Sacramento Suburban Water District

Year in Review
2021

SACRAMENTO SUBURBAN WATER DISTRICT

Mission Statement

To deliver a high quality, reliable supply of water and superior customer service at the lowest responsible water rate.

Year In Review 2021

As I reflect upon 2021, I continue to be honored and inspired by how the SSWD team rose to the twin challenges of the COVID-19 pandemic and the drought.

While it seemed like COVID-19 would soon be overcome at the start of the year, the rise of more contagious variants meant that the SSWD team had to continue to operate under COVID-19 safety protocols, as well as navigate shortages and delays of materials caused by worldwide supply chain disruptions.

Similarly, while the year started off with a near-average snowpack, the snow quickly evaporated or absorbed into the parched mountain soil, leaving the state's reservoirs at some of their lowest recorded levels.

The District met both of these challenges and continued to fulfill our mission of providing high-quality water to our customers.

Throughout 2021, our capital improvement projects – from replacing old water mains, to installing new meters and groundwater wells remained our focus.

I would like to take this opportunity to say "thank you" to our rate payers for the decades-long investments in the projects that have enabled SSWD to increase its water supply reliability and resiliency to drought, for by doing so, our water supplies have remained secure.

The SSWD team continues to prove each and every day that they are capable of steering the District through whatever challenges may come so that even in times of great uncertainty, our customers can always depend on SSWD.

DAN YORK
General Manager

Ensuring Reliability, Shifting Water Supplies During Drought

In 2021, the Sacramento region experienced what climate scientists call "precipitation whiplash"—extreme dry weather followed by record-breaking storms.

This included the sudden emergence of drought after a near-average snowpack evaporated or melted into the ground rather than producing the runoff needed to fill our lakes and rivers, followed by the longest streak without rainfall in the region's recorded history. October 2021 then saw another historic event as a massive atmospheric river storm dumped over 5 inches of rain on Sacramento, followed by nearly twice the amount of average precipitation in December 2021.

Throughout these great fluctuations, SSWD's water supplies were secure and ready to meet customer needs, thanks to the many investments and projects undertaken to increase water supply reliability and resiliency to drought. These projects allow the District to more easily shift to using groundwater during dry times to leave more water in the lower American River for the environment. During wet times, the District shifts to using more surface water to allow the groundwater aquifer to recharge.
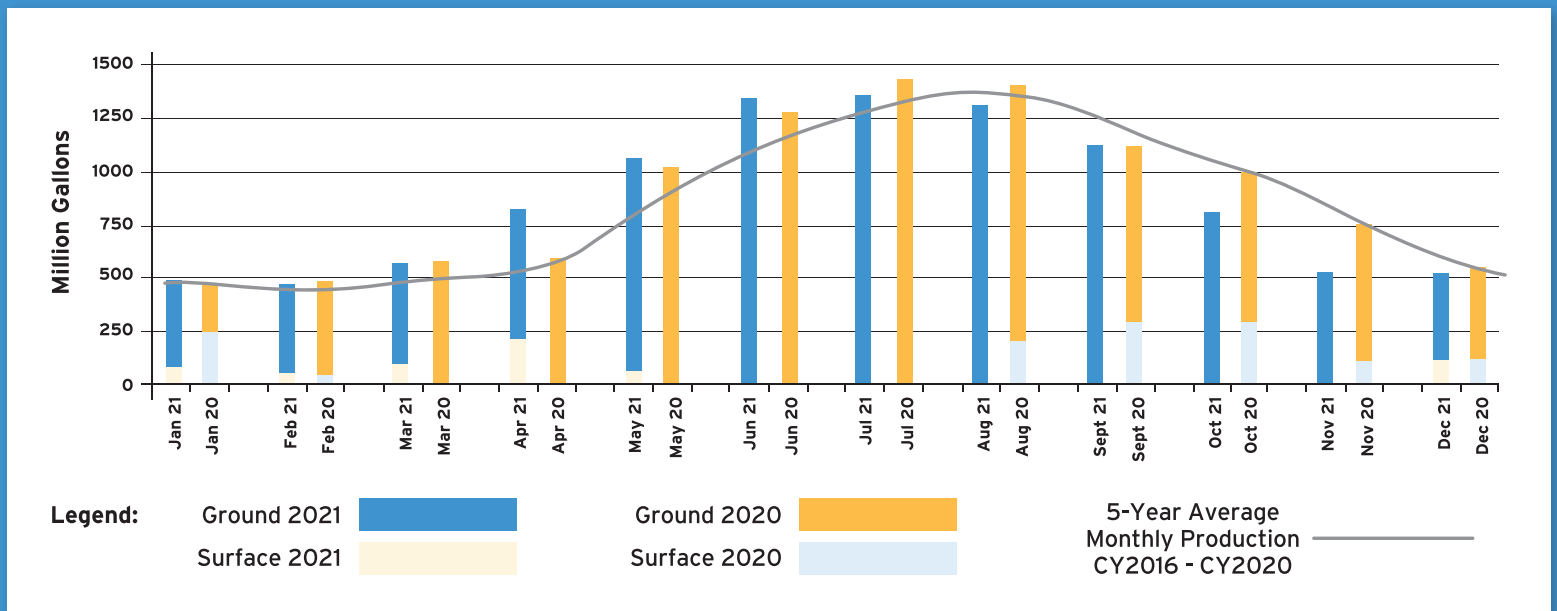
In 2021, SSWD shifted to using more groundwater June through November. In December 2021, when wet conditions emerged, the District shifted again to increase delivery of surface water, taking nearly 400 acre-feet of unplanned surface water, allowing the groundwater system to begin replenishing.

Board Approves Urban Water Management and Water Shortage Contingency Plans

The SSWD Board of Directors in June approved SSWD's updated Urban Water Management Plan and Water Shortage Contingency Plan. The plans, which must be updated every five years per California Water Code, evaluate water supplies needed to meet expected demand over a 20-year period in both normal years and dry years and describe measures to reduce customer demands during emergencies, including drought.

In addition, the SSWD Board of Directors in May approved a new suite of rebate programs for both residential and commercial customers to encourage voluntary conservation. Customers also increased their efforts to stop waste and use water efficiently: SSWD had a 190% increase in requests for leak investigations, a 168% increase in water waste calls and a 73% increase in requests for Water-Wise House Calls, compared to the same period in 2020.

Monthly Water Production

Legend:
- Ground 2021
- Surface 2021
- Ground 2020
- Surface 2020
- 5-Year Average Monthly Production CY2016 - CY2020

Water System Improvements

Regularly assessing conditions and replacing old water mains and other infrastructure reduce water loss, improve water quality, lower future maintenance and labor costs, improve firefighting capabilities, and increase overall system reliability.

Conducted a comprehensive condition assessment:
- Main Replacement Area 3A
- 5 locations included in the Creek Crossings Report

Completed the design phase and/or significant progress:
- Watt Main Extension
- Q Street Main Replacement
- Mason-Target Loop
- Slippery Creek/Dudley Main Replacement

Completed construction and/or significant progress:
- U Street Loop Project
- Arcade Creek Crossing
- Thor Main Replacement Project
- Outside Diameter Steel (ODS) Remnants Project
- Dudley Boulevard Main Project
- Piping reconfiguration for Well 33A to serve both SSA & NSA

Water Meter Milestone

Last Automatic Meter Reading Endpoint Replaced

In 2021, SSWD reached an important landmark when it replaced the last of the drive-by Automatic Meter Reading (AMR) endpoints.

In the early 1990s SSWD's predecessors, Arcade Water District and Northridge Water District, began installing AMR drive-by meter reading technology throughout their service areas. AMR allowed for water meters to be read by devices installed in District trucks instead of having to manually read each meter in person.

SSWD continued utilizing this system until 2010 when a new meter reading technology, Advanced Metering Infrastructure (AMI), was selected and began to be deployed. AMI transmits water consumption data over a secure communications network eliminating the need for in-person or drive-by reading.

> The District is on track to being fully metered well in advance of the state deadline of January 1, 2025.

General Manager Dan York joins Distribution Operator II Jerry Beams for the last drive-by meter read. Jerry was also part of the team that did the first AMR read back when he was on the staff at Arcade Water District.

Customer Service Center Redesign

While the SSWD Administrative Services Center was closed to the public due to the coronavirus emergency, the Customer Service lobby was redesigned to create a more secure workspace for staff, while improving the open and welcoming atmosphere for customers.
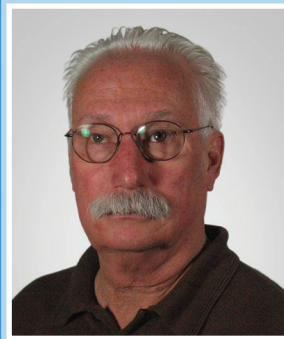
SSWD Board of Directors

Craig M. Locke
President (Division 5)

David A. Jones
Vice President (Division 1)
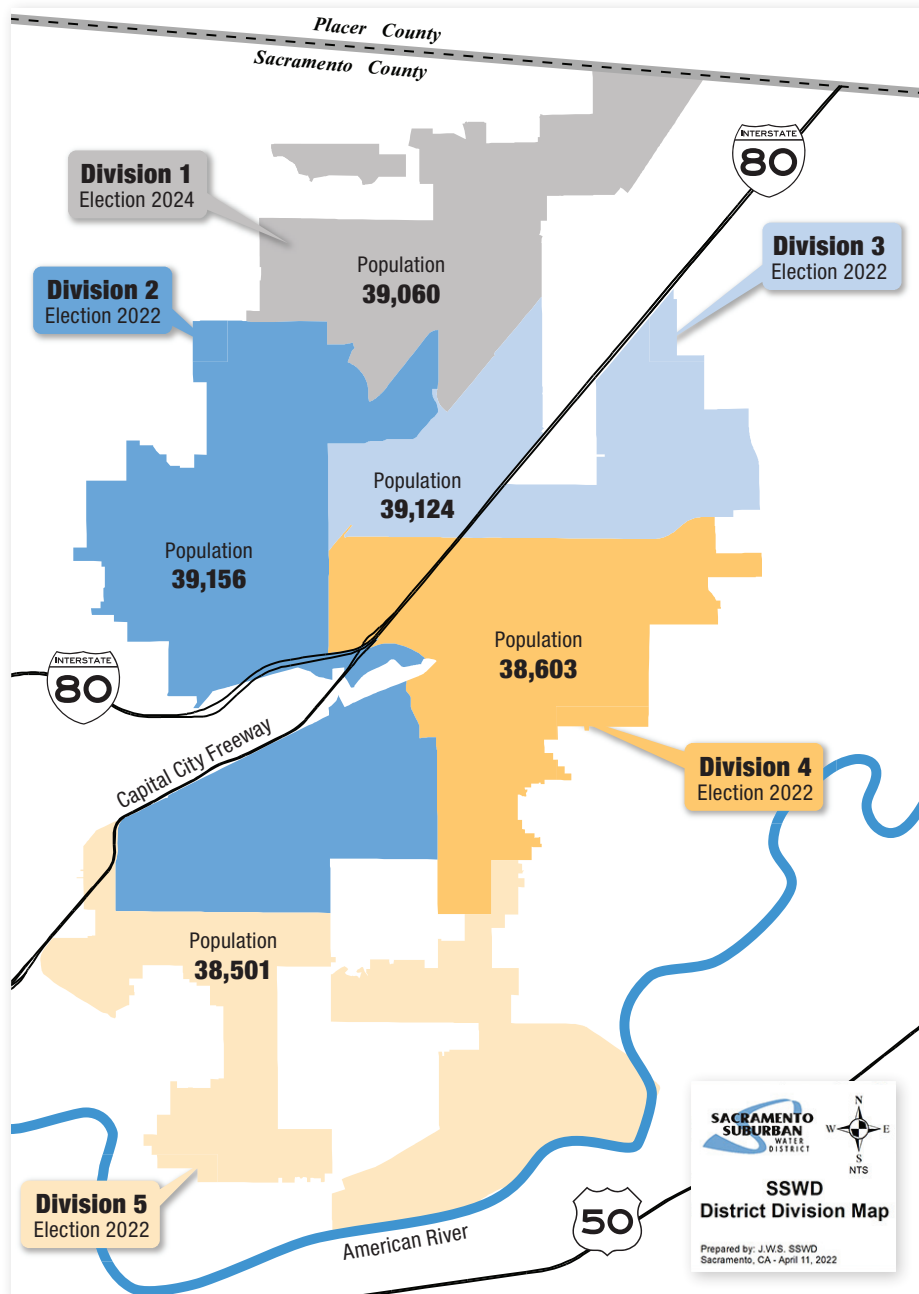
Jay Boatwright
(Division 2)

Robert P. Wichert
(Division 3)

Kevin M. Thomas
(Division 4)

SSWD Service Area and Division Map
Population is based on Federal Census as of 04/01/2020

Placer County

Sacramento County

INTERSTATE 80

Division 1
Election 2024

Population
39,060

Division 3
Election 2022

Division 2
Election 2022

Population
39,124

Population
39,156

INTERSTATE 80

Population
38,603

Division 4
Election 2022

Capital City Freeway

Population
38,501

SACRAMENTO SUBURBAN WATER DISTRICT

N
W   E
S
NTS

SSWD District Division Map

Prepared by: J.W.S. SSWD
Sacramento, CA - April 11, 2022

Division 5
Election 2022

American River

50

194,444
Total population

Staffing
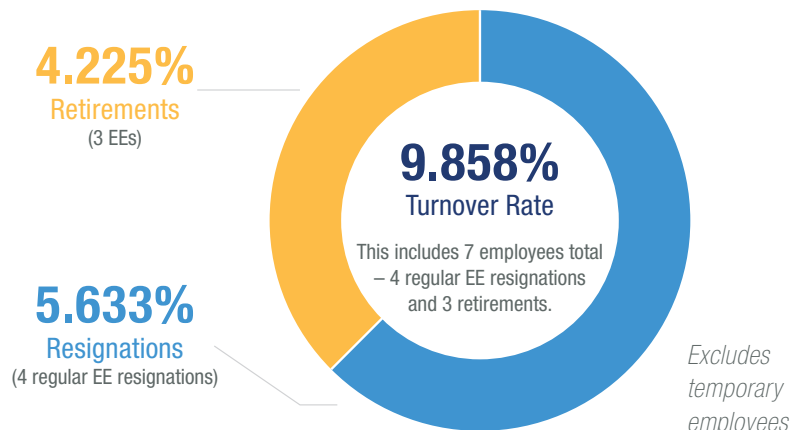
Employee Classifications

Regular Employees 71

Temporary Employees 8

People Employed 79

Employee Turnover Rate

SSWD is fortunate to have a stable workforce with an overall low turnover rate.

4.225%
Retirements
(3 EEs)

9.858%
Turnover Rate

This includes 7 employees total – 4 regular EE resignations and 3 retirements.

5.633%
Resignations
(4 regular EE resignations)

Excludes temporary employees

Strong Safety Record

The water industry average for work-related injuries is 3.3 per 100 employees. SSWD overall rate was only 2.0 injuries per 100 employees, less than two-thirds of the industry average.

SSWD Honored for Safety Measures

The District's insurance carrier, the Association of California Water Agencies / Joint Powers Insurance Authority (JPIA) encourages all member agencies and their staff to not only practice good safety, but to actively seek improvements to further reduce risk and protect workers.

The H.R. LaBounty Safety Award Program is designed for all JPIA members as a way to promote safe workplace behavior and operations practices while rewarding those employees who demonstrate safe behavior, take part in recognizable proactive activities, or participate in risk-reducing actions. It gives members another way to foster a safety culture that reduces the potential for losses.

SSWD Distribution Foreman Geremy Moody, Production Operator Paul Miller, and Production Operator William Sadler, all submitted safety-related projects and won H.R. LaBounty Safety awards for their efforts.

In addition, the Safety Center of Sacramento awarded their 2021 Excellence in Safety Award to the District for SSWD's Blue Card Hazard Recognition safety program, which encourages staff to observe, recognize, and report unsafe workplace conditions. The program was developed by SSWD Safety/Risk Officer Ben Harris.

These honors demonstrate the District's commitment to making sure SSWD does all it can to protect its customers and employees.

Financial Stewardship

2021 Financial Snapshot

Credit Outlook

AA+
Standard & Poor's rating

0.19
Debt ratio
(capital assets/outstanding debt)
The median ratio for water is 0.37

4.19
Debt service coverage ratio
(ideal ratio is 2 or higher)

Assets and Net Position

$247,827,877
Net investment in capital assets

$47,087,763
Agency reserves

$57,465,199
Cash and investments

$10,885,419
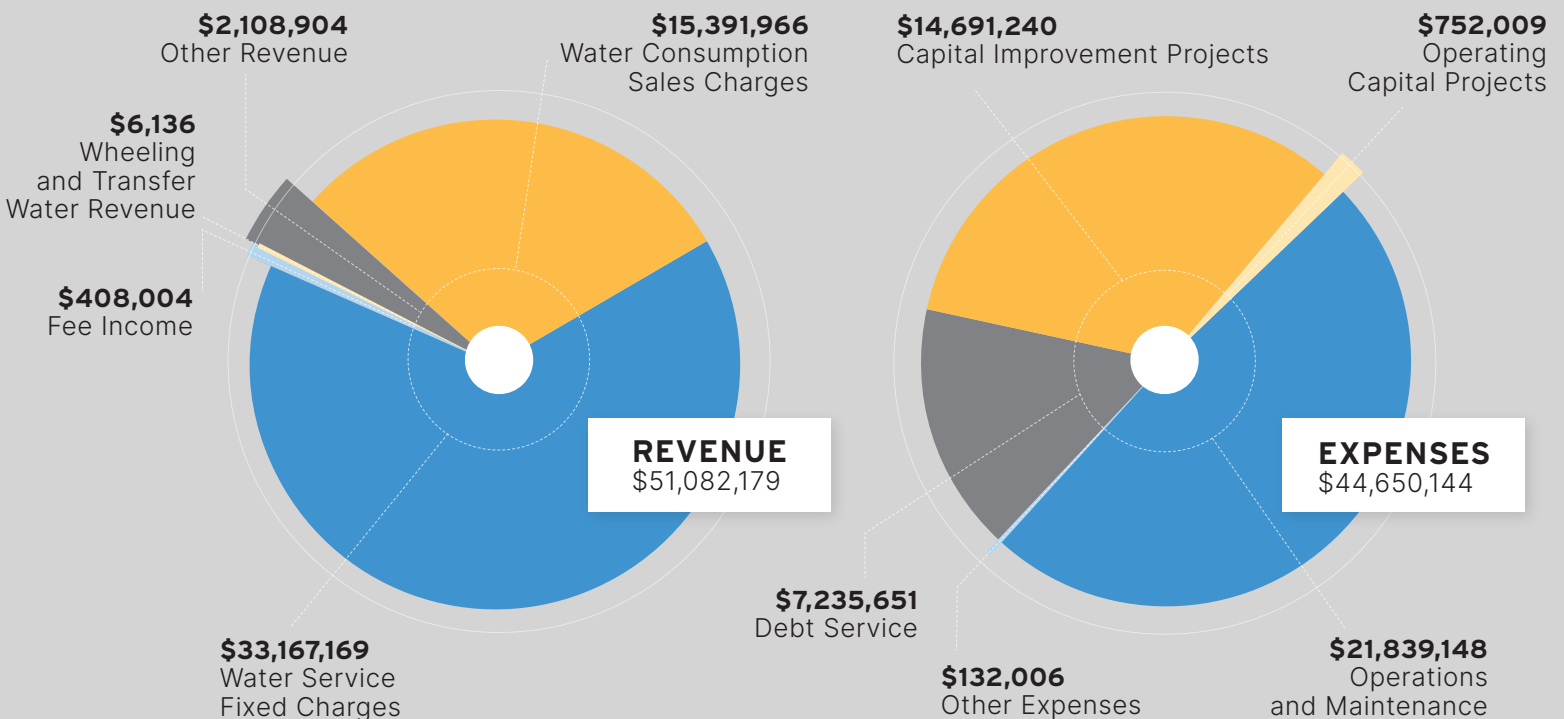Capital assets currently under construction

$60,300,000
Outstanding debt

$9,397,286
Retirement commitments

10 Years

Years SSWD has received top honors from the Government Finance Officers Association for the completeness and readability of our annual reports for 10 years running

WATER SYSTEM FINANCES

$2,108,904
Other Revenue

$15,391,966
Water Consumption
Sales Charges

$14,691,240
Capital Improvement Projects

$752,009
Operating
Capital Projects

$6,136
Wheeling
and Transfer
Water Revenue

$408,004
Fee Income

REVENUE
$51,082,179

EXPENSES
$44,650,144

$7,235,651
Debt Service

$33,167,169
Water Service
Fixed Charges

$132,006
Other Expenses

$21,839,148
Operations
and Maintenance

SACRAMENTO SUBURBAN WATER DISTRICT

3701 Marconi Ave
Sacramento, CA 95821

Inside...

Ensuring Reliability, Shifting Water
Supplies During Drought

Water System Improvements

SSWD Board of Directors, Staffing
and Safety Record

Financial Stewardship

Leadership

SSWD is governed by a dedicated five-member Board of Directors elected to serve four-year terms.

Craig M. Locke, President (Division 5)

David A. Jones, Vice President (Division 1)

Jay Boatwright (Division 2)

Robert P. Wichert (Division 3)

Kevin M. Thomas (Division 4)

Sacramento Suburban Water District

Dan York, General Manager

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