retirees
SDRMA	Quoted - Presented

- **Objective**
  - Lower cost to the District for Actives and Retirees
  - Retain choice of medical options for active and retirees
  - Keeping benefit design as similar as possible to CalPERS
  
- **Possible Alternatives**
  - Direct with Carriers – Not quoted
    - › District size in the direct market considered small group (under 100) increasing administrative burden to manage the benefits and benefit designs are not as rich
    - › CA Small group insurance regulations do not define a retiree as eligible
  - Compare plans, costs and retiree financial requirements in the other pools/JPA's most like those offered through CalPERS
  - Solicited quotes from ACWA JPIA and SDRMA
  
- **District statistics**
  - All information is based upon the census provided by Sacramento Suburban Water District ("District") dated 7/21/2021
  - Demographics:
    - › 104 total eligible employees and retirees
  
    - › 66 Active employees (51 enrolled with 42 or 82% enrolled in Kaiser)
      - › Average age employee enrolled is nearly 45
      - › 13 employee only
      - › 8 employee + one dependent
      - › 30 employee + two or more dependents
      - › 15 waivers (opt-out) – average age 49
      - › 0 COBRA
  
    - › 37 Retirees (31 enrolled) with majority being over 65 (23) and 8 under 65
      - › 12 retiree only
      - › 15 retiree + one dependent
      - › 4 retiree + two or more dependents
      - › 6 waivers (no current contribution, but remain eligible to rejoin CalPERS medical as long as annuitant)
    - › Waivers make up 16.22% of total population
    - › Retirees make up approximately 36% of total population and 38% of enrollment

- **Contributions**

- › District's active contribution is based on the "highest" of the lowest cost plans available in Region 1 of CalPERS or 100/90 rate under PERS per Government Code 22993 (vesting schedule), whichever is higher
  - › Same contribution for annuitants hired prior to January 1, 2003
    - › Utilized for all retirees currently enrolled in cost analysis
  - › 2022 Example:
    - › Western Health Advantage (WHA) is the lowest cost HMO plan and PERS Gold (previously known as PERS Select) is the lowest cost PPO
    - › Of those two (2) plans, WHA is more expensive than PERS Gold; however
    - › WHA 2022 rate is:
      - › EE: \$741.26, EE+1: \$1,482.52, FAM: \$1,927.28
    - › 100/90 PERS Contribution:
      - › EE: \$816, EE+1: \$1,548, FAM: \$1,983
    - › Contribution will be based on 100/90 rate under PERS as it is higher than WHA
    - › Active Waivers (opt-outs) receive half of the lowest cost plan across all tiers in cash back (2022 PERS Gold is the lowest cost plan)
      - › EE: \$350.62, EE + 1: \$701.23, FAM: \$911.60

- **CalPERS Medical (District Current Medical Options)**
  - Multiple HMO and PPO’s available through the program available for Active and Retirees
    - › Similar benefit design for all HMO’s with varying networks
  - Does not have restrictions or requirements on plan/carrier enrollments
  - Active and early retiree rates are the same
  - Must provide a decision to CalPERS by September 14, 2021 if leaving program for a January 1, 2022 effective date
    - › Has a five (5) year “lock out” if you leave the CalPERS program
  - Medical plan ratios (distribution of rates): 1:2:2.6 (single, two-party and family)
    - › Explanation: The two-party rate is 2 times greater than the single and the family is 2.6 times greater than the single.
  - › Requires contribution for retirees
  
- **Marketing Results**
  - **ACWA JPIA (Joint Power Insurance Authority):** Multiple Water District’s purchasing insurance jointly
    - › Declined to quote on the Water District
      - › Kaiser enrollment
      - › Retiree population
  
  - **SDRMA (JPA):** Affiliated with PRISM
    - › District would be permitted to have two (2) plans plus Kaiser
      - › Illustrated a \$15 Kaiser HMO, \$15 Blue Shield HMO and a Blue Shield PPO that are most similar to the current CalPERS plan options
    - › Contribution analysis based upon the three (3) plans selected
      - › Chose plans most similar in benefit design per objectives (not cost)
    - › Per SDRMA, Kaiser Break In rules not applicable
    - › Much higher than the CalPERS rates, but use the same ratios (1:2:2.6)
    - › Early retiree blended with actives (same rate)

- **Comparisons**

- Benefits (pages 8 & 9)
  - › Benefit Comparison and rates of plan options with current active employee enrollment
    - › Did not spread all plans with retiree enrollment
- Cost analysis (see page 10)
  - › Cost comparison based on total enrollment
    - › Active and retirees
    - › Active waivers
  - › The annual increase to SSWD based on the CalPERS 2022 rates is  $\approx$  \$49,000 (3.09% increase)
    - ›  $\sim$ \$30,000 increase in opt out payments
    - ›  $\sim$ \$20,000 increase in contributions for health plans
  - › It would cost the SSWD more to move to SDRMA (see pages 10 & 11 for contribution analysis)
    - › SDRMA:  $\sim$ \$500,000 annual increase to leave CalPERS (premium contributions and opt out payments) utilizing the most comparable Kaiser plan as the contribution

- **Recommendation**

- Based on the financial impact to the District, and potentially enrollees, recommendation is to remain with CalPERS for the 2022 plan year
  - › Benefit design options that are more cost effective are less robust in SDRMA
  - › Higher cost to the District
  - › Timing to exit CalPERS
  - › 5-year lock-out
- District may want to continue to review retiree contribution options while in CalPERS

# Plans/Rates Based On Current Enrollment (HMO)



KAISER HMO MOST SIMILAR TO CALPERS PLAN DESIGN		
	CalPERS Kaiser <sup>1</sup>	SDRMA Kaiser
DEDUCTIBLE	None	None
OOP MAX (Individual/Family)	\$1,500/\$3,000	\$1,500/\$3,000
OFFICE COPAY	\$15	\$15
HOSPITAL INPATIENT	No Charge	No Charge
HOSPITAL OUTPATIENT	\$15	ASC & Treatment: \$15/surgery <b>Hospital: No Charge</b>
EMERGENCY	\$50	\$50
RX OOPM	N/A	N/A
PRESCRIPTION (30-day)	\$5 / \$20	\$5/ \$20
EMPLOYEE ONLY	\$857.06	\$957.90
EMPLOYEE + 1	\$1,714.12	\$1,893.14
EMPLOYEE + 2 OR MORE	\$2,228.36	\$2,453.46

<sup>1</sup> Summary based upon 2021 benefits available on CalPERS website.

HMO MOST SIMILAR TO CALPERS WHA PLAN DESIGN		
	CalPERS WHA <sup>1</sup>	SDRMA BLUE SHIELD ACCESS +
DEDUCTIBLE	None	None
OOP MAX (Individual/Family)	\$1,500/\$3,000	\$1,500/\$3,000
OFFICE COPAY	\$15	\$15
HOSPITAL INPATIENT	No Charge	No Charge
HOSPITAL OUTPATIENT	No charge	<b>ASC or Treatment: No Charge</b> <b>Hospital Facility: \$100/surgery</b>
EMERGENCY	\$50	\$50
RX OOPM	\$1,000 (mail order)	<b>\$5,100/\$10,200</b>
PRESCRIPTION (30-day) G/B/NF/Specialty	\$5 / \$20 / \$50	\$5 / \$10 / \$25 / <b>20% (max copay \$100)</b>
EMPLOYEE ONLY	\$741.26	\$1,089.74
EMPLOYEE + 1	\$1,482.52	\$2,180.51
EMPLOYEE + 2 OR MORE	\$1,927.28	\$2,835.59

<sup>1</sup> Summary based upon 2021 benefits available on CalPERS website.

The information presented in this chart is a summary only. The information does not include all of the detailed explanation of benefits, exclusions and limitations. Plan participants should refer to the Evidence of Coverage (EOC) document for coverage details. In the event information in this summary differs from the EOC, the EOC will prevail.

# Plans/Rates Based On Current Enrollment (PPO)



PPO MOST SIMILAR TO PERS SELECT PLAN DESIGN		
	PERS GOLD - Formerly PERS Select <sup>1</sup>	SDRMA GOLD PPO
DEDUCTIBLE (Individual/Family)	\$1,000/\$2,000 <sup>2</sup>	<b>\$500/\$1,000</b>
OOP MAX (Individual/Family)	\$3,000/\$6,000	<b>\$2,000/\$4,000</b>
OFFICE COPAY	\$35 <sup>3</sup>	<b>\$20</b>
HOSPITAL INPATIENT	20%	20%
HOSPITAL OUTPATIENT	20%	<b>ASC: 10%</b> Treatment: 20%
EMERGENCY	20%, \$50 co-pay	20%, <b>\$100 co-pay</b>
RX OOPM (Individual/Family)	\$1,000 per person (mail order)	<b>\$4,600/\$9,200</b>
PRESCRIPTION (30-day) G/B/NF/Specialty	\$5 / \$20 / \$50	\$5 / <b>\$30</b> / \$45 / <b>30% (max co-pay \$150)</b>
EMPLOYEE ONLY	\$701.23	\$925.97
EMPLOYEE + 1	\$1,402.46	\$1,851.94
EMPLOYEE + 2 OR MORE	\$1,823.20	\$2,408.14

<sup>1</sup> Summary based upon 2021 benefits available on CalPERS website.

<sup>2</sup> Incentive available to reduce deductible to \$500/individual and \$1,000 family.

<sup>3</sup> Reduced to \$10 if enrolled with personal doctor.

The information presented in this chart is a summary only. The information does not include all of the detailed explanation of benefits, exclusions and limitations. Plan participants should refer to the Evidence of Coverage (EOC) document for coverage details. In the event information in this summary differs from the EOC, the EOC will prevail.



# Contribution Analysis

## CalPERS/SDRMA



### Opt Out - CalPERS to SDRMA

Opt Out Counts <sup>1</sup>	2022 Opt Out - PERS Gold	2022 Opt Out - SDRMA Gold PPO	SSWD contribution Compared to SDRMA	Difference per employee - Monthly	Annual Difference per employee
0	\$350.62	\$462.99	\$112.37	\$0.00	\$0.00
4	\$701.23	\$925.97	\$224.74	\$898.96	\$10,787.52
11	\$911.60	\$1,204.07	\$292.47	\$13,244.77	\$158,937.24
<b>COST DIFFERENCE FROM 2022 CALPERS contribution</b>				<b>\$14,143.73</b>	<b>\$169,724.76</b>

### Active & Retiree Enrollment

Total Enrollment <sup>2</sup>	2022 CalPERS 100/90	2022 SDRMA Kaiser HMO 15	SSWD contribution Compared to SDRMA	Monthly Difference	Annual Difference
25	\$816.00	\$957.90	\$141.90	\$3,547.50	\$42,570.00
23	\$1,548.00	\$1,893.14	\$345.14	\$7,938.22	\$95,258.64
34	\$1,983.00	\$2,453.46	\$470.46	\$15,995.64	\$191,947.68
<b>COST DIFFERENCE FROM 2022 CALPERS contribution</b>				<b>\$27,481.36</b>	<b>\$329,776.32</b>
<b>TOTAL COMBINED COST DIFFERENCE FROM 2022 CALPERS</b>				<b>\$41,625.09</b>	<b>\$499,501.08</b>

<sup>1</sup>There could be additional opt-outs effective January 2022. This is based on those employees whom are currently opting out this year.

<sup>2</sup>This is based on the current enrollment for active employees and retirees. Cost difference would change with enrollment shift.

### Opt Out - CalPERS 2021 to CalPERS 2022

Opt Out Counts <sup>1</sup>	2021 Opt Out - PERS Select	2022 Opt Out - PERS Gold	SSWD contribution compared to last year	Difference per Tier - Monthly	Annual Difference per Tier	Total Annual District Cost 2021	Total District Annual Cost 2022
0	\$283.34	\$350.62	\$67.28	\$0.00	\$0.00		
4	\$566.67	\$701.23	\$134.56	\$538.24	\$6,458.88		
11	\$736.67	\$911.60	\$174.93	\$1,924.21	\$23,090.50		
<b>TOTAL COST DIFFERENCE FROM 2021 CALPERS contribution</b>						<b>\$2,462.45</b>	<b>\$29,549.38</b>
						<b>\$124,440.73</b>	<b>\$153,990.11</b>

### Active & Retiree Enrollment

Total Enrollment <sup>2</sup>	2021 CalPERS 100/90 & WHA HMO	2022 CalPERS 100/90	SSWD contribution Compared to last year	Monthly Difference	Annual Difference	Total Annual District Cost 2021	Total District Annual Cost 2022
25	\$798.00	\$816.00	\$18.00	\$450.00	\$5,400.00		
23	\$1,519.00	\$1,548.00	\$29.00	\$667.00	\$8,004.00		
34	\$1,968.25	\$1,983.00	\$14.75	\$501.43	\$6,017.18		
<b>TOTAL COST DIFFERENCE FROM 2021 CALPERS contribution</b>						<b>\$1,618.43</b>	<b>\$19,421.18</b>
<b>TOTAL COMBINED COST DIFFERENCE 2021 FROM CALPERS</b>						<b>\$4,080.88</b>	<b>\$48,970.56</b>
						<b>\$1,461,690.82</b>	<b>\$1,481,112.00</b>

<sup>1</sup>There could be additional opt-outs effective January 2022. This is based on those employees whom are currently opting out this year.

<sup>2</sup>This is based on the current enrollment for active employees and retirees. Cost difference would change with enrollment shift.

## 2022 CalPERS Rate Charts (Region 1)

Active Renewal Rates for Comparison	ANTHEM HMO SELECT	ANTHEM HMO TRADITIONAL	WHA HMO <sup>2</sup>	BLUE SHIELD ACCESS +	BLUE SHIELD Trio	HEALTH NET SMARTCARE
<b>2022 HMO RATES</b>						
EMPLOYEE ONLY	\$1,015.81	\$1,304.00	\$741.26	\$1,116.01	\$898.54	\$1,153.00
EMPLOYEE + 1	\$2,031.62	\$2,608.00	\$1,482.52	\$2,232.02	\$1,797.08	\$2,306.00
EMPLOYEE + 2 OR MORE	\$2,641.11	\$3,390.40	\$1,927.28	\$2,901.63	\$2,336.20	\$2,997.80

	KAISER	United Healthcare Alliance	PERS Platinum - Formerly PERS Choice	PERS GOLD - Formerly PERS Select <sup>1</sup>	PERS Platinum - Formerly PERS Care
<b>2022 KAISER AND PPO RATES</b>					
EMPLOYEE ONLY	\$857.06	\$1,020.28	\$1,057.01	\$701.23	\$1,057.01
EMPLOYEE + 1	\$1,714.12	\$2,040.56	\$2,114.02	\$1,402.46	\$2,114.02
EMPLOYEE + 2 OR MORE	\$2,228.36	\$2,652.73	\$2,748.23	\$1,823.20	\$2,748.23

<sup>1</sup> THESE RATES ARE USED FOR OPT-OUT COST

<sup>2</sup> THE DISTRICT USES THE 100/90 ANNUITANT CONTRIBUTION FOR ACTIVES FOR 2022, AS IT IS HIGHER THAN WHA'S: \$816, \$1,548, \$1,983

## 2022 Rate Chart

<b>SDRMA</b>				
<b>Active/Early Retiree</b>	<b>Kaiser HMO 15 \$15 OV; \$0 Hosp.<sup>2</sup></b>	<b>Blue Shield Access+ HMO 15 \$15 OV; \$0 Hosp.</b>	<b>Blue Shield Platinum PPO \$300 Ded.; \$20 OV; 10% Coins.; \$1,300 OOPM</b>	<b>Blue Shield HDHP 10% \$1,400 Ded.; 10% Coins.; \$5,000 OOPM</b>
EMPLOYEE ONLY	\$957.90	\$1,089.74	\$1,013.52	\$813.70
EMPLOYEE + 1	\$1,893.14	\$2,180.51	\$2,026.01	\$1,631.52
EMPLOYEE + 2 OR MORE	\$2,453.46	\$2,835.59	\$2,631.65	\$2,118.71
<b>Active/Early Retiree</b>	<b>Kaiser HMO 20 \$20 OV, \$250 Hosp.</b>	<b>Blue Shield Access+ HMO 20 \$20 OV; \$250 Hosp.</b>	<b>Blue Shield Gold PPO \$500 Ded.; \$20 OV; 20% Coins.; \$2,000 OOPM<sup>1</sup></b>	<b>Blue Shield HDHP 20% \$1,400 Ded.; 20% Coins.; \$5,000 OOPM</b>
EMPLOYEE ONLY	\$923.91	\$1,011.46	\$925.97	\$671.56
EMPLOYEE + 1	\$1,826.19	\$2,027.04	\$1,851.94	\$1,342.09
EMPLOYEE + 2 OR MORE	\$2,365.91	\$2,634.74	\$2,408.14	\$1,743.79
<b>Active/Early Retiree</b>		<b>Blue Shield EPO \$300 Ded.; \$30 OV; \$0 Hosp.</b>	<b>Blue Shield Silver PPO \$2,000 Ded.; \$30 OV; 20% Coins. \$5,000 OOPM</b>	<b>Blue Shield Bronze PPO \$5,000 Ded.; 30% OV; 30% Coins. \$7,000 OOPM</b>
EMPLOYEE ONLY		\$1,082.53	\$667.44	\$611.82
EMPLOYEE + 1		\$2,168.15	\$1,336.94	\$1,224.67
EMPLOYEE + 2 OR MORE		\$2,813.96	\$1,738.64	\$1,592.38

<sup>1</sup> THESE RATES ARE USED FOR OPT-OUT COST

<sup>2</sup> THESE RATES ARE USED DISTRICT CONTRIBUTION



## Agenda Item: 10

**Date:** September 20, 2021

**Subject:** General Manager's Report

**Staff Contact:** Dan York, General Manager

**a. Capital Budget Augmentation Need Anticipated**

This year's capital budget is anticipated to require augmentation related to the need to maintain adequate groundwater supply capacity in the North Service Area (NSA). The NSA has steadily lost capacity over the last decade or so, largely due to groundwater contamination issues. In many cases, factors associated with well age and site limitations have precluded water quality mitigation at impacted facilities. The efforts to replace lost capacity in recent years has become increasingly urgent, as the historical excess capacity ("buffer") no longer exists. Currently, the District does not have the capacity required by the State's Division of Drinking Water to meet Maximum Day Demand requirements in one of the NSA pressure zones. Additionally, due to the average age of wells in the NSA, it is unknown when failures may occur, or existing and/or future regulatory requirements may affect the water supplies.

Replacement of lost groundwater supply capacity requires construction of a new well and its pump station, in most cases this also requires acquisition of property for the new facility. Staff is planning to recommend to the Board at its October 2021 regular Meeting an approach to accelerate construction of new NSA groundwater facilities to replace lost capacity. This approach will be based on the Board authorizing additional Capital Improvement Program (CIP) funding in CY2021.



## Agenda Item: 11

**Date:** September 20, 2021

**Subject:** Financial Report

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

**COVID-19 Financial Update:**

Calendar Year 2021 budget has factored in 6 months of COVID-19 related revenue reductions and expenses. The allowance for doubtful accounts has been increased \$500,000 to reflect potential uncollectable amounts from 2020 deferred payments related to the Governor’s Executive Order 42-20. As of August 31, 2021, there are approximately 1,399 accounts that would move to the collections two-day notice (Shut-off) with a balance of \$912,808. Staff will continue to monitor and report the financial effects of the COVID-19 pandemic. The table below shows the history of the delinquent customer count and amount since March 2021.

Month	Accounts	Amount	Month to Month Change
March 2021	1,550	\$ 912,985	
April 2021	1,487	858,633	-63: -54,352
June 2021	1,616	983,104	129: 124,471
June 2021	1,485	908,546	-131: -74,558
July 2021	1,436	942,663	-49: 34,117
August 2021	1,399	912,808	-37: -29,855

The District was notified on July 21, 2021, regarding the State Water Resources Control Board’s (SWRCB) arrearage payments program. In early August, the SWRCB began an on-line survey of water purveyors to collect data for two financial effects from the COVID-19 pandemic: 1) data on residential and commercial arrearages that are greater than \$600.00 from the period March 4, 2020, through June 15, 2021, and 2) revenue losses that occurred from March 4, 2021, through June 15, 2021. Staff completed the SWRCB survey on August 31, 2021, and submitted a request for reimbursement for \$590,370.99. Staff will continue to report to the Board the status of these programs and any payments the District receives.

**Summary:**

This staff report contains summarized information on the District’s financial condition for the period ended July 31, 2021. More detailed information can be found in the following attached financial reports:

- Financial Statements – July 2021
- Budget to Actual Reports – July 2021
- Information Required by LOC Agreement – July 2021

**Financial Highlights – July 2021**

Financial Highlights from the Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position are presented in the following table. They are gleaned from the financial statements attached to this report.

**Statements of Net Position**

	<u>Year-To-Date</u> <u>7/31/2021</u>	<u>Year-To-Date</u> <u>7/31/2020</u>
<b>LIQUIDITY</b>		
Cash and cash equivalents	<b>\$16,451,388.20</b>	<b>\$7,807,398.46</b>
<b>INVESTMENT</b>		
Investments	<b>40,567,025.50</b>	<b>40,638,398.17</b>
<b>ACCOUNT RECEIVABLE</b>		
Account Receivable	<b>4,785,977.49</b>	<b>3,992,270.71</b>
<b>CAPITAL ASSETS</b>		
Property, plant and equipment	513,419,804.18	501,472,615.79
Accumulated depreciation	(207,042,899.62)	(198,331,002.16)
	<b>306,376,904.56</b>	<b>303,141,613.63</b>
<b>LIABILITIES</b>		
Long Term Debt	(71,371,463.85)	(75,876,622.65)
<b>NET POSITION</b>		
Net Position	<b>282,900,725.08</b>	<b>268,416,334.46</b>

**Statements of Revenues, Expenses and Changes in Net Position**

	<u>Year-To-Date</u> <u>7/31/2021</u>	<u>Year-To-Date</u> <u>7/31/2020</u>
<b>NET INCOME</b>		
Operating Revenue	27,975,366.44	26,777,155.13
Operating Expense	(11,027,815.06)	(10,474,443.61)
Other, Net	(6,151,469.88)	(7,342,359.29)
<b>Change in Net Position</b>	<b>10,796,081.50</b>	<b>8,960,352.23</b>

Key information from this report indicates the District's cash balance is \$8.6 million more while investments are \$0.1 million less than on July 31, 2020; long term debt has decreased by \$4.5

million; and net position has increased by \$14.5 million in the last 12 months as the District continues to invest in capital infrastructure replacements while decreasing its outstanding debt. With the Governor of California’s Executive Order 42-20 suspending the disconnection of water service for non-payment for residential and certain commercial customers, the District is closely monitoring payment activity and accounts receivable balances. Accounts receivable have increased \$0.8 million year to date compared to the same period last year. Operating revenues increased \$1.2 million while operating expenses increased \$0.6 million, year to date compared to the same period a year ago.

**Budgets:**

<b>Budget Item</b>	<b>Actual Amount</b>	<b>Budget Amount</b>	<b>Variance</b>
Revenues and Sources of Funds	\$ 29,585,295	\$ 29,036,872	\$ 548,423
Operations and Maintenance	11,027,815	13,522,311	2,494,496
Capital	7,693,633	*22,994,907	15,301,274
Debt Service	1,208,026	1,497,211	289,184

\*Includes \$4.0 million in rollover budget from 2020.

The District’s revenues through July 2021 are greater than budgeted by \$0.5 million due primarily to: 1) capacity fees (facility development charges) are up \$0.8 million as the Barret Ranch development is completing more units than anticipated, 2) water sales are \$0.2 million greater than budgeted for the first seven months the year due primarily to a 6.7% increase in units sold, 3) rent and other income is up \$0.1 million as rental income and other income are more than expected, 4) wheeling water sales are down \$0.4 million as no PCWA surface water is available to wheel, and 5) interest and investment income is down \$0.1 million as returns continue to drop.

The District’s operating and maintenance expenditures through July 2021 came in less than the approved budget by \$2.5 million. Most of this positive variance is due to: 1) water cost savings from not purchasing PCWA surface water due to PCWA surface water unavailability (\$1.5 million), 2) reduction in general and administrative expenses (\$0.6 million) and 3) timing differences (\$0.4 million).

Operating Capital Program (OCP) expenditures through July 2021 were \$0.4 million while \$0.7 million were committed. The 2021 budget for the year is \$1.9 million plus \$0.1 million in rollover funds from 2020 budget for a total of \$2.0 million.

The District’s Capital Improvement Program (CIP) budget for 2021 is \$17.1 million plus \$3.9 million in rollover funds from 2020 budget for a total of \$21.0 million. For 2021, \$7.3 million has been spent while an additional \$10.7 million is under commitment. Expenditures continue to be primarily in new well construction, distribution system replacements, well rehabilitation, meter retrofit, and meter reading system projects.

The District’s Debt budget for 2021 is \$7.5 million consisting of \$5.0 million for principal payments and \$2.5 million for interest. Interest expense consists of: 1) interest paid to bondholders,

2) letter-of-credit facility fees, 3) remarketing fees, 4) arbitrage rebate liabilities, and 5) net SWAP interest.

For the first seven months of 2021, the District has incurred interest expense of \$1,208,026 versus a forecast of \$1,497,211, or a \$289,184 positive variance. The last reset for the week of July 31 saw rates at 0.01% compared to 1.23% the pre-pandemic level in the municipal Variable Rate Debt Obligation market.

**Required by LOC Agreement**

Per Article 5.2 (b) of the 2009A Certificate of Participation Reimbursement Agreement with Sumitomo Mitsui Banking Corporation (LOC Provider), year-to-date net revenues available for the payment of debt service costs and an estimate of debt service payments for the upcoming six months are provided.

	<b>Actual Year-To-Date 7/31/21</b>	<b>Budget Year-To-Date 7/31/21</b>
Revenues	29,585,295	29,036,872
Expenses	11,022,513	13,522,311
Net Revenue	<u>18,562,782</u>	<u>15,514,561</u>

The estimated total debt service payments for the next 6 months is \$6,535,032.

**Financial Statements**  
**July 31, 2021**



**Sacramento Suburban Water District  
Statements of Net Position**

	As Of	
	<u>Month End</u>	<u>Year End</u>
	<u>7/31/2021</u>	<u>12/31/2020</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$16,451,378.36	\$8,442,657.93
Restricted Cash and cash equivalents	9.84	39.69
Accounts receivable, net of allowance for uncollectible accounts	4,082,699.89	3,308,831.98
Interest receivable	119,037.73	133,920.34
Grants receivables	7,296.94	7,296.94
Other receivables	29,957.49	1,309,442.20
Inventory	762,863.76	763,599.95
Prepaid expenses and other assets	1,280,968.40	829,833.39
<b>TOTAL CURRENT ASSETS</b>	<b>\$22,734,212.41</b>	<b>14,795,622.42</b>
<b>NONCURRENT ASSETS</b>		
Investments	40,567,025.50	41,212,045.33
<b>TOTAL NONCURRENT ASSETS</b>	<b>40,567,025.50</b>	<b>41,212,045.33</b>
Property, plant and equipment	513,419,804.18	503,966,119.11
Accumulated depreciation	(207,042,899.62)	(199,117,498.00)
<b>TOTAL CAPITAL ASSETS</b>	<b>306,376,904.56</b>	<b>304,848,621.11</b>
<b>TOTAL ASSETS</b>	<b>369,678,142.47</b>	<b>360,856,288.86</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount on long-term debt refunding	4,317,301.19	4,702,735.40
Deferred outflow of effective swaps	1,162,609.00	1,162,609.00
Pension contribution subsequent to measurement date	1,960,128.00	1,960,128.00
Other post-employment benefits	240,049.00	240,049.00
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>377,358,229.66</b>	<b>368,921,810.26</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt and capital leases	4,965,000.00	4,965,000.00
Current portion of Compensated Absences	880,000.00	880,000.00
Accounts payable	428,047.99	1,920,986.96
Accrued interest	233,421.73	210,326.61
Deferred revenue and other liabilities	3,464,638.42	3,658,254.59
Accrued expenses	632,527.95	943,346.10
<b>TOTAL CURRENT LIABILITIES</b>	<b>10,603,636.09</b>	<b>12,577,914.26</b>
<b>NONCURRENT LIABILITIES</b>		
Long-term debt	65,526,463.85	65,874,532.40
Compensated absences	328,824.64	366,140.02
Net pension liability	10,600,173.00	10,600,173.00
Net other post-employment benefits liability	4,642,228.00	4,642,228.00
Fair value of interest rate swaps	1,162,609.00	1,162,609.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>82,260,298.49</b>	<b>82,645,682.42</b>
<b>TOTAL LIABILITIES</b>	<b>92,863,934.58</b>	<b>95,223,596.68</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Employee pensions	481,215.00	481,215.00
Other post-employment benefits	1,112,355.00	1,112,355.00
<b>NET POSITION</b>		
Invested in capital assets, net of related debt	238,711,824.11	238,711,824.11
Restricted	39.69	39.69
Unrestricted	44,188,861.28	33,392,779.78
<b>TOTAL NET POSITION</b>	<b>282,900,725.08</b>	<b>272,104,643.58</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION</b>	<b>377,358,229.66</b>	<b>368,921,810.26</b>

Sacramento Suburban Water District  
 Statements of Revenues, Expenses and Changes in Net Position  
 Period Ended

	<u>Year-To-Date</u> <u>7/31/2021</u>	<u>Year-To-Date</u> <u>7/31/2020</u>
<b>OPERATING REVENUES</b>		
Water consumption sales	\$8,558,354.75	\$7,992,472.53
Water service charge	19,138,262.08	18,338,615.57
Wheeling water charge	3,207.41	74,574.76
Other charges for services	275,542.20	371,492.27
<b>TOTAL OPERATING REVENUES</b>	<b>27,975,366.44</b>	<b>26,777,155.13</b>
<b>OPERATING EXPENSES</b>		
Source of supply	774,991.84	263,300.26
Pumping	2,612,009.58	2,448,015.80
Transmission and distribution	2,155,384.84	2,409,240.76
Water conservation	238,791.49	218,849.48
Customer accounts	770,324.28	735,460.57
Administrative and general	4,476,313.03	4,399,576.74
<b>TOTAL OPERATING EXPENSES</b>	<b>11,027,815.06</b>	<b>10,474,443.61</b>
Operating income before depreciation	16,947,551.38	16,302,711.52
Depreciation and amortization	(7,925,401.62)	(8,003,614.83)
<b>OPERATING INCOME</b>	<b>9,022,149.76</b>	<b>8,299,096.69</b>
<b>NON-OPERATING REV. (EXP.)</b>		
Rental income	187,260.03	163,280.91
Interest and investment income	51,089.86	1,493,548.69
Interest expense and debt related costs	(1,245,391.98)	(1,514,831.48)
Other non-operating revenues	73,250.53	93,748.50
Grant revenue pass-through to sub recipients	468,000.00	
Other non-operating expenses	5,302.29	7.29
Sub recipient grant expenses	(468,000.00)	
Gain(loss) on disposal of capital assets	35,475.00	9,255.00
<b>NON-OPERATING REV. (EXP.)</b>	<b>(893,014.27)</b>	<b>245,008.91</b>
<b>NET INCOME (LOSS) BEFORE CAPITAL</b>	<b>8,129,135.49</b>	<b>8,544,105.60</b>
<b>CAPITAL CONTRIBUTIONS</b>		
Facility development charges	925,469.00	385,887.00
Developer contributions	1,741,477.01	
Federal, state and local capital grants		30,359.63
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>2,666,946.01</b>	<b>416,246.63</b>
<b>CHANGE IN NET POSITION</b>	<b>10,796,081.50</b>	<b>8,960,352.23</b>
Net position at beginning of period	272,104,643.58	259,455,982.23
<b>NET POSITION AT END OF PERIOD</b>	<b>282,900,725.08</b>	<b>268,416,334.46</b>

**Budget to Actual Reports  
July 31, 2021**

**Sacramento Suburban Water District  
Revenue Budget  
Period Ending**

	<b>Actual Year-To-Date 7/31/2021</b>	<b>Budget Year-To-Date 7/31/2021</b>	<b>Variance Year-To-Date 7/31/2021</b>
<b>REVENUES</b>			
Water consumption sales	\$8,558,354.75	\$8,375,119.00	\$183,235.75
Water service charge	19,138,262.08	19,134,010.00	4,252.08
Wheeling water charge	3,207.41	377,412.00	(374,204.59)
Other charges for services	275,542.20	309,169.00	(33,626.80)
Facility development charges	925,469.00	175,000.00	750,469.00
Interest and investment income	388,474.25	488,250.00	(99,775.75)
Rental & other income	295,985.56	177,912.00	118,073.56
<b>TOTAL REVENUES</b>	<b>29,585,295.25</b>	<b>29,036,872.00</b>	<b>548,423.25</b>

**Sacramento Suburban Water District  
Operations and Maintenance Budget  
Period Ended**

	2021 YTD		
	Actual 7/31/21	Budget 7/21/31	Variance 7/31/21
<b>BUDGETED OPERATING EXPENSES</b>			
Board of Directors	\$17,248.53	\$30,282.14	\$13,033.61
Administrative	1,323,923.41	1,554,525.91	230,602.50
Finance	559,252.26	730,908.15	171,655.89
Customer Services	685,763.80	698,225.46	12,461.66
Field Operations	350,772.59	362,464.61	11,692.02
Production	3,061,986.15	4,649,993.82	1,588,007.67
Environmental Compliance	325,015.27	387,528.72	62,513.45
Distribution	1,343,598.67	1,384,808.14	41,209.47
Field Services	801,148.87	890,782.71	89,633.84
Maintenance	383,267.89	410,607.26	27,339.37
Water Conservation	238,791.49	272,952.04	34,160.55
Engineering	854,476.33	931,128.71	76,652.38
GIS/CAD	210,748.68	220,026.09	9,277.41
Human Resources	160,464.57	174,253.10	13,788.53
Information Technology	626,796.07	700,715.61	73,919.54
Community Outreach	84,560.48	123,109.00	38,548.52
<b>TOTAL OPERATING EXPENSES</b>	<b>11,027,815.06</b>	<b>13,522,311.47</b>	<b>2,494,496.41</b>

**SACRAMENTO SUBURBAN WATER DISTRICT  
OPERATING CAPITAL BUDGET  
7/31/2021**

Project Number	Project Name	2021 Original Budget	2021 Amended Budget	Roll-Over From Prior Year Budget	Total Budget Available	Current Month Expenditures	Expenditures Year-To-Date	Committed Year- To-Date	Remaining Balance
SF20-485	OFF FURNITURE/WORKSTATIONS	\$ -	\$ -	\$ 3,407.75	\$ 3,407.75		\$ -	\$ -	\$ 3,407.75
SF20-493	BOARD ROOM WALL MAP	\$ -		4,000.00	4,000.00		-		\$ 4,000.00
SF21-500	PROPERTY ACQUISITION	\$ 700,000.00	\$ 682,000.00		682,000.00	\$ 4,562.50	4,562.50	\$ 71,338.50	\$ 606,099.00
SF21-501	UPDATE URBAN WTR MGMT PLAN	\$ 175,000.00	85,000.00		85,000.00	6,109.75	75,051.25	6,122.50	\$ 3,826.25
SF21-502	CALIBRATION HYDROLIC MODEL	\$ 130,000.00	130,000.00		130,000.00		-	123,741.00	\$ 6,259.00
SF21-503	DEV PIPELINE CA GUIDELINE	\$ 75,000.00	-		-		-		\$ -
SF21-504	WATT/ELKH TREE REPL/IRRIGA MOD	\$ 55,500.00	55,500.00		55,500.00		-		\$ 55,500.00
SF21-505	FENCE REPL - 3 SITES	\$ 24,000.00	24,000.00		24,000.00		-		\$ 24,000.00
SF20-487	VEHICLE REPL - TRUCK# 46	\$ -	-	32,000.00	32,000.00		31,634.68	-	\$ 365.32
SF20-488	VEHICLE REPL - TRUCK# 49	\$ -	-	6,288.52	6,288.52		6,249.52	-	\$ 39.00
SF20-489	VEHICLE REPL - TRUCK# 54	\$ -	-	1,987.04	1,987.04		1,878.57	-	\$ 108.47
SF20-490	VEHICLE REPL - TRUCK# 56	\$ -	-	6,188.52	6,188.52		6,123.07	-	\$ 65.45
SF20-491	VEHICLE REPL - TRUCK# 4	\$ -	-	30,800.00	30,800.00		30,791.17	-	\$ 8.83
SF20-492	VEHICLE REPL - TRUCK# 16	\$ -	-	30,800.00	30,800.00		30,791.17	-	\$ 8.83
SF21-506	VEHICLE REPL-TRUCK# 9	\$ 32,500.00	32,500.00		32,500.00		-	27,993.00	\$ 4,507.00
SF21-507	VEHICLE REPL - TRUCK# 42	\$ 32,500.00	32,500.00		32,500.00		-	27,993.00	\$ 4,507.00
SF21-508	VEHICLE REPL - TRUCK# 50	\$ 47,000.00	47,000.00		47,000.00		-	42,944.00	\$ 4,056.00
SF21-509	VEHICLE REPL - TRUCK# 57	\$ 47,000.00	47,000.00		47,000.00		-	42,944.00	\$ 4,056.00
SF21-510	2020 JOHN DEERE 320G SKID STE	\$ 100,000.00	75,000.00		75,000.00	1,710.00	3,552.53	68,704.00	\$ 2,743.47
SF21-511	VACUUM TRAILER REPL-METER PM	\$ 51,000.00	51,000.00		51,000.00	50,911.89	50,911.89	-	\$ 88.11
SF21-512	IT - HARDWARE REFRESH	\$ 166,500.00	156,500.00	27,197.32	183,697.32		89,295.53	-	\$ 94,401.79
SF21-513	IT - SOFTWARE UPGRADE/ENHANCE	\$ 125,000.00	98,000.00		98,000.00		-		\$ 98,000.00
SF21-514	MARCONI OFFICE IMPRV/CUS SERV	\$ 100,000.00	167,000.00		167,000.00	7,419.00	7,419.00	138,190.00	\$ 21,391.00
SF21-515	HVAC/ROOF/BUILDING REPAIRS	\$ 20,000.00	20,000.00		20,000.00		19,780.85		\$ 219.15
SF21-516	2021 MASTER CIP SCHEDULE	\$ -	32,000.00		32,000.00	6,723.75	31,465.00	535.00	\$ -
SF21-517	SCADA ASSET MGMT PLAN	\$ -	93,000.00		93,000.00	32,058.18	36,583.76	21,690.88	\$ 34,725.36
SF21-518	WELL PUMP/MOTOR STANDARDIZATION	\$ -	85,000.00		85,000.00		-	80,638.00	\$ 4,362.00
SF21-519	AMP IMPLEMENTATION	\$ -	20,000.00		20,000.00		-	14,685.00	\$ 5,315.00
SF21-520	BOARD ROOM CONFERENCE TABLES	\$ -	10,000.00		10,000.00		-	9,814.00	\$ 186.00
<b>TOTAL</b>		<b>\$ 1,881,000.00</b>	<b>\$ 1,943,000.00</b>	<b>\$142,669.15</b>	<b>\$2,085,669.15</b>	<b>\$109,495.07</b>	<b>\$426,090.49</b>	<b>\$ 677,332.88</b>	<b># \$982,245.78</b>

**Sacramento Suburban Water District  
Capital Improvement Project Budget  
7/31/2021**

Project No.	Project Name	2021 Original Budget	2021 Amended Budget	Roll-Over From Prior Year Budget	Total Budget Available	Current Month Expenditures	Expenditures Year- To-Date	Committed Year-To- Date	Remaining Balance
SC21-009	WELL REHAB/PUMP ST IMPROVEMENT	\$1,890,000.00	\$1,890,000.00	\$737,876.57	\$2,627,876.57	\$ 49,295.90	\$ 574,302.82	\$ 1,414,410.14	\$ 639,163.61
SC21-010	SCADA/COMMUNICATION IMPROVE	\$785,000.00	\$860,000.00	\$1,031,117.43	\$1,891,117.43	3,293.05	260,282.49	1,578,129.94	\$ 52,705.00
SC21-011	WELL DESTRUCTION/SITE DEMOLIT	\$152,000.00	\$152,000.00	\$81,697.28	\$233,697.28	90,541.80	114,187.70	76,623.58	\$ 42,886.00
SC21-012	WELL NEW CONSTRUCTION	\$4,620,000.00	\$6,020,000.00	\$955,531.81	\$6,975,531.81	563,872.98	1,120,794.74	5,509,748.73	\$ 344,988.34
SC21-018	DISTRIBUTION MAIN REPL/IMPROV	\$5,083,000.00	\$4,046,000.00	\$205,211.39	\$4,251,211.39	228,622.49	2,210,279.74	1,413,373.59	\$ 627,558.06
SC21-024	METER RETROFIT PROGRAM	\$2,000,000.00	\$1,450,000.00	\$88,078.56	\$1,538,078.56	163,853.00	1,318,684.24	176,620.19	\$ 42,774.13
SC21-034	RESERVIOR/TANK IMPROVEMENT	\$345,000.00	\$345,000.00	\$160,903.16	\$505,903.16	-	163,611.71	159,180.80	\$ 183,110.65
SC21-035	CORROSION CONTROL-TRAN MAIN	\$50,000.00	\$50,000.00	-	\$50,000.00	-	-	-	\$ 50,000.00
SC21-037	VALVE/HYDRANT/SERV REPL	\$300,000.00	\$500,000.00	-	\$500,000.00	21,028.00	200,396.91	150,087.16	\$ 149,515.93
SC21-038	LARGE METER REPLACEMENT	\$40,000.00	\$40,000.00	-	\$40,000.00	-	-	-	\$ 40,000.00
SC21-039	METER REPLACEMENT-PM	\$250,000.00	\$250,000.00	-	\$250,000.00	-	88,002.66	8,897.24	\$ 153,100.10
SC21-040	AMI ENDPOINTS	\$1,400,000.00	\$1,175,000.00	\$463,779.30	\$1,638,779.30	106,635.32	1,155,599.53	157,499.88	\$ 325,679.89
SC21-048	SPECIAL PROJECTS	\$5,000.00	\$96,000.00	\$77,042.17	\$173,042.17	-	61,399.75	28,824.92	\$ 82,817.50
SC21-049	WATER RELATED STREET IMPROV	\$200,000.00	\$184,000.00	\$50,000.00	\$234,000.00	-	-	73,860.00	\$ 160,140.00
		<b>\$ 17,120,000.00</b>	<b>\$ 17,058,000.00</b>	<b>\$ 3,851,237.67</b>	<b>\$ 20,909,237.67</b>	<b>\$ 1,227,142.54</b>	<b>\$ 7,267,542.29</b>	<b>\$ 10,747,256.17</b>	<b>\$ 2,894,439.21</b>

## **Information Required by LOC Agreement**



**Sacramento Suburban Water District  
Schedule of Net Revenues  
As Of**

	<b>Actual Year-To-Date 7/31/2021</b>	<b>Budget Year-To-Date 7/31/2021</b>
<b>REVENUES</b>		
Water sales charges	\$27,975,366.44	\$28,195,710.00
Facility development charges	925,469.00	175,000.00
Interest and investment income	388,474.25	488,250.00
Rental & other income	295,985.56	177,912.00
<b>TOTAL REVENUES</b>	<b>29,585,295.25</b>	<b>29,036,872.00</b>
<b>EXPENSES</b>		
Source of supply	774,991.84	2,261,644.00
Pumping	2,612,009.58	2,775,878.54
Transmission and distribution	2,155,384.84	2,296,007.54
Water conservation	238,791.49	272,952.04
Customer accounts	770,324.28	821,334.46
Administrative and general	4,471,010.74	5,094,494.89
<b>TOTAL EXPENSES</b>	<b>11,022,512.77</b>	<b>13,522,311.47</b>
<b>NET REVENUE</b>	<b>18,562,782.48</b>	<b>15,514,560.53</b>

**Sacramento Suburban Water District**  
**6 - Months Debt Service Schedule**  
**7/31/2021**

<b>Total SSWD Debt Service</b>						
Month	Principal	Interest		Facility Fee	Remarketing	Debt Service
		Adjustable/Fixed/Swap				
August-21	\$ -	\$	84,882.61	\$ -	\$ -	\$ 84,882.61
September-21	-		84,882.61	50,400.00	13,125.00	148,407.61
October - 21	4,965,000.00		1,018,569.37	-	-	5,983,569.37
November - 21	-		84,882.61	-	-	84,882.61
December - 21	-		84,882.61	50,400.00	13,125.00	148,407.61
January - 22	-		84,882.61	-	-	84,882.61

<b>Series 2012A Fixed Rate Bonds (\$23,440,000.00)</b>						
Month	Principal	Interest - Fixed		Facility Fee	Remarketing	Debt Service
		4.25%				
August-21	\$ -	\$	-	\$ -	\$ -	\$ -
September-21	-		-	-	-	-
October - 21	2,320,000.00		518,237.50	-	-	2,838,237.50
November - 21	-		-	-	-	-
December - 21	-		-	-	-	-
January - 22	-		-	-	-	-

<b>Series 2009A Adjustable Rate COPs (\$42,000,000.00)</b>						
Month	Principal	Interest, Adjustable		Facility Fee	Remarketing	Debt Service
		0.01%				
				<b>0.480%</b>	<b>0.125%</b>	
August-21		\$	350.00			\$ 350.00
September-21			350.00	50,400.00	13,125.00	63,875.00
October - 21			350.00			350.00
November - 21			350.00			350.00
December - 21			350.00	50,400.00	13,125.00	63,875.00
January - 22			350.00			350.00

<b>Series 2018A Fixed Rate COPs (\$27,915,000)</b>						
Month	Principal	Interest - Fixed		Facility Fee	Remarketing	Debt Service
		3.17%				
August-21	\$ -	\$	-	\$ -	\$ -	\$ -
September-21	-		-	-	-	-
October - 21	2,645,000.00		415,449.26	-	-	3,060,449.26
November - 21	-		-	-	-	-
December - 21	-		-	-	-	-
January - 22	-		-	-	-	-

<b>2012 SWAP Interest, Net (\$33,000,000.00)</b>						
Month	Principal	Interest, Swap Net		Facility Fee	Remarketing	Debt Service
		3.283%-(0.05678 +.18)%				
August-21		\$	84,532.61	-	-	84,532.61
September-21		\$	84,532.61	-	-	84,532.61
October - 21		\$	84,532.61	-	-	84,532.61
November - 21		\$	84,532.61	-	-	84,532.61
December - 21		\$	84,532.61	-	-	84,532.61
January - 22		\$	84,532.61	-	-	84,532.61



## Agenda Item: 12

**Date:** September 20, 2021

**Subject:** District Activity Report

**Staff Contact:** Todd Artrip, Operations Manager

This report describes significant District Activities and milestones over the past month. Included in this report are the (1) Water Operations Activity Report, (2) District Claims Update Report, (3) Customer Service Monthly Activity Report, and (4) Community Outreach Report.

### 1. Water Operations Activity Report

This shows the types and number of activities that are in the Production, Distribution, and Field Services Departments.

## Water Operations Activity

August 2021	Monthly Avg CY 2021	Total CY 2021	Total # in System	Goal CY 2021	% of Goal Completed in CY 2021
-------------	---------------------	---------------	-------------------	--------------	--------------------------------

### Production Department

#### Water Quality

Complaints	2	1	8	—	—	—
Taste & Odor Complaints	0	0	0	—	—	—

### Distribution Department

#### Service Orders

Main Leaks	4	5	36	—	—	—
Service Line Leaks	12	7	52	—	—	—

#### Water Main Shutdown

-- Emergency	4	3	20	—	—	—
-- Scheduled	4	4	34	—	—	—

#### Preventive Maintenance Program

Fire Hydrants Inspected	54	104	832	6,173	1,235	67.4%
Fire Hydrant Valves Inspected	51	101	806	5,869	1,174	68.7%
Mainline Valves Inspected	103	188	1,505	11,023	2,205	68.3%
Blow Off Valves Inspected	8	13	102	1,049	210	48.6%
ARV/CARV Inspected	0	1	4	283	57	7.1%

### Field Services Department

#### Meters

PM - Meters Tested (3 - 10 inch)	6	13	106	450	120	88.3%
PM - Meters Replaced ( <sup>5</sup> / <sub>8</sub> - 1 inch)	0	48	381	41,167	1,000	38.1%
PM - Meter Re-Builds (1 <sup>1</sup> / <sub>2</sub> - 2 inch)	21	30	237	2,449	245	96.7%
Customer Pressure Inquiries	8	10	82	—	—	—

### Field Operations Department

#### After Hours Activity (On-Call Technician)

Calls Received Distribution	65	54	429	—	—	—
Calls Responded Distribution	41	32	253	—	—	—
Calls Received Production	33	23	180	—	—	—
Calls Responded Production	2	2	19	—	—	—

## **2. District Claims Update Report**

This summarizes claims received by the District. Under the District's Claims Processing Policy, the Board of Directors grants the General Manager, or his or her designee, the authority to review and to approve or reject a claim. The processing of all claims will be conducted in accordance with the Government Claims Act and Ordinance 02-02, including the time limits on claims processing and requirements for presenting claims. All claims will be presented as information to the Board of Directors at a regularly scheduled Board Meeting.

### **CLAIMS UNDER REVIEW/INVESTIGATION**

#### 3105 Root Avenue

Claim – On August 23, 2021, staff received a liability claim from Dante Curtola asserting that his fence was damaged from a District leak that occurred at 3105 Root Avenue on August 22, 2021. Mr. Curtola's claim was in the amount of \$8,500 for 70-feet of 8-foot tall fencing and landscape repairs.

District staff conducted a thorough investigation of the issue, and determined the integrity of the fence was due to existing dry rot of the fence posts and not a result of the leak. The damaged landscape was due to the leak and the responsibility of the District. District staff provided a report and recommendation to the General Manager that the claim for the landscape damage be approved and the claim for the fence replacement be denied. The General Manager concurred with the recommendation.

A rejection letter for the fence replacement was sent to Mr. Curtola, along with acknowledgement of the District's responsibility for the landscape damage and a request for receipts for the repairs.

Claim Amount – Pending submission of receipts for landscape repairs.

#### 4400 Elkhorn Boulevard

Claim – On August 24, 2021, the District experienced a significant 12-inch water main break on Walerga Road resulting in extensive roadway, curb, gutter, and sidewalk damage. In addition, approximately eight apartments on Elkhorn Boulevard were inundated with water. District staff provided a report and recommendation to the General Manager that the claim for property damage to the affected apartment units be handled by ACWA/JPIA (JPIA). The General Manager concurred with the recommendation and the claim was reported to JPIA. JPIA contacted the property owner and the affected residents of the apartments. Any subsequent claims submitted to the District from the residents of the apartments have also been forwarded to JPIA.

Claim Amount – Pending JPIA adjustor developing the loss figure.

#### 3104 Murchison Way

Claim – On August 25, 2021, staff received a liability claim from Michael Mair asserting a District leak that occurred at 3105 Root Avenue on August 22, 2021, pushed mud and debris into his swimming pool and also caused damage to his fence. Mr. Mair's claim was in the amount of \$8,000 for the fence replacement and approximately \$500 for the pool repairs.

District staff conducted a thorough investigation of the issue, and determined the integrity of the fence was due to existing dry rot of the posts and not a result of the leak and determined the claim for the pool was valid since water and debris from the resulting leak had enter the pool prior to response by District staff. District staff provided a report and recommendation to the General Manager that the claim for the pool repair be approved and the claim for the fence replacement be denied. The General Manager concurred with the recommendation.

A rejection letter for the fence replacement was sent to Mr. Mair, along with acknowledgement of the District's responsibility for the debris in the pool and a request for receipts for the repairs.

Claim Amount – Pending submission of receipts for pool repairs.

#### 6529 Whittset Drive

Claim – On August 27, 2021, staff received a liability claim from Wanel Thomas asserting staff damaged her gate while trying to access her backyard to perform meter repairs. Ms. Thomas stated a panel had fallen off the gate, which she placed back on the gate. Subsequently, at a later date, her dog got out of the yard and was hit by a car. Ms. Thomas's claim was for \$1,500 which included a veterinary bill and pain and suffering.

District staff conducted a thorough investigation of the issue. Interviews with staff and notes on the Service Request state staff attempted to contact the customer by knocking on the door to gain access. After no response staff left a door hanger asking Ms. Thomas to contact staff to allow access, which Ms. Thomas subsequently did. On previous visits staff did not try to access the backyard through the gate or remove any slats on the gate, as Ms. Thomas stated on her claim. On the day of the meter repair the dog was not injured.

A rejection letter for the claim was sent to Ms. Thomas.

### **3. Customer Service Monthly Activity Report**

Customer Service Activity Report for the month of August 2021.

<b>Total Calls</b>	<b>Calls Abandoned</b>	<b>% of Calls Abandoned</b>	<b>Average Wait on Queue</b>	<b>Max Wait on Queue</b>	<b>Average Talk Time</b>
2,730	28	1.02%	20s	6m, 48s	2m, 54s

### **4. Community Outreach Report**

#### **October Bill Insert**

The October 2021 bill insert will begin on September 28, 2021, and will continue until, October 25, 2021. A sample of the bill insert is shown below.

00255824



# H<sub>2</sub>O on the Go

October 2021



## CONSERVATION IN THE Garden

THURSDAY, OCTOBER 21<sup>ST</sup>, NOON TO 1:00 P.M.  
GARDEN ON EDEN – 4900 EDEN CT., CARMICHAEL

Learn how to create a beautiful water-wise landscape at your home.

We will highlight:

- low-water use plants
- water-efficient irrigation systems
- rain gardens
- weather-based sprinkler timers
- caring for your trees
- benefits and application of mulch

We will also share details on SSWD's rebate program and other ways we can help you be water-wise in your yard.

### Ways to Save | Dial Back Your Sprinklers

SSWD is asking its customers to voluntarily reduce their water use during the drought. One easy way to make a difference is by reducing sprinkler run times by two minutes per station, which can help cut your overall water use by 20 percent.

Find more Ways To Save water inside and outside of your home at: <https://www.sswd.org/departments/conservation/ways-to-save>.



### Clean Up With WaterSense



Here's an easy way to conserve water at home: Upgrade your old showerhead with a WaterSense-labeled one.

Showerheads with the WaterSense-label have been independently certified to use 20 percent less water and to work as well or better than regular showerheads. The average family could save 2,700 gallons of water a year by installing WaterSense-labeled showerheads and save money on their heating bill. You can learn more at: <https://www.epa.gov/watersense/showerheads>.



### Faces of SSWD | Grayson Moyse, Information Technology Analyst

This month we profile Grayson Moyse of the Information Technology (IT) Department. The IT Department is responsible for managing and coordinating the District's IT functions, services, and communications needs.

#### Educational Background:

I graduated from Sacramento State with a degree in Accounting. Go Hornets! Beat Davis!

#### Work experience before SSWD:

After graduating from college, I spent a few years auditing state and local governments. Through that

*Faces of SSWD | page 2*

[sswd.org](https://www.sswd.org)

Phone: 916.972.7171

Fax: 916.972.7639

3701 Marconi Avenue, Suite 100

Sacramento, CA 95821-5346

Hours: M-F, 8:00 a.m. to 4:30 p.m.





Deer Grass



California Poppy



Holly

### Go Native This Fall | With a Drought-Tolerant Garden

October is the perfect time of year to convert your thirsty lawn into a low-water use native plant garden. With the days getting cooler, your new plants won't need as much water to get established.

#### Why Native Plants?

- Native plants are better suited to handle Sacramento's hot summers and dry winters. Even with our warming climate, low-water native plants are better able to survive.
- According to the state Department of Water Resources, a sustainably-designed, drought-tolerant native garden requires 85 percent less water than a traditional yard with a lawn and high-water use plants. Once your native plant garden is established, it will require little supplemental watering.
- A native plant garden attracts and provides a home for indigenous species, including birds, butterflies, and bees. Some butterflies can only lay their eggs on one type of plant.
- They require less maintenance, giving you more free time.

### Keep Up to Date With SSWD

Are you interested in staying in the know on SSWD news, developments, and projects via email? Please join our email list at [sswd.org/about/e-notification](mailto:sswd.org/about/e-notification).



Tell us how you have been conserving water for your chance to win a weather-based sprinkler timer! To enter, send an email to [feedback@sswd.org](mailto:feedback@sswd.org) with your name, address, phone number, and the way(s) you are saving water.

#### Faces of SSWD | from page 1

work I become very interested in databases and data science. I have since applied my knowledge of data science, finance, and IT to numerous sectors including retail, manufacturing, and utilities.

#### Typical workday:

While a large chunk of my day is spent doing data auditing, integrations, and report building, I also get to play with servers, GIS systems, and other cool stuff.

#### Best thing about your job:

My favorite things about SSWD are the people I work with and that I get to make a difference in my community.

#### Greatest challenge at work:

In IT, there are many plates to keep spinning at once, as well as the constant threats of malware and ransomware.

#### Most valuable lesson learned:

Before getting into the water industry, I did not fully appreciate all that it takes to deliver clean and safe water. It has been very eye opening to see the whole process at work.

#### Secret talent:

I have the ability to play "Hot Cross Buns" on any instrument.

#### Free time:

I thoroughly enjoy a wide variety of kitchen activities, including cooking, brewing, canning, and the great outdoors. Catching a fish, preparing it for people you like, and watching them enjoy it is very special in my book.

#### Play you in a movie:

Probably John Krasinski, before he became an action star and started saving the world.





## Agenda Item: 13

**Date:** September 20, 2021

**Subject:** Engineering Report

**Staff Contact:** Dana Dean, P.E., Engineering Manager

Summarized below are significant Engineering Department activities. The report is separated into the following sections: a) Major Capital Improvement Program (CIP) Projects; b) Planning Documents; and c) Other.

Note on Availability of Parts and Materials

The impacts from COVID-19 on the world’s economies that began in mid-2020, particularly related to manufacturing and transportation of goods, continue to affect availability of parts and materials in the United States. This continues to impact our ability to complete CIP projects. Suppliers in general are indicating delays continue to be likely and unfortunately are impossible to predict. As a result, the project completion timeframes listed here are our best estimate and considered to be subject to significant change.

**a. Major Capital Improvement Program (CIP) Projects**

The District continues to deliver CIP projects consistent with the Board’s approved funding program.

**1) Supply – New Production Wells**

The table below shows stages of the current projects. Overall, projects are on-track for completion consistent with planning.

Well	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
78 Butano / Cottage Pumping Station	Complete	Q4 2021	N/A See footnote 2
79 Verner / Panorama <sup>1</sup> Pumping Station	Complete	Q4 2021	N/A See footnote 2
80 Walnut/Auburn Production Well	Complete	Q4 2021	N/A

<sup>1</sup> Grant-funded project: 2019 Proposition 1 Integrated Regional Water Management Implementation Grant.

<sup>2</sup> Project schedule is becoming less clear owing to increased uncertainty for delivery of materials and parts. Project completion may extend into early 2022.

**2) Distribution**

Main Replacement Program

The table below shows stages of the current major main replacement/improvement projects. Overall, projects are on-track for completion consistent with planning.

Project	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
Q Street (4.7 miles of main)	Q1 2022	TBD	Note: The construction plan/schedule is being developed concurrently with the current budgeting for next year

Meter Retrofit Program

The Meter Retrofit Program is on track to be complete in 2022, before the State deadline of January 2025. The remaining work consists of a relatively small number of unmetered services located throughout the District. The final metering component is a condominium complex of about 200 units that will be metered by way of a main replacement project anticipated to be completed in CY2022.

Project	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
2021 Project (941 meters)	Complete	Q3 2021	N/A

**b. Planning Documents**

The District has planning documents (e.g., Asset Management Plans (AMPs) and Master Plans (MPs)) for all of its infrastructure categories. Plans are generally updated on a staggered schedule and the update frequencies range from 3 to 7 years. The table below lists the plans scheduled for updates in the near future with approximate completion time frames.

Plan	Approximate Completion	Change in Completion Status Since Last Report
Reservoir and Booster Pump Station AMP	Q4 2022	N/A
Meter AMP	Q4 2022	N/A

**c. Other**

**Major Activities Related to Active Wells**

The table below shows current Condition Assessment (CA) work. A CA is the initial step in determining whether: 1) a well requires rehabilitation or repair; and 2) a pump requires repair or replacement.

<b>Well</b>	<b>Approximate Completion</b>	<b>Change in Completion Status Since Last Report</b>
25 Thor/Mercury	December	N/A
35 Ulysses/Mercury	December	N/A
60 Whitney/Concetta	December	N/A
68 Northrop/Dornajo	November	N/A
70 Sierra/Blackmer	November	N/A
N1 Evergreen	October	N/A
N30 Park Oaks	October	N/A

The table below shows the current work for well casing repair or rehabilitation, pump repair or replacement, and other well facility activities.

<b>Well</b>	<b>Activity</b>	<b>Status</b>	<b>Approximate Completion</b>	<b>Change in Completion Status Since Last Report</b>
41 Albatross/Iris	Electrical Repair	Construction	October	SMUD delay pushed completion from September to October
52 Weddigen/Gothberg	Electrical Repair	Construction	November	SMUD delay pushed completion from August to November
N8 Field	Electrical Repair	Construction	September	N/A
N30 Park Oak	Pump Repair	Construction	September	N/A
13 Calderwood/Marconi	Water Quality Assessment	Investigation	TBD	N/A
69 Hilldale/Cooper	Water Quality Assessment	Investigation	TBD	N/A
N6A Palm	Water Quality Assessment	Investigation	TBD	N/A
N20 Cypress	Water Quality Assessment	Investigation	TBD	N/A
N33 Walerga	Water Quality Assessment	Investigation	TBD	N/A
N34 Cottage	Electrical Issue	Investigation	TBD	N/A
72 River Walk/NETP	Water Quality Assessment	Planning	TBD	N/A

### **Safety Upgrades for the Administration Building's Backup Electrical System**

This project will provide the Administration Building with an electrical distribution panel compliant with National Fire Protection Association's Standard 70E (*Standard for Electrical Safety in the Workplace*). Material delays are expected to extend the project completion into Q1 2022 from the original estimate of Q3 2021.

### **Operational Upgrades to Reservoirs and Booster Pump Stations (BPS)**

#### Antelope & Watt/Elkhorn Reservoir and BPS:

This project will provide an operational retrofit of these two facilities to make them fully functional, and to allow for optimized energy efficiency during peak-hour demand periods. Project schedule is becoming less clear owing to increased uncertainty for delivery of materials and parts and project completion may extend into early 2022 from the original expected completion of Q4 2021.

#### Enterprise Reservoir and BPS:

This project will allow turnover of the reservoir during groundwater deliveries to City of Sacramento, and optimized energy efficiency during peak-hour demand periods. This project is expected to be complete in Q4 2021.



### Agenda Item: 14

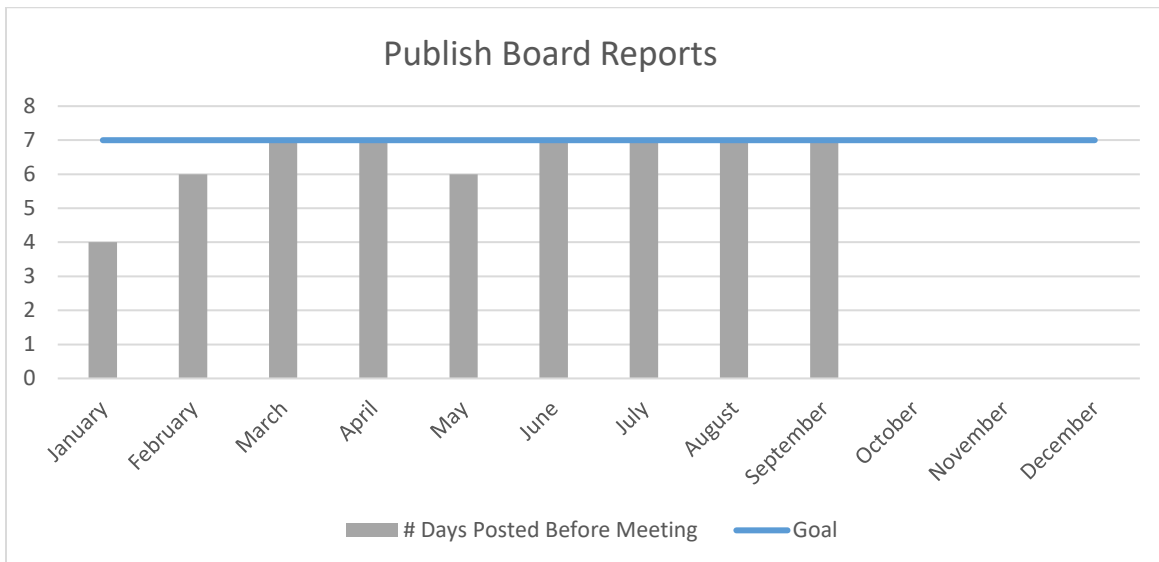
**Date:** September 20, 2021

**Subject:** Sacramento Suburban Water District Goals – 2021 Update

**Staff Contact:** Dan York, General Manager

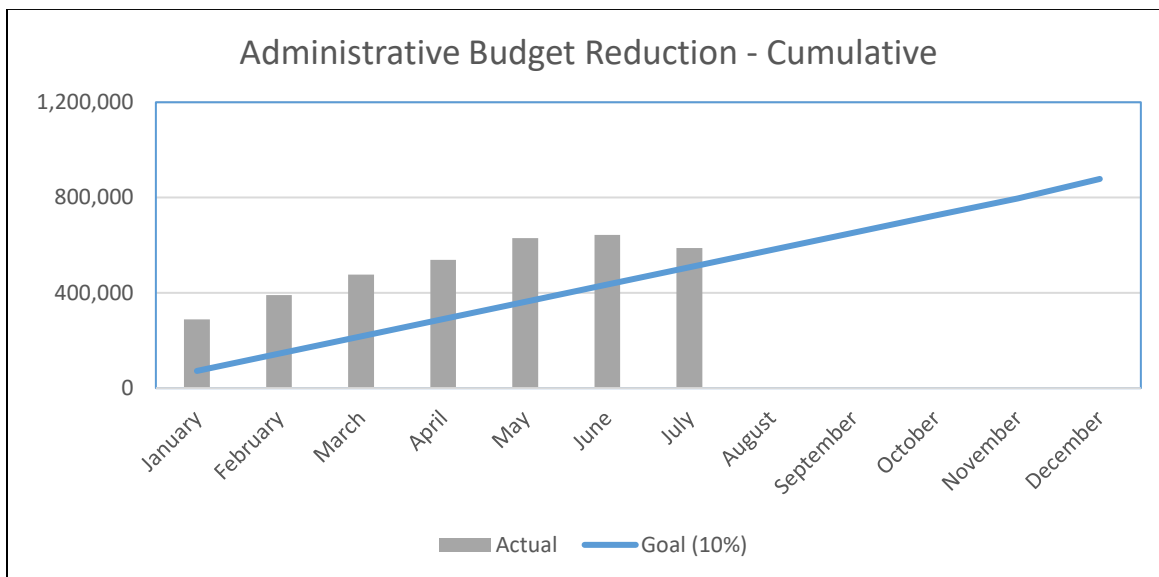
Each year the Board provides the General Manager a list of District goals to be achieved throughout the calendar year. Commencing in February 2021, the General Manager will provide a monthly update on the status of each goal. In no priority order, below are the goals for 2021:

1. Distribute and post the full Board agenda one week prior to a Regular/Special Board meeting. Status: See the graph below. The January Board packet was complete and ready to post one week in advance, however, it was not posted due to the General Manager and Board President finalizing the General Manager’s contract negotiations. The February Board packet was complete and ready to post one week in advance, however, it was posted one day late due to February 15<sup>th</sup> being a recognized holiday. The March and April Board packets were completed and posted on target. The May Board packet was completed on Tuesday, May 11<sup>th</sup> as the Governor’s Drought Declaration was not announced until late Monday, May 10<sup>th</sup>. The June, July, August and September packets were completed on time.

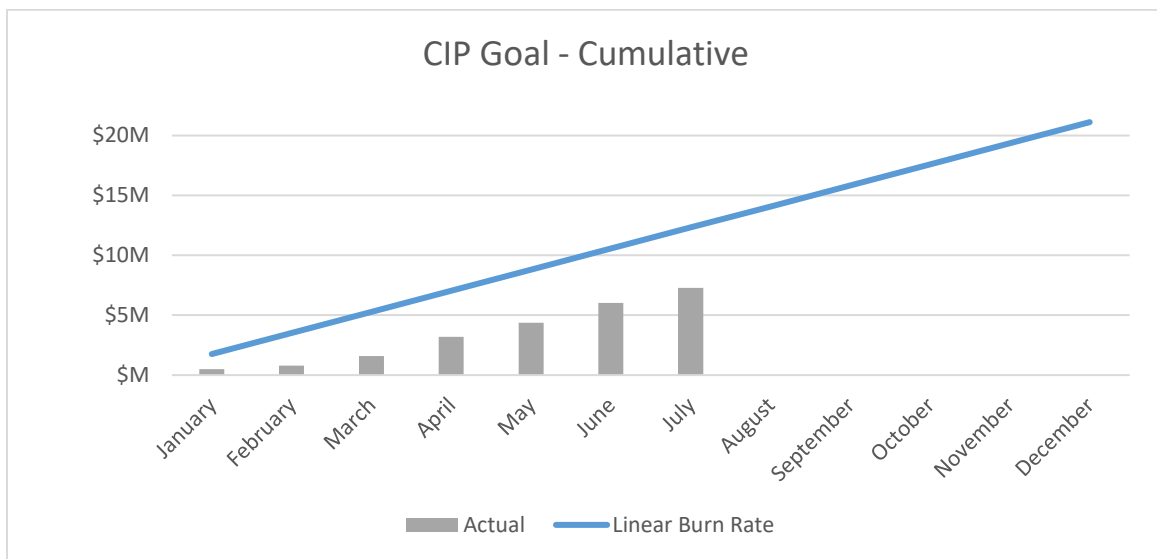


2. Meet with the Board in March 2021, and January thereafter, for an annual and long-term (5-10 year) planning session, which will include goals from the Strategic Plan. Status: The subject planning session was presented at the March 15<sup>th</sup> regular Board meeting. Staff is planning on presenting an overview of the Business Initiatives, as well as long-term goals at the October regular Board meeting.

3. Improve the clarity and brevity of staff reports using an “Issue Paper” format to be developed with Board input. Status: Staff met with Director McPherson on March 16<sup>th</sup> to discuss the process of altering the staff reports to provide clarity and brevity for the Board. Staff began utilizing the new process beginning at the May 17<sup>th</sup> Regular Board meeting. Positive feedback received from various Board members.
4. Achieve a 10% reduction in the administrative budget. Status: See the below graph. The July cumulative data shows a 12% reduction year to date, however, expenses are not consistent from month to month and variations in the actual savings for each month will occur.

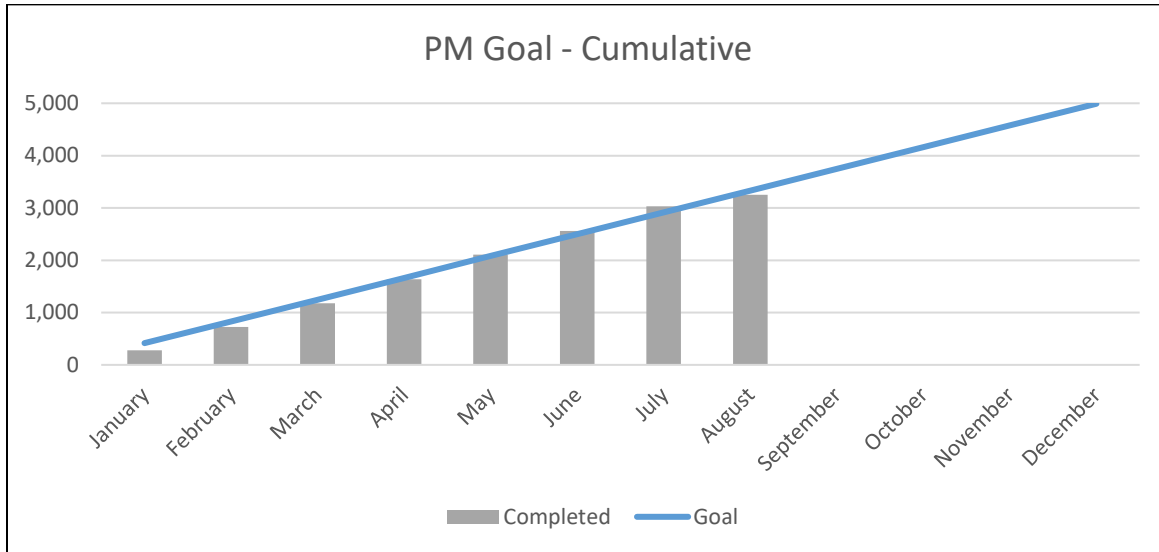


5. The 2022 budget shall include a full explanation of the proposed percentage for merit increases. Status: At the February 17, 2021 Employee Benefits Ad Hoc Committee, staff was provided direction to bring back the analysis on a previous survey conducted by staff related to how salary increases, as well as the percentage, are implemented in both the public and private sector. Staff provided the subject analysis to the Board at the August 2021 regular Board meeting in Agenda Item 14 and as part of the discussion on calendar year 2022 Budget Assumptions, Agenda Item 8.
6. Complete the CIP program as defined by District planning documents to meet CIP objectives within 5% of budget expenditures. Provide semi-annual status of updates on the progress of major projects, such as the AMI failure repair, and meter installation and main replacement. Status: Staff will provide updates on the above mentioned projects at the September 2021 regular Board meeting. The below graph indicates the CIP Budget spent through June 2021. Also shown is a straight-line burn rate for reference. Note that historical burn rate is not linear and generally lags well below the linear line in the first part of the calendar year. Additionally, CIP amounts spent typically fluctuate non-linearly during the year. Through June 2021, \$6.04 million has been spent with \$11.46 million under commitment, which together is about 83% of the budget. While this progress is within historical ranges, this year (as last) continues to see delay in parts and materials availability that impact project schedules.



7. Complete the SCADA Asset Management Plan update by July 2021. Status: The SCADA Asset Management Plan update was completed in July 2021. Staff will provide a presentation at a Closed Session Special Board meeting on September 28, 2021.
8. Provide annual progress on acquired properties and new well development as defined in the planning documents. Status:
  - Well 80 Walnut/Auburn – This property was acquired in 2020. The District is in the process of well design and permitting, and CEQA for the overall development. Construction of the groundwater well is expected to be completed in late 2021, and the pump station is anticipated to be operational in 2023.
  - Well 7 / Seely Park – Staff continues to work with Fulton-El Camino Recreation and Park District (FECRPD) on the Seely Park / Well 12 property exchange. FECRPD received outside funding to develop Seely Park, which imposed constraints on use and exchange of property. These constraints impact the land exchange with the District. FECRPD is diligently working through the process to lift those constraints and no roadblocks have been identified, however, an estimate of when this process will be resolved is not possible at this time.
  - Walerga site – Staff has entered purchase negotiations with the owners for this site that was approved for purchase by the Board at the May 2021 regular meeting. Staff has recently learned that acquisition of this site will require securing an approved parcel map through Sacramento County. This process is anticipated to take about 9 months, and must be completed before a purchase can take place. As such, acquisition is not anticipated to be completed until mid-2022.
  - Antelope Road / Don Julio Boulevard site – Staff has entered purchase negotiations with the owner for this site that was approved for purchase by the Board at the July 2021 regular meeting. Staff anticipates completing the purchase this year.

9. Complete PM operations on a minimum of 20% of District assets per year. Status: See the below graph that indicates the number of PM tasks conducted through July 2021.



10. Pursue water transfer opportunities to benefit the District. Status: The Sacramento Region was interested in a 2021 water transfer. Interested parties were Cities of Folsom and Sacramento, Carmichael Water District, County of Sacramento, San Juan Water District, and Sacramento Suburban Water District. However, due to the current drought conditions, a water transfer in 2021 will not occur.

11. Provide key leadership on Regional issues. (i.e., RWA, SGA and cooperative agreements). Status: The District is involved in the following:

- Sacramento Region Meter Collaboration Effort
- Sacramento Region Collaboration Study
- RWA Federal Affairs Committee
- RWA Purchasing Committee
- SGA / SCGA - 3x3 Committee
- Sacramento Regional Water Bank
- RWA Executive Committee –Vice Chair
- RWA Executive Director Performance Evaluation Committee
- Water Forum 2 Re-Negotiations





### Agenda Item: 15

**Date:** September 20, 2021

**Subject:** 2022 Budget Preparation Status Update

**Staff Contact:** Jeffery S. Ott, Director of Finance and Administration

**Recommended Board Action:**

No action recommended.

**Summary:**

The 2022 Budget preparation is proceeding in line with the schedule approved by the Board on August 16, 2021. First drafts of the budget are in process and should be delivered to the Finance department for review as planned. Further, due to the latest update of the CalPERS 100/90 formula, health care cost assumption for 2022 has changed from -2.08 % to 1.1%.

As the Board will recall, the major steps necessary to complete the Budget are:

<u>Meeting</u>	<u>Purpose</u>	<u>Due</u>	<u>Date</u>	<u>Status</u>
<b>Board Meeting</b>	Approve Schedule	Monday	August 16	Complete
<b>Board Meeting</b>	Review Assumptions	Monday	August 16	Complete
Kick-Off Meeting	Marconi Staff Training	Wednesday	August 18	Complete
Kick-Off Meeting	Walnut Staff Training	Thursday	August 19	Complete
1st Draft Due	Send to Finance Dept	Friday	September 10	On track
<b>Ex Comm/CO</b>	Review 1 <sup>st</sup> Draft	Friday	September 17	9/16/2021
<b>Board Meeting</b>	Status Report	Monday	September 20	
Budget Preparers	Informed of Changes	Tuesday	September 21	
2 <sup>nd</sup> Draft Due	Send to Finance Dept	Friday	September 24	
<b>Ex Comm/CO</b>	Review 2 <sup>nd</sup> Draft	Friday	October 1	
<b>Board Workshop</b>	Budget Presentation	Monday	October 11	
<b>Board Meeting</b>	Budget Presentation	Monday	October 18	
<b>Board Workshop**</b>	Board Presentation	Monday	October 25	
<b>Ex Comm/CO</b>	Review Final Draft	Monday	November 8	
<b>Board Meeting</b>	Approve Final Budget	Monday	November 15	
Budget Preparers	Final Budgets Provided	Friday	December 3	

\*\* If needed

Ex Comm – General Manager, Assistant General Manager & Director of Finance and Administration

CO – Controller

COB – Close of business

**Fiscal Impact:**

There is no fiscal impact related to this item.

**Strategic Plan Alignment:**

Goal C: Ensure Fiscal Responsibility and Affordable Rates

**Attachments:**

None.



## Agenda Item: 16

**Date:** September 20, 2021

**Subject:** Capital Improvement Program and Operations Mid-Year Status Report

**Staff Contact:** Dana Dean, P.E., Engineering Manager

### Introduction:

This report provides executive-level information for this year’s Capital Improvement Program (CIP) as identified in the Board’s District Goal No. 6 (*Provide semi-annual status of updates on the progress of major projects, such as the AMI [Advanced Metering Infrastructure] failure repair, and meter installation and main replacement*). In summary, in spite of having entered the second year of unprecedented challenges to project delivery as a result of persistent and widespread impacts from COVID-19 pandemic, this year’s CIP is largely on track.

### Status:

#### 1. Budget Expenditure

The Board has set a District Goal for 2021 (Goal No. 6) of expending between 95% and 100% of the approved budget. This is effectively a goal of 2.5% budget precision (97.5% +/-2.5%). Achieving 2.5% precision on a multi-million dollar budget, which includes many items that incorporate 10% or more accuracy and/or contingency when developed, is a very aggressive target for capital projects. Nevertheless, this was achieved in both 2018 and 2019. However, in 2020 the effects of COVID-19 on the global economy created unsurmountable challenges related to availability of construction materials and supply of parts, as well as labor availability impacts, and the goal was not met. These COVID-19 impacts have not subsided for 2021 and have continued to challenge staff to meet progress objectives.

The impacts from COVID-19 on the world’s economies that began in mid-2020, particularly related to manufacturing and transportation of goods, continue to affect availability of parts and materials in the United States. This condition continues to impact the District’s ability to complete CIP projects. Suppliers in general are indicating delays continue to be likely (even into CY2022) and unfortunately are impossible to predict. As a result, project completion timeframes are staff’s best estimate and considered to be subject to significant change beyond reasonable control.

Notwithstanding the significant and unprecedented challenges discussed above, staff is cautiously optimistic that the Board’s Goal of expending 95% of the CIP budget (2.5% budget precision) can be achieved this year.

## 2. CIP Categories

### a. New Wells

New well projects are broadly on track, and are expected to be completed as planned barring further impacts to availability of materials and parts.

- Well 78 – Pump station expected to be on-line at the end of this year as planned.
- Well 79 – Pump station expected to be on-line at the end of this year as planned; however, material supplies are being monitored for possible impact to project schedule. If material supplies impact the project, completion will likely be delayed to Q1 2022; however, it is too early to tell.
- Well 80 – Well is expected to be constructed by the end of this year as planned.

### b. Well Rehabilitation and Repair

Over the years this is consistently a very active project category and this year has proved to be in line with this history. Wells requiring rehabilitation/repair work are progressing at a good pace to maintain adequate supply capacity. However, due to the overall age of the wells as a whole, this project category is seeing increasing activity and, correspondingly, demand for resources (staff and budget) is trending upward.

This project category continues to be one of the Engineering Department's greatest challenges due to its unpredictability and resource-heavy nature, and typically requires a specialty-consultant (hydrogeologist) to assist.

### c. Storage

There are four main projects this year and each is listed below with its status.

- Antelope Reservoir – Modifications to the facility to permit greater system integration and remote/automated operation is expected to be completed this year as planned.
- Watt/Elkhorn Reservoir – Modifications to the facility to permit greater system integration and remote/automated operation is expected to be completed this year as planned.
- Watt/Elkhorn Reservoir – Condition Assessment project is expected to be completed this year as planned.
- Enterprise Reservoir – Modifications to the facility to permit necessary operational flexibility and control for water transfers with City of Sacramento. This project is expected to be completed this year as planned.

### d. Distribution and Transmission

There are several projects this year. The more significant projects are listed below with their status:

- Thor – This project's final phase (paving) was completed this spring as planned.

- U Street Loop Main Project (1,300 feet) – This project was constructed this year as planned, including paving.
- Watt Avenue Main Extension (3,000 feet) – This project is in the design phase this year and is on track.
- Q Street Main Replacement (4.8 miles) – This project is in the design phase this year and is on track.
- Condition Assessments – CAs continue to move forward. One large Main Replacement Area (MRA) was completed this year and one other MRA is planned for completion this year.
- Arcade Creek Crossing – This project is scheduled for construction this summer which would complete the project. However, materials supply delays are threatening this schedule and construction may get partially or completely re-scheduled to summer CY2022 (next permit window).
- Target/Mason Loop – This project’s final design has been interrupted due to a change in ownership of a private property which has impacted the timeline for easement acquisition. As a result, construction has been shifted from this year to CY2022.
- Greenberry Complex – The project design was completed this year as planned. This project’s construction was initially considered for modest timeline acceleration by kicking-off construction in late CY2021 with the majority of the project being completed in CY2022. However, given the budget pressures associated with the need to replace lost groundwater supply capacity in the North Service Area this project’s start will be scheduled for CY2022 corresponding with the start of a new budget year.

e. Meter Retrofit

This year’s project is on track for completion this year as planned. This year’s Meter Retrofit project is the final annual retrofit project of the Meter Retrofit Program. However, two non-typical projects remain in order to achieve compliance with the State’s metering requirement:

- Remnant Meters. These are meters scattered about the District (not in a single subdivision or development). These are comprised of about 40 services and are planned to be completed this year.
- Greenberry Complex. This is a condominium complex of about 200 services. The services will be metered under a main replacement project (discussed above) planned to be completed in CY2022.

Staff anticipates achieving metering compliance in CY2022 – ahead of the State’s January 2025 deadline.

f. AMR/AMI

In July 2018, the District initiated a project to replace its legacy water meter reading equipment. The legacy equipment consists of both a drive-by (Automatic Meter Reading - AMR) system and a fixed-network (Advanced Metering Infrastructure - AMI) system. Both systems continue to experience significant and worsening reliability problems.

Based on lessons learned from experience with various meter reading systems, the decision was made to implement a diversified meter reading system consisting of two different technologies provided by two separate vendors. The intent is to reduce the District's exposure to significant reliability problems if one system experiences a serious reliability issue or systemic failure.

The new system is comprised of the following two technologies with the approximate number of endpoints installed for each system:

- Cellular AMI (vendor / system: Badger Meter / Orion) – 23 thousand units
- Radio AMI (vendor / system: Sensus / Flexnet) – 12 thousand units

There are approximately 11 thousand failing endpoints remaining in the system and staff anticipates completing the replacements by year end of CY2022 by installing Sensus / Flexnet units.

g. Other

- Administration Building's Backup Electrical Safety Upgrades – This project is expected to be completed this year as planned. However, some materials' delivery timing has recently become uncertain and threatens to extend project completion to next year.



## Agenda Item: 17

**Date:** September 20, 2021

**Subject:** RWA Proposition 1 Grant Funding

**Staff Contact:** Greg Bundesen, Water Conservation Supervisor

### Background

On July 15, 2019, the Board of Directors passed District Resolution No. 19-09 authorizing an application for funding assistance through the Proposition 1, Integrated Regional Water Management Grant Program (Grant). In March 2021, the Regional Water Authority (RWA) was awarded funding for twelve different Grant projects including various water conservation programs. The RWA solicited interest from its member agencies after the awarding of Grant funding and District staff expressed interest in three of the Grant programs, (1) leak detection and repair, (2) irrigation efficiency rebates, and (3) customer side leak repair rebates.

### Discussion

The RWA has allocated funding to the District as part of the Grant in the following amounts:

1. \$250,000 – Leak Detection and Repair
2. \$61,481 – Irrigation Efficiency Upgrade Rebates
3. \$32,748 – Customer Leak Repair Rebates

The Grant runs between June 27, 2020 and December 1, 2023. Projects conducted between these dates will qualify for rebate funding.

#### *Leak Detection and Repair*

The leak detection and repair project funding is being provided for water utilities to expand their leak detection and repair programs. The District currently conducts about 145 miles of leak detection each year. To qualify for rebate funding, the District must show that it has expanded its leak detection program. Grant funding will also be provided for leak repairs made between the Grant dates. There are three other water agencies that are part of the Leak Detection and Repair part of the Grant: (1) the City of Folsom, (2) the City of Sacramento, and (3) Placer County Water Agency. The total amount awarded to the RWA for the Leak Detection Project Grant is \$1,000,000 and each agency has been allocated the same amount of funding, \$250,000. Leak detection projects dating back to June 27, 2020 will qualify for Grant funding. Since June 27, 2020, the District has expensed about \$158,095 in leak detection and leak repairs (\$60,348 in leak detection and \$97,747 in leak repairs) leaving \$91,905 available to the District.

There is an \$899,456 required cost share that must be met collectively by all agencies participating in the leak detection and repair program. A cost share or matching funds is a

portion of the program costs that are not borne by the grant agency. Meeting the cost share will not be problematic as the Grant allows for leak repair and leak detection services expensed since 2015 to qualify for the cost share requirement. The cost share dates are different from the Grant dates as the Grant administrator, the Department of Water Resources (DWR), is allowing participating agencies to use historical leak detection and repair costs to meeting the cost share requirement.

#### *Irrigation Efficiency Rebates*

The irrigation efficiency rebate funding is being provided for agencies to continue to offer customers rebates for irrigation efficiency upgrade rebates including drip irrigation and nozzles, and weather-based sprinkler timers. Water-Wise House Calls are required for both projects (irrigation efficiency upgrades and customer side leak repairs). Pre- and post- inspections will suffice for the Water-Wise House Call, as well as a review of the customer's historical water use. Irrigation upgrade rebates dating back to June 27, 2020, will qualify for Grant funding. The District has expensed \$5,641 in irrigation efficiency upgrade rebates since June 27, 2020, leaving \$55,840 available to the District in this rebate area.

#### *Customer Side Leak Repair*

Customer leak repair rebates is a new program that will provide funding to assist customers in repairing leaks. A Leak Investigation or historical water use review is required to verify a customer leak exists. The District's advanced metering infrastructure (AMI) will assist staff in verifying customer side leaks. The District has not expensed any funding for customer side leak repair, so the full allocation of \$32,748 remains available to the District for this new program

DWR is requiring that participating agencies advertise that DWR was the agency that awarded the Grant. Staff will prepare various updates and highlights in the District's bill inserts with the appropriate tributes to DWR. There is also a monthly reporting requirement. The RWA will send out monthly reporting spreadsheets that staff will complete and return.

#### **Fiscal Impact**

The following Grant funding amounts are being provided to the District:

1. \$250,000 for Leak Detection and Repair
  - a. The District has expensed \$60,348 for leak detection and \$97,747 for leak repairs since June 27, 2020.
  - b. \$91,905 of Grant funding remains.
2. \$61,481 for Irrigation Efficiency Upgrades
  - a. The District has expensed \$5,641 since June 27, 2020.
3. \$32,748 for customer leak repair rebates.
  - a. Customer leak repair rebates is a new program. The District has not expensed any funding for customer leak repair rebates.

Staff will include the various rebate funding amounts in the CY2022 Operations and Maintenance Budget.





## Agenda Item: 18

**Date:** September 20, 2021

**Subject:** Monitoring of Perfluoroalkyl and Polyfluoroalkyl Substances

**Staff Contact:** David Armand, Environmental Compliance Supervisor

### Background

This report summarizes the status and results of Sacramento Suburban Water District's (SSWD's) monitoring of perfluoroalkyl and polyfluoroalkyl substances (collectively "PFAS") through July 2021. As reported previously at the April 5, 2021, Regulatory Compliance Committee meeting, SSWD has received three separate monitoring orders from the State Water Resources Control Board, Division of Drinking Water (DDW) that lists 37 SSWD wells for which quarterly PFAS monitoring is required.

To date, at least one round of monitoring has been completed at 30 of the 37 wells. The other seven wells are offline. Quarterly PFAS monitoring will commence when they are returned to service. Additionally, SSWD has performed voluntary PFAS monitoring at three other wells. SSWD began voluntary PFAS monitoring at wells that are scheduled for a significant amount of work, before the resources for that work are expended. Laboratory results show that a total of five wells have had one or more detections of a PFAS. The map, "PFAS Monitoring Status July 2021," included as Attachment 1, shows the monitoring status of each well in the North and South Service Areas (NSA and SSA, respectively).

### Monitoring Results

Compliance results for two of the five wells with PFAS detections exceed either the 6.5 parts per trillion (ppt) Notification Level (NL) for Perfluorooctane Sulfonic Acid (PFOS) (Well 46 at 10 ppt) or the 5.1 ppt NL for Perfluorooctanoic Acid (PFOA) (Well N1 at 6.5 ppt). In both instances, SSWD provided the requisite information to the Board of Directors and the local governing agency. To date, neither well has been used as a source of supply since their compliance results were found to exceed their respective NLs.

Similar to the map included as Attachment 1, the pie charts included as Attachment 2 summarize the monitoring status of all Active wells in the NSA and SSA, not just those included in DDW monitoring orders. In addition, the pie charts also show the number of wells with PFAS and more specifically, PFOS and PFOA detections, and the percent of capacity of the wells associated with those detections.

The top two pie charts in Attachment 2 show the number of Active wells:

- That have at least one PFAS detection
- That have no PFAS detections
- That have no monitoring data

The bottom two pie charts in Attachment 2 further refine data to show the number of Active wells:

- That exceed a PFOS or PFOA NL
- That have PFOS or PFOA monitoring results less than a NL or not detected
- That have no PFOS or PFOA monitoring results

As indicated in the background summary, some of the wells included in the DDW monitoring orders are offline and therefore, have no monitoring data. Attachment 1 shows where those wells are located. It is unknown at this time if DDW will be issuing additional PFAS monitoring orders.

### Regulatory Thresholds

While there are thousands of different PFAS, drinking water laboratory reports for PFAS currently show results for just 18 individual constituents. Only three of the 18 currently have actionable regulatory thresholds. The table below shows relevant information associated with those three PFAS.

Name	Acronym	CCRDL* (ppt)	Public Health Goal** (ppt)	Notification Level (NL) (ppt)	Response Level (RL) (ppt)
Perfluorooctane Sulfonic Acid	PFOS	4	1	6.5	40
Perfluorooctanoic Acid	PFOA	4	0.007	5.1	10
Perfluorobutane Sulfonic Acid	PFBS	4	N/A	500	5,000

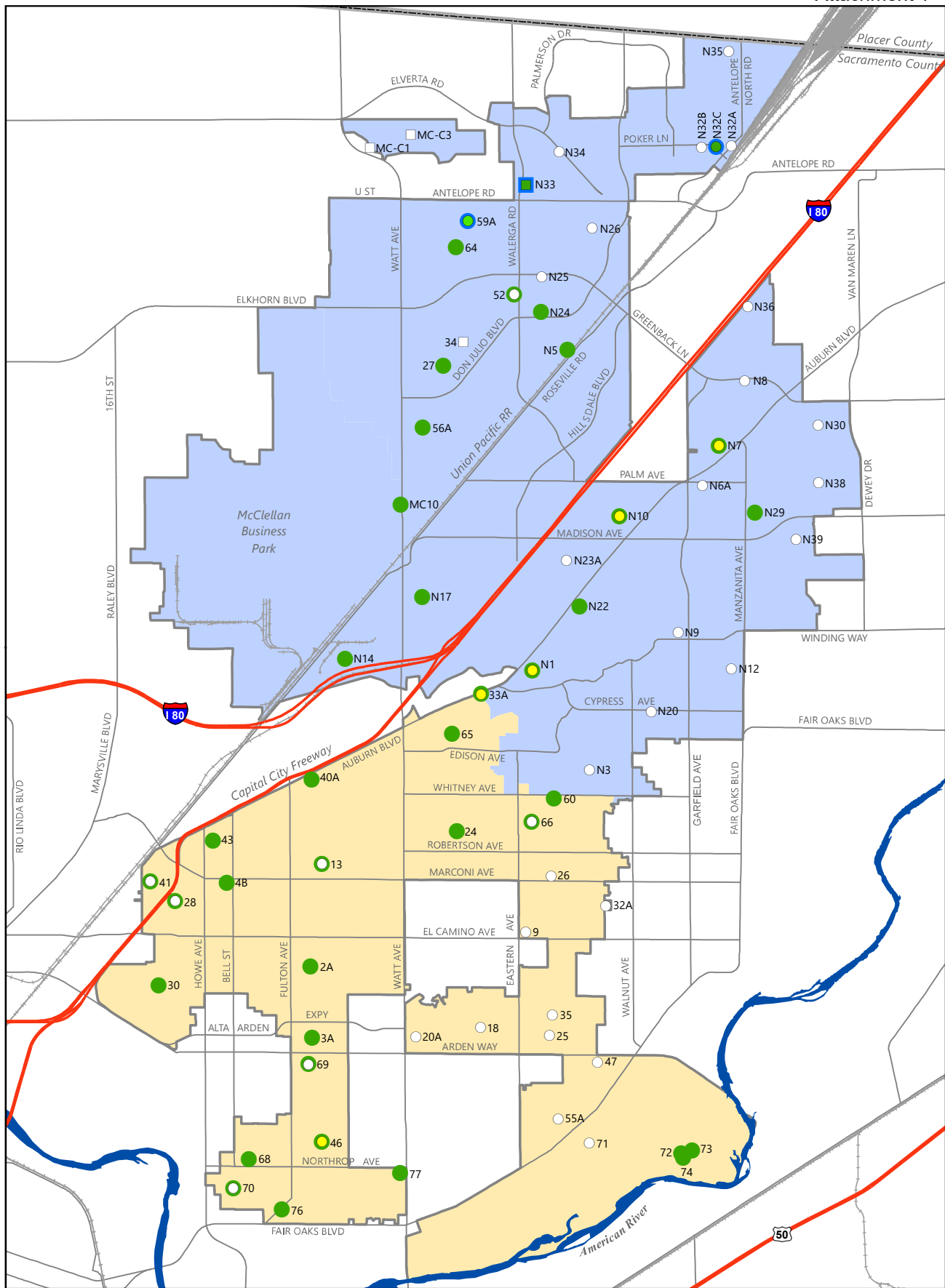
CCRDL\*: Consumer Confidence Report Reporting Level

Public Health Goal\*\*: Draft Public Health Goal (announced July 30, 2021).

Pending approval of Public Health Goals for PFOS and PFOA, DDW will begin work on developing Maximum Contaminant Levels (MCLs) for both contaminants. It will likely be three to five years before those MCLs are established. DDW has requested the California Office of Environmental Health Hazard Assessment (OEHHA) to establish NLs for six additional PFAS and to evaluate if grouping is warranted and feasible when establishing regulatory thresholds.

### Attachments:

1. PFAS Monitoring Status July 2021 (Map)
2. NSA and SSA PFAS Monitoring Summaries (Pie Charts)



**Legend**

- Active Well
- Standby Well
- Well Included in a DDW Monitoring Order
- Well with no PFAS Detections
- Well with PFAS Detections
- Well with Voluntary Monitoring Results - no PFAS Detections
- Standby Well with Voluntary Monitoring Results - no PFAS Detections
- North Service Area
- South Service Area

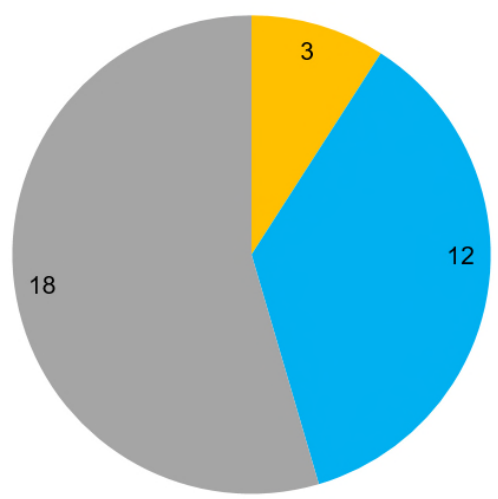


**PFAS Monitoring Status July 2021**



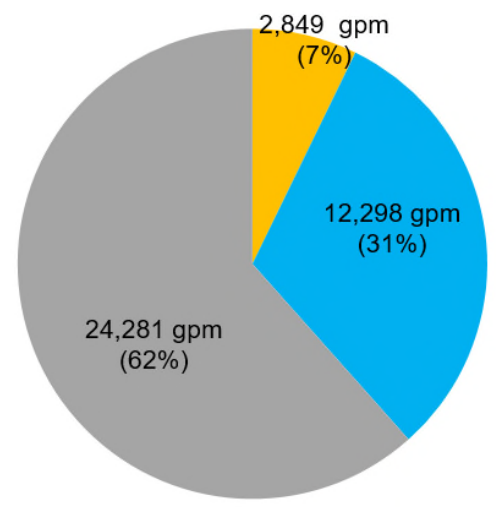
Drawn by: JWS - SSWD  
 Date: July 16, 2021  
 File: PFAS Monitoring Status 2021-07.mxd

**PFAS Monitoring Results:  
Number of Wells**



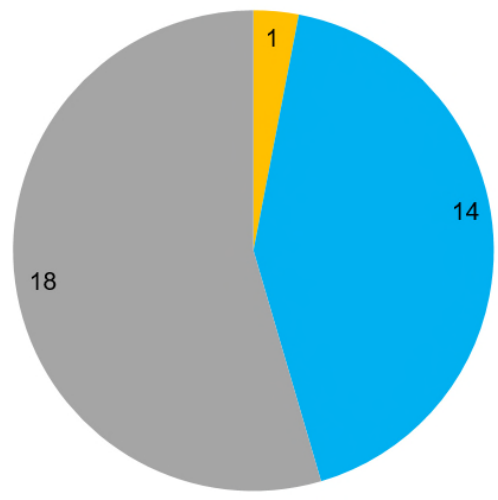
- Wells w/ at least 1 PFAS detection
- Wells w/ no detections
- Wells w/ no data

**PFAS Monitoring Results: Percent of Capacity**



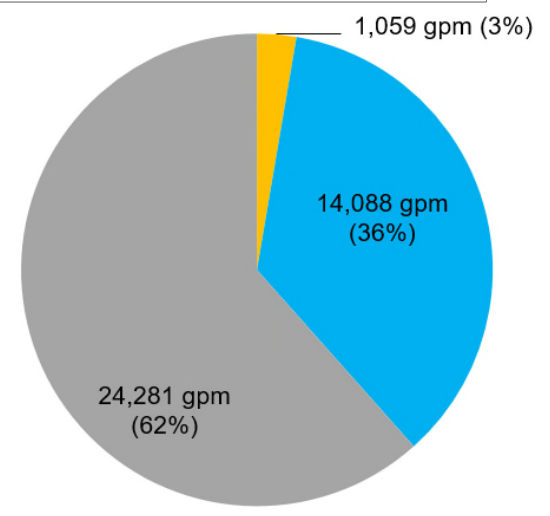
**NORTH  
SERVICE  
AREA**

**PFOS/PFOA Monitoring Results:  
Number of Wells**



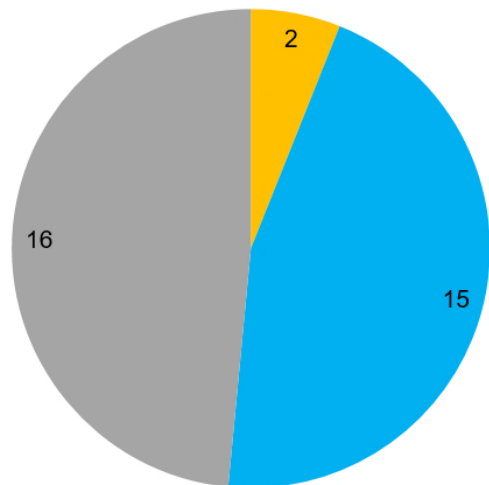
- Wells w/ PFOS/PFOA detections ≥ NL
- Wells w/ PFOS/PFOA detections < NL or ND
- Wells w/ no data

**PFOS/PFOA Monitoring Results:  
Percent of Capacity**



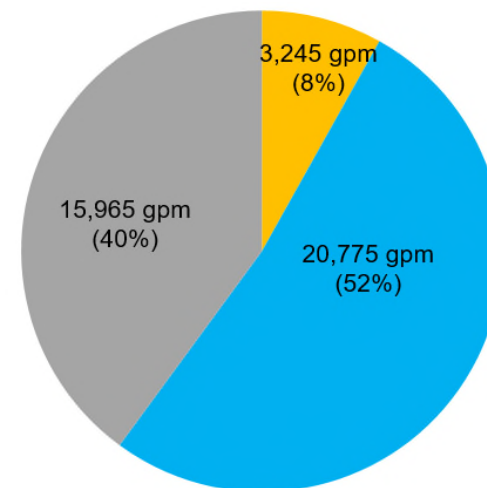
Wells with no data include offline wells listed in monitoring orders. Wells with no detections are wells that were included in either DDW monitoring orders or voluntary monitoring. Totals only include wells permitted as Active (i.e. do not include Standby wells).

**PFAS Monitoring Results:  
Number of Wells**

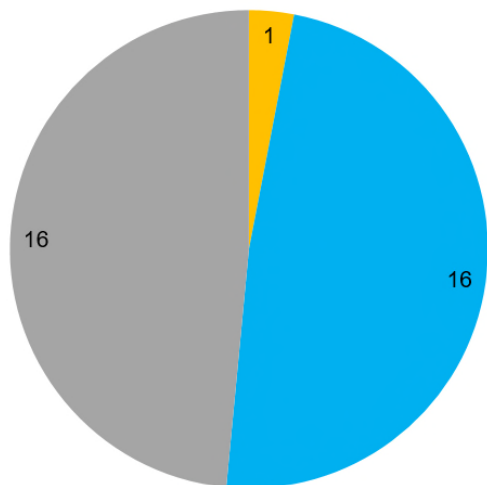


- Wells w/ at least 1 PFAS detection
- Wells w/ no detections
- Wells w/ no data

**PFAS Monitoring Results:  
Percent of Capacity**

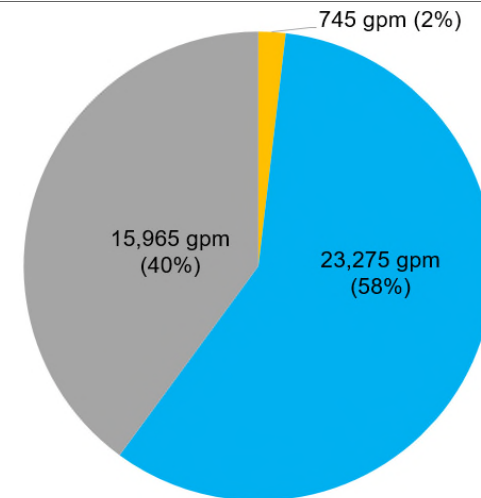


**PFOS/PFOA Monitoring Results:  
Number of Wells**



- Wells w/ PFOS/PFOA detections NL
- Wells w/ PFOS/PFOA detections NL or ND
- Wells w/ no data

**PFOS/PFOA Monitoring Results:  
Percent of Capacity**



**SOUTH  
SERVICE  
AREA**

Wells with no data include offline wells listed in monitoring orders. Wells with no detections are wells that were included in either DDW monitoring orders or voluntary monitoring. Totals only include wells permitted as Active (i.e. do not include Standby wells).



**Ronald Davis**  
Director Division 1

**Mark R. Emmerson**  
Director Division 2

**Jeff Nelson**  
Director Division 3

7837 FAIR OAKS BOULEVARD  
CARMICHAEL, CALIFORNIA 95608  
TELEPHONE: (916) 483-2452  
FAX: (916) 483-5509

**Ron Greenwood**  
Director Division 4

**Paul Selsky**  
Director Division 5

**Cathy Lee**  
General Manager

**VIA EMAIL DELIVERY**

August 20, 2021

Mr. Jim Peifer  
Executive Director  
Sacramento Groundwater Authority  
5620 Birdcage Street, #180  
Citrus Heights, CA 95610

Subject: Concerns Regarding the Process for Evaluating a Potential SCGA Consolidation with SGA

Dear Mr. Peifer,

Carmichael Water District (CWD) has several concerns regarding the evaluation of the potential consolidation of the Sacramento Groundwater Authority (SGA) with the Sacramento Central Groundwater Authority (SCGA). We would like to see a more thorough description of the pros and cons of the consolidation and a change in the makeup of the Phase 2 *ad hoc* committee, as described in this letter. We feel a positive step towards gaining our support would be for SGA staff to address these concerns and provide for an open discussion with all SGA Board Members regarding these concerns and suggestions.

1. **Thorough Pros and Cons Evaluation** - The information provided in Frequently Asked Questions (FAQs) prepared by SGA staff does not provide enough information to adequately inform the CWD that the proposed undertaking is beneficial to the SGA and all of its members. For example, the FAQs describe the potential benefits as reduced costs, increased organizational efficiencies, and providing more services to the SGA, SCGA, and Regional Water Authority (RWA). These statements are very general and do not provide any specifics. The CWD respectfully requests SGA staff prepare a detailed “pros and cons” analysis related to the merging of the SGA and the SCGA. While we recognize it is probably not practical for SGA staff to complete this analysis before the next scheduled SGA Special

Mr. Jim Peifer  
August 20, 2021

Board meeting on September 8<sup>th</sup>, in the interest of moving this process forward, we would like to have a first draft of this analysis be provided to SGA members by the end of September and agendaized for SGA's Regular October 2021 Board meeting.

- 2. Make up of Phase 2 Governance *ad hoc* Committee** – We understand the currently configured Phase 2 *ad hoc* committee is to be comprised of SGA board members that are also SCGA board members, and does not include any SGA exclusive board members. Since SCGA staff have publicly announced it is in favor of consolidating with SGA, that means the *ad hoc* committee members have already made the decision to be in favor of consolidation in their dual role as SCGA members. The governance structure will be a critical deciding factor in SGA members' consideration of the benefits of a consolidation with SCGA. Therefore, to ensure an objective approach, CWD respectfully requests that the Phase 2 *ad hoc* committee include no more than one SGA board member that represents an agency that is also a member of the SCGA. Furthermore, CWD requests that the Phase 2 *ad hoc* committee include elected officials or obtains significant input and engagement by elected officials.

We look forward to our concerns listed above being appropriately recognized and addressed. Thank you for your consideration of our concerns and suggestions. Please do not hesitate to contact us or our General Manager, Ms. Cathy Lee if you have any questions or would like additional information regarding the suggestions presented in this letter.

Sincerely,



Paul Selsky, Board Member  
Representative to SGA



Jeff Nelson, Board Member  
Alternate Representative to SGA

cc: Mr. John Woodling, SCGA Executive Director  
Mr. Audie Foster, California American Water  
Board of Directors, Citrus Heights Water District  
Board of Directors, Fair Oaks Water District  
Board of Directors, Del Paso Manor Water District  
Mr. Marcus Yasutake, City of Folsom  
Ms. Kerri Howell, City of Folsom  
Mr. Paul Schubert, Golden State Water Company  
Mr. Matt Lauppe, Natomas Central Mutual Water Company

Mr. Jim Peifer  
August 20, 2021

Mr. Brett Gray, Natomas Central Mutual Water Company  
Mr. John Wingerter, Orange Vale Water Company  
Mr. Joe Duran, Orange Vale Water Company  
Board of Directors, Rio Linda Elverta Community Water District  
Mr. Tim Shaw, Rio Linda Elverta Community Water District  
Mr. Bill Busath, City of Sacramento  
Mr. Brett Ewart, City of Sacramento  
Board of Directors, Sacramento Suburban Water District  
Board of Directors, San Juan Water District  
Mr. Michael Peterson, County of Sacramento  
Ms. Kerry Schmitz, County of Sacramento  
Mr. Mike DeWit  
Mr. Larry Johnson





August 23, 2021

Mr. Bret Ewart  
Chairman  
Sacramento Groundwater Authority

Mr. Sean Bigley  
Chairman  
Regional Water Authority

Mr. Jim Peifer  
Executive Director  
Sacramento Groundwater Authority/  
Regional Water Authority  
5620 Birdcage Street, Suite 180  
Citrus Heights, CA 95610

Directors  
Edward J. "Ted" Costa  
Marty Hanneman  
Kenneth H. Miller  
Dan Rich  
Pamela Tobin  
General Manager  
Paul Helliker

Via E-mail

Subject: Potential Sacramento Central Groundwater Authority (SCGA) integration with Sacramento Groundwater Authority (SGA)

Dear Chairmen Ewart and Bigley, and Mr. Peifer:

We appreciate that the Board packet for the August 12 SGA Board meeting included the questions and preliminary concerns the San Juan Water District (SJWD) provided with respect to the discussion of a potential merger between SGA and SCGA. We also appreciate the rapid response to additional questions we posed about the issue of retirement benefits that were posted to the web page just prior to the meeting.

As we noted at the August 12 meeting, we do not believe the process to date has provided sufficient information beyond generalities, without substantiation, to support repeated assertions of broad benefits that would supposedly accrue to SGA/RWA. Consequently, we are not ready to agree to move on to Phase 2.

At the August 12 SGA meeting a number of other agencies stated they have similar information needs, questions and concerns that they would like to have addressed prior to being pushed into a vote to move forward, or not. We are aware of the "Work Plan" that is intended to eventually address many of the issues raised in detail, but we (and others apparently) are seeking a threshold level of detail and information before we can feel comfortable that it would be worthwhile to move forward with additional analyses. At this point, possible benefits are speculative, while potential negative impacts related to program, governance, complexity, and staffing are clear.

SGA is still in the process of completing its Groundwater Sustainability Plan (GSP), in conjunction with four neighboring Groundwater Sustainability Agencies (GSAs). This project is currently the highest priority of SGA, and beyond the plan itself, many issues of staffing, ongoing monitoring and reporting activities, as well as overall governance of the North American Subbasin (NASb) have yet to be addressed – none of which relate to SCGA and its own GSP (under development with its own set of five GSAs).

We believe it is critical to complete SGA's GSP and associated governance and work activity agreements before conducting further detailed analysis of a potential merger with SCGA. Simply put, as Director Costa stated on August 12, we need to get our own house in order with regard to SGMA implementation before we look at the question of whether it might make sense to expand SGA's scope to assume the responsibility for another basin's SGMA processes, obligations, and challenges. We realize SCGA wants to reap the benefits it has determined favor a merger as soon as possible, but that should not and cannot be allowed to drive and short circuit SGA's deliberations.

Unless and until the SGA Board decides it wishes to move forward with Phase 2, we do not believe an ad hoc committee is appropriate to deliberate on governance or other issues. However, should one become active in the future, there needs to be much more transparency, communication and coordination between the SGA and RWA representatives and their full Boards with regard to the specific identification of issues being discussed, the content of such discussions, and receiving direction from the Boards who are being represented.

Moreover, if an ad hoc committee moves forward at some point, we do not support its currently proposed composition. Though we very much appreciate the efforts of those who are representing dual SCGA and SGA member agencies to remain open minded and receptive to SGA-only members' concerns, the fact remains that both the Chair and the Vice-Chair of SGA are representatives of dual SCGA/SGA agencies. Consequently, four of the six Board representatives of the ad hoc committee as proposed would be SCGA Board members. That should not be the case. We encourage that you instead appoint two non-dual agency SGA representatives to such a committee should it be established.

The SGA Board has repeatedly asked for a workshop on the pros and cons of a potential merger, including the ability to raise and discuss other issues of concern. To date, none has occurred. We do not consider the August 12 meeting to have satisfied this request. There was no real opportunity to discuss issues among the SGA Board members and staff after the survey of each Board member was completed. Also, the questions we had posed in response to your request for submission to you of questions and issues of concern (included in the Board packet) were not discussed, or addressed. Those questions and concerns remain.

At this point, we recommend that the September 8 SGA Board meeting be conducted as a workshop where the questions we and others posed can be discussed, and that a vote to move to Phase 2 be postponed until SGA's GSP governance situation is relatively settled, which could

be as soon as SGA's October meeting when the draft NASb GSP MOU is expected to be available for review. We also recommend that the special August 31 RWA Board meeting be canceled. Unless and until the SGA Board decides to proceed with more detailed analyses of a potential merger, the RWA Board only really needs to receive updates regarding SGA's engagement on the issue.

Finally, to be clear, the San Juan Water District remains open to a potential merger between SGA and SCGA, and undertaking the detailed due diligence analyses necessary to make an informed decision, at some point in the future.

However: (1) until we get our house in order with regard to SGMA governance and implementation in the NASb, we simply do not know what the foundation is that we would be building on – which before moving forward re: SCGA we must know is solid and capable of taking on the additional weight and stress of assuming SCGA's SGMA obligations; and, (2) there are issues and questions we believe need to be addressed with some threshold level of discussion, information and specificity NOW before moving to the proposed next phase as we just do not accept "we'll figure it out later" as a satisfactory basis for deciding to expend additional significant time, money and staff resources on "process" in pursuit of what are only asserted, but speculative, benefits to SGA and RWA.

Thank you,



Ted Costa  
SJWD SGA Board member



Dan Rich  
SJWD RWA Board member



Greg Zlotnick  
SJWD RWA Board member

cc via email: Dan York, Vice-Chair, RWA  
Marcus Yasutake, Vice-Chair, SGA



## Agenda Item: 20

**Date:** September 20, 2021

**Subject:** Upcoming Water Industry Events

**Staff Contact:** Heather Hernandez-Fort, Executive Assistant to the General Manager

Note that the Board adopted Policy governing Director compensation and expense reimbursement section 200.20(g) states that Directors may receive a meeting stipend (currently \$100.00) for “meetings, water industry events or office visits of a substantial duration concerning substantive District business as requested and approved for payment by the General Manager or the Board President...” Just because information is presented on upcoming water industry events, or regularly scheduled meetings of other water districts, does not necessarily imply that approval for a compensable meeting or reimbursement of expenses are triggered.

Below is a list of upcoming water industry events:

### Upcoming Events

1. LAFCo Board Meeting  
October 6, 2021  
Virtual  
<https://saclafco.saccounty.net/Pages/default.aspx>
  
2. SGA Board Meeting  
October 14, 2021  
Virtual  
<https://www.sgah2o.org/meetings/board-meetings/>
  
3. Cal-NV AWWA Annual Fall Conference  
October 18-21, 2021  
Virtual  
<https://www.awwa.org/ace/>
  
4. Cap-to-Cap  
October 25-29, 2021  
Virtual/In Person  
<http://business.metrochamber.org/events/details/2021-capitol-to-capitol-virtual-program-26612>

## Upcoming Water Industry Events

September 20, 2021

Page 2 of 3

5. RWA Board Meeting  
November 4, 2021  
Virtual  
<https://rwah2o.org/meetings/board-meetings/>
6. ACWA 2021 Fall Conference & Exhibition  
November 30 – December 3, 2021  
Pasadena, CA  
<https://www.acwa.com/events/>
7. LAFCo Board Meeting  
December 1, 2021  
Virtual  
<https://sacclafco.saccounty.net/Pages/default.aspx>
8. SGA Board Meeting  
December 9, 2021  
Virtual  
<https://www.sgah2o.org/meetings/board-meetings/>
9. ACWA 2022 Spring Conference & Exhibition  
May 3, 2022 – May 6, 2022  
Sacramento, CA  
<https://www.acwa.com/events/page/3/>
10. ACWA 2022 Fall Conference & Exhibition  
November 29, 2022 – December 2, 2022  
Indian Wells, CA  
<https://www.acwa.com/events/page/3/>

**Below is a partial list of local Water Purveyors Regular Board Meeting information and websites:**

- Carmichael Water District: <http://carmichaelwd.org/> - Every 3<sup>rd</sup> Tuesday of the month at 6:00 p.m.
- Citrus Heights Water District: <http://chwd.org/> - Every 3<sup>rd</sup> Wednesday of the month at 6:30 p.m.
- Del Paso Manor Water District: <https://www.delpasomanorwd.org/> (916)487-0419 - Every 1<sup>st</sup> Tuesday of the month at 6:30 p.m.
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 2<sup>nd</sup> Wednesday of the month at 10:00 a.m.
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2<sup>nd</sup> and 4<sup>th</sup> Mondays of the month at 9:00 a.m.
- Fair Oaks Water District: <http://www.fowd.com/> - Every 2<sup>nd</sup> Monday of the month at 6:30 p.m.
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2<sup>nd</sup> Tuesday of the month at 9:00 a.m.
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1<sup>st</sup> Tuesday of the month at 4:00 p.m.
- Placer County Water Agency: <https://pcwa.net/> - Every 1<sup>st</sup> and 3<sup>rd</sup> Thursdays of the month at 2:00 p.m.
- Rio Linda/Elverta Community WD: <http://www.rlecwd.com/> - Every 3<sup>rd</sup> Monday of the month at 6:30 p.m.
- San Juan Water District: <http://www.sjwd.org/> - Every 4<sup>th</sup> Wednesday of the month at 6:00 p.m.

**REGIONAL WATER AUTHORITY  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Thursday, September 9, 2021, 9:00 a.m.**

**AMENDED AGENDA**

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board' consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Executive Committee may consider any agenda item at any time during the meeting.

**Note: Pursuant to the Governor's Executive Order N -29-20 and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.**

**We encourage Committee members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.**

**Meeting Information:**

RWA Board meeting  
Thu, Sep 9, 2021 9:00 AM - 11:30 AM (PDT)

**Please join my meeting from your computer, tablet or smartphone.**

<https://global.gotomeeting.com/join/139317565>

**You can also dial in using your phone.**

United States: [+1 \(872\) 240-3412](tel:+18722403412)

**Access Code:** 139-317-565

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the board may do so at this time. Please keep your comments to less than three minutes.

3. **CONSENT CALENDAR:** All items listed under the Consent Calendar are considered and acted upon by one motion. Anyone may request an item be removed for separate consideration.
  - a. Minutes of the July 8, 2021 Board of Directors Meeting  
**Action: Approve Consent Calendar Item**
4. **DROUGHT CONDITIONS UPDATE**  
Presentation: Michelle Banonis, Manager of Strategic Affairs and Amy Talbot, Water Use Efficiency Program Manager
5. **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY STAFFING**  
Discussion: Jim Peifer, Executive Director
6. **LEGISLATIVE/REGULATORY UPDATE**  
Information and Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager
7. **ADOPT RESOLUTION OF SUPPORT FOR ACWA VICE PRESIDENT**  
Discussion: Sean Bigley, Chair  
**Action: Accept the recommendation from the Chair and Vice Chair for Candidate for ACWA Vice President and Approve a Resolution of Support for the Candidate.**
8. **EXECUTIVE DIRECTOR'S REPORT**
9. **DIRECTORS' COMMENTS**

## **ADJOURNMENT**

### **Upcoming Meetings:**

Executive Committee Meetings: Wednesday, September 22, 2021, 8:30 a.m. and October 27, 2021, 8:30 a.m. at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

Regular Board Meeting: Thursday, November 4, 2021, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

The RWA Board Meeting electronic packet is available on the RWA website at <https://rwah2o.org/meetings/board-meetings/> to access and print the packet.



**REGIONAL WATER AUTHORITY  
EXECUTIVE COMMITTEE AGENDA  
August 25, 2021; 8:30 a.m.**

**AGENDA**

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 847-7589. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Executive Committee may consider any agenda item at any time during the meeting.

**Note: Pursuant to the Governor's Executive Order N-29-20, and given the state of emergency regarding the threat of COVID-19, the meeting will be held via teleconference.**

**We encourage Committee members and participants to join the meeting 10 minutes early. Note that we will use GoToMeeting to share slides and other information during the meeting. Use the link below to join GoToMeeting. If you have a microphone that you can use with your computer, it should be possible to both listen to, and participate in, the meeting through GoToMeeting. If you do not have a microphone, or a headset with a microphone, that plugs into your computer via USB port, you will need to call into the conference line to listen and comment, although you still should be able to view the meeting materials on GoToMeeting. Please do not simultaneously use a microphone through GoToMeeting and the telephone conference line. That combination results in audio problems for all participants.**

**Meeting Information:**

**RWA Executive Committee Meeting  
Wed, Aug 25, 2021 8:30 AM - 10:30 AM (PDT)**

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/816596541>

You can also dial in using your phone.

United States: [+1 \(571\) 317-3122](tel:+15713173122)

Access Code: 816-596-541

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.

3. **CONSENT CALENDAR**
  - a. Minutes of the June 23, 2021, Executive Committee meetings  
**Action: Approve Consent Calendar Items**
4. **SACRAMENTO CENTRAL GROUNDWATER AUTHORITY**  
Discussion: Jim Peifer, Executive Director
5. **LEGISLATIVE/REGULATORY UPDATE**  
Information Presentation: Ryan Ojakian, Legislative and Regulatory Affairs Manager  
**Action: Take Positions on State Legislation**
6. **SEPTEMBER 9, 2021 RWA BOARD MEETING AGENDA**  
**Action: Approve September 9, 2021 proposed RWA Board Meeting agenda**
7. **EXECUTIVE DIRECTOR'S REPORT**
8. **DIRECTORS' COMMENTS**

## **ADJOURNMENT**

### **Upcoming meetings:**

Executive Committee Meetings: Wednesday, September 22, 2021, at 8:30 a.m. and October 27, 2021, at 8:30 a.m. at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

Regular Board Meeting: Thursday, September 9, 2021, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

RWA Special Board Meeting – SCGA Integration: Tuesday, August 31, 2021, 9:00 a.m., at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

The RWA Board Meeting electronic packet is available on the RWA website at <https://rwah2o.org/meetings/board-meetings/> to access and print the packet.

**Director Locke's Meetings**

**August 3rd**

**Delta Conveyance Project Informational Webinar: Fisheries**

The Department of Water Resources (DWR) second of four informational webinars. This webinar focuses on fisheries and is intended to provide background information related to preparation of the Draft Environmental Impact Report. All information and materials related to the webinars, including the full schedule and registration information for this webinar and the remaining two webinars, can be found online. Webinar 2 explains the environmental setting details, including fish species evaluated, migration patterns and fish life cycles. Also Fish screen considerations, Models, data and analytical methods being used for evaluating potential impacts.

**August 10<sup>th</sup>**

**Operations Performance Management for Leak Detection and Energy Conservation in Distribution Systems**

What is the difference between OPM and APM? How does Innovyze use its tools to differentiate and communicate vast amounts of data across platforms? Operational Performance Management (OPM) differs from Asset Performance Management (APM) in that it looks at systems as a whole to determine operational efficiencies where asset-specific data is lacking.

Join us in this Water Talks where we will discuss the data requirements needed to implement digital solutions and provide case studies for how technology and the modern digital twin can be used as OPM solutions for both leak detection and energy management within the water distribution systems.

**August 12th**

**SGA Board**

**August 16th**

**SSWD Board**

**August 18<sup>th</sup>**

**A Water Operators Guide to Getting Everything They Need**

RCAC Events Accreditation:

2 California Drinking Water Contact Hours awarded

**August 20<sup>th</sup>**

**Meet with GM**

**August 24<sup>th</sup>**

**Carmichael 2x2**

**August 24<sup>th</sup>**

**Evaluating Water Loss Performance Standards - An Economic Leak Loss Reduction Model**

The UC Davis Center for Water-Energy Efficiency (CWEE) developed an economic optimal leak loss model and performed a study using water utility data from four different states to evaluate the results of the CWEE model and others\* (including the State Water Board's current model). CWEE recently performed a similar assessment tailored for California by comparing economic models using California utility data only. Attend this public webinar to learn about the UC Davis Economic Optimum model and

how it compares to the proposed California model.

The purpose of this webinar is to inform stakeholders in the water loss space about the findings of CWEE's research. This topic is relevant to California utilities and policy makers and will provide data driven science for stakeholders to consider during the upcoming Water Loss Performance Standards rulemaking by the SWRCB. This webinar will be followed up by 1-2 shorter webinars open to the public to provide more in-depth question and answer sessions. Timing currently TBD.

#### **August 24<sup>th</sup>**

##### **Water Talks | AI Enabled Utilities Across the Entire Water Cycle**

Now more than ever, there is a critical need for accurate and informative data to help combat the burdens of climate change, pressures of regulatory frameworks, market resistance to rate increases, and the ever-evolving replacement of experienced workers. With the rise of technology and access to information, determining how best to prioritize our energy has become even more essential.

**This Water Talks will discuss** how AI and ML solutions evaluate multiple variables impacting desired outcomes, ultimately analyzing potential outcomes to meet objectives. We'll cover how AI systems can be interconnected to create an Operations Performance System AI Model to help meet organizations' sustainability goals, aid in emergency planning, and improve how & when to execute capital improvement projects effectively.

We'll discuss operational use cases in raw water transmission, treatment, distribution, collection, and wastewater, how it relates to planning, engineering, and financing within an organization. And ultimately, how AI process models help us manage utilities top-down!

#### **August 25<sup>th</sup>**

##### **RWA Meeting**

#### **August 25<sup>th</sup>**

##### **Delta Conveyance Project Informational Webinar: Climate Change**

Webinar number three will focus on Climate Change, including: DWR's overall climate change planning efforts, including the Department's Climate Action Plan, Purpose of climate change analysis for the Delta Conveyance Project, Current climate change data, Approach to climate resiliency evaluation in the Draft EIR, Climate change and other resource area analytical methods being used for evaluating potential impacts, including for air quality and traffic

The webinars will include a presentation and an opportunity to ask clarifying questions regarding the material presented. The webinars will be conducted using Zoom and can be accessed through the internet or by using your phone. [DeltaConveyance@water.ca.gov](mailto:DeltaConveyance@water.ca.gov).

#### **August 27<sup>th</sup>**

##### **Coffee with Ami Bera and RWA**

#### **August 29<sup>th</sup>**

##### **PWX - City of Joliet Alternative Water Source Program**

The City of Joliet, the third largest city in Illinois, serves a population of approximately 150,000. Joliet's existing water source, the deep groundwater aquifer, will not be able to meet the city's maximum day water demands (estimated at 30 MGD) by the year 2030. Therefore, Joliet went in search of a cost-effective, sustainable alternative water source for the City of Joliet and, possibly, the region. Joliet began

Alternate Water Supply Source Study in July 2018, beginning with fourteen water source alternatives covering the full range of possible water sources from groundwater, rivers, and Lake Michigan.

The City's Alternative Water Source Program is not only limited to the technical evaluation of the two alternatives. It also includes development of a funding strategy, outreach to potential regional partners to identify interest in formation of a regional water commission, management of a water conservation committee, and significant stakeholder engagement including monthly newsletters, social media posts, and eblasts to educate the public about this very important project.

By presenting all aspects of this program through a powerpoint presentation including demonstration of the program website at [www.RethinkWaterJoliet.org](http://www.RethinkWaterJoliet.org), it will appeal to all attendees, even those who have a minimal understanding of drinking water systems.

### Minutes

## Sacramento Suburban Water District Regulatory Compliance Committee Monday, August 11, 2021

#### Call to Order – Videoconference/Audioconference Meeting

Chair Wichert called the meeting to order at 4:00 p.m.

#### Roll Call

Directors Present: Dave Jones and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Dana Dean, Heather Hernandez-Fort, and David Armand.

Public Present: Kevin Thomas and Shobha Thomas.

#### Announcements

General Manager, Dan York (GM York) announced:

- Three of the Directors from the Del Paso Manor Water District have resigned.

#### Public Comment

None.

#### Consent Items

- 1. Minutes of the April 5, 2021, Regulatory Compliance Committee Meeting**  
The Regulatory Compliance Committee (Committee) unanimously approved the minutes of the April 5, 2021, Regulatory Compliance Committee meeting.

AYES:	Jones and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

#### Items for Discussion and Action

- 2. Monitoring of Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)**  
David Armand (Mr. Armand) presented the staff report and answered clarifying questions.

Discussion ensued regarding the District’s monitoring of perfluoroalkyl and polyfluoroalkyl substances.

Chair Wichert requested staff bring the item to the next regular Board meeting as an Information Item.

**Adjournment**

Chair Wichert adjourned the meeting at 4:35 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District

DRAFT



## Minutes

### Carmichael Water District/Sacramento Suburban Water District 2x2 Ad Hoc Committee Meeting

Tuesday, August 24, 2021

#### Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, and Audio Conference at 1-669-900-6833, and Video Conference using Zoom at Meeting Id #814 8781 9422

#### Call to Order – Videoconference/Audioconference Meeting

Director Jones called the meeting to order at 3:31 p.m.

#### Roll Call

SSWD Directors

Present: Craig Locke (joined the meeting at 3:36) and Dave Jones.

SSWD Directors

Absent: None.

CWD Directors

Present: Jeff Nelson and Mark Emmerson.

CWD Directors

Absent: None.

SSWD Staff Present: General Manager Dan York, Heather Hernandez-Fort, Amy Bullock, Todd Artrip, Jeff Ott, Dana Dean, and Susan Schinnerer.

CWD Staff Present: General Manager Cathy Lee.

Public Present: Paul Helliker, Ted Costa, and Bob Wichert.

#### Announcements

None.

#### Public Comment

None.

#### Consent Items

1. Minutes of the July 7, 2021, CWD/SSWD 2x2 Ad Hoc Committee Meeting



2. **Minutes of the July 23, 2021, CWD/SSWD 2x2 Ad Hoc Committee Meeting**

Director Jones moved to approve the Consent Items; Director Nelson seconded. The motion passed by unanimous vote.

AYES:	Emmerson, Jones, and Nelson.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:	Locke.		

**Items for Discussion and/or Action**

3. **Vision Statement / Framework**

Sacramento Suburban Water District (SSWD) General Manager Dan York (GM York) presented the staff report and PowerPoint presentation.

Director Locke joined the meeting at 3:36 p.m.

The Committee agreed with the Vision in the PowerPoint.

Regarding the Mission Statement, the Committee recommended changing the language from “consolidation” to “collaboration/consolidation.”

Regarding the Core Values, the Committee recommended changing the language from “consolidation” to “collaboration/consolidation,” as well.

Regarding Goals, Director Emmerson recommended to include exploring collaboration activities that lead toward consolidation.

Chair Locke recommended the Committee meet again and put together some talking points and overall information, then have a presentation to both full Boards as an introduction meeting as well as gain some general direction.

Director Emmerson recommended staff identify programs and projects that have the potential of providing benefit to both agencies and then prioritize them.

The Committee agreed with the Activity Steps in the PowerPoint.

The Committee provided the following list of goal ideas:

- Institutional models or an organization chart for each entity
- Water supplies
- Rate parity
- Governance/Political Divisions
- Current CIP or larger projects
- Contamination plumes, to remind what the threats are such as Chrome 6, etc.
- Define place of use and points of diversion.
- Ongoing contracts
- Supply purchases

- Mutual interests
- Regulatory issues
- Debt servicing
- Current fluoride status

GM York expressed he and Carmichael Water District General Manager Cathy Lee would work together on the items listed.

4. **Consideration to Change Name of Committee**

GM York presented the item.

Director Emmerson recommended to remove the word “consolidation,” as he was afraid it was too charged of a word.

Director Nelson disagreed, expressed he believed the Committee should keep it out there as a possibility.

Director Jones expressed he was ok with keeping the language in, as he wanted to be transparent.

Chair Locke recommended to leave it the same, and further requested to update the Goal statement.

GM York clarified that the Committee agreed to keep the name the same.

5. **Next Meeting Date and Time**

GM York introduced the item.

The Committee agreed to look at the week of September 27, 2021, for the next Committee meeting.

The Committee agreed to review the current topics discussed, modify the goals, discover an equitable way for the districts to go forward, and prepare for the meeting of the Joint Boards at the next committee meeting.

6. **Public Comment**

Ted Costa suggested the Committee examine additional water storage as he believed ratepayers would pay higher rates for additional water storage.

**Adjournment**

Director Locke adjourned the meeting at 4:49 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District

## Minutes

Sacramento Suburban Water District  
**Employee Benefits Ad Hoc Committee**  
Wednesday, September 1, 2021

### Location:

Video and Audio Conference at 1-669-900-6833, or Zoom at Meeting Id # 850 4335 8831  
3701 Marconi Avenue, Suite 100, Sacramento, CA 95821

### Call to Order – Videoconference/Audioconference Meeting

Chair McPherson called the meeting to order at 4:00 p.m.

### Roll Call

Directors Present: Kevin Thomas and Kathleen McPherson.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Heather Hernandez-Fort, Susan Schinnerer, and Jeff Ott.

Public Present: Josh Horowitz, William Eubanks, Dave Jones, and Craig Locke.

### Announcements

None.

### Public Comment

William Eubanks (Mr. Eubanks) inquired if Chair McPherson was going to allow public comments at the meeting.

Chair McPherson expressed she would.

### Consent Items

#### 1. Minutes of the June 16, 2021, Employee Benefits Ad Hoc Committee Meeting

Chair McPherson introduced the item.

Mr. Eubanks inquired if Director Thomas agreed that the minutes were a factual account of what occurred in the last meeting.

Director Thomas answered that he agreed.

Mr. Eubanks expressed that it was the worst meeting he had attended, and stated Chair McPherson did not conduct the meeting appropriately.

Chair McPherson disagreed with Mr. Eubanks and expressed that she welcomed Mr. Eubanks comments.

The Committee unanimously approved Item 1.

AYES:	Thomas and McPherson.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

## Items for Discussion and Action

### 2. Employee Handbook Review

General Manager, Dan York (GM York) introduced Susan Schinnerer (Ms. Schinnerer) who presented the staff report and answered clarifying questions.

Chair McPherson expressed she was not in favor of keeping everything in one handbook; rather she was interested in splitting up what is the responsibility of the Board, and what is the responsibility of the General Manager.

Legal Counsel Josh Horowitz (Mr. Horowitz) explained that for ease of comprehension, staff thought it would be better to keep the two in the current format, however it was up to the Committee to make their recommendations to the full Board.

Chair McPherson additionally expressed she felt it was important for there to be a way to identify when the policy was passed, by which Directors, and how they each voted, as she felt that would help keep things very transparent.

Mr. Horowitz clarified how policies were reviewed by the Board, noting all of the Board identified policies from the handbook could be pulled and placed in their own separate policy, if that was what the Board agreed to. He additionally assured Chair McPherson that the conditions from the mismanagement from Carmichael Water District does not exist at the District, explaining there is an appropriate line of authority and delegation at the District. He additionally reminded the Committee that the Board has a number of policies that control benefits and expenditures on benefits, which they oversee.

Chair McPherson inquired how the Directors knew when the policies were created and by whom.

Mr. Horowitz reminded the Committee that, as directed by previous Boards, all District policies have an initial adoption date, as well as the date the policy was last reviewed.

Chair McPherson stated she was interested in having dates and how each Director voted included in the handbook, as she felt she was not getting that historical information from staff.

GM York clarified that if Chair McPherson would identify exactly what she would like, staff would provide her with it.

Mr. Horowitz reminded the Committee that they had an opportunity to have a comprehensive review of the handbook going forward, noting that if the Board agreed to

track all changes, they could do that going forward. He expressed it would not be particularly relevant to dig up the history of how many times it was changed and by whom each change was made.

Chair McPherson expressed she was not interested in gathering dates from the past, but rather she was interested in going forward with dates and which Director voted for what, noting she has never suggested it be done in retrospect.

Ms. Schinnerer inquired if the Committee was happy with the suggestions staff presented in the staff report.

The Committee was ok with staff's suggestions and recommendations in the staff report.

Chair McPherson expressed she would like to see different examples of how the handbook could be laid out, including dates and annotations, to be clear when a section was approved, and how each Director voted.

Mr. Horowitz explained the policy update process, noting the general custom was to identify the date of the change, but how they voted and the redline would be in the staff reports, and generally not included in the final policy.

Chair McPherson restated that she was not interested in anyone having to go through minutes or past Board packets to find out how their representative voted on a policy.

Mr. Horowitz expressed the Board would need to vote on that change, expressing that it might be cumbersome to have that much information in a policy, however, if that was the desire of the Board, that is what staff would do.

Ms. Schinnerer further expressed staff could always provide further detailed information if requested.

Chair McPherson suggested placing initials of who voted and how they voted. She further expressed she wanted to have more confidence in the relevance, appropriateness, and timeliness of benefits policies. She additionally recapped that the Committee agreed with the staff suggestions in the handbook, and noted that staff will come up with some annotation suggestions that the Board can decide on.

GM York suggested to include the numerical vote as an option as well, such as 3/2 or unanimous, etc.

### **Adjournment**

Chair McPherson adjourned the meeting at 5:01 p.m.

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Dan York  
General Manager/Secretary  
Sacramento Suburban Water District