

Agenda
Sacramento Suburban Water District
Regular Board Meeting

3701 Marconi Avenue, Suite 100
Sacramento, California 95821

Monday, November 21, 2022
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/82443531689?pwd=ckVTVjJZWWRrR2FZNUxtV21lUTdMQT09>

Meeting ID: 824 4353 1689

Password: 790330

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. AB 361 Findings to Continue Permitting Director Remote Participation in Board Meetings
Recommendation: Consider finding by a majority vote under Gov. Code § 54953, subd. (e)(1)(B) that as a result of the COVID-19 emergency: (i) meeting in person would present imminent risks to the health or safety of attendees; and (ii) the meeting is authorized to be held in part by teleconference pursuant to Gov. Code, § 54953, subd. (e)(1)(C).
2. Minutes of the October 17, 2022, Regular Board Meeting
Recommendation: Approve subject minutes.
3. Minutes of the November 9, 2022, Special Board Meeting
Recommendation: Approve subject minutes.

4. Treasurer's Report
Recommendation: Approve the items in the report as recommended.
5. Policy Review – Employment Rules and Procedures Policy (PL - HR 001)
Recommendation: Approve subject policy with changes.
6. Policy Review – Ethics Policy (PL – BOD 004)
Recommendation: Approve subject policy with changes.

Items for Discussion and/or Action

7. Resolution No. 22-13 Amending Regulation No. 15 – Water Conservation, of the Regulations Governing Water Service
Recommendation: Adopt Resolution No. 22-13, amending Regulation No. 15 of the Regulations Governing Water Service.
8. Rating Downgrade of a District Investment
Recommendation: Continue to hold the Credit Suisse New York \$300,000 Negotiable Certificate of Deposit investment until maturity, unless Sacramento Suburban Water District's investment advisor advises liquidating prior to maturity.
9. Regional Water Authority Membership
Recommendation: No action. Receive report and discuss Regional Water Authority membership benefits and funding.

General Manager's Report

10. General Manager's Report
 - a. Sacramento County Water Agency - Emergency Assistance
 - b. Hinkle Reservoir Liner and Cover Replacement Project Update
 - c. Del Paso Manor Water District Combination Discussion Update

Department/Staff Reports

11. Financial Report
 - a. Financial Highlights
 - b. Financial Statements
 - c. Budgets

12. District Activity Report
13. Engineering Report
 - a. Major Capital Improvement Program Projects
 - b. Active Wells
 - c. Planning Documents
 - d. Other Projects

Information Items

14. Perfluorohexane Sulfonic Acid Notification and Response Level Exceedances
15. Regulations Governing Water Service, Regulation 3 – Fees and Charges and Wholesale Rates Study
16. Upcoming Water Industry Events
17. Upcoming Policy Review
 - a. Claims Processing Policy (PL - Adm 007)
 - b. Investment Policy (PL – Fin 003)

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

18. a. Regional Water Authority (Director Wichert)
Agenda for the November 10, 2022 meeting.

Regional Water Authority Executive Committee (General Manager York)
Agenda for the October 26, 2022 meeting.
- b. Sacramento Groundwater Authority (Director Wichert)
None.
- c. Director Reports – AB 1234

Committee Reports

19. a. Carmichael Water District/SSWD 2x2 Meeting (Director Locke)
Draft Minutes from the October 13, 2022 meeting.

- b. Del Paso Manor Water District/SSWD 2x2 Meeting (Director Wichert)
Draft Minutes from the October 18, 2022 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.

Adjournment

Upcoming Meetings

Tuesday, December 6, 2023, at 2:00 p.m., DPMWD/SSWD 2x2 Committee Meeting
Monday, December 19, 2022, at 6:00 p.m., Regular Board Meeting

I certify that the foregoing agenda for the November 21, 2022, meeting of the Sacramento Suburban Water District Board of Directors was posted by November 16, 2022, 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.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Agenda Item: 1

Date: November 21, 2022

Subject: AB361 Findings to Continue Permitting Director Remote Participation in Board Meetings

Staff Contact: Dan York, General Manager

Recommended Board Action:

Consider finding by a majority vote under Gov. Code § 54953, subd. (e)(1)(B) that as a result of the COVID-19 emergency: (i) meeting in person would present imminent risks to the health or safety of attendees; and (ii) the meeting is authorized to be held in part by teleconference pursuant to Gov. Code, § 54953, subd. (e)(1)(C).

Summary:

In light of the Governor’s declaration that a state of emergency exists due to the incidence and spread of the novel coronavirus, and the pandemic caused by the resulting disease COVID-19, the Board should consider whether meeting in person would present imminent risks to the health or safety of meeting attendees.

The Centers for Disease Control indicates that COVID-19 is a highly transmissible virus that is spread when an infected person breathes out droplets and very small particles that contain the virus, and such droplets and particles are breathed in by other people.¹

Although effective vaccines have been approved by the U.S. Food and Drug Administration for emergency use, vaccination rates are slow and have not yet reached a point to significantly control community transmission.

Those who become infected with COVID-19 are at risk of serious illness and death. Many have been hospitalized with serious illness.

Conducting meetings by teleconference would directly reduce the risk of transmission among meeting attendees, including members of the public and agency staff, which has the ancillary effect of reducing risk of serious illness and death as well as reducing community spread of the virus.

If the authorization to meet by teleconference is not approved by a majority vote, then the meeting will adjourn after this item and the remaining agenda items will be rescheduled to a future in-person meeting.

¹ www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/how-covid-spreads.html



Agenda Item: 2

Date: November 21, 2022

Subject: Minutes of the October 17, 2022, Regular Board Meeting

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve the draft minutes of the October 17, 2022, Regular Board Meeting.

Attachment:

1 – Draft Minutes

Minutes

Sacramento Suburban Water District
Regular Board Meeting
Monday, October 17, 2022

Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, Audio Conference at 1-669-900-6833,
and Video Conference using Zoom at Meeting Id #830 5075 3416

Call to Order

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

Pledge of Allegiance

President Locke led the Pledge of Allegiance.

Roll Call

Directors Present: Jay Boatwright, Dave Jones, Craig Locke, and Robert Wichert.

Directors Absent: Kevin Thomas.

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

Public Present: William Eubanks, Jennifer Harris, Ted Costa, and Paul Helliker.

Announcements

None.

Public Comment

None.

Consent Items

1. **AB 361 Findings to Continue Permitting Director Remote Participation in Board Meetings**
2. **Minutes of the September 19, 2022, Regular Board Meeting**
3. **Minutes of the September 26, 2022, Special Board Meeting**
4. **Minutes of the October 5, 2022, Special Board Workshop**
5. **Treasurer's Report**

6. **Policy Review – Procurement Policy (PL – Fin 005)**
7. **Policy Review – Driver Record and Insurance Review Policy (PL – HR 006)**
8. **Policy Review – Lease and Subscription-Based Information Technology Arrangements Accounting Policy (PL – Fin 015)**
9. **Resolution No. 22-12 Honoring Robert J. Swartz, PG, CHG, On His Retirement**
10. **2022 Audit Engagement Letter and Task Order 3**

President Locke requested to pull Item 6 for discussion, then he moved to approve Items 1-10, excluding Item 6. Director Wichert seconded. The motion passed by unanimous vote.

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

Regarding Item 6, President Locke asked several clarifying questions which staff answered.

President Locke moved to approve Item 6, Director Wichert seconded.

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

Items for Discussion and/or Action

11. **Calendar Year 2023 Budget**

Jeff Ott (Mr. Ott) presented the staff report and answered clarifying questions.

Discussion ensued over the COLA and Merit implementation.

Director Wichert reiterated that he was not in favor of including the RWA dues in next year's budget, and expressed he felt the CIP budget should be capped at the amount that was presented in the rate study.

Director Jones moved to approve the staff recommendation, Director Boatwright seconded. The motion passed by unanimous vote.

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

12. **Heat Response by District**

Hannah Dunrud presented the staff report and PowerPoint presentation.

Director Wichert recommended staff look into batteries in addition to generators for backup power.

Director Boatwright recommended looking into solar power as a backup.

William Eubanks (Mr. Eubanks) asked clarifying questions.

Jennifer Harris (Ms. Harris) commended the District for having a diversity of power and suggested this information be provided to customers in a monthly bill insert.

General Manager Dan York (GM York) commended staff for their great efforts.

13. **Committee and Liaison Appointments**

President Locke presented the staff report and appointed Director Wichert to be the RWA representative in place of Director Jones, who expressed he was no longer available to be the representative.

General Manager's Report

14. **General Manager's Report**

GM York presented the staff report.

- a. *Collaboration Efforts in North Service Area*
GM York presented the staff report.

Mr. Eubanks asked clarifying questions.

Department/Staff Reports

15. **Financial Report**

Mr. Ott presented the staff report.

- a. *Financial Highlights*
A written report was provided.
- b. *Financial Statements*
A written report was provided.
- c. *Budgets*
A written report was provided.

16. **District Activity Report**

Todd Artrip (Mr. Artrip) presented the staff report.

Ms. Harris inquired about having fire hydrants painted in her neighborhood.

Mr. Artrip expressed staff paints fire hydrants throughout the District as necessary.

17. Engineering Report

Dana Dean (Mr. Dean) presented the staff report.

a. Major Capital Improvement Program Projects

A written report was provided.

b. Active Wells

A written report was provided.

c. Planning Documents

A written report was provided.

d. Other Projects

A written report was provided.

Director Wichert asked clarifying questions.

Mr. Eubanks inquired if staff would have a schedule of wells that Kirby's would be working on.

Assistant General Manager Matt Underwood (AGM Underwood) expressed that staff would be providing an update to the Board regularly on Kirby's projects.

President Locke requested a map showing where each well is.

AGM Underwood expressed staff could provide that offline, as for security reasons that was not a public document.

Information Items

18. Regional Water Authority Membership

GM York presented the staff report and answered clarifying questions. He expressed he planned on bringing back a more thorough report, including impact and benefits, at the next Regular Board Meeting.

19. 2021 Water Loss Audit

AGM Underwood presented the staff report.

20. Water Conservation Legislation Update

AGM Underwood presented the staff report.

21. **Mount Auburn Court Water Main Leak**
Mr. Artrip presented the staff report.
22. **Well Pump Efficiency Testing Annual Report**
Mr. Artrip presented the staff report.
23. **Water System Sanitary and Compliance Inspection**
AGM Underwood presented the staff report.

Director Wichert requested to see the findings in the response letter.

24. **Environmental Review for Watt Avenue Main Extension Project**
Mr. Dean presented the staff report.
25. **Upcoming Water Industry Events**
A written report was provided.
26. **Upcoming Policy Review**
A written report was provided.
 - a. Employment Rules and Procedures Policy (PL - HR 001)
 - b. Ethics Policy (PL – BOD 004)

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

27. a. Regional Water Authority (Director Jones)
The agenda for the September 29, 2022 meeting was provided.

Regional Water Authority Executive Committee (General Manager York)
The agenda for the September 28, 2022 meeting was provided.
- b. Sacramento Groundwater Authority (Director Wichert)
The agenda for the October 13, 2022 meeting was provided.
- c. Director Reports – AB 1234

Committee Reports

28. a. DPMWD/SSWD 2x2 Committee Meeting (Director Wichert)
The Draft Minutes from the September 20, 2022 meeting were provided.
- b. Audit Committee Meeting (Director Thomas)
The Draft Minutes from the October 10, 2022 meeting were provided.

- c. DPMWD/SSWD 2x2 Committee Meeting – Facilities Tour (Director Wichert)
The Draft Minutes from the October 11, 2022 meeting were provided.

Director’s Comments/Staff Statements and Requests

Director Wichert requested to send out Rob Swartz’ presentation to all Directors.

Adjournment

President Locke adjourned the meeting at 7:27 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District

DRAFT



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Agenda Item: 3

Date: November 21, 2022

Subject: Minutes of the November 9, 2022, Special Board Meeting

Staff Contact: Dan York, General Manager

Recommended Board Action:

Approve the draft minutes of the November 9, 2022, Special Board Meeting.

Attachment:

1 – Draft Minutes

Minutes

Sacramento Suburban Water District Special Board Meeting Wednesday, November 9, 2022

Location:

3701 Marconi Avenue, Suite 100, Sacramento, CA 95821, Audio Conference at 1-669-900-6833,
and Video Conference using Zoom at Meeting Id #810 3253 5734

Call to Order

President Locke called the meeting to order at 5:00 p.m.

Pledge of Allegiance

President Locke led the Pledge of Allegiance.

Roll Call

Directors Present: Jay Boatwright, Dave Jones, Craig Locke, Kevin Thomas, and Robert Wichert.

Directors Absent: None.

Staff Present: General Manager Dan York, Assistant General Manager Matt Underwood, Heather Hernandez-Fort, Jeff Ott, Erik Flaa, and Todd Artrip.

Public Present: William Eubanks, Christine Kohn, Cathy Lee, and Paul Helliker.

Announcements

General Manager Dan York (GM York) announced:

- Director Boatwright was leading in the election for the Division 2 seat.
- The letter received from Fair Oak Water District (FOWD) and Citrus Heights Water District (CHWD) regarding their comments on San Juan Water District's (SJWD) water rights, as outlined in the Business Case for a Potential Combination Report (Report). GM York noted the letter was at the dais and available to the public. He also pointed out, on Legal Counsel Josh Horowitz (Mr. Horowitz) behalf, that the letter was copied to him as Carmichael Water District's (CWD) general counsel, noting that he is not CWD's general counsel, but that he only acts as special counsel on select matters. GM York further pointed out that the contents of the letter should be addressed soon in a transparent manner, both as to any general advice Mr. Horowitz could jointly provide while the Combination was being studied, and later when Mr. Horowitz would need to act on behalf of SSWD as its general counsel and CWD retains another attorney, if a decision is made to move forward and negotiate the terms of a Combination. GM York expressed he would provide a copy of the letter to Raftelis.

Director Wichert commented that he did not think it was appropriate for Josh Horowitz to serve on both water districts, SSWD and CWD, for the Combination discussion, as he felt it was a conflict of interest. Director Wichert commented that he had the same concern when the District was discussing Combination with San Juan Water District.

William Eubanks (Mr. Eubanks) commented that he agreed with Director Wichert, and suggested Mr. Horowitz only represent SSWD.

Public Comment

None.

Items for Discussion and/or Action

1. **Carmichael Water District / Sacramento Suburban Water District Combination Study Business Case Analysis**

GM York presented the staff report and expressed that the intent of the staff report was for the Board to provide comments and questions on the Report.

Mr. Eubanks provided his opinion about the Combination discussion, commented that the timeframe was optimistic, and recommended SSWD not consider a Combination with CWD.

The Board provided the following questions/comments on the Report:

- Is SSWD's credit rating going to be affected by this? CWD and SSWD are both AA+. If we combine, will it change the credit rating?
- What are the cons to the Labor Union? Is that a fatal flaw?
- What is CWD's turnover rate? How long do employees stay? Likewise for SSWD.
- There is no mention of the history of combinations/acquisitions previously conducted by Northridge and Arcade. What was learned from those acquisitions? Are there any lessons learned from those that we should look at.
- The AeroJet plume is moving towards SSWD. Should we be looking at that?
- Are there larger costs that are not mentioned, such as wells? What does Carmichael have in their scope of their 5 year plan?
- Does CWD have water storage?
- Will fluoride affect operations?
- Does CWD have Asset Management Plans?

- CWD to address the letter from CHWD and FOWD.

GM York commented that based on the comments and questions from the Board, he suggested that the District use the analysis recommended by the former Arcade and Northridge Water Districts' LAFCo Resolution. Those analysis points pertained to operations, staffing, benefits, CIP programs, financial, and payroll. He further recommended that staff combine those points of analysis with the current questions and comments provided by the Board and provide the combined list to CWD for consideration.

GM York thanked the Board for their questions, and reminded the Board that this first Report was to determine any fatal flaws and that the next phase would take a look at further studies and dive deeper into the details.

Director Wichert commented that if a Combination with Del Paso Manor Water District (DPMWD) continued forward, it might be a good idea to hold on this discussion, and use that as a test case as the District could learn from that process.

Director Jones commented that it would be at the District's advantage to see what the regulators are going to do about the DPMWD situation.

President Locke expressed that the conversation with DPMWD is different, as the decision to look at a Combination with CWD was to review the economies of scale, better water supply reliability, eliminate redundancies, and have a stronger voice in the region. He noted that there wasn't anything negative, or any large issues identified in the Report. He additionally expressed there was enough in the Report for the districts to continue forward.

Director Thomas agreed with the Board and further inquired about fluoride.

Discussion ensued over fluoride in the District.

Director Boatwright expressed he felt the Report was very thorough, and did what was asked, and further noted there was a lot more to review.

Director Wichert pointed out the differences in benefits such as retirement, sick leave, and medical coverage.

President Locke noted that some agencies do have different sets of retirements within the same agency, and that he felt you retain employees by treating them well, noting the benefits were not a huge liability.

GM York pointed out that details on this topic would be reviewed in a second phase.

Cathy Lee (Ms. Lee) commented that CWD conducted a 218 process in 2020, reviewed their CIP plan, expressed they had a reserve fund for their membrane replacement and

water treatment plant upgrade, expressed they plan on a more thorough study on their pipelines, and noted that a more robust conjunctive use program would benefit the whole American River region.

Director Wichert requested further clarification on the letter received from FOWD and CHWD.

Ms. Lee expressed CWD only purchases 300 acre feet of water during the time the CWD was curtailed, noting it is a stronger argument for them to purchase water from SJWD, but that it was not an issue.

Paul Helliker expressed that the letter was directed at SJWD's water rights, noting it had nothing to do with SSWD or CWD.

President Locke recommended GM York provide the questions presented to Ms. Lee for her to present to the CWD Board, then combine SSWD and CWD's questions and provide them to Raftelis. He suggested to try to meet again in December if possible.

Adjournment

President Locke adjourned the meeting at 6:11 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Agenda Item: 4

Date: November 21, 2022

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 SSWD Warrant Register as submitted for the period October 1, 2022 through October 30, 2022.
2. Accept the credit card expenditures listing for the period October 1, 2022 through October 30, 2022.
3. Ratify the Investment Activity register for the period October 1, 2022 through October 30, 2022.

Background:

The Treasurer's Report contains several items required by various Government Code sections and District policies 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, section 800.00, requires the District Treasurer to report to the Board of Directors monthly on the investment transactions conducted and regularly on the status of the investment portfolio. Government Code Section 53065.5 requires, at a minimum, 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 – October 2022
- Credit Card Expenditures Register – October 2022
- Investment Activity Register – October 2022

Cash Expenditures (AP Warrants) Register– October 2022

During the month of October 2022, the District made cash payments totaling \$10.2 million. The primary expenditures were \$6.5 million for debt service, \$1.6 million for capital improvement projects, \$0.5 million for payroll, \$0.2 million for pension and health benefits, \$0.5 million for water costs including pumping costs, \$0.3 million for construction & contract services, and \$0.3 million for all other O&M expenses. Per District Policy PL – Fin 014, the District Treasurer confirms that the cash expenditures contained in this register conform to the approved amended 2022 Annual Budget. The Cash Expenditures (AP Warrants) Register is included as Attachment 1.

Credit Card Expenditures Register – October 2022

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 \$27,020 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 – October 2022

During the month of October 2022, the District purchased one US Treasury Note for \$1.1 million (par). The District received principal pay downs on two Federal Agency Collateralized Mortgage Obligations for \$112 (par) and four Asset-Backed Security Obligations for \$30,634 (par). The District sold two US Treasury Notes for \$1.1 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 – October 2022
2. Credit Card Expenditures Register – October 2022
3. Investment Activity Register – October 2022

**Cash Expenditures
October 2022**

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
A.I. ELECTRIC	81952	10/20/2022	\$994.95	CONTRACT SERVICES
		TOTAL	\$994.95	
A1 FABRICATION & WELDING	81943	10/20/2022	\$1,800.00	CONSTRUCTION SERVICES
		TOTAL	\$1,800.00	
ACS CONSTRUCTION	000007488	10/5/2022	\$1,229.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$1,229.00	
ACWA	82023	10/28/2022	\$26,790.00	PREPAID MEMBERSHIP & DUES
		TOTAL	\$26,790.00	
ACWA JPIA INSURANCE AUTHORITY	82021	10/28/2022	\$25,893.55	ACCRUED WORKERS' COMPENSATION INSURANCE
		TOTAL	\$25,893.55	
ACWA JPIA INSURANCE EAP	82012	10/28/2022	\$168.98	MISCELLANEOUS EMPLOYEE BENEFITS
		TOTAL	\$168.98	
ADP, INC	0078590	10/14/2022	\$4,436.70	FINANCIAL SERVICES
		TOTAL	\$4,436.70	
	ACH-PR10072022	10/7/2022	\$255,978.48	BI-WEEKLY PAYROLL
		TOTAL	\$255,978.48	
	ACH-PR10212022	10/21/2022	\$261,625.33	BI-WEEKLY PAYROLL
		TOTAL	\$261,625.33	
ADRIAN VAN MUYDEN	82037	10/28/2022	\$150.00	BMP REBATES
		TOTAL	\$150.00	
ADT	81951	10/20/2022	\$732.39	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$732.39	
AFLAC	81762	10/5/2022	\$601.27	ACCRUED SUPPLEMENT INSURANCE - AFLAC
		TOTAL	\$601.27	
	82020	10/28/2022	\$601.27	ACCRUED SUPPLEMENT INSURANCE - AFLAC
		TOTAL	\$601.27	
AIRGAS USA LLC	000007480	10/5/2022	\$89.84	OPERATING SUPPLIES
		TOTAL	\$89.84	
	000007528	10/20/2022	\$43.95	OPERATING SUPPLIES
		TOTAL	\$43.95	
ALL PRO BACKFLOW	000007479	10/5/2022	\$3,858.00	BACKFLOW SERVICES
		TOTAL	\$3,858.00	
	000007509	10/13/2022	\$4,023.00	BACKFLOW SERVICES
		TOTAL	\$4,023.00	
ALLEN FURR	81796	10/5/2022	\$250.00	UNIFORMS
		TOTAL	\$250.00	
ALLIED UNIVERSAL	81783	10/5/2022	\$798.54	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$798.54	
	81954	10/20/2022	\$44.42	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$44.42	
AMAZON BUSINESS	000007484	10/5/2022	\$246.89	OFFICE SUPPLIES
			\$94.45	VEHICLE MAINTENANCE SUPPLIES
		TOTAL	\$341.34	
	000007515	10/13/2022	\$1,226.61	OPERATING SUPPLIES
		TOTAL	\$1,226.61	
	000007530	10/20/2022	\$339.65	COMMUNICATION
			\$77.97	OPERATING SUPPLIES
		TOTAL	\$417.62	
	000007542	10/28/2022	\$328.76	OFFICE SUPPLIES
		TOTAL	\$328.76	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
AMERITAS (VISION)	81877	10/14/2022	\$2,073.36	EMPLOYEE BENEFIT - VISION INSURANCE
		TOTAL	\$2,073.36	
AMY O KAUBA	82035	10/28/2022	\$75.00	BMP REBATES
		TOTAL	\$75.00	
ANSWERNET	000007498	10/13/2022	\$711.54	COMMUNICATION
		TOTAL	\$711.54	
APPLIED BEST PRACTICES	81945	10/20/2022	\$2,800.00	CONSULTING SERVICES
		TOTAL	\$2,800.00	
AT&T	81780	10/5/2022	\$3,856.25	COMMUNICATION
		TOTAL	\$3,856.25	
	81887	10/14/2022	\$315.08	COMMUNICATION
		TOTAL	\$315.08	
	81950	10/20/2022	\$301.00	COMMUNICATION
		TOTAL	\$301.00	
ATLAS DISPOSAL	81749	10/5/2022	\$286.54	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$286.54	
	81923	10/20/2022	\$290.84	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$290.84	
ATLAS FENCE	81773	10/5/2022	\$350.00	CONSTRUCTION SERVICES
		TOTAL	\$350.00	
	81880	10/14/2022	\$1,875.00	CONSTRUCTION SERVICES
		TOTAL	\$1,875.00	
	81947	10/20/2022	\$650.00	CONSTRUCTION SERVICES
		TOTAL	\$650.00	
AUBURN CONSTRUCTORS	81868	10/14/2022	\$45,084.09	PROJECT: WLS 81/82/83 ANTELOPE N./POKER
		TOTAL	\$45,084.09	
	81933	10/20/2022	\$166,470.81	PROJECT: WELL 80 WALNUT/AUBURN
		\$27,583.38	PROJECT: WELL 84 ANTELOPE/DON JULIO	
TOTAL	\$194,054.19			
BACKFLOW DISTRIBUTORS INC	81876	10/14/2022	\$4,024.10	OPERATING SUPPLIES
		TOTAL	\$4,024.10	
BADGER METER INC	000007464	10/5/2022	\$6.23	COMMUNICATION
		\$1,056.48	EQUIPMENT MAINTENANCE SERVICES	
		TOTAL	\$1,062.71	
	000007492	10/13/2022	\$3,833.62	ACCRUED PURCHASES - (RECEIVED NOT VOUCHERED)
		\$484.88	OPERATING SUPPLIES	
TOTAL	\$4,318.50			
BARTKIEWICZ KRONICK & SHANAHAN	000007516	10/20/2022	\$13,719.00	LEGAL SERVICES
		TOTAL	\$13,719.00	
BASIC PACIFIC	81772	10/5/2022	\$38.50	MISCELLANEOUS EMPLOYEE BENEFITS
		TOTAL	\$38.50	
	0078345	10/11/2022	\$744.60	OPEB - RETIREE BENEFITS PREMIUM
		TOTAL	\$744.60	
	82025	10/28/2022	\$38.50	MISCELLANEOUS EMPLOYEE BENEFITS
		TOTAL	\$38.50	
BENDER ROSENTHAL INC	81883	10/14/2022	\$795.00	PROJECT: PROP ACQU - CONSULTING SERV
		\$783.53	PROJECT: PROP ACQU- CONSULTING SERVICES	
		TOTAL	\$1,578.53	
BROADRIDGE MAIL LLC	81775	10/5/2022	\$16,163.82	CONTRACT SERVICES
		\$30,540.79	CONTRACT SERVICES	

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VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
			\$11,841.73	POSTAGE/SHIPPING/UPS/FED EX
			\$1,580.99	POSTAGE/SHIPPING/UPS/FED EX
			\$3,838.08	PRINTING
		TOTAL	\$63,965.41	
	0078340	10/11/2022	\$3,733.27	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$3,733.27	
	0078341	10/11/2022	\$16.85	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$16.85	
	0078342	10/11/2022	\$171.87	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$171.87	
	0078343	10/11/2022	\$7.73	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$7.73	
	0078344	10/11/2022	\$289.12	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$289.12	
	0078348	10/11/2022	\$120.06	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$120.06	
	0078415	10/18/2022	\$2.58	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$2.58	
	0078416	10/18/2022	\$26.27	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$26.27	
	0078591	10/29/2022	\$103.74	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$103.74	
	0078592	10/25/2022	\$10.82	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$10.82	
	0078639	10/22/2022	\$5,952.46	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$5,952.46	
	0078640	10/23/2022	\$1,046.39	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$1,046.39	
	0078641	10/24/2022	\$74.68	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$74.68	
	0078642	10/16/2022	\$1,232.63	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$1,232.63	
	0078643	10/15/2022	\$5,278.04	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$5,278.04	
	0078644	10/17/2022	\$27.30	POSTAGE/SHIPPING/UPS/FED EX
		TOTAL	\$27.30	
BROWER MECHANICAL	000007475	10/5/2022	\$596.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$596.00	
	000007524	10/20/2022	\$1,674.00	BUILDING MAINTENANCE - OFFICE & YARD
			\$157.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$1,831.00	
	000007538	10/28/2022	\$2,016.00	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$2,016.00	
BROWN & CALDWELL	81767	10/5/2022	\$5,067.60	CONSULTING SERVICES
		TOTAL	\$5,067.60	
	81938	10/20/2022	\$3,244.78	PROJECT: WELL N36 - PUMP REPLACE- DESGN
		TOTAL	\$3,244.78	
BRYCE CONSULTING INC	000007537	10/28/2022	\$340.00	CONSULTING SERVICES
		TOTAL	\$340.00	
BURTON ROBB /BURT'S LAWN &	000007465	10/5/2022	\$9,640.00	CONTRACT SERVICES

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VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
GARDEN SERVICE		TOTAL	\$9,640.00	
	000007493	10/13/2022	\$150.00	CONTRACT SERVICES
		TOTAL	\$150.00	
	000007517	10/20/2022	\$8,265.00	CONTRACT SERVICES
TOTAL		\$8,265.00		
CALIF SPECIAL DISTRICTS ASSOCIATION	82022	10/28/2022	\$8,810.00	PREPAID MEMBERSHIP & DUES
		TOTAL	\$8,810.00	
CALIFORNIA LABORATORY SERVICES	81873	10/14/2022	\$4,248.00	INSPECTION & TESTING
		TOTAL	\$4,248.00	
CALIFORNIA SURVEYING & DRAFTING	000007466	10/5/2022	\$3,695.83	PRINTING
		TOTAL	\$3,695.83	
CAPITAL SWEEPER SERVICE	81778	10/5/2022	\$184.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$184.00	
CDWG	000007518	10/20/2022	\$165.36	PROJECT: WIRELESS ACCESS POINTS
		TOTAL	\$165.36	
CENTRAL VALLEY ENG & ASPHALT	000007504	10/13/2022	\$12,420.00	MISC. REPAIRS
		TOTAL	\$12,420.00	
CIGNA-DENTAL INS	81771	10/5/2022	\$14,524.89	EMPLOYEE BENEFIT - DENTAL INSURANCE
		TOTAL	\$14,524.89	
CINTAS	81750	10/5/2022	\$404.58	BUILDING MAINTENANCE - OFFICE & YARD
			\$514.66	UNIFORMS
		TOTAL	\$919.24	
	81858	10/14/2022	\$606.67	BUILDING MAINTENANCE - OFFICE & YARD
			\$890.63	UNIFORMS
		TOTAL	\$1,497.30	
	81924	10/20/2022	\$105.56	BUILDING MAINTENANCE - OFFICE & YARD
			\$279.02	UNIFORMS
		TOTAL	\$384.58	
	CITY OF SACRAMENTO DEPT OF UTILITIES	81764	10/5/2022	\$24.02
TOTAL			\$24.02	
81935		10/20/2022	\$23.76	UTILITIES
		TOTAL	\$23.76	
CITY OF SACRAMENTO WATER	81768	10/5/2022	\$500.68	PURCHASED WATER-CITY OF SACRAMENTO
		TOTAL	\$500.68	
CLEAR VISION WINDOW CLEANING	82019	10/28/2022	\$225.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$225.00	
CODY SCOTT	6874	10/25/2022	\$1,155.54	MANUAL CHECK - PAYROLL
		TOTAL	\$1,155.54	
COLIN CRANE-SMITH	81957	10/20/2022	\$175.62	UNIFORMS
		TOTAL	\$175.62	
COLLEGE OAK TOWING	81925	10/20/2022	\$297.00	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$297.00	
COMCAST	81926	10/20/2022	\$78.74	COMMUNICATION
		TOTAL	\$78.74	
CONSOLIDATED COMMUNICATIONS	81931	10/20/2022	\$546.86	COMMUNICATION
		TOTAL	\$546.86	
COUNTY OF SAC DEPT OF FINANCE	82031	10/28/2022	\$100.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$100.00	
COUNTY OF SAC ENVIRO MGT DEPT	81875	10/14/2022	\$1,328.00	LICENSES, PERMITS & FEES
		TOTAL	\$1,328.00	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION	
COUNTY OF SAC PUBLIC WORKS	81752	10/5/2022	\$840.00	PROJECT: INTRATIE-W#60 WHITNEY/CONCETTA	
			\$365.75	PROJECT: WATT MAIN EXTENSIION	
			\$827.00	PROJECT: WELL 80 WALNUT/AUBURN	
		TOTAL		\$2,032.75	
	81859	10/14/2022	\$2,364.70	PROJECT: WELL 78 BUTANO - PUMP STATION	
			TOTAL	\$2,364.70	
	81927	10/20/2022	\$1,548.00	PROJECT: WELL 80 WALNUT/AUBURN	
			TOTAL	\$1,548.00	
	82015	10/28/2022	\$199.50	PROJECT: GREENBERRY COMPLEX	
			\$824.50	PROJECT: INTRATIE-W#60 WHITNEY/CONCETTA	
\$701.50			PROJECT: WATT MAIN EXTENSIION		
	TOTAL		\$1,725.50		
COUNTY OF SAC UTILITIES	81751	10/5/2022	\$241.11	UTILITIES	
			TOTAL	\$241.11	
	82014	10/28/2022	\$127.37	UTILITIES	
			TOTAL	\$127.37	
CULLIGAN	82024	10/28/2022	\$45.00	OPERATING SUPPLIES	
			TOTAL	\$45.00	
Customer Refunds	81798	10/11/2022	\$20,573.75	CUSTOMER REFUNDS	
			TOTAL	\$20,573.75	
DAN YORK	81753	10/5/2022	\$69.54	LOCAL TRAVEL COST	
			TOTAL	\$69.54	
DANA DEAN	82028	10/28/2022	\$170.18	EMPLOYEE COMM/TEAMBUILDING	
			TOTAL	\$170.18	
DARRYL DISANO	82032	10/28/2022	\$500.00	BMP REBATES	
			TOTAL	\$500.00	
DELL MARKETING LP	000007467	10/5/2022	\$1,658.98	PROJECT: 2022 DESKTOP & LAPTOP REFRESH	
			TOTAL	\$1,658.98	
DMITRY ROSHKO	81770	10/5/2022	\$175.00	OTHER TRAINING	
			TOTAL	\$175.00	
DOMENICHELLI & ASSOCIATES	000007468	10/5/2022	\$7,305.00	PROJECT: GREENBERRY COMPLEX	
			\$6,953.87	PROJECT: WATT MAIN EXTENSIION	
			TOTAL	\$14,258.87	
	000007535	10/28/2022	\$9,540.41	PROJECT: WATT MAIN EXTENSIION	
	TOTAL		\$9,540.41		
DOUG VEERKAMP GENERAL ENGR	000007491	10/5/2022	\$64,778.79	RETENTION PAYABLE	
			TOTAL	\$64,778.79	
E SOURCE COMPANIES LLC	81879	10/14/2022	\$2,500.00	CONSULTING SERVICES	
			TOTAL	\$2,500.00	
EMIGH ACE HARDWARE	000007494	10/13/2022	\$234.84	OPERATING SUPPLIES	
			TOTAL	\$234.84	
EMPLOYEE RELATIONS	000007502	10/13/2022	\$970.64	EMPLOYMENT COST	
			TOTAL	\$970.64	
E-PLUS TECHNOLOGY	81960	10/20/2022	\$12,295.00	PROJECT: DUO MFA SETUP	
			TOTAL	\$12,295.00	
ERC CONTRACTING	000007512	10/13/2022	\$4,000.00	PROJECT: INTRATIE-W#60 WHITNEY/CONCETTA	
			\$7,125.00	PROJECT: MCCLELLAN BLDG 251 - MAIN REPL	
			\$300.00	PROJECT: WELL 41 - PUMP STATION IMPROVE	
			\$475.00	PROJECT: WELL 78 BUTANO - PUMP STATION	
			\$300.00	PROJECT: WELL 80 WALNUT/AUBURN	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION		
			\$1,350.00	PROJECT: WELL N38 WTR QUALITY INVESTIGA		
			\$1,700.00	PROJECT: WELL N6A-REHAB/REDEVELOPE/TEST		
			\$100.00	PROJECT: WLS 81/82/83 ANTELOPE N./POKER		
			TOTAL	\$15,350.00		
			000007529	10/20/2022	\$1,950.00	PROJECT: WELL N38 WTR QUALITY INVESTIGA
					\$4,500.00	PROJECT: WELL N6A-REHAB/REDEVELOPE/TEST
		TOTAL	\$6,450.00			
ERROL L MONTGOMERY & ASSOCIATES INC	81782	10/5/2022	\$7,960.00	PROJECT: WLS 81/82/83 ANTELOPE N./POKER		
		TOTAL	\$7,960.00			
	81889	10/14/2022	\$6,332.47	PROJECT: WELL N6A-REHAB/REDEVELOPE/TEST		
		TOTAL	\$6,332.47			
	81953	10/20/2022	\$2,840.55	PROJECT: WELL N38 WTR QUALITY INVESTIGA		
			\$3,207.25	PROJECT: WELL N6A-REHAB/REDEVELOPE/TEST		
\$6,040.00			PROJECT: WLS 81/82/83 ANTELOPE N./POKER			
TOTAL	\$12,087.80					
ESRI	81754	10/5/2022	\$25,000.00	PREPAID LICENSES & PERMIT		
		TOTAL	\$25,000.00			
ETHAN HOLECKO	81794	10/5/2022	\$150.00	BMP REBATES		
		TOTAL	\$150.00			
EUROFINS EATON ANALYTICAL	000007481	10/5/2022	\$18,715.00	INSPECTION & TESTING		
		TOTAL	\$18,715.00			
FEDERAL EXPRESS CORPORATION	81860	10/14/2022	\$693.45	INSPECTION & TESTING		
		TOTAL	\$693.45			
FLEETWASH INC	000007482	10/5/2022	\$430.80	VEHICLE MAINTENANCE SERVICES		
		TOTAL	\$430.80			
FLOWLINE CONTRACTORS INC	000007506	10/13/2022	\$47,791.13	PROJECT: GREENBERRY COMPLEX		
			\$25,276.00	PROJECT: VALVE/HYDRANT/SERV REPL		
			\$17,413.31	CONSTRUCTION SERVICES		
			\$54,045.06	RETENTION PAYABLE		
	TOTAL	\$144,525.50				
	000007541	10/28/2022	\$134,522.00	PROJECT: 2022 REMNANT METER PROJECT		
TOTAL	\$134,522.00					
FRISCH ENGINEERING INC	81869	10/14/2022	\$6,815.00	PROJECT: WELL 20A-WATT/ARDEN-ELEC IMPRV		
			\$8,650.00	PROJECT: WELL 60 - CONDITION ASSESSMENT		
			\$3,795.00	PROJECT: WELL N10 - PUMP REPLACEMENT		
			TOTAL	\$19,260.00		
	81934	10/20/2022	\$3,600.00	PROJECT: WELL 20A-WATT/ARDEN-ELEC IMPRV		
			TOTAL	\$3,600.00		
GEI CONSULTANTS	82027	10/28/2022	\$52,371.00	PROJECT: WELL N35 - A N WATER TREATMENT		
		TOTAL	\$52,371.00			
GEOCON CONSULTANTS INC	81874	10/14/2022	\$292.50	PROJECT: INTRATIE-W#60 WHITNEY/CONCETTA		
		TOTAL	\$292.50			
	81942	10/20/2022	\$1,480.00	PROJECT: MCCLELLAN BLDG 251 - MAIN REPL		
			TOTAL	\$1,480.00		
GEORGIE L JARA	81789	10/5/2022	\$449.00	BMP REBATES		
		TOTAL	\$449.00			
GLENN A LECEMINANT	81784	10/5/2022	\$148.69	BMP REBATES		
		TOTAL	\$148.69			
GM CONSTRUCTION & DEVELOPERS	82016	10/28/2022	\$69,188.34	PROJECT: INTRATIE-W#60 WHITNEY/CONCETTA		
		TOTAL	\$69,188.34			

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
GOVERNMENT FINANCE OFFICERS ASSOCIATION	81861	10/14/2022	\$160.00	MEMBERSHIP & DUES
		TOTAL	\$160.00	
GRAINGER	81862	10/14/2022	\$651.87	OPERATING SUPPLIES
		TOTAL	\$651.87	
GREEN MEDIA CREATIONS INC	81892	10/14/2022	\$6,452.20	CONTRACT SERVICES
		TOTAL	\$6,452.20	
GREG BUNDESEN	000007527	10/20/2022	\$99.71	EMPLOYEE COMM/TEAMBUILDING
		TOTAL	\$99.71	
GREGORY CRAMER	81795	10/5/2022	\$127.15	BMP REBATES
		TOTAL	\$127.15	
HACH COMPANY	81863	10/14/2022	\$702.63	OPERATING SUPPLIES
		TOTAL	\$702.63	
HARRINGTON PLASTICS	81853	10/11/2022	\$4,992.94	ACCRUED PURCHASES - (RECEIVED NOT VOUCHERED)
		TOTAL	\$4,992.94	
	81857	10/13/2022	\$751.77	OPERATING SUPPLIES
		TOTAL	\$751.77	
	81864	10/14/2022	\$4,257.34	INVENTORY
		TOTAL	\$4,257.34	
HODGE PRODUCTS	81766	10/5/2022	\$3,932.37	OPERATING SUPPLIES
		TOTAL	\$3,932.37	
HUGO H CALDERON AVILA	81785	10/5/2022	\$500.00	BMP REBATES
		TOTAL	\$500.00	
ICONIX WATERWORKS (US) INC	000007487	10/5/2022	\$86,577.55	PROJECT: WATT MAIN EXTENSIION
		TOTAL	\$86,577.55	
	000007532	10/20/2022	\$110,847.03	PROJECT: WATT MAIN EXTENSIION
TOTAL	\$110,847.03			
IN COMMUNICATIONS	81769	10/5/2022	\$7,757.03	PUBLIC RELATIONS
		TOTAL	\$7,757.03	
INFERRERA CONSTRUCTION MANAGEMENT GROUP	82029	10/28/2022	\$12,800.00	PROJECT: MCCLELLAN BLDG 251 - MAIN REPL
		TOTAL	\$12,800.00	
INNOVYZE INC	000007526	10/20/2022	\$5,970.00	PREPAID LICENSES & PERMIT
		TOTAL	\$5,970.00	
ISMAEL SALAZAR	82038	10/28/2022	\$308.60	BMP REBATES
		TOTAL	\$308.60	
JENNIFER WADDELL	81893	10/14/2022	\$640.73	BMP REBATES
		TOTAL	\$640.73	
JOSH MASTONARDE	81793	10/5/2022	\$100.00	BMP REBATES
		TOTAL	\$100.00	
JUAN ORTIZ-RIOS	81788	10/5/2022	\$150.00	BMP REBATES
		TOTAL	\$150.00	
KENNEDY JENKS CONSULTANTS	000007478	10/5/2022	\$2,773.72	PROJECT: WELL PUMP/MOTOR STANDARDIZATIO
		TOTAL	\$2,773.72	
	000007507	10/13/2022	\$9,039.62	PROJECT: WELL PUMP/MOTOR STANDARDIZATIO
		TOTAL	\$9,039.62	
KIRBY PUMP AND MECHANICAL	81944	10/20/2022	\$11,830.00	PROJECT: WELL 70 - CONDITION ASSESSMENT
		TOTAL	\$11,830.00	
KNIESELS COLLISION - CARMICHAEL	81761	10/5/2022	\$1,606.35	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$1,606.35	
LIFEGUARD FIRST AID	000007511	10/13/2022	\$32.16	OPERATING SUPPLIES
		TOTAL	\$32.16	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
LISA BOZAICH	81791	10/5/2022	\$500.00	BMP REBATES
		TOTAL	\$500.00	
LOEWEN PUMP MAINTENANCE	000007519	10/20/2022	\$8,565.68	PROJECT: ANTELOPE RESERV BPS #2 INSPECT
		TOTAL	\$8,565.68	
LYNETTE FONG	82036	10/28/2022	\$500.00	BMP REBATES
		TOTAL	\$500.00	
MEINA LU	81787	10/5/2022	\$650.00	BMP REBATES
		TOTAL	\$650.00	
MEREDITH CARTY	81956	10/20/2022	\$350.00	CONTRACT SERVICES
		TOTAL	\$350.00	
MESSENGER PUBLISHING GROUP	000007508	10/13/2022	\$350.00	PUBLIC RELATIONS
		TOTAL	\$350.00	
MICHAEL PHILLIPS LANDSCAPE CORP	000007470	10/5/2022	\$585.00	CONTRACT SERVICES
		TOTAL	\$585.00	
	000007495	10/13/2022	\$585.00	CONTRACT SERVICES
		TOTAL	\$585.00	
	000007520	10/20/2022	\$2,060.00	CONTRACT SERVICES
		TOTAL	\$2,060.00	
MYRON L COMPANY	82013	10/28/2022	\$3,385.40	OPERATING SUPPLIES
		TOTAL	\$3,385.40	
NDS SOLUTIONS INC	000007471	10/5/2022	\$765.10	PUBLIC RELATIONS
		TOTAL	\$765.10	
NINJIO LLC	81886	10/14/2022	\$173.63	EQUIPMENT MAINTENANCE SERVICES
		TOTAL	\$173.63	
NOR-CAL PUMP AND WELL DRILLING	81776	10/5/2022	\$2,300.00	FIRE HYDRANT PERMIT DEPOSITS
		TOTAL	\$2,300.00	
OFFICE DEPOT INC	81755	10/5/2022	\$511.56	OFFICE SUPPLIES
		TOTAL	\$511.56	
	81928	10/20/2022	\$294.31	OFFICE SUPPLIES
		TOTAL	\$294.31	
	82017	10/28/2022	\$209.27	OFFICE SUPPLIES
		TOTAL	\$209.27	
ONE STOP TRUCK SHOP	000007496	10/13/2022	\$67.50	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$67.50	
	000007521	10/20/2022	\$543.38	VEHICLE MAINTENANCE SERVICES
		TOTAL	\$543.38	
PACE SUPPLY CORP	000007476	10/5/2022	\$48,506.90	PROJECT: WATT MAIN EXTENSIION
			\$3,207.12	OPERATING SUPPLIES
		TOTAL	\$51,714.02	
	000007503	10/13/2022	\$20,563.01	ACCRUED PURCHASES - (RECEIVED NOT VOUCHERED)
			\$377.99	OPERATING SUPPLIES
	TOTAL	\$20,941.00		
	000007540	10/28/2022	\$90,159.81	PROJECT: Q STREET MAIN REPLACEMENT
		TOTAL	\$90,159.81	
PACIFIC COPY & PRINT	81941	10/20/2022	\$78.66	PRINTING
		TOTAL	\$78.66	
PANATRACK INC	000007513	10/13/2022	\$150.00	CONSULTING SERVICES
		TOTAL	\$150.00	
PATRICK DEASY	82033	10/28/2022	\$374.33	BMP REBATES
		TOTAL	\$374.33	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
PAUL WHITE	81948	10/20/2022	\$60.00	REQUIRED TRAINING
		TOTAL	\$60.00	
PEOPLEREADY	81774	10/5/2022	\$2,424.76	TEMPORARY HELP
		TOTAL	\$2,424.76	
	81881	10/14/2022	\$5,066.16	TEMPORARY HELP
		TOTAL	\$5,066.16	
	82026	10/28/2022	\$2,616.41	TEMPORARY HELP
		TOTAL	\$2,616.41	
PERS 457 PLAN	ACH-PR10072022P	10/7/2022	\$3,258.46	ACCRUED DEFERRED COMPENSATION, PERS
		TOTAL	\$3,258.46	
	ACH-PR10212022P	10/21/2022	\$3,258.46	ACCRUED DEFERRED COMPENSATION, PERS
		TOTAL	\$3,258.46	
PERS HEALTH	0078346	10/11/2022	\$1,676.99	EMPLOYEE BENEFITS - MEDICAL INSURANCE
		TOTAL	\$1,676.99	
	0078347	10/11/2022	\$108,614.47	ACCRUED MEDICAL PREMIUM
		TOTAL	\$108,614.47	
PERS PENSION	0078646	10/7/2022	\$36,262.00	EMPLOYEE BENEFITS - PENSION
			\$8,158.57	EE PENSION CONTRIBUTION
		TOTAL	\$44,420.57	
	0078647	10/18/2022	\$36,034.00	EMPLOYEE BENEFITS - PENSION
			\$8,158.57	EE PENSION CONTRIBUTION
TOTAL	\$44,192.57			
PEST PROS PEST SOLUTIONS	81797	10/5/2022	\$180.80	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$180.80	
	81884	10/14/2022	\$299.45	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$299.45	
PETERSON BRUSTAD INC	81878	10/14/2022	\$15,078.00	PROJECT: CAPEHART TANK CONDITION ASSMNT
		TOTAL	\$15,078.00	
PFM ASSET MANAGEMENT LLC	000007501	10/13/2022	\$4,026.17	FINANCIAL SERVICES
		TOTAL	\$4,026.17	
PG&E	81756	10/5/2022	\$184.57	UTILITIES
		TOTAL	\$184.57	
	81929	10/20/2022	\$534.11	UTILITIES
		TOTAL	\$534.11	
PITNEY BOWES LEASES	81765	10/5/2022	\$535.37	EQUIPMENT RENTAL/LEASE
		TOTAL	\$535.37	
	81871	10/14/2022	\$535.37	EQUIPMENT RENTAL/LEASE
		TOTAL	\$535.37	
PSOMAS	000007523	10/20/2022	\$3,782.00	PROJECT: PRO ACQU-WALERGA/ANTELOPE-PHAM
		TOTAL	\$3,782.00	
	000007536	10/28/2022	\$12,668.64	PROJECT: WELL N35 - A N WATER TREATMENT
		TOTAL	\$12,668.64	
QUADIENT LEASING USA INC	81949	10/20/2022	\$660.81	EQUIPMENT RENTAL/LEASE
		TOTAL	\$660.81	
R&S OVERHEAD DOORS AND GATES	000007539	10/28/2022	\$3,052.58	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$3,052.58	
RAFTELIS	000007486	10/5/2022	\$46,535.70	CONSULTING SERVICES
		TOTAL	\$46,535.70	
	000007531	10/20/2022	\$23,267.85	CONSULTING SERVICES
		TOTAL	\$23,267.85	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION	
RAMOS OIL COMPANY	81958	10/20/2022	\$1,445.12	OPERATING SUPPLIES	
		TOTAL	\$1,445.12		
REGIONAL WATER AUTHORITY	81757	10/5/2022	\$80,000.00	CONSULTING SERVICES	
		TOTAL	\$80,000.00		
RIVERVIEW INTERNATIONAL TRUCKS INC	81865	10/14/2022	\$752.80	VEHICLE MAINTENANCE SERVICES	
		TOTAL	\$752.80		
ROBERT J LERMAN JR	81786	10/5/2022	\$602.80	BMP REBATES	
		TOTAL	\$602.80		
RUE EQUIPMENT INC	81758	10/5/2022	\$3,549.88	EQUIPMENT MAINTENANCE SERVICES	
		TOTAL	\$3,549.88		
	81866	10/14/2022	\$1,486.44	EQUIPMENT MAINTENANCE SERVICES	
			\$227.28	VEHICLE MAINTENANCE SERVICES	
TOTAL	\$1,713.72				
S E AHLSTROM INSPECTION	000007483	10/5/2022	\$10,165.00	PROJECT: WELL 78 BUTANO - PUMP STATION	
		TOTAL	\$10,165.00		
	000007514	10/13/2022	\$570.00	PROJECT: GREENBERRY COMPLEX	
		TOTAL	\$570.00		
SAC VALLEY ELECTRIC INC	81885	10/14/2022	\$40,090.00	PROJECT: MARCONI BLDG ELECTRICAL UPGRAD	
		TOTAL	\$40,090.00		
SACRAMENTO CO TAX COLLECTOR	81936	10/20/2022	\$2,309.08	PROPERTY TAXES	
		TOTAL	\$2,309.08		
SACRAMENTO METRO AIR QUALITY	81856	10/13/2022	\$2,152.00	PROJECT: WELL 78 BUTANO - PUMP STATION	
		TOTAL	\$2,152.00		
SAUL ZALES	82034	10/28/2022	\$100.00	BMP REBATES	
		TOTAL	\$100.00		
SCOTT BLAKE	6872	10/10/2022	\$1,012.68	ACCRUED SALARIES	
		TOTAL	\$1,012.68		
SIERRA CHEMICAL COMPANY	000007472	10/5/2022	\$26,961.60	HYPO, CHEMICAL & DELIVERY	
		TOTAL	\$26,961.60		
	000007497	10/13/2022	\$1,670.00	HFA, CHEMICAL & DELIVERY	
			\$31,512.00	HYPO, CHEMICAL & DELIVERY	
TOTAL	\$33,182.00				
SIERRA MEADOWS HOA C/O SILVER CREEK	81792	10/5/2022	\$150.00	BMP REBATES	
		TOTAL	\$150.00		
SMUD	81759	10/5/2022	\$2,279.60	ELECTRICAL CHARGES	
		TOTAL	\$2,279.60		
	81867	10/14/2022	\$16,107.17	ELECTRICAL CHARGES	
		TOTAL	\$16,107.17		
	81930	10/20/2022	\$136,223.45	ELECTRICAL CHARGES	
		TOTAL	\$136,223.45		
	82018	10/28/2022	\$212,986.93	ELECTRICAL CHARGES	
		TOTAL	\$212,986.93		
	SMUD - DESIGN AND CONSTRUCTION SERVICES	81955	10/20/2022	\$5,000.00	PROJECT: WELL 20A-WATT/ARDEN-ELEC IMPRV
			TOTAL	\$5,000.00	
SMUD ACCOUNTING	000007534	10/20/2022	\$3,000.00	PROJECT: WELL N20 - CA & MN MITIGATION	
		TOTAL	\$3,000.00		
SONITROL	000007473	10/5/2022	\$1,969.04	BUILDING SERVICE EXPENSE - OFFICE & YARD	
			\$903.14	CONTRACT SERVICES	
		TOTAL	\$2,872.18		
STATE OF CA - DIG SAFE BOARD	81891	10/14/2022	\$7,159.70	PREPAID MEMBERSHIP & DUES	

AP Warrant List From: 10/1/2022 To: 10/31/2022

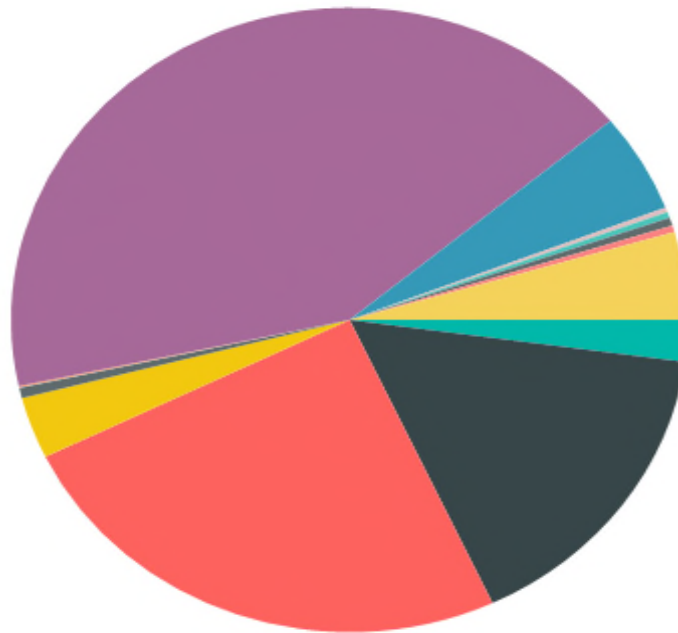
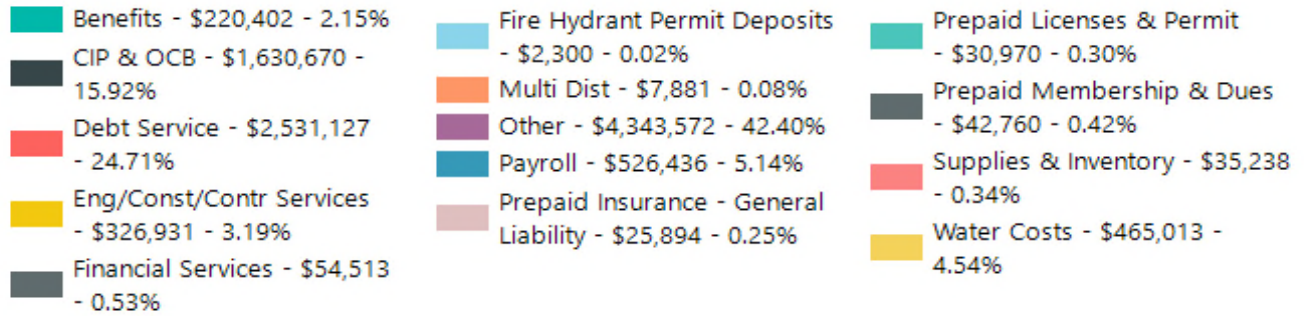
VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
		TOTAL	\$7,159.70	
T&S CONSTRUCTION COMPANY INC	000007489	10/5/2022	\$16,625.00	PROJECT: WELL 78 BUTANO - PUMP STATION
		TOTAL	\$16,625.00	
	000007533	10/20/2022	\$114,985.43	PROJECT: WELL 78 BUTANO - PUMP STATION
		TOTAL	\$114,985.43	
TAK COMMUNICATIONS CA INC	81781	10/5/2022	\$13,485.00	PROJECT: AMI ENDPOINTS
			\$10,913.20	MISC. REPAIRS
		TOTAL	\$24,398.20	
	81888	10/14/2022	\$18,100.00	PROJECT: LARGE METER REPLACEMENT
			\$28,698.53	PROJECT: VALVE/HYDRANT/SERV REPL
TOTAL	\$46,798.53			
TEE JANITORIAL & MAINTENANCE	81882	10/14/2022	\$4,108.00	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$4,108.00	
TELSTAR INSTRUMENTS	81946	10/20/2022	\$4,968.80	CONTRACT SERVICES
		TOTAL	\$4,968.80	
TESCO	81760	10/5/2022	\$1,863.38	CONTRACT SERVICES
		TOTAL	\$1,863.38	
	81932	10/20/2022	\$42,500.00	PROJECT: ENTERPR/NORTHDROP RESERVIOR/PS
			\$4,402.50	CONTRACT SERVICES
TOTAL	\$46,902.50			
TINA LYNN DESIGN	000007477	10/5/2022	\$236.16	CONTRACT SERVICES
			\$8,591.22	PRINTING
		TOTAL	\$8,827.38	
	000007525	10/20/2022	\$225.00	CONTRACT SERVICES
TOTAL		\$225.00		
U.S. BANK NA	WIRE168300	10/24/2022	\$69,008.00	ACCRUED INTEREST - 2022B RR BONDS
		TOTAL	\$69,008.00	
	WIRE168301	10/24/2022	\$2,882,983.33	2018A REVENUE BOND - CURRENT PORTION
		TOTAL	\$2,882,983.33	
	WIRE168302	10/24/2022	\$1,133,163.63	2022A RR BONDS - CURRENT PORTION
		TOTAL	\$1,133,163.63	
	WIRE168303	10/24/2022	\$2,462,118.75	2012A REVENUE BOND - CURRENT PORTION
		TOTAL	\$2,462,118.75	
UNUM	82030	10/28/2022	\$4,653.30	EMPLOYEE BENEFIT - LIFE INSURANCE
		TOTAL	\$4,653.30	
US BANK CORPORATE PAYMENT SYSTEM	81939	10/20/2022	\$27,020.18	BUILDING SERVICE EXPENSE - OFFICE & YARD
			\$249.98	MISC NON-OPERATING EXPENSES
		TOTAL	\$27,270.16	
VALIC AIG	ACH-PR10072022V	10/7/2022	\$4,425.00	ACCRUED DEFERRED COMPENSATION, VALIC
		TOTAL	\$4,425.00	
	ACH-PR10212022V	10/21/2022	\$4,425.00	ACCRUED DEFERRED COMPENSATION, VALIC
		TOTAL	\$4,425.00	
VERIZON WIRELESS DALLAS TX	81763	10/5/2022	\$3,137.43	COMMUNICATION
		TOTAL	\$3,137.43	
	81870	10/14/2022	\$2,652.86	COMMUNICATION
		TOTAL	\$2,652.86	
VICKI SPRAGUE	81940	10/20/2022	\$302.48	TRAVEL CONFERENCES
		TOTAL	\$302.48	
WALNUT INDUSTRIAL CENTER LLC	81959	10/20/2022	\$2,000.00	H&D WALNUT PARKING LOT LEASE
		TOTAL	\$2,000.00	

AP Warrant List From: 10/1/2022 To: 10/31/2022

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
WASTE MANAGEMENT	000007499	10/13/2022	\$688.39	BUILDING SERVICE EXPENSE - OFFICE & YARD
		TOTAL	\$688.39	
WATERWISE CONSULTING, INC.	000007510	10/13/2022	\$2,105.00	CONTRACT SERVICES
		TOTAL	\$2,105.00	
WAYNE BELLERT	6871	10/5/2022	\$2,658.55	ACCRUED SALARIES
		TOTAL	\$2,658.55	
WAYNE SCHERFFIUS	6873	10/21/2022	\$2,803.10	ACCRUED SALARIES
		TOTAL	\$2,803.10	
WCP SOLUTIONS	81779	10/5/2022	\$854.83	BUILDING MAINTENANCE - OFFICE & YARD
		TOTAL	\$854.83	
WEST YOST & ASSOCIATES	000007474	10/5/2022	\$10,922.38	PROJECT: WELL 84 ANTELOPE/DON JULIO
			\$24,625.75	PROJECT: WLS 81/82/83 ANTELOPE N./POKER
		TOTAL	\$35,548.13	
	000007500	10/13/2022	\$40,428.98	PROJECT: WELL 80 WALNUT/AUBURN
			\$2,129.75	PROJECT: WELL N6A-REHAB/REDEVELOPE/TEST
			\$20,015.25	CONSULTING SERVICES
	TOTAL	\$62,573.98		
000007522	10/20/2022	\$7,182.75	PROJECT: WELL 60 - CONDITION ASSESSMENT	
	TOTAL	\$7,182.75		
WESTAMERICA BANK ANALYSIS FEES	0078414	10/18/2022	\$4,483.72	FINANCIAL SERVICES
		TOTAL	\$4,483.72	
WESTAMERICA CARD PROCESSING STMT	0078417	10/18/2022	\$26,966.49	FINANCIAL SERVICES
		TOTAL	\$26,966.49	
WEX	000007490	10/5/2022	\$15,594.29	OPERATING SUPPLIES
		TOTAL	\$15,594.29	
WHITE CAP	81890	10/14/2022	\$423.33	OPERATING SUPPLIES
		TOTAL	\$423.33	
WILLIAM BLANK	81790	10/5/2022	\$150.00	BMP REBATES
		TOTAL	\$150.00	
WOLF CONSULTING	000007485	10/5/2022	\$2,850.00	CONSULTING SERVICES
		TOTAL	\$2,850.00	
WOOD RODGERS ENGINEERING	81872	10/14/2022	\$103,993.00	PROJECT: WELL 78 BUTANO - PUMP STATION
		TOTAL	\$103,993.00	
	81937	10/20/2022	\$41,875.00	PROJECT: WELL 78 BUTANO - PUMP STATION
		TOTAL	\$41,875.00	
WORLDPAY INTEGRATED PAYMENTS	0078412	10/18/2022	\$880.89	FINANCIAL SERVICES
		TOTAL	\$880.89	
ZORO	81777	10/5/2022	\$40.01	OPERATING SUPPLIES
		TOTAL	\$40.01	
GRAND TOTAL			\$10,243,706.35	

VENDOR	PAYMENT NO.	DATE	AMOUNT	DESCRIPTION
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AP Warrant List Summary Chart



**Credit Card Expenditures
October 2022**

**Sacramento Suburban Water District
US Bank Purchasing Card Program
CalCard Expenditures
October 2022**

Vendor Name	Description	Amount	Proj/GLAcct
CA NV AWWA	TRAINING-MATT UNDERWOOD	\$634.00	02-55001
COSTCO	FALL SAFETY BBQ	\$383.51	02-51403
COSTCO	KITCHEN SUPPLIES-WALNUT	\$150.80	03-52108
COSTCO	FALL SAFETY BBQ	\$646.23	02-51403
RALEYS	FALL SAFETY BBQ	\$35.03	02-51403
HOME DEPOT	WAREHOUSE SUPPLIES-CREDIT	(\$23.93)	05-52101
PAYPAL	TRAINING-BEN HARRIS	\$159.00	05-51406
FRED PRYOR	TRAINING-CODY SCOTT	\$149.00	07-51407
FRED PRYOR	TRAINING-CODY SCOTT	\$199.00	07-51407
HOME DEPOT	WAREHOUSE SUPPLIES	\$99.04	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES--	\$23.93	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$23.93	05-52101
NALL & COMPANY	SAFETY LABELS	\$66.55	05-52101
HOME DEPOT	WAREHOUSE SUPPLIES	\$180.27	05-52101
SAFETY CENTER	TRAINING- FOX,BLAKE,TAYLOR,GAGNON,PATTERSON,MCGOWAN, CARTER,SCOTT	\$1,960.00	05-51406
SAFETY CENTER	TRAINING- BLAKE,FOX,TAYLOR,GAGNON,PATTERSON,MCGOWAN, CARTER,SCOTT	\$1,960.00	05-51406
ELLIOTS TENN BOOTS	WAREHOUSE SUPPLIES	\$526.40	05-52101
NEWSLETTER PUBLICATION	ENVIRONMENTAL COMPLIANCE ALERT SUBSCRIPTION	\$299.00	14-52502
PAYPAL MITCH'S CERT. CLASSES	TRAINING-AARON CAUDILLO	\$1,300.00	06-51407
PAYPAL MITCH'S CERT. CLASSES	TRAINING-DMITRY ROSHKO	\$1,300.00	06-51407
RVT OSHA TRAINING	TRAINING-WILLIAM VAN PELT	\$350.00	06-51406
US BANK	STATEMENT ONLY		
AWWA EVENTS	VICKI SPRAGUE REGISTRATION	\$130.00	13-55001
COURTYARD OAKLAND	GREG BUNDESEN ROOM FOR CONFERENCE	\$194.66	13-55001
DON QUIXOTE	WATER PROFESSIONALS WEEK LUNCH	\$1,291.14	02-51403
ACWA	JAY BOATWRIGHT REGISTRATION CONFERENCE	\$775.00	01-55001
SOUTHWEST	JAY BOATWRIGHT FLIGHT FOR CONFERENCE	\$274.96	01-55001
ACWA	ACWA REGISTRATION FOR KEVIN THOMAS	\$620.00	01-55001
RALEYS	PERFORMANCE EVALUATION LUNCHEON MEETING	\$27.00	17-56000
ROUND TABLE PIZZA	PERFORMANCE EVALUATION LUNCHEON MEETING	\$230.50	17-56000
RALEYS	PERFORMANCE EVALUATION LUNCHEON MEETING	\$5.99	17-56000
DONUT FAIR	ALL STAFF BREAKFAST	\$94.50	02-51403
RALEYS	ALL STAFF BREAFAST	\$27.53	02-51403
APWA	TRAINING FOR EVELYN TRINH AND DAVID ESPIZONA	\$690.00	15-54007
DON QUIXOTE	ALL STAFF MEETING BREAKFAST	\$672.89	02-51403
CWEA	JOB POSTING	\$305.00	17-51402
ACWA	JOB POSTING	\$475.00	17-51402
BROWN AND CALDWELL	JOB POSTING	\$100.00	17-51402

**Sacramento Suburban Water District
US Bank Purchasing Card Program
CalCard Expenditures
October 2022**

Vendor Name	Description	Amount	Proj/GLAcct
CSDA	CSDA HR TRAINING FOR MARKCUS S. AND SUSAN S.	\$350.00	17-51407
ACWA JPIA	ACWA JPIA TRAINING FOR SUSAN S.	\$35.00	17-51407
ACWA JPIA	ACWA JPIA TRAINING FOR MARKCUS S.	\$35.00	17-51407
BROWN & CALDWELL	BC WATER JOBS - ADVERTISEMENT FOR PM/SPM	\$200.00	17-51402
TRANSIT TALENT	WATER DISTRICT JOBS - ADVERTISEMENT FOR PM/SPM	\$145.00	17-51402
CWEA	CA WATER ENVIRONMENT ASSOC. - ADVERTISEMENT FOR PM/SPM	\$305.00	17-51402
CSDA	CA SPECIAL DISTRICT ASSOC. - ADVERTISEMENT FOR PM/SPM	\$105.00	17-51402
GOVERNMENTJOBS	GOVERNMENTJOBS - ADVERTISEMENT FOR PM/SPM	\$199.00	17-51402
WATER & WASTEWATER JOBS	WATER & WASTEWATER JOBS - ADVERTISEMENT FOR PM/SPM	\$185.00	17-51402
AWRA	AMERICAN WATER RESOURCES ASSOC. - ADVERTISEMENT FOR PM/SPM	\$495.00	17-51402
ACWA	ASSOC. OF CA WATER AGENCIES - ADVERTISEMENT FOR PM/SPM	\$475.00	17-51402
CAJPA	CA JOINT POWERS AUTHORITIES - ADVERTISEMENT FOR PM/SPM	\$100.00	17-51402
YOURMEMBERSHIP	NATIONAL GROUND WATER ASSOC. - ADVERTISEMENT FOR PM/SPM	\$349.00	17-51402
TRANSIT TALENT	WATER DISTRICT JOBS - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$145.00	17-51402
GEOSOCIETY	GEOLOGICAL SOCIETY OF AMERICA - ADVERTISEMENT FOR PM/SPM	\$336.00	17-51402
CWEA	CA WATER ENVIRONMENTAL ASSOC - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$305.00	17-51402
CSDA	CA SPECIAL DISTRICT ASSOC - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$105.00	17-51402
GOVERNMENTJOBS	GOVERNMENTJOBS - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$199.00	17-51402
BROWN & CALDWELL	BC WATER JOBS - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$200.00	17-51402
ACWA	ASSOC. OF CA WATER AGENCIES - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$475.00	17-51402
CAJPA	CA JOINT POWERS AUTHORITIES - ADVERTISEMENT FOR CUSTOMER SERVICE REP	\$100.00	17-51402
VANAIR	COMPRESSOR MAINTENANCE KIT	\$411.25	12-54004
EXPRESS-ALLIANCE	SHIPPING FOR ASSET TAGS	\$31.00	18-52101
HYLAND SOFTWARE	ONBASE TRAINING FOR IT TECH	\$3,300.00	18-51406
OSISOFT LLC	AVEVA WORLD CONFERENCE AND SCADA TRAINING FOR DATA ANALYST	\$2,099.00	18-51406
	Totals:	\$27,020.18	

**Investment Activity
September 2022**



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2022**

SACRAMENTO SUBURBAN WATER DISTRICT -

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
BUY										
10/05/22	10/11/22	US TREASURY NOTES DTD 11/15/2016 2.000% 11/15/2026	912828U24	1,100,000.00	(1,013,804.69)	(8,907.61)	(1,022,712.30)			
Transaction Type Sub-Total				1,100,000.00	(1,013,804.69)	(8,907.61)	(1,022,712.30)			
INTEREST										
10/01/22	10/25/22	FHMS K043 A2 DTD 03/01/2015 3.062% 12/01/2024	3137BGK24	275,000.00	0.00	701.71	701.71			
10/01/22	10/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	5,584.97	0.00	14.91	14.91			
10/01/22	10/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	1,236.72	0.00	2.16	2.16			
10/03/22	10/03/22	MONEY MARKET FUND	MONEY0002	0.00	0.00	2,536.93	2,536.93			
10/10/22	10/10/22	JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 10/09/2020 0.400% 10/10/2023	24422EVJ5	100,000.00	0.00	200.00	200.00			
10/13/22	10/13/22	AMAZON.COM INC CORPORATE NOTES DTD 04/13/2022 3.000% 04/13/2025	023135CE4	200,000.00	0.00	3,000.00	3,000.00			
10/14/22	10/14/22	FEDERAL HOME LOAN BANK NOTES DTD 04/16/2020 0.500% 04/14/2025	3130AJHU6	450,000.00	0.00	1,125.00	1,125.00			
10/15/22	10/15/22	NAROT 2021-A A3 DTD 06/23/2021 0.330% 10/15/2025	65480BAC1	410,000.00	0.00	112.75	112.75			
10/15/22	10/15/22	TAOT 2021-B A3 DTD 06/14/2021 0.260% 11/17/2025	89190GAC1	450,000.00	0.00	97.50	97.50			
10/15/22	10/15/22	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	124,035.16	0.00	51.68	51.68			
10/15/22	10/15/22	CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	57,413.61	0.00	16.27	16.27			
10/15/22	10/15/22	CARMX 2021-2 A3 DTD 04/21/2021 0.520% 02/17/2026	14314QAC8	145,000.00	0.00	62.83	62.83			
10/15/22	10/15/22	HOME DEPOT INC (CALLABLE) CORPORATE NOTE DTD 03/28/2022 2.700% 04/15/2025	437076CM2	35,000.00	0.00	517.13	517.13			
10/15/22	10/15/22	HART 2021-A A3 DTD 04/28/2021 0.380% 09/15/2025	44933LAC7	95,000.00	0.00	30.08	30.08			



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2022**

SACRAMENTO SUBURBAN WATER DISTRICT -

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	10/15/22	10/15/22	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	250,000.00	0.00	120.83	120.83			
	10/15/22	10/15/22	HART 2021-C A3 DTD 11/17/2021 0.740% 05/15/2026	44935FAD6	100,000.00	0.00	61.67	61.67			
	10/15/22	10/15/22	MBALT 2021-B A3 DTD 06/29/2021 0.400% 11/15/2024	58769KAD6	195,000.00	0.00	65.00	65.00			
	10/15/22	10/15/22	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	275,000.00	0.00	126.04	126.04			
	10/15/22	10/15/22	COPAR 2021-1 A3 DTD 10/27/2021 0.770% 09/15/2026	14044CAC6	130,000.00	0.00	83.42	83.42			
	10/15/22	10/15/22	CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027	14318MAD1	300,000.00	0.00	992.50	992.50			
	10/15/22	10/15/22	COMET 2021-A1 A1 DTD 07/22/2021 0.550% 07/15/2026	14041NFW6	415,000.00	0.00	190.21	190.21			
	10/16/22	10/16/22	GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	100,652.05	0.00	31.87	31.87			
	10/16/22	10/16/22	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	110,000.00	0.00	62.33	62.33			
	10/16/22	10/16/22	FREDDIE MAC NOTES DTD 10/16/2020 0.125% 10/16/2023	3137EAEY1	415,000.00	0.00	259.38	259.38			
	10/16/22	10/16/22	GMCAR 2021-3 A3 DTD 07/21/2021 0.480% 06/16/2026	380140AC7	170,000.00	0.00	68.00	68.00			
	10/20/22	10/20/22	VWALT 2022-A A4 DTD 06/14/2022 3.650% 01/20/2027	92868AAD7	145,000.00	0.00	441.04	441.04			
	10/20/22	10/20/22	GMALT 2021-2 A4 DTD 05/26/2021 0.410% 05/20/2025	380144AD7	50,000.00	0.00	17.08	17.08			
	10/20/22	10/20/22	INTL BK OF RECON AND DEV NOTE DTD 04/20/2021 0.125% 04/20/2023	459058JV6	0.00	0.00	198.45	198.45			
	10/20/22	10/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	67,413.73	0.00	103.93	103.93			
	10/20/22	10/20/22	VWALT 2020-A A4 DTD 12/03/2020 0.450% 07/21/2025	92868VAD1	265,000.00	0.00	99.38	99.38			
	10/21/22	10/21/22	HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	130,000.00	0.00	95.33	95.33			



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2022**

SACRAMENTO SUBURBAN WATER DISTRICT -

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	10/22/22	10/22/22	FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	450,000.00	0.00	1,406.25	1,406.25			
	10/24/22	10/24/22	BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	150,000.00	0.00	1,575.00	1,575.00			
	10/25/22	10/25/22	BMWLT 2021-2 A4 DTD 09/15/2021 0.430% 01/27/2025	09690AAD5	370,000.00	0.00	132.58	132.58			
	10/26/22	10/26/22	BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 04/26/2021 0.500% 04/26/2024	06406RAS6	365,000.00	0.00	912.50	912.50			
	10/27/22	10/27/22	CITIGROUP INC CORP NOTES DTD 04/27/2015 3.300% 04/27/2025	172967JP7	275,000.00	0.00	4,537.50	4,537.50			
	10/29/22	10/29/22	MORGAN STANLEY CORP NOTES DTD 04/28/2014 3.875% 04/29/2024	61746BDO6	375,000.00	0.00	7,265.63	7,265.63			
	10/31/22	10/31/22	US TREASURY N/B NOTES DTD 04/30/2021 0.750% 04/30/2026	91282CBW0	1,150,000.00	0.00	4,312.50	4,312.50			
	10/31/22	10/31/22	US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	1,600,000.00	0.00	13,000.00	13,000.00			
Transaction Type Sub-Total					10,201,336.24	0.00	44,627.37	44,627.37			

PAYDOWNS											
	10/01/22	10/25/22	FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	16.23	16.23	0.00	16.23	0.00	0.00	
	10/01/22	10/25/22	FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	96.13	96.13	0.00	96.13	0.00	0.00	
	10/15/22	10/15/22	CARMX 2021-1 A3 DTD 01/27/2021 0.340% 12/15/2025	14316NAC3	3,276.20	3,276.20	0.00	3,276.20	0.65	0.00	
	10/15/22	10/15/22	CARMX 2020-4 A3 DTD 10/21/2020 0.500% 08/15/2025	14316HAC6	7,705.95	7,705.95	0.00	7,705.95	1.70	0.00	
	10/16/22	10/16/22	GMCAR 2020-4 A3 DTD 10/14/2020 0.380% 08/18/2025	36260KAC8	6,834.58	6,834.58	0.00	6,834.58	1.46	0.00	
	10/20/22	10/20/22	VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	12,816.96	12,816.96	0.00	12,816.96	1.50	0.00	
Transaction Type Sub-Total					30,746.05	30,746.05	0.00	30,746.05	5.31	0.00	



Managed Account Security Transactions & Interest

For the Month Ending **October 31, 2022**

SACRAMENTO SUBURBAN WATER DISTRICT -

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
SELL										
10/05/22	10/11/22	US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	650,000.00	632,353.52	4,707.20	637,060.72	(13,355.46)	(16,601.54)	FIFO
10/05/22	10/11/22	US TREASURY NOTES DTD 10/31/2016 1.625% 10/31/2023	912828T91	450,000.00	437,783.20	3,258.83	441,042.03	(14,800.78)	(12,885.37)	FIFO
Transaction Type Sub-Total				1,100,000.00	1,070,136.72	7,966.03	1,078,102.75	(28,156.24)	(29,486.91)	
Managed Account Sub-Total					87,078.08	43,685.79	130,763.87	(28,150.93)	(29,486.91)	
Total Security Transactions					\$87,078.08	\$43,685.79	\$130,763.87	(\$28,150.93)	(\$29,486.91)	



Agenda Item: 5

Date: November 21, 2022

Subject: Policy Review – Employment Rules and Procedures Policy (PL – HR 001)

Staff Contact: Susan Schinnerer, Human Resources Manager

Recommended Board Action:

Approve Employment Rules and Procedures Policy (PL – HR 001) with changes.

Background:

The subject Policy is scheduled for its biennial review. The Policy was adopted by the Board on October 18, 2010, and was last reviewed by the Board with no changes recommended on October 19, 2020.

Staff recommends minor edits as follows:

Section 200.00: Change “insure” to “ensure”.

Section 300.00: Change title of “Human Resources Coordinator” to “Human Resources Manager.”

The Policy was presented at the October 17, 2022, regular Board meeting, and comments were requested by October 24, 2022. Of note is that when the Policy was originally presented at the October meeting, the proposed change to Section 300.00 was to change the title to “Human Resources Administrator.” The title of that position was changed subsequent to that meeting to “Human Resources Manager.” There are no material changes to the policy with this update.

No comments from Directors were received.

This Policy update was not reviewed by legal counsel because the recommended changes are minor and do not change the intent of the policy.

Discussion:

Since no comments were received by the deadline, this Policy is being placed as a Consent Item on the November 21, 2022 regular Board meeting agenda.

Both a redlined and clean version of the Policy are attached to this report for reference (Attachments 1 and 2, respectively).

Attachments:

- 1) Employment Rules and Procedures Policy (PL – HR 001) – redline
- 2) Employment Rules and Procedures Policy (PL – HR 001) – clean

Sacramento Suburban Water District

Employment Rules and Procedures Policy

Adopted: October 18, 2010

Ratified without changes on: ~~October 19, 2020~~ November 21, 2022

100.00 Purpose of the Policy

The purpose of this policy is to direct the General Manager to establish and maintain fair and consistent rules and procedures relating to District employment.

200.00 Policy

Pursuant to California Water Code Section 30580, the General Manager has full power and authority to employ, discharge and prescribe the duties of all District employees. The General Manager will ~~insure~~ ensure that all rules and procedures relating to District employment comply with state and federal labor laws and regulations governing public agency employment.

300.00 Authority and Responsibility

The General Manager will be responsible for administering this policy. The Assistant General Manager and Human Resources ~~Coordinator~~ Manager will assist the General Manager in developing and maintaining an Employee Handbook that will be provided to all current and new employees.

400.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

Employment Rules and Procedures Policy

Adopted: October 18, 2010
Ratified with changes on: November 21, 2022

100.00 Purpose of the Policy

The purpose of this policy is to direct the General Manager to establish and maintain fair and consistent rules and procedures relating to District employment.

200.00 Policy

Pursuant to California Water Code Section 30580, the General Manager has full power and authority to employ, discharge and prescribe the duties of all District employees. The General Manager will ensure that all rules and procedures relating to District employment comply with state and federal labor laws and regulations governing public agency employment.

300.00 Authority and Responsibility

The General Manager will be responsible for administering this policy. The Assistant General Manager and Human Resources Manager will assist the General Manager in developing and maintaining an Employee Handbook that will be provided to all current and new employees.

400.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 6

Date: November 21, 2022

Subject: Policy Review – Ethics Policy (PL – BOD 004)

Staff Contact: Matt Underwood, Assistant General Manager

Recommended Board Action:

Approve the Ethics Policy (PL – BOD 004) with changes.

Background:

Ethics Policy (PL – BOD 004) (Policy) is scheduled for its biennial review. The Policy was adopted by the Board on January 27, 2003, and was last reviewed by the Board and approved with changes on February 28, 2020.

The Policy was presented at the October 17, 2022, regular Board meeting, and comments were requested by October 24, 2022. No comments from Directors have been received to date.

This Policy update was reviewed by legal counsel.

Discussion:

Since no comments were received by the deadline, this Policy is being placed as a Consent Item on the November 21, 2022, regular Board meeting agenda.

Staff and legal counsel have reviewed the Policy and are recommending edits as follows:

Section 210.00: Updated Government Code and updated the title of Director of Finance and Administration.

Section 330.00: Updated the amount of the value of gifts to Directors from \$470 to \$520 regarding a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect.

Section 330.00: Added clarifying language regarding a determination that there is a disqualifying conflict of interest for a Director.

Section 345.00: Updated the title of Director of Finance and Administration, and changed District’s “books” to “financial records”.

Both a redlined and clean version of the Policy are attached to this report for reference (Attachments 1 and 2, respectively).

Fiscal Impact:

Adopting the updated policy does not have a fiscal impact.

Strategic Plan Alignment:

Aligns with core values of the District – Ethics, Respect and, Health and Safety.

Attachments:

- 1) Ethics Policy (PL – BOD 004) – redline
- 2) Ethics Policy (PL – BOD 004) – clean

Sacramento Suburban Water District

Ethics Policy

Adopted: January 27, 2003

Approved with Changes on November 21, 2022~~March 16, 2020~~

100.00 Purpose of the Policy

The policy of the Sacramento Suburban Water District is to maintain the highest standards of ethics from its Directors and employees. The proper operation of the District requires that decisions and policy be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Directors and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties.

This policy contains two parts. The first part addresses mandated ethics training requirements for Directors and certain designated officers. The second part of this policy sets ethics standards for Directors. The ethical standards to be followed by District employees, including the General Manager, Treasurer, and Secretary (if an employee), are provided in the District’s Employee Handbook.

The primary purpose of the ethics training policy (articles 200.00 – 250.00) is to ensure that all District Directors and certain designated officers comply with the ethics training and reporting mandates imposed by Government Code sections 53234 through 53235.2.

The primary purpose of the ethics guidelines for Directors (articles 300.00 – 375.00) is to set forth the minimum ethical standards to be followed by the Board of Directors of the Sacramento Suburban Water District. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors’ conduct, and (3) improve ethical decision-making and values-based management.

200.00 Mandatory Ethics Training

210.00 Positions Requiring Training

Ethics training is required for all Directors (Government Code section 53235~~±~~, subd. (a)). The following District officers also will be required to receive ethics training: (1) General Manager and (2) ~~Finance~~ Director of Finance and Administration. (Government Code section 53234, subds. (a), (b) and (c)(1).) Collectively, Directors

and the designated officers are the District’s “Covered Officials” under this policy. The Board encourages all other District employees to receive ethics training, although such training is not a legal requirement.

220.00 Training Curriculum

The required ethics training must cover general ethics principles and ethics laws relevant to the Covered Officials’ public service. All Covered Officials must receive ethics training in the following topics relevant to the service to the District:

- (1) Laws relating to personal financial gain by public servants, such as prohibitions on conflict of interest and bribery;
- (2) Laws relating to the privileges of office, such as limitations on personal receipt of gifts and travel, use of public resources, mass-mailing restrictions, and prohibitions on gifts of public funds;
- (3) Government transparency laws, such as the Brown Act, the Public Records Act, and financial interest disclosure laws; and
- (4) Laws relating to fair public process, such as due process and competitive bidding requirements, bias prohibitions, and incompatible office restrictions.

Covered Officials may fulfill their required ethics training obligations by participating in any approved form of training, including but not limited to seminars, webinars, group or individual training, or self-study at home, in-person, or on-line. If self-study courses are used, a test component must be included. (Government Code section 53235, subd. (d).)

230.00 Frequency of Training

Every two years, all Covered Officials must receive at least two hours of ethics training that complies with the requirements of Article 220.00. (Government Code section 53235, subd. (b).) All Covered Officials may take more than two hours of training every two years and the Board encourages all Covered Officials to obtain more than the required minimum training.

Newly elected or appointed Covered Officials must complete their first two hours of ethics training within one year after taking office. After completing the initial training requirement, Covered Officials must receive a minimum of two hours of ethics training every two years for as long as they remain in office.

240.00 Training Documentation

Compliance with the Government Code sections 53234 through 53235.2 ethics training requirements must be documented. The person or entity providing the

training must provide a proof of participation to the Covered Official. (Government Code section 53235, subd. (e).) The District will also keep records of its Covered Officials' dates of participation in ethics training and the person or entity providing the training for five years. (Government Code section 53235.2, subd. (a).) The Executive Assistant to the General Manager will maintain the ethics training records. All Covered Officials must submit a copy of their proofs of participation in all ethics training completed to the Executive Assistant to the General Manager within 30 days of completing any ethics training. All ethics training policies and attendance records are public records subject to disclosure under the California Public Records Act. (Government Code section 53235.2, subd. (b).)

250.00 Miscellaneous Training Rules

The District will inform its Covered Officials of available ethics training opportunities at least once annually. (Government Code section 53235, subd. (f).)

It is the responsibility of each Covered Official to ensure his or her compliance with this policy, including selecting the ethics training courses and securing and submitting the ethics training documentation to the Executive Assistant to the General Manager as required in Article 240.00.

If a Covered Official holds more than one position covered by the ethics training mandate, he or she need only complete the minimum two hours every two years to comply. (Government Code section 53235.1, subd. (c).) -If a Covered Official wishes to receive District credit for ethics training completed on behalf of another agency, he or she should submit the relevant documentation to the District Secretary or designee.

300.00 Ethics Guidelines for Directors

310.00 Responsibilities of Public Office

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure, and open government laws. Directors will work in cooperation with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work, or if doing so would be contrary to the best interests of the District.

(Article 20, section 3 of the California Constitution; Government Code section 1360.)

315.00 Fair and Equal Treatment

Directors will not, in the performance of their official functions, discriminate against any person on the basis of race, sex, color, national origin, ancestry, disability, or any other protected class under federal, state, or local laws. A Director will not grant any

special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

(See, e.g., Article 1, section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C. sections 621 and following); Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101 and following); California Fair Employment and Housing Act (Government Code sections 12900 and following and Chapter 5 of Title 47, U.S.C.); Rehabilitation Act of 1973 (29 U.S.C. sections 701 and following); Title VII of the Civil Rights Act of 1964 (42 U.S.C. sections 2000e and following).)

320.00 Proper Use and Safeguarding of District Property and Resources

Except as specifically authorized, a Director will not use or permit the use of District-owned vehicles, equipment, telephones, materials, or property for personal convenience or profit. A Director will not ask or require a District employee to perform services for the personal convenience or profit of a Director or employee. Each Director must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Directors will safeguard District property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Directors are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Directors.

(Article 16, section 6 of the California Constitution; Government Code sections 8314 and 53232.3; Penal Code section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

325.00 Use of Confidential Information

- A. A Director is not authorized, without prior approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.
- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District or an elected official or employee, (2) expressing an opinion concerning the propriety or

legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

- C. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(Government Code section 54963.)

330.00 Conflict of Interest

- A. A Director will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Director's participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation, or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 and following, relating to conflicts of interest. Generally, a Director has a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect (as defined by the Fair Political Practices Commission ("FPPC") regulations) on the Director, or his or her immediate family, that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment of \$2,000 or more, (b) real property in which the Director has a direct or indirect interest worth \$2,000 or more, (c) a source of income of the Director amounting to a total of \$500 or more within 12 months before the Board decision, (d) a source of gifts to the Director amounting to ~~\$470~~ 520 or more within 12 months before the Board decision, or (e) a business entity in which the Director holds a position as a director, officer, partner, trustee, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations. Directors will report all gifts, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and FPPC regulations. The dollar limitations referred to in this section are adjusted from time to time by the FPPC,

and any such adjustment shall automatically be incorporated into this policy when made effective by the FPPC.

(Government Code sections 87100 and following.)

- B. If a Director believes that he or she may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation, or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes and (2) disclose the conflict in sufficient detail to inform the Board and public of the nature of the conflict and then will leave the room until after the discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (e.g., the consent calendar), in which case the Director will identify the nature of the conflict and not vote on the specified item. If the item is agendaized for discussion and possible action, the Director may speak on his or her personal interests in the matter during the time the general public speaks on the issue but must leave the room during Board discussion and action on that item.
- C. A Director will not recommend the employment of a relative to the District. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- D. A Director who knowingly asks for, accepts, or agrees to receive any gift, reward, or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

(Government Code sections 1090 and following, 81000 and following, and 87105; Penal Code sections 68 and 70.)

335.00 Soliciting Political Contributions

Directors are prohibited from soliciting political funds or contributions at District facilities or from District employees. A Director will not accept, solicit, or direct a political contribution from (a) District employees, officers, consultants, or contractors, or

(b) any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationary, or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code section 3205.)

340.00 Incompatible Offices and “Revolving Door” Policy

- A. Any Director appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interest of the first entity (as determined under applicable law), is deemed to have vacated his or her office with the District upon taking the second, incompatible office.
- B. For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before the District with regard to any issues over which that Director had decision-making authority during the three years prior to leaving office.
- C. For purposes of this section, “represent” will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.
- D. These restrictions will not apply to representation of not-for-profit charitable entities before the District.
- E. Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public. (See, for example, Government Code section 54954.3.)

(Government Code sections 1099, 53227 and 87406.3; see also, 73 Ops.Cal.Atty.Gen. 357 (1990).)

345.00 Board-General Manager Relationship

- A. The Board sets the policy for the District. Under the County Water District Law, the District's General Manager (a) has full charge and control of the maintenance, operation, and construction of the water system of the District, (b) has full power and authority to employ and discharge all employees and assistants at pleasure, consistent with other provisions of law, (c) prescribes the duties of employees and assistants, consistent with District policy, and (d) fixes and alters the compensation of employees and assistants, subject to approval by the Board. The Board will, after considering the recommendation of the General Manager, appoint the District's ~~Finance~~ Director of Finance and Administration/Treasurer

(who will report to the General Manager). The ~~Finance~~ Director of Finance and Administration/Treasurer will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of the District in accordance with generally accepted accounting principles and legal requirements. The Board will retain an auditor as an independent contractor of the District (other than the ~~Finance~~ Director of Finance and Administration/Treasurer) to conduct an annual audit of the District's ~~books, financial~~ records; and ~~financial~~ affairs in accordance with generally accepted auditing standards. The auditor will report to the Board, who will periodically review the auditor's work.

- B. The District's General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly-convened Board and Board committee meetings. Directors will deal with matters within the authority of the General Manager through the General Manager, and not through other District employees, except as it pertains to the functions of the ~~Finance~~ Director of Finance and Administration/Treasurer and District consultants, including the District auditor. Directors will refrain from making requests directly to District employees (rather than to the General Manager) to undertake analyses, perform other work assignments, or change the priority of work assignments. Directors may request non-confidential, factual information regarding District operations from District employees.

(Water Code sections 30540 and 30580 through 30582.)

350.00 Improper Activities and the Reporting of Such Activities; Protection of "Whistle Blowers"

- A. The General Manager has primary responsibility for (1) ensuring compliance with the District's Employee Handbook and ensuring that District employees do not engage in improper activities, (2) investigating allegations of improper activities, and (3) taking appropriate corrective and disciplinary actions. The Board has a duty to ensure that the General Manager is operating the District according to law and the policies approved by the Board. Directors are encouraged to fulfill their obligation to the public and the District by disclosing to the General Manager, to the extent not expressly prohibited by law, improper activities within their knowledge. Directors will not interfere with the General Manager's responsibilities in identifying, investigating, and correcting improper activities, unless the Board determines that the General Manager is not properly carrying out these responsibilities. Nothing in this section affects the responsibility of the Board to oversee the performance of the General Manager.
- B. A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person for the purpose of

preventing such person from acting in good faith to report or otherwise bring to the attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a Director or District employee.

- C. A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.
- D. Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager or (2) a Director, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with the District’s Employee Handbook, related human resources policies and procedures, and applicable law.

(Labor Code section 1102.5, and following, and Government Code sections 53298 and 53298.5.)

355.00 Compliance with the Brown Act

Directors, and persons elected but who have not yet assumed office as Directors, will fully comply with the provisions of the Brown Act, the State’s open meeting law for public agencies. The Board has adopted “Rules for Proceedings of the Board of Directors” (PL - BOD 002) to guide the Board in ensuring that Board decisions are made during meetings of the Board that are open to the public in compliance with the Brown Act.

(Government Code sections 54950 and following, and 54952.1 and 54959.)

360.00 Directors’ Compensation and Expense Reimbursement

Directors will fully comply with the provisions of the Board’s “Directors’ Compensation and Expense Reimbursement Policy” (PL - BOD 003).

(Government Code sections 53232 and following; Water Code sections 20200 and following.)

365.00 Changes in Compensation

Changes in the compensation of the Board will require the approval of the Board during an open meeting of the Board held at least sixty days prior to the effective date of the change.

(Water Code sections 20200 and following.)

370.00 Candidate’s Statement

A Director will not include false or misleading information in a candidate’s statement for a general District election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

375.00 Violation of Ethics Guidelines

A perceived violation of the ethics guidelines (Ethics Policy articles 300.00 – 370.00) by a Director should be referred to the President of the Board or the full Board of Directors for investigation and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, (c) referral of the violation to the District Attorney and/or the grand jury; or (d) investigation and action under the District’s Workplace Dishonesty Policy (PL - Adm 006) and Procedures (PR - Adm 004).

400.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

Ethics Policy

Adopted: January 27, 2003
Approved with Changes on November 21, 2022

100.00 Purpose of the Policy

The policy of the Sacramento Suburban Water District is to maintain the highest standards of ethics from its Directors and employees. The proper operation of the District requires that decisions and policy be made in the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain impartial and responsible towards the public. Accordingly, it is the policy of the District that Directors and District employees will maintain the highest standard of personal honesty and fairness in carrying out their duties.

This policy contains two parts. The first part addresses mandated ethics training requirements for Directors and certain designated officers. The second part of this policy sets ethics standards for Directors. The ethical standards to be followed by District employees, including the General Manager, Treasurer, and Secretary (if an employee), are provided in the District’s Employee Handbook.

The primary purpose of the ethics training policy (articles 200.00 – 250.00) is to ensure that all District Directors and certain designated officers comply with the ethics training and reporting mandates imposed by Government Code sections 53234 through 53235.2.

The primary purpose of the ethics guidelines for Directors (articles 300.00 – 375.00) is to set forth the minimum ethical standards to be followed by the Board of Directors of the Sacramento Suburban Water District. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Directors’ conduct, and (3) improve ethical decision-making and values-based management.

200.00 Mandatory Ethics Training

210.00 Positions Requiring Training

Ethics training is required for all Directors (Government Code section 53235, subd. (a)). The following District officers also will be required to receive ethics training: (1) General Manager and (2) Director of Finance and Administration. (Government Code section 53234, subs. (a), (b) and (c)(1).) Collectively, Directors and the

designated officers are the District’s “Covered Officials” under this policy. The Board encourages all other District employees to receive ethics training, although such training is not a legal requirement.

220.00 Training Curriculum

The required ethics training must cover general ethics principles and ethics laws relevant to the Covered Officials’ public service. All Covered Officials must receive ethics training in the following topics relevant to the service to the District:

- (1) Laws relating to personal financial gain by public servants, such as prohibitions on conflict of interest and bribery;
- (2) Laws relating to the privileges of office, such as limitations on personal receipt of gifts and travel, use of public resources, mass-mailing restrictions, and prohibitions on gifts of public funds;
- (3) Government transparency laws, such as the Brown Act, the Public Records Act, and financial interest disclosure laws; and
- (4) Laws relating to fair public process, such as due process and competitive bidding requirements, bias prohibitions, and incompatible office restrictions.

Covered Officials may fulfill their required ethics training obligations by participating in any approved form of training, including but not limited to seminars, webinars, group or individual training, or self-study at home, in-person, or on-line. If self-study courses are used, a test component must be included. (Government Code section 53235, subd. (d).)

230.00 Frequency of Training

Every two years, all Covered Officials must receive at least two hours of ethics training that complies with the requirements of Article 220.00. (Government Code section 53235, subd. (b).) All Covered Officials may take more than two hours of training every two years and the Board encourages all Covered Officials to obtain more than the required minimum training.

Newly elected or appointed Covered Officials must complete their first two hours of ethics training within one year after taking office. After completing the initial training requirement, Covered Officials must receive a minimum of two hours of ethics training every two years for as long as they remain in office.

240.00 Training Documentation

Compliance with the Government Code sections 53234 through 53235.2 ethics training requirements must be documented. The person or entity providing the

training must provide a proof of participation to the Covered Official. (Government Code section 53235, subd. (e).) The District will also keep records of its Covered Officials' dates of participation in ethics training and the person or entity providing the training for five years. (Government Code section 53235.2, subd. (a).) The Executive Assistant to the General Manager will maintain the ethics training records. All Covered Officials must submit a copy of their proofs of participation in all ethics training completed to the Executive Assistant to the General Manager within 30 days of completing any ethics training. All ethics training policies and attendance records are public records subject to disclosure under the California Public Records Act. (Government Code section 53235.2, subd. (b).)

250.00 Miscellaneous Training Rules

The District will inform its Covered Officials of available ethics training opportunities at least once annually. (Government Code section 53235, subd. (f).)

It is the responsibility of each Covered Official to ensure his or her compliance with this policy, including selecting the ethics training courses and securing and submitting the ethics training documentation to the Executive Assistant to the General Manager as required in Article 240.00.

If a Covered Official holds more than one position covered by the ethics training mandate, he or she need only complete the minimum two hours every two years to comply. (Government Code section 53235.1, subd. (c).) If a Covered Official wishes to receive District credit for ethics training completed on behalf of another agency, he or she should submit the relevant documentation to the District Secretary or designee.

300.00 Ethics Guidelines for Directors

310.00 Responsibilities of Public Office

Directors are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Directors will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure, and open government laws. Directors will work in cooperation with other public officials unless prohibited from so doing by law or officially-recognized confidentiality of their work, or if doing so would be contrary to the best interests of the District.

(Article 20, section 3 of the California Constitution; Government Code section 1360.)

315.00 Fair and Equal Treatment

Directors will not, in the performance of their official functions, discriminate against any person on the basis of race, sex, color, national origin, ancestry, disability, or any other protected class under federal, state, or local laws. A Director will not grant any

special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in similar circumstances.

(See, e.g., Article 1, section 31 of the California Constitution; Age Discrimination in Employment Act of 1967 (29 U.S.C. sections 621 and following); Americans with Disabilities Act of 1990 (42 U.S.C. sections 12101 and following); California Fair Employment and Housing Act (Government Code sections 12900 and following and Chapter 5 of Title 47, U.S.C.); Rehabilitation Act of 1973 (29 U.S.C. sections 701 and following); Title VII of the Civil Rights Act of 1964 (42 U.S.C. sections 2000e and following).)

320.00 Proper Use and Safeguarding of District Property and Resources

Except as specifically authorized, a Director will not use or permit the use of District-owned vehicles, equipment, telephones, materials, or property for personal convenience or profit. A Director will not ask or require a District employee to perform services for the personal convenience or profit of a Director or employee. Each Director must protect and properly use any District asset within his or her control, including information recorded on paper or in electronic form. Directors will safeguard District property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust. Directors are responsible for maintaining written records, including expense accounts, in sufficient detail to reflect accurately and completely all transactions and expenditures made on the District's behalf, in accordance with the District's policy for reimbursement of expenses of Directors.

(Article 16, section 6 of the California Constitution; Government Code sections 8314 and 53232.3; Penal Code section 424; see *People v. Battin* (1978) 77 Cal.App.3d 635.)

325.00 Use of Confidential Information

- A. A Director is not authorized, without prior approval of the Board of Directors, to disclose information that qualifies as confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required to be disclosed under the California Public Records Act.
- B. This section does not prohibit any of the following: (1) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the District or an elected official or employee, (2) expressing an opinion concerning the propriety or

legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal action, or (3) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (1) or (2), above, however, a Director will first bring the matter to the attention of either the President of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation.

- C. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098.

(Government Code section 54963.)

330.00 Conflict of Interest

- A. A Director will not have a financial interest in a contract with the District, or be a purchaser at a sale by the District or a vendor at a purchase made by the District, unless the Director's participation is authorized under Government Code section 1090, 1091 or 1091.5, or other provisions of law. A Director will not participate in the discussion, deliberation, or vote on a matter before the Board of Directors, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a prohibited interest with respect to the matter, as defined in the Political Reform Act, Government Code sections 81000 and following, relating to conflicts of interest. Generally, a Director has a disqualifying financial interest in a matter if a Board decision would have a reasonably foreseeable material financial effect (as defined by the Fair Political Practices Commission ("FPPC") regulations) on the Director, or his or her immediate family, that is distinguishable from the effect on the public generally on (a) a business entity in which the Director has a direct or indirect investment of \$2,000 or more, (b) real property in which the Director has a direct or indirect interest worth \$2,000 or more, (c) a source of income of the Director amounting to a total of \$500 or more within 12 months before the Board decision, (d) a source of gifts to the Director amounting to \$520 or more within 12 months before the Board decision, or (e) a business entity in which the Director holds a position as a director, officer, partner, trustee, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent, owns directly, indirectly or beneficially a ten percent interest or greater. A Director will not accept gifts or honoraria that exceed the limitations specified in the Fair Political Practices Act or FPPC regulations. Directors will report all gifts, campaign contributions, income, and financial information as required under the District's Conflict of Interest Code and the provisions of the Fair Political Practices Act and FPPC regulations. The dollar limitations referred to in this section are adjusted from time to time by the FPPC,

and any such adjustment shall automatically be incorporated into this policy when made effective by the FPPC.

(Government Code sections 87100 and following.)

- B. If a Director believes that he or she may be disqualified from participation in the discussion, deliberations, or vote on a particular matter due to a conflict of interest, the following procedure will be followed: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the District's General Manager and the District's legal counsel of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the General Manager and the District's legal counsel before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that there is a disqualifying conflict of interest, the Director (1) will not participate in the discussion, deliberation, or vote on the matter for which a conflict of interests exist, which will be so noted in the Board minutes and (2) disclose the conflict in sufficient detail to inform the Board and public of the nature of the conflict and then will leave the room until after the discussion, vote, and any other disposition of the matter is concluded, unless the matter has been placed on the portion of the agenda reserved for uncontested matters (e.g., the consent calendar), in which case the Director will identify the nature of the conflict and not vote on the specified item. If the item is agendaized for discussion and possible action, the Director may speak on his or her personal interests in the matter during the time the general public speaks on the issue but must leave the room during Board discussion and action on that item.
- C. A Director will not recommend the employment of a relative to the District. In addition, a Director will not recommend the employment of a relative to any person known by the Director to be bidding for or negotiating a contract with the District.
- D. A Director who knowingly asks for, accepts, or agrees to receive any gift, reward, or promise thereof for doing an official act, except as may be authorized by law, may be guilty of a misdemeanor under Penal Code section 70.

(Government Code sections 1090 and following, 81000 and following, and 87105; Penal Code sections 68 and 70.)

335.00 Soliciting Political Contributions

Directors are prohibited from soliciting political funds or contributions at District facilities or from District employees. A Director will not accept, solicit, or direct a political contribution from (a) District employees, officers, consultants, or contractors, or

(b) any person or entity who has a financial interest in a contract or other matter while that contract or other matter is pending before the District. A Director will not use the District's seal, trademark, stationary, or other indicia of the District's identity, or facsimile thereof, in any solicitation for political contributions contrary to state or federal law.

(Government Code section 3205.)

340.00 Incompatible Offices and “Revolving Door” Policy

- A. Any Director appointed or elected to a public office of another public entity, the duties of which may require action contradictory or inconsistent with the interest of the first entity (as determined under applicable law), is deemed to have vacated his or her office with the District upon taking the second, incompatible office.
- B. For a period of one year after leaving office, Directors will not represent for compensation non-governmental entities before the District with regard to any issues over which that Director had decision-making authority during the three years prior to leaving office.
- C. For purposes of this section, “represent” will mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of the District or otherwise acting to influence the officers of the District.
- D. These restrictions will not apply to representation of not-for-profit charitable entities before the District.
- E. Nothing in this section is intended or will be applied to prevent a former Director from participating in meetings of the Board in the same manner as other members of the public. (See, for example, Government Code section 54954.3.)

(Government Code sections 1099, 53227 and 87406.3; see also, 73 Ops.Cal.Atty.Gen. 357 (1990).)

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report to the General Manager). The Director of Finance and Administration/Treasurer will install and maintain a system of auditing and accounting that will completely and at all times show the financial condition of the District in accordance with generally accepted accounting principles and legal requirements. The Board will retain an auditor as an independent contractor of the District (other than the Director of Finance and Administration/Treasurer) to conduct an annual audit of the District's financial records and affairs in accordance with generally accepted auditing standards. The auditor will report to the Board, who will periodically review the auditor's work.

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(Water Code sections 30540 and 30580 through 30582.)

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- B. A Director will not directly or indirectly use or attempt to use the authority or influence of his or her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any other person for the purpose of preventing such person from acting in good faith to report or otherwise bring to the

attention of the General Manager or the Board any information that, if true, would constitute: a work-related violation by a Director or District employee of any law or regulation, gross waste of District funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of a District official or employee, use of a District office or position or of District resources for personal gain, or a conflict of interest of a Director or District employee.

- C. A Director will not use or threaten to use any official authority or influence to effect any action as a reprisal against another Director or District employee who reports or otherwise brings to the attention of the General Manager any information regarding the subjects described in this section.
- D. Any person who believes that he or she has been subjected to any action prohibited by this section may file a confidential complaint with (1) the General Manager or (2) a Director, if the complaint involves the conduct of the General Manager, who will thereupon refer the matter to the full Board to investigate the complaint. Upon the conclusion of the investigation, the General Manager (or the Board in the case of a complaint against the General Manager) will take appropriate action consistent with the District’s Employee Handbook, related human resources policies and procedures, and applicable law.

(Labor Code section 1102.5, and following, and Government Code sections 53298 and 53298.5.)

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Directors, and persons elected but who have not yet assumed office as Directors, will fully comply with the provisions of the Brown Act, the State’s open meeting law for public agencies. The Board has adopted “Rules for Proceedings of the Board of Directors” (PL - BOD 002) to guide the Board in ensuring that Board decisions are made during meetings of the Board that are open to the public in compliance with the Brown Act.

(Government Code sections 54950 and following, and 54952.1 and 54959.)

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Directors will fully comply with the provisions of the Board’s “Directors’ Compensation and Expense Reimbursement Policy” (PL - BOD 003).

(Government Code sections 53232 and following; Water Code sections 20200 and following.)

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(Water Code sections 20200 and following.)

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A Director will not include false or misleading information in a candidate's statement for a general District election filed pursuant to section 13307 of the Elections Code.

(Elections Code section 13313.)

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A perceived violation of the ethics guidelines (Ethics Policy articles 300.00 – 370.00) by a Director should be referred to the President of the Board or the full Board of Directors for investigation and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to the District, including but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, (c) referral of the violation to the District Attorney and/or the grand jury; or (d) investigation and action under the District's Workplace Dishonesty Policy (PL - Adm 006) and Procedures (PR - Adm 004).

400.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 7

Date: November 21, 2022

Subject: Resolution No. 22-13 Amending Regulation No. 15 – Water Conservation, of the Regulations Governing Water Service

Staff Contact: Greg Bundesen, Water Conservation Supervisor

Recommended Board Action:

Adopt Resolution No. 22-13 (Attachment 1) amending Regulation No. 15 of the Regulations Governing Water Service.

Discussion:

The primary purpose of Regulation No. 15 is to annually assess the District's ability to serve 100% of its customer demand with the water resources available and determine the appropriate water conservation stage. Staff has reviewed Regulation No. 15 and is recommending the following changes:

1. Remove the definition of a water year beginning October 1st of each year and do not define a water year from section B.
 - a. The original intent of defining the water year on October 1st, was to align with the State's defined water year. Staff has since reconsidered this for the purposes of Regulation No. 15 since the District's annual water supply and demand assessment is due to the State by July 1st of each. Staff is not recommending a water year definition in Regulation No. 15 to maintain state reporting flexibility.
2. In all Water Conservation Stages, change the prohibited watering times from Noon to 8:00 p.m. between the months of May through August to Noon to 6:00 p.m. all year.
 - a. Staff has received feedback from customers that the change in watering times can be confusing. Staff is recommending that the watering time restrictions be consistent throughout the year. Staff chose 6:00 p.m. as the end of the restricted watering time instead of 8:00 p.m. as some of the District's senior customers that water their yards with garden hoses would like to do so in the daylight hours in the fall and spring.

3. Change the date that all water waste notice violation records are expunged from October 1st to January 1st.
 - a. Staff originally aligned the expunged date with the water year (October 1st); however, since the District operates on a calendar year for budgeting purposes, staff feels it would be more appropriate and less confusing for customers to align the expunging date with the calendar year.
4. Various language updates that do not change the nature of the section in which they were changed.

Staff believes that the recommended amendments will provide clarity of the Regulation's water use expectations. Legal has reviewed the proposed updates to the Regulation. A redline version of Regulation No. 15 is provided as Attachment 2.

Fiscal Impact:

There is no projected fiscal impact to the recommended Regulation No. 15 updates.

Strategic Plan Alignment:

Goal B – Optimize Operational and Organization Efficiencies.

Attachments:

1. Resolution No. 22-13
2. Regulation No. 15 – Water Conservation – redline version

RESOLUTION NO. 22-13

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SACRAMENTO SUBURBAN WATER DISTRICT AMENDING REGULATION NO. 15 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”; and

WHEREAS, the Board now desires to approve various clarifying and editorial amendments to Regulation No. 15 of the Regulations Governing Water Service as described in this Resolution and as further set forth in the revised version of Regulation No. 15 as attached to this Resolution as Exhibit A.

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

1. The amendments to Regulation No. 15 are hereby approved as shown in Exhibit A, which is attached to and made a part of this Resolution.
2. The Board authorizes and directs the General Manager and staff to take all actions necessary to publish the Board-approved amendments to Regulation No. 15 and to enforce such amended regulations in accordance with the authority granted by this Resolution.
3. 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.
4. This Resolution shall take effect as of November 21, 2022.

PASSED AND ADOPTED by the Board of Directors of the Sacramento Suburban Water District on the 21st day of November 2022, by the following vote:

AYES:
NOES:
ABSENT:

By: _____
Craig Locke
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 21st day of November 2022.

(SEAL)

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

Regulation No. 15
Water Conservation

Adopted: July 19, 2004
Amended: November 21, 2022

A. Water Supply and Demand Assessment

Each year, the District's Board of Directors (Board), in accordance with the California Water Code, shall prepare an annual water supply and demand assessment (Annual Assessment) to determine the adequacy of the District's water supply to provide 100% of water demands. The steps for the Annual Assessment shall be maintained in the Urban Water Management Plan's (UWMP) Water Shortage Contingency Plan (WSCP) (UWMP 2020 Update, Appendix E). The Board shall declare a water conservation stage based on the results of the Annual Assessment.

B. Water Conservation Stage Declaration

Each year, the District Board of Directors shall declare the water stage applicable to the District. The declaration shall consist of "adequate water supply", or one of the four (4) stages of varying mandated water conservation measures. The applicable stage determined by the District shall be effective upon adoption by the Board each water year and shall remain in effect until changed by the Board.

Regardless of water supply availability or service conditions within the District, the Board of Directors reserves the right to set water conservation goals and modify stage declarations as necessary to align with regional or state water conservation policies, agreements or declarations, or legal requirements. All wasteful or unreasonable uses of District water, whether willful or negligent, are prohibited. The General Manager, following the guidelines set forth in this Regulation and other relevant Board policies, state laws, and local regulations, shall determine what constitutes a wasteful or unreasonable use of water.

WATER USE PERMITTED

Water used for the following purposes is considered essential for public health and safety and is therefore permitted during all stage declarations:

1. Water use for firefighting, routine inspection of fire hydrants, or for fire training activities;
2. Water applied to abate spills of flammable or other hazardous materials, where water is an appropriate abatement methodology; and,
3. Water applied to prevent or abate imminent health, safety, or accident hazards when alternate methods are not available.

ADEQUATE WATER SUPPLY

Water supply conditions are considered “adequate” when there are adequate supplies of water to meet 100% of water demand. The goal of this stage is the use of water efficiently in conformance with the water conservation Demand Management Measures (DMM) specified in the District’s UWMP. Requirements specified in this stage are applicable to and in force at all times and in all other stages of this regulation and the WSCP. The following water use prohibitions shall be in force during Adequate Water Supply and in all subsequent stage declarations unless otherwise modified by the Board:

1. Water must not be permitted to discharge, flow, or run to waste into any gutter, sanitary sewer, water course, or storm drain, or to any adjacent lot, from any tap, hose, faucet, pipe, sprinkler, or nozzle. In the case of irrigation, “discharge,” “flow,” or “run to waste” means that the earth intended to be irrigated has been saturated with water to the point that excess water flows over the earth to waste. In the case of washing, “discharge,” “flow,” or “run to waste” means the water in excess of that which is necessary to wash, wet or clean the dirty or dusty object, such as an automobile or boat, flows to waste;
2. The washing of vehicles is permitted only with the use of a water saver hose end nozzle equipped with automatic shut-off and bucket, provided minimal runoff occurs on sidewalks or street;
3. The use of water for washing down sidewalks, walkways, driveways, parking lots, homes or buildings is prohibited except as necessary for health, sanitary, or fire protection purposes. A Customer desiring a variance may submit a written request to the District which will be reviewed by the Water Conservation Supervisor and submitted to the General Manager or his designee for approval or denial;
4. Customers watering food grown for personal consumption are exempt from any watering day restrictions in all Water Conservation Stages;
5. All water hoses or filling apparatus shall be equipped with a control water saver hose end nozzle capable of completely shutting off the flow of water except when positive pressure to the water saver hose end nozzle is applied;
6. All water fixtures or heating or cooling devices must not be allowed to leak or discharge. All known leaks must be repaired within seven (7) days or less depending on the severity of the leak.
7. The operation of an irrigation system that applies water to an impervious surface (example: concrete or asphalt) or that is in disrepair is prohibited;
8. Water during cooler morning and evening hours to reduce evaporation and avoid peak energy demand times. Outdoor watering from 12:00 noon to 6:00 p.m. is prohibited;
9. Irrigation of landscaping within 48 hours of measurable rainfall is prohibited. Measurable rainfall shall be defined as any rainfall equal to or greater than 1/8 of an inch;

10. Backwashing or overfilling, so as to discharge water to waste, swimming pools, decorative basins, or ponds in excess of the frequency reasonably necessary to maintain the clarity or cleanliness of the water is prohibited;
11. All pools, spas, decorative or ornamental fountains, ponds and waterways must be equipped with a recirculation pump and must be constructed to be leak-proof;
12. The use of water from a fire hydrant without the expressed written permission from the District is prohibited;
13. The use of water in new conveyer car washes and new commercial laundry systems that do not use a recirculation system shall be prohibited;
14. Customers enrolled in the Large Irrigation Services Customer (LISC) program shall adhere to the LISC Agreement, as signed by both the Customer and the District;
15. The serving of water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased is prohibited;
16. The irrigation of any ornamental turf located in a street median is prohibited;
17. The irrigation of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development is prohibited;
18. To promote water conservation, operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom using clear and easily understood language;
19. Customers may register their Weather Based Irrigation Controllers (WBIC) with the District for consideration in subsequent Water Conservation Stages. Customers with a registered WBIC shall be exempt from any watering schedule in any subsequent Water Conservation Stage, provided the WBIC is in good repair and set to operate off of its intended weather based operating instructions. Customers with a registered WBIC can allow the controller to operate with 100% of evapotranspiration (ET) settings for the Sacramento area in Adequate Water Supply conditions; and,
20. Customers utilizing a drip irrigation system to irrigate their landscape (including subsurface drip irrigation systems for turf/lawn areas) are exempt from any watering day restrictions listed or determined by the Board in all subsequent Water Conservation Stages.

The following are recommended practices for Adequate Water Supply conditions:

1. Watering three (3) days or less per week is encouraged;
 - a. Customers whose address ends with an odd number are encouraged to only water on Tuesdays, Thursdays and Saturdays.

- b. Customers whose address ends with an even number are encouraged to only water on Sundays, Wednesdays and Fridays.
 - c. Watering on Mondays is not recommended.
 2. Pool covers for swimming pools and spas are recommended to reduce evaporation;
 3. Customers are encouraged to wash only full loads of laundry and dishes;
 4. District Customers are encouraged to take advantage of the District's conservation programs and rebates; and,
 5. Customers with WBIC are recommended to operate their controller using 80% of ET for the Sacramento region.

When water supply conditions are not adequate to meet 100% of water demands, one of the following four (4) stages, including their water use prohibitions and water conservation requirements as listed in the WSCP, shall be declared by the Board and observed by all water users within the District.

STAGE 1 – WATER ALERT

Water supply conditions may be impeded by lack of available sources including surface water supplies conjunctively used by the District, regional circumstances or statewide climate influences. The goal of this stage is to reduce District-wide consumption of water by up to 20% in order to meet the needs of District Customers, comply with State mandates, cooperate with regional programs and/or comply with County regulations declaring water shortages. The requirements for Stage 1 can be found in the WSCP table 4.

STAGE 2 – WATER WARNING

Water supply conditions may be impeded by lack of available sources including surface water supplies conjunctively used by the District, regional circumstances or statewide climate influences. The goal of this stage is to reduce District-wide consumption of water by up to 30% in order to meet the needs of District Customers, comply with State mandates, cooperate with regional programs and/or comply with County regulations declaring water shortages. The requirements for Stage 2 can be found in the WSCP table 4.

STAGE 3 – WATER CRISIS

Water supply conditions are significantly impeded by interruption of available sources, a regional emergency, a county emergency or state mandates. The goal of this stage is to reduce District-wide consumption of water by up to 40% in order to meet the needs of District Customers. A declaration of this stage will be in conformance with the activation of the District's Emergency Response Plan and/or Water Shortage Contingency Plan. The requirements for Stage 3 can be found in the WSCP table 4.

STAGE 4 – WATER EMERGENCY (Public Health and Safety Only)

Water supply conditions are significantly impeded by interruption of available sources, a regional emergency, a county emergency or state mandates. The goal of this stage is to reduce

District-wide consumption of water by greater than 50% in order to meet the needs of District Customers. A declaration of this stage will be in conformance with the activation of the District's Emergency Response Plan. The requirements for Stage 4 can be found in the WSCP table 4.

C. ENFORCEMENT

Enforcement of any violation of the water conservation requirements outlined in this Regulation No. 15 is provided in this section. Service charges will be assessed for a violation of the District's conservation rules in accordance with the following provisions. A Customer will be notified when violations may result in service charges. The service charges that may be assessed are provided in Section L of Regulation No. 3. In cases of tenant occupancy, landowners retain full responsibility for the use of water by their tenants, including payment of any service charges imposed for violations of this Regulation No. 15.

Enforcement of the requirements of each water conservation stage will be conducted in a progressive manner and may ultimately lead to termination of service in cases where a violator refuses to discontinue activities constituting water waste. The enforcement steps are as follows:

Notice of Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of the existence of a violation, the District shall request Customer compliance with this Regulation by a Notice of Violation delivered by mail or a door hanger.

Warning Notice of Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction of the existence of a violation, the District shall request Customer compliance with this Regulation via a Warning Notice of Violation delivered either by mail or a door hanger.

1st Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of the existence of the next violation after a Warning was issued, the District shall request Customer compliance with this Regulation via a 1st Violation Notice delivered by mail or a door hanger by District personnel and/or by certified mail to the billing address of the Premises upon which the 1st Violation has occurred.

The 1st Violation charged to a Premises will begin the District's monitoring of that Premises for water waste. Should there be no additional violations on the Premises prior to the conclusion of the calendar year, then that Premises' violation from the previous year will be expunged and the Premises will be deemed to be free of violations and the counting of any violations incurred in the new calendar year will begin on a clean record. The District shall keep on file copies of all violations of the District's water conservation requirements that were incurred in the same calendar year.

For one time only upon Customer request, a Customer may participate in a Water-Wise House Call to remove a 1st violation from the Customer's record for the current calendar year.

2nd Violation: Upon observation by authorized District personnel or demonstrated to the District's satisfaction, of a second water conservation violation of any kind on the same Parcel, the Customer shall be notified of the 2nd Violation in writing at the established billing address. The District will assess a service charge for the 2nd Violation, which will be added to the Customer's next bill. The 2nd Violation service charge will be billed in accordance with Regulation No. 3, Section L.1.

If a 2nd Violation occurs at a Stage 2 or higher Water Conservation Stage in this Regulation on any non-metered service, the District shall install a permanent water meter on any existing Service Connection on the Premises where the violation occurred and/or the District may impose an additional service charge as approved by the District Board of Directors. Metered rate billing will be initiated on the account at the next billing period following the meter installation.

A Customer may avoid paying a service charge for a 2nd Violation by attending a water conservation awareness workshop at the Customer's expense and participating in a Water-Wise House Call if not completed following the 1st Violation.

3rd Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of a third water conservation violation of any kind on the same Premises, the Customer shall be notified of the violation in writing at the established billing address by District personnel and/or via certified mail. The District will assess a service charge for the violation, which will be added to Customer's next bill in accordance to Regulation 3, Section L.2. The notice of a 3rd Violation also will state that a subsequent violation (4th Violation) may result in disconnection or reduction of service.

Fourth Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of a fourth water conservation violation of any kind on the same Premises, the Customer shall be notified of the violation in writing at the established billing address by District personnel and/or via certified mail. The District will assess a charge for the 4th Violation as follows:

Flat Rate Services: Upon the 4th Violation of a non-metered account, the District may discontinue or reduce the water supply to the Premises where the violation occurred. The District shall, in its sole discretion, decide whether to discontinue or reduce service based on all of the facts and circumstances of the 4th Violation and the Customer's past water use history. The Customer shall be notified in writing by District personnel of the 4th Violation and that a water meter shall be installed on that Premises. The Customer shall bear the cost of installing the meter, which shall be based on the cost of the District's time and materials. The installation of a meter shall cause the billing for the Premises to be changed from a flat rate to a metered

rate. The monthly charge for a metered service will be computed on the current metered rate as more specifically set forth in the District's Regulation No. 3 and any additional tiered water conservation rates adopted by the Board. The installation of this meter shall be deemed permanent.

Metered Services: Upon a 4th Violation on an existing metered service, the District will notify the Customer of the 4th Violation in writing at the established billing address by District personnel. The Customer will be informed that an additional charge for servicing the violation will be included in his/her next billing. The amount of the charge is as follows:

1-inch or smaller service: 25% of the amount of the water bill for the month in which the violation occurs.

1½ inch or larger service: 50% of the amount of the water bill for the month in which the violation occurs.

In addition, the District may discontinue or reduce the water supply to the Premises where the 4th Violation occurred. The District shall, in its sole discretion, decide whether to discontinue or reduce service based on all of the facts and circumstances of the 4th Violation and the Customer's past water use history. To restore service or full flow capabilities, the affected Customer will be required to request a hearing of the District Board of Directors, where the Customer may present evidence to the Board concerning the 4th Violation and request the restoration of water service. At its next regular meeting after the hearing, the District Board shall enter into the record its findings and decision concerning the service restoration request and each issue there under. The Board's decision shall be final. The Secretary of the Board will mail the Board's written findings and decision to the Customer within thirty days (30) after the date that the Board renders its decision.

Where compliance with the requirements of this Regulation No. 15 are beyond the control of the Customer and written justification and supporting evidence has been provided by the Customer and verified by a District representative, the General Manager may excuse a violation. Approval of such a variance by the General Manager shall be conditioned on the Customer's cooperation with the District in resolving the violation.

Where a water conservation violation occurs on a Premises improved with multiple family units, and it is not practical to determine which unit is responsible for the violation, the District will assess the service charge described above for existing metered rates.

Where water is wastefully or negligently used on a Premises to the extent that the violation seriously affects the District's general service capability, the District may temporarily discontinue service to the Premises. Water service shall be restored when the water waste conditions causing the general service disruption are corrected. Notice by door hanger shall be deemed sufficient written notice for this purpose.

When encountered in the course of routine daily activity, District personnel have the responsibility and authority to control leaks on any Premises at the point of connection or at the valve controlling the Customer's System. When water is shut off for control of a leak, the District will provide the Customer with notice of the condition.

When a leak is discovered on a Customer's Premises and it is verified that the leak is occurring from the Customer's side of the Point of Responsibility, the District shall require the following:

1. The District will provide written notification via mail and/or notice left at the Premises that the Customer has 7 days to make the repairs necessary to abate the leak in question.
 - a. The District will offer the Customer a Leak Investigation to help find the leak on the Premises. The Premises' water use will be surveyed and evaluated.
 - b. The Customer can extend the 7 day period by providing a written verification that the leak has been scheduled to be repaired.
2. If the leak in question is not repaired at the end of the 7 day period, the District shall issue the Customer a 48-hour (business hours) notice to repair by either mail and/or notice left at the Premises.
 - a. The Customer can extend the 48-hour period by providing a written verification that the leak has been scheduled to be repaired within the 48-hour extension.
3. If the leak in question had not been repaired at the end of the 48-hour period, the District shall issue a 24-hour (business hours) to repair by either mail or notice left at the Premises.
 - a. The Customer can extend the 24-hour period by providing a written verification that the leak has been scheduled to be repaired within that period.
4. If the leak in question has not been repaired at the end of the 24-hour period, and the Customer has not provided the District with a written verification that the leak is scheduled for immediate repair, the District may discontinue service to the Premises until all necessary repairs to repair the leak have been demonstrated as complete or scheduled to be completed.

Each year on January 1st, all District Customers shall have their water use violation records expunged. Each Customer will start anew on January 1st, with zero water waste violations.

D. Water Use Efficiency and Conservation Program

In accordance with the Urban Water Management Planning Act, the District shall maintain, at a minimum, a Water Use Efficiency and Conservation Program consisting of Demand Management Measures (DMM) as defined in the Urban Water Management Plan. The DMMs shall include, but will not be limited to, the following:

1. Water Loss Management;
2. Community Outreach;
3. Public Education;

4. Residential;
5. Commercial, Industrial, Institutional; and,
6. Dedicated Irrigation

The District shall provide all of the materials necessary to implement and maintain the DMMs. DMM implementation shall be tracked in accordance with the Urban Water Management Planning Act.

E. Water Shortage Contingency Plan

In accordance with the Urban Water Management Planning Act, the District shall prepare and maintain a WSCP. The Plan shall consist of the following sections: Water Supply Reliability Analysis, Water Use Permitted, Water Shortage Stages, Emergency Response Plan, Seismic Risk Assessment and Mitigation Plan, Communication Protocols, Compliance and Enforcement, Legal Authorities, Financial Consequences, Monitoring and Reporting, and the procedures for refinement, adoption, submittal and availability. The WSCP shall outline the water conservation stages and actions to ensure water is used in a beneficial fashion and, when necessary, reduce water use in response to a water shortage. The WSCP shall be included in the District's UWMP and be made available on the District website and for public review at the District's administration office.

**Regulation No. 15
Water Conservation**

Adopted: July 19, 2004

Amended: ~~June 21, 2021~~ November 21, 2022

A. Water Supply and Demand Assessment

Each year, the District’s Board of Directors (Board), in accordance with the California Water Code, shall prepare an annual water supply and demand assessment (Annual Assessment) to determine the adequacy of the District’s water supply to provide 100% of water demands. The steps for the Annual Assessment shall be maintained in the Urban Water Management Plan’s (UWMP) Water Shortage Contingency Plan (WSCP) (UWMP 2020 Update, Appendix E). The Board shall declare a water conservation stage based on the results of the Annual Assessment.

B. Water Conservation Stage Declaration

Each year, the District Board of Directors shall declare the water stage applicable to the District. The declaration shall consist of “adequate water supply”, or one of the four (4) stages of varying mandated water conservation measures. The applicable stage determined by the District shall be effective upon adoption by the Board each water year and shall remain in effect until changed by the Board. ~~The water year shall be defined as the period starting October 1 and lasting until September 30 of the following year.~~

Regardless of water supply availability or service conditions within the District, the Board of Directors reserves the right to set water conservation goals and modify stage declarations as necessary to align with regional or state water conservation policies, agreements or declarations, or legal requirements. All wasteful ~~practices~~ or unreasonable uses of District water, whether willful or negligent, are ~~always~~ prohibited. The General Manager, following the guidelines set forth in this Regulation and other relevant Board policies, state laws, and local regulations, shall determine what constitutes a wasteful ~~practice~~ or unreasonable use of water.

WATER USE PERMITTED

Water used for the following purposes is considered essential for public health and safety and is therefore permitted during all stage declarations:

1. Water use for firefighting, routine inspection of fire hydrants, or for fire training activities;
2. Water applied to abate spills of flammable or other hazardous materials, where water is an appropriate abatement methodology; and,

3. Water applied to prevent or abate imminent health, safety, or accident hazards when alternate methods are not available.

ADEQUATE WATER SUPPLY

Water supply conditions are considered “adequate” when there are adequate supplies of water to meet 100% of water demand. The goal of this stage is the use of water efficiently in conformance with the water conservation Demand Management Measures (DMM) specified in the District’s UWMP. Requirements specified in this stage are applicable to and in force at all times and in all other stages of this regulation and the WSCP. The following ~~requirements~~ water use prohibitions shall be in force during Adequate Water Supply and in all subsequent stage declarations unless ~~the otherwise modified by the~~ Board ~~modifies or adds to these~~ restrictions:

1. Water must not be permitted to discharge, flow, or run to waste into any gutter, sanitary sewer, water course, or storm drain, or to any adjacent lot, from any tap, hose, faucet, pipe, sprinkler, or nozzle. In the case of irrigation, “discharge,” “flow,” or “run to waste” means that the earth intended to be irrigated has been saturated with water to the point that excess water flows over the earth to waste. In the case of washing, “discharge,” “flow,” or “run to waste” means the water in excess of that which is necessary to wash, wet or clean the dirty or dusty object, such as an automobile or boat, flows to waste;
2. The washing of vehicles is permitted only with the use of a water saver hose end nozzle equipped with automatic shut-off and bucket, provided minimal runoff occurs on sidewalks or street;
3. The use of water for washing down sidewalks, walkways, driveways, parking lots, homes or buildings is prohibited except as necessary for health, sanitary, or fire protection purposes. A Customer desiring a variance may submit a written request to the District which will be reviewed by the Water Conservation Supervisor and submitted to the General Manager or his designee for approval or denial;
4. Customers watering food grown for personal consumption are exempt from any watering day restrictions in all Water Conservation Stages;
5. All water hoses or filling apparatus shall be equipped with a control water saver hose end nozzle capable of completely shutting off the flow of water except when positive pressure to the water saver hose end nozzle is applied;
6. All water fixtures or heating or cooling devices must not be allowed to leak or discharge. All known leaks must be repaired within seven (7) days or less depending on the severity of the leak.
7. The operation of an irrigation system that applies water to an impervious surface (example: concrete or asphalt) or that is in disrepair is prohibited;
8. Water during cooler morning and evening hours to reduce evaporation and avoid peak energy demand times. Outdoor watering from 12:00 noon to 6:00 p.m. ~~during the~~

~~months of May—August is prohibited; & watering from 12:00 noon to 6:00 p.m. during the months of September—April is prohibited;~~

9. Irrigation of landscaping within 48 hours of measurable rainfall is prohibited. Measurable rainfall shall be defined as any rainfall equal to or greater than 1/8 of an inch;
10. Backwashing or overfilling, so as to discharge water to waste, swimming pools, decorative basins, or ponds in excess of the frequency reasonably necessary to maintain the clarity or cleanliness of the water is prohibited;
11. All pools, spas, decorative or ornamental fountains, ponds and waterways must be equipped with a recirculation pump and must be constructed to be leak-proof;
12. The use of water from a fire hydrant without the expressed written permission from the District is prohibited;
13. The use of water in new conveyer car washes and new commercial laundry systems that do not use a recirculation system shall be prohibited;
14. Customers enrolled in the Large Irrigation Services Customer (LISC) program shall adhere to the LISC Agreement, as signed by both the Ceustomer and the District;
15. The serving of water other than upon request in eating or drinking establishments, including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased is prohibited;
16. The irrigation of any ornamental turf located in a street median is prohibited;
17. The irrigation of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development is prohibited;
18. To promote water conservation, operators of hotels and motels shall provide guests with the option of choosing not to have towels and linens laundered daily. The hotel or motel shall prominently display notice of this option in each guestroom using clear and easily understood language;
19. Customers may register their Weather Based Irrigation Controllers (WBIC) with the District for consideration in subsequent Water Conservation Stages. Customers with a registered WBIC shall be exempt from any watering schedule in any subsequent Water Conservation Stage, provided the WBIC is in good repair and set to operate off of its intended weather based operating instructions. Customers with a registered WBIC can allow the controller to operate with 100% of evapotranspiration (ET) settings for the Sacramento area in Adequate Water Supply conditions; and,
20. Customers utilizing a drip irrigation system to irrigate their landscape (including subsurface drip irrigation systems for turf/lawn areas) are exempt from any watering day restrictions listed or determined by the Board in all subsequent Water Conservation Stages.

The following are recommended practices for Adequate Water Supply conditions:

1. Watering three (3) days or less per week is encouraged;
 - a. Customers whose address ends with an odd number are encouraged to only water on Tuesdays, Thursdays and Saturdays.
 - b. Customers whose address ends with an even number are encouraged to only water on Sundays, Wednesdays and Fridays.
 - c. Watering on Mondays is not recommended.
2. Pool covers for swimming pools and spas are recommended to reduce evaporation;
3. Customers are encouraged to wash only full loads of laundry and dishes;
4. District Customers are encouraged to take advantage of the District's conservation programs and rebates; and,
5. Customers with WBIC are recommended to operate their controller using 80% of ET for the Sacramento region.

When water supply conditions are not adequate to meet 100% of water demands, one of the following four (4) stages, including their water use prohibitions and water conservation requirements as listed in the WSCP, shall be declared by the Board and observed by all water users within the District.

STAGE 1 – WATER ALERT

Water supply conditions may be impeded by lack of available sources including surface water supplies conjunctively used by the District, regional circumstances or statewide climate influences. The goal of this stage is to reduce District-wide consumption of water by up to 20% in order to meet the needs of District Customers, comply with State mandates, cooperate with regional programs and/or comply with County regulations declaring water shortages. The requirements for Stage 1 can be found in the WSCP table 4.

STAGE 2 – WATER WARNING

Water supply conditions may be impeded by lack of available sources including surface water supplies conjunctively used by the District, regional circumstances or statewide climate influences. The goal of this stage is to reduce District-wide consumption of water by up to 30% in order to meet the needs of District Customers, comply with State mandates, cooperate with regional programs and/or comply with County regulations declaring water shortages. The requirements for Stage 2 can be found in the WSCP table 4.

STAGE 3 – WATER CRISIS

Water supply conditions are significantly impeded by interruption of available sources, a regional emergency, a county emergency or state mandates. The goal of this stage is to reduce District-wide consumption of water by up to 40% in order to meet the needs of District Customers. A declaration of this stage will be in conformance with the activation of the

District's Emergency Response Plan and/or Water Shortage Contingency Plan. The requirements for Stage 3 can be found in the WSCP table 4.

STAGE 4 – WATER EMERGENCY (Public Health and Safety Only)

Water supply conditions are significantly impeded by interruption of available sources, a regional emergency, a county emergency or state mandates. The goal of this stage is to reduce District-wide consumption of water by greater than 50% in order to meet the needs of District Customers. A declaration of this stage will be in conformance with the activation of the District's Emergency Response Plan. The requirements for Stage 4 can be found in the WSCP table 4.

C. ENFORCEMENT

Enforcement of any violation of the water conservation requirements outlined in this Regulation No. 15 is provided in this section. Service charges will be assessed for a violation of the District's conservation rules in accordance with the following provisions. A Customer will be notified when violations may result in service charges. The service charges that may be assessed are provided in Section L of Regulation No. 3. In cases of tenant occupancy, landowners retain full responsibility for the use of water by their tenants, including payment of any service charges imposed for violations of this Regulation No. 15.

Enforcement of the requirements of each water conservation stage will be conducted in a progressive manner and may ultimately lead to termination of service in cases where a violator refuses to discontinue activities constituting water waste. The enforcement steps are as follows:

Notice of Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of the existence of a violation, the District shall request Customer compliance with this Regulation ~~via~~ by a Notice of Violation delivered by either mailed or a door hanger ~~delivered in person.~~

Warning Notice of Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of the existence of a violation, the District shall request Customer compliance with this Regulation via a Warning Notice of Violation delivered either by mailed or a door hanger ~~in person.~~

First 1st Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of the existence of the next violation after a Warning was issued, the District shall request Customer compliance with this Regulation via a 1st Violation ~~Notice~~ delivered via by mail or a door hanger ~~in person~~ by District personnel and/or by certified mail to the billing address of the Parcel ~~property~~ Premises upon which the 1st ~~violation~~ has occurred.

The ~~first-1st~~ ~~¶~~Violation charged to a ~~Parcel-property~~Premises will begin the District's monitoring of that ~~PremisesParcel-property~~ for water waste. Should there be no additional violations on the ~~PremisesParcel-property~~ prior to the conclusion of the ~~current-water~~ ~~yearcalendar year~~, then that ~~Premises'Parcel's-property's~~ violation from the previous year will be expunged and the ~~PremisesParcel-property~~ will be deemed to be free of violations and the counting of any violations incurred in the new ~~water-calendar~~ year will begin on a clean record. The District shall keep on file copies of all violations of the District's water conservation requirements that were incurred in the same ~~water-calendar~~ year.

For one time only, ~~and~~ upon eCustomer request, a eCustomer may participate in a Water-Wise House Call to remove a ~~First-1st~~ ~~¶~~Violation from the eCustomer's record for the current ~~water~~ ~~calendar~~ year.

~~Second-2nd~~ Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of a second water conservation violation of any kind on the same ~~Parcelproperty~~, the Customer ~~and Landowner~~ shall be notified of the 2nd ~~¶~~Violation in writing at the established billing address ~~by District personnel and/or via certified mail~~. The District will assess a service charge for the ~~2nd~~ ~~¶~~Violation, which will be added to the Customer's next bill. The ~~second-2nd~~ ~~¶~~Violation service charge will be billed in accordance with Regulation No. 3, Section L.1.

If a ~~second-2nd~~ ~~¶~~Violation occurs at a Stage 2 or higher Water Conservation Stage in this Regulation on any non-metered service, the District shall install a permanent water meter on any existing Service Connection on the ~~PremisesParcel-property~~ where the violation occurred and/or the District may impose an additional service charge as approved by the District Board of Directors. Metered rate billing will be initiated on the account at the next billing period following the meter installation.

A Customer may avoid paying a service charge for a ~~Second-2nd~~ ~~¶~~Violation by attending a water conservation awareness workshop at the eCustomer's expense and participating in a Water-Wise House Call if not completed following the ~~first-1st~~ ~~¶~~Violation.

~~Third-3rd~~ Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of a third water conservation violation of any kind on the same ~~PremisesParcelproperty~~, the Customer ~~and Landowner~~ shall be notified of the violation in writing at the established billing address by District personnel and/or via certified mail. The District will assess a service charge for the violation, which will be added to Customer's next bill in accordance to Regulation 3, Section L.2. The notice of ~~a 3rd~~ ~~¶~~Violation also will state that a subsequent violation (~~4th Violation~~) may result in disconnection or reduction of service.

Fourth Violation: Upon observation by authorized District personnel, or demonstrated to the District's satisfaction, of a fourth water conservation violation of any kind on the same ~~PremisesParcelproperty~~, the Customer ~~and Landowner~~ shall be notified of the violation in

writing at the established billing address by District personnel and/or via certified mail. The District will assess a charge for the ~~fourth 4th water conservation~~ 4th Violation as follows:

Flat Rate Services: Upon the ~~fourth 4th water conservation~~ 4th Violation of a non-metered account, the District may discontinue or reduce the water supply to the PremisesParcelproperty where the violation occurred. The District shall, in its sole discretion, decide whether to ~~terminate-discontinue~~ or reduce service based on all of the facts and circumstances of the 4th Violation and the Customer's past water use history. The ~~Landowner eCustomer~~ shall be notified in writing by District personnel ~~and/or via certified mail~~ of the 4th Violation and that a water meter shall be installed on that PremisesParcelproperty. The ~~Landowner eCustomer~~ shall bear the cost of installing the meter, which shall be based on the cost of the District's time and materials. The installation of ~~this a~~ meter shall cause the billing for the PremisesParcelproperty to be changed from a flat rate to a metered rate. The monthly charge for a metered service will be computed on the current metered rate as more specifically set forth in the District's Regulation No. 3 and any additional tiered water conservation rates adopted by the Board. The installation of this ~~M~~meter shall be deemed permanent.

Metered Services: Upon ~~the fourth water conservation a~~ 4th Violation on an existing metered service, the District will notify the ~~Landowner eCustomer~~ of the 4th Violation in writing at the established billing address by District personnel ~~and/or via certified mail~~. The ~~Landowner eCustomer~~ will be informed that an additional charge for servicing the violation will be included in his/her next billing. The amount of the charge is as follows:

1-inch or smaller service: 25% of the amount of the water bill for the month in which the violation occurs.

1½ inch or larger service: 50% of the amount of the water bill for the month in which the violation occurs.

In addition, the District may discontinue or reduce the water supply to the PremisesParcelproperty where the 4th Violation occurred. The District shall, in its sole discretion, decide whether to ~~terminate-discontinue~~ or reduce service based on all of the facts and circumstances of the 4th Violation and the Customer's past water use history. To restore service or full flow capabilities, the affected Customer will be required to request a hearing of the District Board of Directors, where the Customer may present evidence to the Board concerning the 4th Violation and request the restoration of water service. At its next regular meeting after the hearing, the District Board shall enter into the record its findings and decision concerning the service restoration request and each issue there under. The Board's decision ~~will-sahll~~ be final. The Secretary of the Board will mail the Board's written findings and decision to the Customer within thirty days (30) after the date that the Board renders its decision.

Where compliance with the requirements of this Regulation No. 15 are beyond the control of the ~~C~~ustomer ~~or Landowner~~ and written justification and supporting evidence has been provided by the Customer ~~or Landowner~~ and verified by a District representative, the General Manager may excuse ~~the a~~ violation. Approval of such a variance by the General Manager shall be conditioned on the ~~C~~ustomer's ~~or Landowner's~~ cooperation with the District in resolving the violation.

Where a water conservation violation occurs on a ~~Premises~~~~Parcel~~ ~~property~~ improved with multiple family units, and it is not practical to determine which unit is responsible for the violation, the District will assess the service charge described above for existing metered rates.

Where water is wastefully or negligently used on a ~~water user's p~~~~Premises~~~~property~~ to the extent that the violation seriously affects the District's general service capability, the District may ~~temporarily~~ discontinue service to the ~~p~~~~Premises~~~~property~~. ~~if the Water service shall be restored when the~~ water waste conditions causing the general service disruption are ~~not~~ corrected ~~within twenty four (24) hours after the District provides the water user with the violation notice~~. A ~~Notice by~~ door hanger (~~notice~~) shall be deemed sufficient written notice for this purpose.

When encountered in the course of routine daily activity, District personnel have the responsibility and authority to control leaks on any Premises ~~property~~ at the point of connection or at the valve controlling the ~~C~~ustomer's ~~S~~ystem. When water is shut off for control of a leak, the District will provide the Customer with notice of the condition.

When a leak is discovered on a ~~eustomer's~~~~Customer's~~ ~~property~~ ~~per~~~~property~~~~Premises~~ and it is verified that the leak is occurring from the ~~eustomer's~~~~Customer's~~ side of the ~~P~~oint of ~~C~~onnection~~Responsibility~~, the District shall require the following:

1. The District will provide written notification via mail and/or notice left at the ~~Premises~~~~location~~ ~~property~~ that the ~~eustomer~~~~Customer~~ has 7 days to make the repairs necessary to abate the leak in question.
 - a. The District will offer the ~~eustomer~~~~Customer~~ a ~~Water Wise House Call~~~~Leak Investigation~~ to ~~evaluate the water use~~~~help find the leak on the Premises~~ ~~at the location~~. The ~~location's~~ ~~property~~~~Premises's~~ water use will be surveyed and evaluated; ~~however, the District will not perform any kind in-depth water leak detection services~~.
 - b. The ~~eustomer~~~~Customer~~ can extend the 7 day period by providing a written verification that the leak has been scheduled to be repaired.
2. If the leak in question is not repaired at the end of the 7 day period, the District shall issue the ~~eustomer~~~~Customer~~ a 48- hour (business hours) notice to repair by either mail and/or notice left at the ~~location~~~~property~~~~Premises~~.

- a. The ~~eustomer~~Customer can extend the ~~48~~-hour period by providing a written verification that the leak has been scheduled to be repaired within the 48-hour extension.
3. If the leak in question had not been repaired at the end of the ~~48~~-hour period, the District shall issue a ~~24~~-hour (business hours) to repair by either mail or notice left at the ~~location~~property~~Premises~~.
- a. The ~~eustomer~~Customer can extend the ~~24~~-hour period by providing a written verification that the leak has been scheduled to be repaired within that period.
4. If the leak in question has not been repaired at the end of the ~~24~~-hour period, and the ~~eustomer~~Customer has not provided the District with a written verification that the leak is scheduled for immediate repair, the District may discontinue service to the ~~location~~property~~Premises~~ until all necessary repairs to ~~abate~~repair the leak have been demonstrated as complete or scheduled to be completed.

Each year on ~~October~~January 1st, all District ~~e~~Customers shall have their water use violation records expunged. Each ~~e~~Customer will start anew on ~~October~~January 1st, with zero water waste violations.

D. Water Use Efficiency and Conservation Program

In accordance with the Urban Water Management Planning Act, the District shall maintain, at a minimum, a Water Use Efficiency and Conservation Program consisting of ~~DMM~~Demand Management Measures (DMM) as defined in the Urban Water Management Plan. The DMMs shall include, but will not be limited to, the following:

1. Water Loss Management;
2. Community Outreach;
3. Public Education;
4. Residential;
5. Commercial, Industrial, Institutional; and,
6. ~~Landscape~~Dedicated Irrigation

The District shall provide all of the materials necessary to implement and maintain the DMMs. DMM implementation shall be tracked in accordance with the Urban Water Management Planning Act.

E. Water Shortage Contingency Plan

In accordance with the Urban Water Management Planning Act, the District shall prepare and maintain a WSCP. The Plan shall consist of the following sections: Water Supply Reliability Analysis, Water Use Permitted, Water Shortage Stages, Emergency Response Plan, Seismic Risk Assessment and Mitigation Plan, Communication Protocols, Compliance and Enforcement, Legal Authorities, Financial Consequences, Monitoring and Reporting, and the

procedures for refinement, adoption, submittal and availability. The WSCP shall outline the water conservation stages and actions to ensure water is used in a beneficial fashion and, when necessary, reduce water use in response to a water shortage. The WSCP shall be included in the District's UWMP and be made available on the District website and for public review at the District's administration office.



Agenda Item: 8

Date: November 21, 2022

Subject: Rating Downgrade of a District Investment

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

Recommended Board Action:

Continue to hold the Credit Suisse New York \$300,000 Negotiable Certificate of Deposit investment until maturity, unless Sacramento Suburban Water District's investment advisor advises liquidating prior to maturity.

Background:

Per the District policy, PL – Fin 003 – Investment Policy (Policy), “In the event a security held by the District is subject to a ratings change that brings it below the minimum ratings specified in this Policy, the Director of Finance and Administration/District Treasurer shall notify the Board of the change. The course of action to be followed will be decided on a case-by-case basis, subject to Board approval, considering such factors as the reason for the ratings drop, prognosis for recovery or further ratings drops, and the market price of the security.”

Discussion:

The District has an investment in a \$300,000 Negotiable Certificate of Deposit (CD) with Credit Suisse New York (\$295,102 fair market value as of October 31, 2022) which matures on March 17, 2023. The District's investment advisor, PFM Asset Management LLC (PFMAM), has been monitoring Credit Suisse on the District's behalf since it was purchased for the portfolio in March 2021. On November 1, 2022, Moody's Investor Service (Moody's) and Standard & Poor's Global Ratings (S&P) took rating actions on Credit Suisse Group AG and its operating subsidiaries which includes Credit Suisse New York. The ratings action lowered the credit rating one notch from A-1 to A-2 (S&P) and from P-1 to P-2 (Moody's) for Credit Suisse AG's operating bank subsidiaries. Credit Suisse AG's operating bank subsidiaries continue to hold a long-term rating in the “A” category by both Moody's and S&P. Per District Policy, Section 704.00 (d) – Negotiable Certificates of Deposit, the minimum short-term rating is A-1 or equivalent and the minimum long-term rating is “A” or its equivalent. Since the rating action brought the rating of the CD below the minimum short-term rating, per District Policy, staff is informing the Board of such action and requesting direction related to the investment.

The ratings downgrades were a result of what each rating agency perceived as execution risk inherent to the bank's strategic plan, given its breadth and complexity in an environment of deteriorating markets and macroeconomic conditions. Similarly, both rating agencies expressed

Rating Downgrade of a District Investment

November 21, 2022

Page 2 of 2

their expectations for the transformation to entail a long timeline during which earnings will be pressured by restructuring charges and potential marks on disposed assets. Nevertheless, both expressed views that the restructuring plan should result in a less complex and risky franchise with more stable returns. Based on PFMAM's fundamental view of Credit Suisse's financials, they remain comfortable continuing to hold the existing investment. Staff concurs with PFMAM that the District should continue to hold the investment unless liquidation is advised at some future date prior to maturity.

Fiscal Impact:

Retaining the holding could result in loss of a portion of the investment if a severe financial downturn should occur prior to maturity. Liquidating the holding prior to maturity would result in a realized loss on sale. As of October 31, 2022, the estimated realized loss is approximately \$5,000; and will change based on market conditions.

Strategic Plan Alignment:

Goal C - Ensure Fiscal Responsibility and Affordable Rates.



Agenda Item: 9

Date: November 21, 2022

Subject: Regional Water Authority Membership

Staff Contact: Dan York, General Manager

Recommended Board Action:

No action. Receive report and discuss Regional Water Authority membership benefits and funding.

Background:

At the October 5, 2022 Special Board Workshop to present the District's Draft CY2023 Budget, a Board of Director made a motion to not approve funding for Regional Water Authority (RWA) membership for 2023. The motion failed for a lack of a second. However, staff was directed to bring back to an upcoming Board meeting a report on what programs the District is a participating member, potential increased costs associated with not participating on regional efforts/programs if the District chose to not be a member of RWA.

In addition, a request was made to inform the Board of the RWA Executive Directors current compensation.

Discussion:

Per the direction of the Board, below is an overview of the programs the District is a participant, along with associated costs, the Executive Directors compensation, and costs associated with withdrawing from RWA.

The District's CY2023 budget for RWA membership/programs is as follows:

Annual Dues	\$85,000
Major Projects Management Services Subscription Program	\$19,400
Water Resilience Program Subscription Program	\$22,000
Water Efficiency Category 1 Program	\$40,000
Regional Water Bank, Phase 2	<u>\$80,000</u>
Total	\$246,400

Executive Director Compensation: The RWA Executive Director's current annual salary is \$235,212. The Executive Director received a 5% increase in compensation to his annual salary following the Executive Directors 2021 Performance Evaluation process. In addition, the Executive Director received a 5% bonus based on the results of the Executive Directors 2021 Performance Evaluation.

RWA Funding: The funding for RWA is derived from each member agency based on their service connections that are categorized by Small (up to 7,000 connections), Medium (up to 30,000 connections) and Large (over 30,000 connections) Agencies. The District is in the Large Agency category.

Withdrawal from RWA: Under the RWA Joint Powers Agreement (Agreement), a RWA member may withdraw from the Agreement, effective upon ninety days' written notice to RWA, provided that the withdrawing member shall remain responsible for any indebtedness incurred by the member under any Project or Program Agreement to which the member is a party, and further provided that the withdrawing member pays or agrees to pay its share of debts, liabilities and obligations of the RWA incurred by the member under this Agreement prior to the effective date of such withdrawal.

If the District chose to no longer be a member of RWA, there is a RWA policy that sets surcharge fees for agencies that otherwise could be RWA members, contracting entities, or associates. The costs for a non-member, contracting entity, or associate to participate in a subscription-based program includes the following surcharges in addition to the regular subscription program fees:

1. 20 percent of the amount the participant would normally pay for RWA core dues in the year in which a program is started; and
2. 20 percent of the amount of the participant's subscription costs for the duration of the program.

Either of the above surcharge components may be waived by the RWA Board of Directors on a case-by-case basis.

RWA Policy 500.16, Allocating Liabilities to Withdrawing Members, sets the provisions in the event a RWA member withdraws. Such withdrawal is subject to the provision that the withdrawing member "shall remain responsible for any indebtedness incurred by the Member under any Project or Program Agreement to which the Member is a party, and further provided that the withdrawing Member pays or agrees to pay its share of debts, liabilities and obligations of the Regional Water Authority incurred by the Member under this Agreement prior to the effective date of such withdrawal."

Unfunded Pension Liabilities: Since RWA membership is voluntary, it is important that the pension costs for employee services incurred while serving active members is adequately and timely funded by these RWA members as they receive these services so as to achieve intergenerational equity. The unfunded liability represents pension costs associated with past service of employees that have been received by RWA members. RWA's unfunded pension liability is considered incurred by the member for services received during membership. This liability shall be calculated and allocated to members who withdraw based upon the following framework:

- Determine the withdrawing member's proportion of annual dues for all years of membership.
 - Determine total RWA membership dues since organization inception in July 2001 for all remaining members, including the withdrawing member.
 - Calculate an allocation percentage for the withdrawing member by taking the dues in step one divided by the dues in step two.
 - Obtain the unfunded hypothetical termination liability ("UHTL") as prepared by the latest available CalPERS annual valuation report using the highest discount rate available as calculated for the UHTL. The hypothetical termination liability assumes that once the termination liability is "paid" by the employer, the pension plan will no longer continue to receive employer funds and therefore must be self-sustaining to pay for legal pension obligations. A lower discount rate is assumed for this calculation to mitigate the risk of funds being insufficient to pay for pension obligations due to changes in assumptions. Even if RWA has fully paid its unfunded liability as determined by CalPERS using funding discount rates,⁴ RWA can still have an unfunded hypothetical termination liability since lower discount rates are used.
 - The members' allocation percentage as calculated in step 3 multiplied by the UHTL in step 4 will result in a pension liability payment due from the withdrawing member.
-
- Unfunded Other Post-Employment Liabilities ("OPEB")
 - Dues Surcharges
 - Project or Program Management Liabilities
 - Leases
 - Payment to RWA

If the District chose to no longer be a member of RWA, the approximate cost to withdraw, in 2022 numbers, is \$200,000.



Agenda Item: 10

Date: November 21, 2022

Subject: General Manager's Report

Staff Contact: Dan York, General Manager

a. Sacramento County Water Agency – Emergency Assistance

On October 14, 2022, the Sacramento County Water Agency (SCWA) experienced a water main leak that affected their customers near an emergency interconnection between the District and SCWA. To provide water to their customers who were within the section of water main that was isolated due to the leak, SCWA staff contacted the District to coordinate opening the subject emergency interconnection. Due to SCWA being required to develop/implement a traffic control plan to use during the repair, as well as parts availability, the repair was not conducted until the following week.

Upon closure of the emergency interconnection, discussion ensued whether or not the District should invoice for the emergency water provided to SCWA. Interconnections between the District's neighboring water agencies were basically installed for emergency purposes and for a short duration of time. The subject emergency interconnection with SCWA is not metered, and staff estimated the usage as very minimal. Therefore, a decision was made to not invoice SCWA for the subject emergency water supply. This is an example of benefits to the entire region when water purveyors help each other out in times of need, and they are pleased to return the favor if necessary.

b. Hinkle Reservoir Liner and Cover Replacement Project Update

As previously reported, San Juan Water District's (SJWD) 62 million gallon Hinkle Reservoir has a synthetic membrane liner and floating cover. The membrane has reached the end of its service life and needs to be replaced. The Hinkle Reservoir Relining Project will require taking the Hinkle Reservoir off-line for about 6 months to replace its liner and cover. This was previously scheduled to occur between November 2020 and April 2020, however, due to drought conditions it was postponed. Currently, joint operations are scheduled to begin November 22, 2022, with the Hinkle Reservoir being taken out of service on November 29, 2022. Estimated completion of the project is April 2023.

On October 18, 2022, Tony Barela, Director of Operations at SJWD, conducted an emergency response table top exercise to gauge the response, and training of staff in the event of a water supply shortage during the Hinkle Project. The scenario was based on a stoppage of water supplied to the SJWD Peterson Treatment Plant due to a Bureau of Reclamation pump failure.

Participants included:

- City of Roseville
- City of Folsom
- Citrus Heights Water District
- Sacramento Suburban Water District
- San Juan Water District

Following the exercise Mr. Barela sent the following message to staff:

Thank you so much for attending the Hinkle Project Ops Tabletop Exercise this week. I was thoroughly impressed by your preparation and knowledge of your systems and the response actions in case of an emergency during the project. Your preparation, knowledge, and willingness to participate reflects the character of yourself and your leaders. This project would be extremely more difficult without your participation, so on behalf of San Juan, Thank You!

c. Del Paso Manor Water District Combination Discussion Update

At the Del Paso Manor Water District (DPMWD) November 7, 2022 regular Board meeting, the 2x2 Committee members provided a status update to their Board of Directors regarding the Combination discussions between the District and DPMWD. The DPMWD Board discussed both the Combination discussion and their Proposition 218 that is currently in development. The DPMWD Board voted to continue the Combination discussions with the District, as well as continue to finalize the Proposition 218 study, which is anticipated to be ready for presentation to the DPMWD Board in January/February 2023. The next 2x2 Committee meeting is December 6, 2022 at 2:00 pm.



Agenda Item: 11

Date: November 21, 2022

Subject: Financial Report

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

Summary:

This staff report contains summarized information on the District's financial condition for the period ended September 30, 2022. More detailed information can be found in the following attached financial reports:

- Financial Statements – September 2022
- Budget to Actual Reports – September 2022

Financial Statement Highlights – September 2022

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

	Year-To-Date	Year-To-Date	Variance
	9/30/2022	9/30/2021	
LIQUIDITY	\$15,589,154.08	\$20,091,437.32	(4,502,283.24)
INVESTMENT	39,020,639.81	40,730,791.29	(1,710,151.48)
ACCOUNT RECEIVABLE	4,351,382.31	3,659,378.99	692,003.32
CAPITAL ASSETS	315,390,060.47	306,555,050.08	8,835,010.39
LIABILITIES	60,502,510.86	70,391,552.55	(9,889,041.69)
NET POSITION	292,620,643.08	285,712,478.71	6,908,164.37

Statements of Revenues, Expenses and Changes in Net Position

	Year-To-Date	Year-To-Date	Variance
	9/30/2022	9/30/2021	
Operating Revenue	38,374,562.19	36,926,868.68	1,447,693.51
Operating Expense	(16,218,504.27)	(14,642,866.70)	(1,575,637.57)
Other, Net	(13,236,992.68)	(8,676,166.85)	(4,560,825.83)
NET INCOME	8,919,065.24	13,607,835.13	(4,688,769.89)

Key information from this report indicates the District's cash balance is \$4.5 million and investments are \$1.7 million less than on September 30, 2021; long-term debt has decreased by \$9.9 million; and net position has increased by \$6.9 million in the last 12 months as the District continues to invest in capital infrastructure replacements while decreasing its outstanding debt. Accounts receivable increased \$0.7 million compared to the same period a year ago, September 30, 2021 due to larger September billings and the billings occurring later in the month. Operating revenues increased \$1.4 million, operating expenses increased \$1.6 million and other, net expenses increased \$4.6 million, year to date compared to the same period a year ago. Operating revenues increased primarily due to the 3% rate increase occurred on January 1, 2022, an increase in number of connections from Barrett Ranch subdivision and other charges for service related to late fees and collections charges. Operating expense increase is primarily related to \$0.7 million increase in purchased water, as SJWD surface water was available from January through September, \$0.3 million increase in miscellaneous repairs, asphalt restoration, from the main line leak on Elkhorn Boulevard of last year and \$0.2 million increase in consulting services. Other, net expenses increased primarily related to a \$2.0 million reduction in capital contributions (capacity fees and developer contributions), \$0.5 million increase in interest expense and debt related costs primarily related to costs of issuance for the revenue refunding bonds series 2022A and series 2022B, and \$2.0 million decrease in the fair market value of the investment portfolio related to rising interest rates.

Budgets:

Budget Item	Actual Amount YTD	Budget Amount YTD	Variance YTD
Revenues and Sources of Funds	39,216,690	38,799,950	416,740
Operations and Maintenance	(16,218,504)	(17,925,175)	1,706,671
Capital Expenditures *	(15,853,148)	(23,562,602)	7,709,454
Debt Service - Swap Termination	(5,642,000)	(5,642,000)	-
Debt Service - P & I	(1,486,728)	(1,753,316)	266,588

*Capital budget includes rollover budget from previous years.

The District's revenues for first nine months of 2022 were \$0.4 million more than budgeted amount due primarily to the net effects of: 1) water service charge was more than budget amount due to the increase in number of connections from Barrett Ranch subdivision – approximately \$0.1 million; 2) capacity fees were collected at a minimal amount for the first nine months as there were only a few small developer projects completed during this time – approximately \$27,000; 3) other charge for services were more than budget due to resuming collection activities approximately \$0.4 million; and 4) rent and other income were less than budget – approximately \$0.3 million.

The District's operating and maintenance expenditures as of September 30, 2022 came in less than the approved budget by \$1.7 million. Salaries and benefits are under budget approximately \$1.0 million due primarily to staff vacancies. Water costs expenses are under budget approximately \$0.2 million mostly related to minimal surface water availability and reduced usage through September. Outside services are under budget approximately \$0.3 million. The remainder of the variance is due primarily to timing differences.

The District's Capital Improvement Program (CIP) budget for 2022 is \$22.2 million plus \$5.3 million in rollover funds from previous year's budget for a total of \$27.5 million. For the first nine months, \$14.4 million has been spent while an additional \$8.9 million is under commitment. CIP year-to-date expenditures came in less than the approved budget by \$6.5 million. Expenditures continue to be primarily in new well construction, distribution system replacements, well rehabilitation, and meter reading system projects.

Operating Capital Program (OCP) expenditures as of September 30, 2022 were \$1.4 million while \$0.9 million were committed. The 2022 budget for the year is \$2.6 million plus \$1.3 million in rollover funds from previous year's budget for a total of \$3.9 million. OCP year-to-date expenditures came in less than the approved budget by \$1.2 million.

Scheduled 2022 principal payments of \$5.4 million are not due until the end of October. Total principal outstanding as of September 30, 2022 is \$60.5 million. The District's amended debt service budget for 2022 is \$13.1 million consisting of \$7.5 million for principal and interest payments, and \$5.6 million for swap termination.

For the first nine months of 2022, the District has incurred interest expense of \$1.5 million versus a forecast of \$1.8 million, for a \$0.3 million positive variance due to low interest rates on the unhedged portion of the 2009A COPs from January through March 15, 2022.

Attachments:

1. Financial Statements – September 30, 2022
2. Budget to Actual Reports – September 30, 2022

**Financial Statements
September 30, 2022**

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

	As Of	<u>Month End</u> <u>9/30/2022</u>	<u>Month End</u> <u>9/30/2021</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		\$15,583,091.51	\$20,091,427.48
Restricted Cash and cash equivalents		6,062.57	9.84
Accounts receivable, net of allowance for uncollectible accounts		3,831,727.46	2,955,944.65
Interest receivable		170,045.57	152,801.47
Grants receivables		7,296.94	7,296.94
Other receivables		24.42	
Inventory		1,155,705.49	1,133,152.89
Prepaid expenses and other assets		1,365,280.27	1,189,126.41
TOTAL CURRENT ASSETS		<u>\$22,119,234.23</u>	<u>25,529,759.68</u>
NONCURRENT ASSETS			
Investments		39,020,639.81	40,730,791.29
TOTAL NONCURRENT ASSETS		<u>39,020,639.81</u>	<u>40,730,791.29</u>
Property, plant and equipment		537,610,777.66	515,863,521.39
Accumulated depreciation		(222,220,717.19)	(209,308,471.31)
TOTAL CAPITAL ASSETS		<u>315,390,060.47</u>	<u>306,555,050.08</u>
TOTAL ASSETS		<u>376,529,934.51</u>	<u>372,815,601.05</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amount on long-term debt refunding		4,369,038.27	4,207,177.13
Deferred outflow of effective swaps			1,162,609.00
Pension contribution subsequent to measurement date		1,720,366.00	1,960,128.00
Other post-employment benefits		578,563.00	240,049.00
Deferred outflow of Asset Obligation		966,186.87	
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		<u>384,164,088.65</u>	<u>380,385,564.18</u>
LIABILITIES			
CURRENT LIABILITIES			
Current portion of long-term debt and capital leases		5,390,000.00	4,965,000.00
Current portion of Compensated Absences		1,000,000.00	880,000.00
Accounts payable		1,249,426.40	222,263.46
Accrued interest		913,188.76	389,036.19
Deferred revenue and other liabilities		5,171,141.75	3,961,528.03
Accrued expenses		616,565.63	515,744.10
TOTAL CURRENT LIABILITIES		<u>14,340,322.54</u>	<u>10,933,571.78</u>
NONCURRENT LIABILITIES			
Long-term debt		55,112,510.86	65,426,552.55
Compensated absences		201,546.17	314,381.14
Net pension liability		5,806,835.00	10,600,173.00
Net other post-employment benefits liability		3,590,451.00	4,642,228.00
Asset Retirement Obligation		5,080,865.00	
Fair value of interest rate swaps			1,162,609.00
TOTAL NONCURRENT LIABILITIES		<u>69,792,208.03</u>	<u>82,145,943.69</u>
TOTAL LIABILITIES		<u>84,132,530.57</u>	<u>93,079,515.47</u>
DEFERRED INFLOWS OF RESOURCES			
Employee pensions		5,448,430.00	481,215.00
Other post-employment benefits		1,962,485.00	1,112,355.00
NET POSITION			
Invested in capital assets, net of related debt		247,827,877.16	238,711,824.11
Restricted		15.77	39.69
Unrestricted		44,792,750.15	47,000,614.91
TOTAL NET POSITION		<u>292,620,643.08</u>	<u>285,712,478.71</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION		<u>384,164,088.65</u>	<u>380,385,564.18</u>

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

	<u>Year-To-Date</u> <u>9/30/2022</u>	<u>Year-To-Date</u> <u>9/30/2021</u>
OPERATING REVENUES		
Water consumption sales	\$ 12,069,327.04	\$ 11,857,421.72
Water service charge	25,589,112.39	24,752,418.94
Wheeling water charge	5,612.10	4,628.21
Other charges for services	710,716.43	312,399.81
TOTAL OPERATING REVENUES	38,374,767.96	36,926,868.68
OPERATING EXPENSES		
Source of supply	1,544,455.75	810,313.57
Pumping	3,797,260.99	3,882,508.74
Transmission and distribution	3,151,444.07	2,850,877.15
Water conservation	394,430.04	312,022.92
Customer accounts	1,286,134.30	1,051,744.23
Administrative and general	6,044,779.12	5,735,400.09
TOTAL OPERATING EXPENSES	16,218,504.27	14,642,866.70
Operating income before depreciation	22,156,263.69	22,284,001.98
Depreciation and amortization	(10,333,131.01)	(10,190,973.31)
OPERATING INCOME	11,823,132.68	12,093,028.67
NON-OPERATING REV. (EXP.)		
Rental income	239,365.92	258,190.45
Interest and investment income	(1,987,809.49)	(31,732.57)
Interest expense and debt related costs	(2,000,298.90)	(1,587,204.86)
Other non-operating revenues	36,072.49	76,106.86
Grant revenue pass-through to sub recipients		468,000.00
Other non-operating expenses	(0.10)	5,302.37
Sub recipient grant expenses		(468,000.00)
Gain(loss) on disposal of capital assets		35,475.00
NON-OPERATING REV. (EXP.)	(3,712,670.08)	(1,243,862.75)
NET INCOME (LOSS) BEFORE CAPITAL	8,110,462.60	10,849,165.92
CAPITAL CONTRIBUTIONS		
Capacity fees	26,935.00	945,751.00
Developer contributions	781,667.64	1,812,918.21
TOTAL CAPITAL CONTRIBUTIONS	808,602.64	2,758,669.21
CHANGE IN NET POSITION	8,919,065.24	13,607,835.13
Net position at beginning of year	283,701,577.84	272,104,643.58
NET POSITION AT END OF PERIOD	\$ 292,620,643.08	\$ 285,712,478.71

**Budget to Actual Reports
September 30, 2022**

Sacramento Suburban Water District
 Schedule of Net Revenues
 As Of

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Year-To-Date</u>	<u>Year-To-Date</u>	<u>Year-To-Date</u>
	<u>9/30/2022</u>	<u>9/30/2022</u>	<u>9/30/2022</u>
REVENUES			
Water consumption sales	\$ 12,069,327.04	\$ 11,987,000.00	\$ 82,327.04
Water service charge	25,589,112.39	25,496,000.00	93,112.39
Wheeling water charge	5,612.10	9,000.00	(3,387.90)
Other charges for services	710,716.43	295,000.00	415,716.43
Capacity fees	26,935.00	225,000.00	(198,065.00)
Interest and investment income	546,973.31	430,510.00	116,463.31
Rental & other income	268,013.41	357,440.00	(89,426.59)
TOTAL REVENUES	\$ 39,216,689.68	\$ 38,799,950.00	\$ 416,739.68

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

	9/30/2022 - YTD			2022
	Actual	Budget	Variance	Annual Budget
BUDGETED OPERATING EXPENSES				
Board of Directors	\$31,461.64	\$32,784.18	\$1,322.54	\$53,112.24
Administrative	2,135,353.93	2,008,100.18	(127,253.75)	2,653,447.24
Finance	791,433.02	854,278.01	62,844.99	1,138,958.68
Customer Services	1,081,339.84	1,066,141.65	(15,198.19)	1,417,680.20
Field Operations	315,581.09	328,821.79	13,240.70	432,758.28
Production	4,810,233.86	5,456,502.96	646,269.10	7,058,093.68
Environmental Compliance	531,482.88	619,502.13	88,019.25	826,003.84
Distribution	2,324,195.76	2,466,654.63	142,458.87	3,427,400.04
Field Services	827,248.31	1,108,027.80	280,779.49	1,477,374.68
Maintenance	513,588.37	563,348.54	49,760.17	751,131.56
Water Conservation	394,430.04	496,405.68	101,975.64	755,861.24
Engineering	1,057,688.13	1,257,520.59	199,832.46	1,676,690.12
GIS/CAD	288,360.56	307,412.73	19,052.17	409,883.64
Human Resources	209,951.02	272,883.51	62,932.49	363,840.88
Information Technology	701,361.36	915,547.77	214,186.41	1,220,730.36
Community Outreach	204,794.46	171,243.00	(33,551.46)	228,380.00
TOTAL OPERATING EXPENSES	16,218,504.27	17,925,175.15	1,706,670.88	23,891,346.68

**Sacramento Suburban Water District
Capital Budget
9/30/2022**

Project Name	Adjusted Budget	Roll-Over From Prior Year Budget	Total Budget Available	Current Month Expenditures	Expenditures Year- To-Date	Committed Year- To-Date	Remaining Balance
CIP-Well Rehad/Pump Improv	\$2,498,000.00	\$1,279,896.00	\$3,777,896.00	\$43,379.07	\$1,202,568.71	\$1,043,814.99	\$1,531,512.30
CIP-SCADA/Com. Improv	\$50,000.00	\$373,561.99	\$423,561.99	-	\$36,117.81	\$301,067.79	\$86,376.39
CIP-Well Destruction	-	-	-	-	-	-	-
CIP-Well New Construction	\$11,357,000.00	\$2,481,207.65	\$13,838,207.65	\$2,770,138.85	\$7,800,974.46	\$5,148,320.61	\$888,912.58
CIP-Trans & Dist Improvements	\$5,745,000.00	\$869,452.34	\$6,614,452.34	\$526,633.42	\$3,997,102.95	\$1,572,651.65	\$1,044,697.74
CIP-Meter Retrofit Program	\$177,000.00	-	\$177,000.00	-	-	\$38,658.00	\$138,342.00
CIP-Reservoir/Tank Improv	\$367,000.00	\$181,670.25	\$548,670.25	-	\$110,521.27	\$179,551.98	\$258,597.00
CIP-Corrosion Control	\$73,000.00	-	\$73,000.00	-	-	\$51,650.00	\$21,350.00
CIP-Valve/Hydrant/Service Repl	\$765,000.00	-	\$765,000.00	\$67,865.21	\$338,469.36	\$297,332.73	\$129,197.91
CIP-Large Meter Replacement	\$40,000.00	-	\$40,000.00	-	-	\$16,800.00	\$23,200.00
CIP-Meter Replacement PM	\$310,000.00	-	\$310,000.00	\$27,304.15	\$39,214.15	-	\$270,785.85
CIP-AMI Endpoints	\$700,000.00	-	\$700,000.00	\$54,027.84	\$581,869.21	\$17,580.00	\$100,550.79
CIP-Special Projects	\$33,000.00	\$928.04	\$33,928.04	-	-	\$31,050.80	\$2,877.24
CIP-Water Related Street Imprv	\$473,000.00	\$96,000.00	\$569,000.00	\$197,336.17	\$315,498.17	\$176,333.83	\$77,168.00
Sub-total CIP	\$ 22,588,000.00	\$ 5,282,716.27	\$ 27,870,716.27	\$ 3,686,684.71	\$ 14,422,336.09	\$ 8,874,812.38	\$ 4,573,567.80
OCB - Equipment	\$12,000.00	-	\$12,000.00	-	-	-	\$12,000.00
OCB - Fleet & Facilities	\$169,000.00	\$73,613.88	\$242,613.88	-	\$10,510.96	\$154,794.00	\$77,308.92
OCB - Information Technology	\$262,000.00	\$71,850.75	\$333,850.75	\$1,658.98	\$97,257.83	\$21,488.56	\$215,104.36
OCB - Maintenance	\$424,000.00	-	\$424,000.00	-	\$210,865.00	-	\$213,135.00
OCB - Operations	\$397,000.00	\$197,553.90	\$594,553.90	\$60,464.72	\$210,266.72	\$265,375.56	\$118,911.62
OCB - Property Acquisition	\$900,000.00	\$992,341.25	\$1,892,341.25	\$9,786.47	\$901,910.96	\$411,475.69	\$578,954.60
Sub-total OCP	\$ 2,164,000.00	\$ 1,335,359.78	\$ 3,499,359.78	\$ 71,910.17	\$ 1,430,811.47	\$ 853,133.81	\$ 1,215,414.50
Total Capital	\$ 24,752,000.00	\$ 6,618,076.05	\$ 31,370,076.05	\$ 3,758,594.88	\$ 15,853,147.56	\$ 9,727,946.19	\$ 5,788,982.30



Agenda Item: 12

Date: November 21, 2022

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:

1. Water Operations Monthly Activity and Exceptions Report

This shows the types and number of activities that are in the Field Operations Department.

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.

3. Customer Service Monthly Activity Report

This shows the total number of Customer Service phone calls received.

4. Community Outreach Report

This provides a copy of the monthly bill insert.

1. Water Operations Monthly Activity Report

	October 2022	Monthly Average CY 2022	Total CY 2022	Total # in System	Goal CY 2022	% of Goal Completed in CY 2022
Preventive Maintenance Program - Distribution						
Fire Hydrants Inspected	-	108	1077	6173	1235	87%
Fire Hydrant Valves Inspected	122	117	1170	5869	1174	100%
Mainline Valves Inspected	272	244	2439	11023	2205	111%
Blow Off Valves Inspected	-	27	267	1049	210	127%
ARV/CARV Inspected	-	-	-	283	57	0%
Preventive Maintenance Program - Meters						
Meters Tested (3 - 10 inch)	5	11	107	450	120	89%
Meters Replaced (⁵ / ₈ - 1 inch)	288	37	366	41167	1000	37%
Meter Re-Builds (1 ¹ / ₂ - 2 inch)	58	23	229	2449	245	93%
Preventive Maintenance Program - Production						
Air Release Valves	-	-	-	96	32	0%
Backflow Prevention Assembly Testing	14	4	35	47	47	74%
Chemical Systems - Sodium Hypochlorite	5	7	64	67	67	96%
Chemical Systems - Hydrofluorosilicic Acid	9	2	14	29	29	48%
Generator Inspection & Maintenance	9	3	23	23	23	100%
Generator Load Bank Testing	6	1	6	23	6	100%
Generator Battery Replacement	4	1	11	23	11	100%
Hydraulic Control Valves	10	2	12	48	48	25%
Level Transducers	1	0	2	36	36	6%
Motors (Vertical Turbine)	27	9	81	81	81	100%
Pressure Transducers	3	1	7	93	93	8%
Sumps and Associated Pumps	-	-	-	17	17	0%

	October 2022	Monthly Average	YTD Completed	Total With GPS	Total Assets	Percentage Completed
Global Positioning System						
GPS Coordinates Marked	482	344	3441	25945	84541	31%

	October 2022	Monthly Average CY 2022	Total CY 2022
Service Requests			
Main Leaks	3	4	43
Service Line Leaks	10	7	67
Customer Pressure Inquiries	8	7	73
Water Main Shutdown			
-- Unscheduled	5	5	54
-- Scheduled	10	5	49
After Hours Activity (On-Call Technician)			
Calls Received Distribution	54	56	559
Calls Responded Distribution	39	34	342
Calls Received Production	18	23	232
Calls Responded Production	-	2	24
Water Quality			
Complaints	2	4	35
Taste & Odor Complaints	-	-	-

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

Update – 4640 Mt Auburn Ct.

Claim – On September 19, 2022, damage to vehicles and structure resulting from a failed water main located at the subject address has had further developments:

- On October 11, 2022, settlement for vehicle damage in the amount of \$8,978.83 was paid to Tai Corbett.

All claims for this address are being handled by ACWA/JPIA under one claim number.

3. Customer Service Monthly Activity Report

Customer Service Activity Report for the month of October 2022.

Total Calls	Calls Abandoned	% of Calls Abandoned	Average Wait on Queue	Max Wait on Queue	Average Talk Time
2,674	49	1.83%	32s	7m, 0s	3m, 20s

4. Community Outreach Report

December Bill Insert

The December 2022 bill insert will begin on November 24, 2022, and will continue until December 26, 2022. A sample of the bill insert is shown below.

00269430



H₂O on the GO

December 2022



*Happy
Holidays!*

Make this Holiday Season a Water-Wise One

WaterSense wants everyone to have a happy water-wise holiday season, and they've put together some great tips to help you save.

- * Doing extra loads of laundry because of visiting family or household guests? Make sure to wash only full loads. You can save money on your energy bill by using the cold-water setting.
- * Skip the dish washing by hand and load up your dishwasher. You'll have more time with family and friends and save water too!
- * Give your sprinklers a holiday break. With December's colder, and hopefully, wetter days your sprinklers shouldn't need to run. If it has been dry, check the soil first with a moisture meter or screwdriver to see if you need to water.
- * And if you're thinking of giving your bathroom or kitchen a last minute upgrade, make sure to look for the WaterSense label when shopping for new showerheads, faucets, and toilets.

20th Anniversary Story | Warmer and Drier Times Ahead

This past fall, the U.S. Bureau of Reclamation (Reclamation) released the American River Basin Study (Study), an analysis many years in the making of the projected impacts of climate change on the region's water supply and strategies for adapting.

Reclamation developed the Study in collaboration with local water providers, the Sacramento Area Flood Control District, and many others.

The Study reports that temperatures are projected to increase significantly—by 4 to 7 degrees—by the year 2085, especially in our upper watershed. In addition, the snowpack will decrease due to

[20th Anniversary Story | page 2](#)

SSWD Holiday Hours

SSWD will be closed on the following days in December and January:

Friday, December 23rd

Monday, December 26th

Friday, December 30th

Monday, January 2nd

Monday, January 16th

Martin Luther King, Jr. Day

SSWD 2023 Calendar Magnets

Start off the 2023 in great style with a SSWD calendar magnet.

They're available for pick up at the SSWD Administrative office at 3701 Marconi Avenue. Grab yours today.



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.



SSWD Signs Long-Term Exclusive Groundwater Well Maintenance Contract

This past October, SSWD finalized a contract with Kirby's Pump and Mechanical, Inc., a licensed well contractor, to provide maintenance and repair services for the District's groundwater wells for the next five years.

The lack of groundwater well contractors is an ongoing issue for private and public water providers throughout California. By securing an exclusive agreement with Kirby's, SSWD has ensured the District's groundwater wells will be serviced and maintained in a timely and efficient manner.

This long-term contract is an important expansion of SSWD's preventative maintenance program and will be vital in helping the District maintain an adequate water supply.

20th Anniversary Story | from page 1

warming with peak runoff occurring earlier in the year—from February through March (rather than May). This will cause a catch-22 for our current water system—the need to release water for flood protection instead of storing water for the dry summer and fall.

The good news is that the Study also outlines measures for adapting to these conditions. Regional water providers, including SSWD, are exploring a range of initiatives to make the region's water supply more resilient and sustainable in the face of climate change, including:

- * Banking more surface water from lakes and rivers in the groundwater aquifer during wet times for use during dry times.
- * Utilizing an existing water diversion facility on the Sacramento River to reduce the region's reliance on Folsom Reservoir and the Lower American River.
- * Raising Folsom Dam and using forecast-informed reservoir operation to release water ahead of large storms to be moved into the groundwater aquifer.
- * Improving the health of headwater forests, a critical aspect of the region's water supply.

You can learn more about the American River Basin Study and adaption strategies at rwah2o.org/waterfuture.

SSWD Third Annual Open House

This past October, SSWD held its third annual Open House. Over 150 customers attended and helped celebrate SSWD's 20th Anniversary of providing high-quality water and superior customer service.

Attendees met employees from each of the departments, learned about WaterSense-labeled products, capitol improvement projects, and the preventative maintenance program, talked with Board Members, and had a good time.





Agenda Item: 13

Date: November 21, 2022

Subject: Engineering Report

Staff Contact: Dana Dean, P.E., Engineering Manager

Summarized below are Engineering Department activities. The report is separated into the following sections: A) Major Capital Improvement Program (CIP) Projects; B) Active Wells; C) Planning Documents; and D) Other Projects.

Note on Availability of Parts and Materials

The impacts on the world’s economies that began in mid-2020, particularly related to manufacturing and transportation of goods, but also related to broad and persistent labor shortages, continue to affect availability of parts and materials in the United States. This continues to impact the District’s ability to complete CIP projects in an efficient and timely manner. Suppliers in general are indicating delays continue to be likely – particularly for electrical components and related goods and, unfortunately, are impossible to predict. As a result, the project completion timeframes listed below are staff’s best estimate and considered to be subject to change. However, staff is continuing to work diligently with consultants and contractors to find creative alternatives to conventional approaches to mitigate supply chain issues (e.g., advanced ordering of long-lead time items, substitutions, construction sequencing adjustments, etc.).

A. MAJOR CAPITAL IMPROVEMENT PROGRAM PROJECTS

The District continues to deliver CIP projects consistent with the Board’s approved funding program.

SUPPLY – NEW WELLS

The table below shows stages of the current projects.

Well	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
78 Butano / Cottage	<i>Production Well</i>		
	Complete	Complete	n/a
	<i>Pump Station</i>		
	Complete	December 2022	See note 1

(table continues on next page)

(table continued from previous page)

Well	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
80 Walnut / Auburn	<i>Production Well</i>		
	Complete	Complete	n/a
	<i>Pump Station</i>		
	Complete	May 2023	No Change
81, 82, and 83 Antelope North / Poker	<i>Production Wells</i>		
	Complete	September 2023 (preliminary)	No Change
	<i>Pump Station</i>		
	April 2023 (preliminary)	December 2024 (preliminary)	No Change
84 Antelope / Don Julio	<i>Production Well</i>		
	November 2022	March 2023 (preliminary)	No Change
	<i>Pump Station</i>		
	March 2023 (preliminary)	June 2024 (preliminary)	No Change

1. *Well 78* - Anticipated completion of the Engineering Department’s CIP construction phase of the project is now anticipated to be the first part of December 2022 due to SMUD construction crews’ timeline for installation of electrical power to the site.

The construction phase is followed by the Operations Department’s commissioning phase which is anticipated to be about 2 months in duration. Major activities in the commissioning phase are: a) water quality sampling and testing, b) permitting through the State Division of Drinking Water (DDW), c) well disinfection, d) operator training, and e) operational testing. Following the commissioning phase, the well is considered “on-line” and available for routine delivery of potable water to customers.

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	
Watt Main Extension	Complete	September 2023	No Change
Q Street (4.7 miles of main)	September 2022	December 2026	No Change

Watt Main Extension: Creek crossing is under construction and is anticipated to be completed by mid-December 2022.

METER RETROFIT PROGRAM

The Meter Retrofit Program is complete, before the State deadline of January 2025. This will no longer be a report item in the Engineering Report.

Project	Approximate Completion		Change in Completion Status Since Last Report
	Design	Construction	
2022 Project (20 meters)	Complete	Complete	Project is complete
Greenberry Complex	Complete	Complete	Project is complete

B. ACTIVE WELLS

The District generally has numerous wells undergoing some type of typical lifecycle activity – from preventive maintenance to component repair/replacement. Current Engineering Department projects are listed below:

NORTH SERVICE AREA

Total Active capacity off-line for listed projects: 6,900 gpm (6,900 gpm last report)

CONDITION ASSESSMENT AND INVESTIGATIVE PROJECTS

Listed below are current Condition Assessment (CA) and investigative projects. A CA is the initial step in assessing a well’s physical condition necessary to monitor the well’s health, and for use in planning any further work efforts. Projects in this category frequently move to the *Repair Projects* category following completion of the CA and/or investigative project.

Reactive Projects

N7 Rosebud

Capacity / Status: 1,100 gpm / Off-line 9/24/2021
Reason: Electrical upgrade (incoming power from 3-wire to 4-wire)
Project Phase: SMUD design
Expected Completion: January 2023 (based on SMUD’s schedule)

Proactive Projects

None.

REPAIR PROJECTS

Listed below are current projects of well casing repair / rehabilitation, pump repair / replacement, water quality investigations, and other significant activities.

N1 Evergreen

Capacity / Status:

1,100 gpm / Off-line 6/1/2021

Reason:

Water quality (PFAS). Casing repair in an attempt to mitigate PFAS contamination.

Project Phase:

Waiting for well contractor availability

All types of well contractors are in historically high demand. They are also dealing with a severe labor shortage making many of them unable to man all of their equipment. Staff is in continuous communication with the contractors to find availability for them to work on SSWD's projects. However, with the recently executed long-term contract with Kirby's Pump & Mechanical, Inc., staff expects significant improvement to progress in completing projects when the Kirby's contract takes effect in the early part of next year.

Expected Completion:

September 2023 (preliminary)

N6A Palm

Capacity / Status:

1,700 gpm / Off-line 3/4/2020

Reason:

Water quality (bacteriological)

Project Phase:

Additional laboratory testing and analysis for water quality

Expected Completion:

April 2023 (preliminary)

N10 Walnut

Capacity / Status:

700 gpm / Off-line 7/8/2021

Reason:

Pump and motor replacement

Project Phase:

Waiting for parts (pump delivery expected December 2022)

Expected Completion:

Unknown availability of motor

N20 Cypress

Capacity / Status:

1,100 gpm / Off-line 8/23/2018

Reason:

Water quality (manganese)

Project Phase:

Waiting for well contractor availability.

All types of well contractors are in historically high demand. They are also dealing with a severe labor shortage making many of them unable to staff all of their equipment. Staff is in continuous communication with the contractors to find availability for them to work on SSWD's projects. However, with the recently executed long-term contract with Kirby's Pump & Mechanical, Inc., staff expects significant improvement to progress in completing projects when the Kirby's contract takes effect in the early part of next year.

Expected Completion:

April 2023

N38 Coyle

Capacity / Status:

1,200 gpm / Off-line 11/4/2021

Reason:

Water quality investigation (bacteriological)

Following replacement of the pump, the well was disinfected but did not pass bacteriological testing.

Project Phase:

Initial investigation

Expected Completion:

March 2023

COMPLETED PROJECTS

SOUTH SERVICE AREA

Total Active capacity off-line for listed projects: 6,900 gpm (7,700 last report)

CONDITION ASSESSMENT AND INVESTIGATIVE PROJECTS

Reactive Projects

20A Watt/Arden

Capacity / Status:

1,100 gpm / Off-line 3/1/2022

Reason:

Electrical failure (incoming power from 3-wire to 4-wire)

Project Phase:

SMUD design

Expected Completion:

June 2023 (based on SMUD schedule)

68 Northrop/Dornajo

Capacity / Status:

1,600 gpm / Off-line 11/3/2021

Reason:

Water quality (entrained gas, manganese)

Project Phase:

Waiting for well contractor availability

All types of well contractors are in historically high demand. They are also dealing with a severe labor shortage making many of them unable to staff all of their equipment. Staff is in continuous communication with the contractors to find availability for them to work on SSWD's projects. However, with the recently executed long-term contract with Kirby's Pump & Mechanical, Inc., staff expects significant improvement to progress in completing projects when the Kirby's contract takes effect in the early part of next year.

Expected Completion:

July 2023

69 Hilldale/Cooper

Capacity / Status:

500 gpm / Off-line 1/25/2017

Reason:

Water quality (bacteriological)

Project Phase:

Evaluating replacing well on same site

Expected Completion:

March 2023 (for evaluation)

70 Sierra/Blackmer

Capacity / Status:

600 gpm / Off-line 5/10/2019

Reason:

Complete Loss of Capacity

Project Phase:

Waiting for well contractor availability

All types of well contractors are in historically high demand. They are also dealing with a severe labor shortage making many of them unable to staff all of their equipment. Staff is in continuous communication with the contractors to find availability for them to work on SSWD's projects. However, with the recently executed long-term contract with Kirby's Pump & Mechanical, Inc., staff expects significant improvement to progress in completing projects when the Kirby's contract takes effect in the early part of next year.

Expected Completion:

March 2023

72 River Walk/NETP

Capacity / Status:

1400 gpm / Off-line 8/25/2022

Reason:

Capacity loss; pump breaking suction

Project Phase:

Condition assessment

Expected Completion:

May 2023 (for assessment)

Proactive Projects

60 Whitney/Concetta

Capacity / Status:

500 gpm / Off-line 5/13/2021

Reason:

Motor failure; pump worn out

Project Phase:

Design (new pump; station improvements)

Expected Completion:

July 2023 (based on pump & motor delivery schedule)

REPAIR PROJECTS

13 Calderwood/Marconi

Capacity / Status:

700 gpm / Off-line 7/16/2020

Reason:

Water Quality (entrained gas)

Project Phase:

Waiting for well contractor availability

All types of well contractors are in historically high demand. They are also dealing with a severe labor shortage making many of them unable to staff all of their equipment. Staff is in continuous communication with the contractors to find availability for them to work on SSWD's projects. However, with the recently executed long-term contract with Kirby's Pump & Mechanical, Inc., staff expects significant improvement to progress in completing projects when the Kirby's contract takes effect in the early part of next year.

Expected Completion:

March 2023

41 Albatross/Iris

Capacity / Status: 500 gpm / Off-line 11/5/2018
Reason: Site electrical power supply line repair
Project Phase: SMUD design and permitting
Expected Completion: January 2023 (based on SMUD schedule)

COMPLETED PROJECTS

35 Ulysses/Mercury

Capacity / Status: 800 gpm
Reason: Submersible motor failure; pump needed to be replaced

C. 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 4 to 6 years. The table below lists the items scheduled for updates in the near future with their approximate completion time frame.

Plan	Approximate Completion	Change in Completion Status Since Last Report
Meter AMP	<i>November 2022 (original)</i> January 2023	See note 1

1. *Meter AMP* – The consultant has experienced delays and their schedule has been revised accordingly. Based on the consultant’s latest schedule, staff anticipates bringing a draft AMP to the Board in January 2023 for review and comment for staff to finalize the AMP.

The table below lists all of the District’s Asset Management Plans (AMPs) and Master Plans (MPs) and their update status. Plans are generally scheduled to be updated on a 4 to 6 year cycle.

Plan	Last Update	Next Update
Buildings and Structures AMP	2020	2026
Distribution Main AMP	2019	2024
Fleet AMP	2020	2025
Groundwater Well AMP	2020	2025
Meter AMP	2015	2023
Reservoir and Booster Pump Station AMP	2011	See note 1
SCADA AMP	2021	2026
Transmission Main AMP	2020	2024
Water System MP	2017	See note 2

1. *Reservoir and Booster Pump Station AMP* - Updating this AMP has been deferred until resolution of the Combination Study with Carmichael Water District. Staff anticipates including this project in the draft CY2024 budget presented to the Board in 2023.
2. *Water System MP* - Updating of the Reservoir and Booster Pump Station AMP is preferred to be completed prior to updating the Water System MP since the Reservoir and Booster Pump Station AMP is outdated and its updated version will support the update to the Water System MP.

D. OTHER PROJECTS

Administration Building – Safety Upgrades for the 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*). Switch-over work (the final project component) was attempted in late August but was aborted due to complications with the temporary power supply and ability to keep data servers operational. The consultant is developing a revised plan and staff expects to schedule the switch-over in early 2023.

Enterprise Reservoir and BPS – Operational Upgrades

This project will allow turnover of the reservoir during groundwater deliveries to City of Sacramento, and optimized energy efficiency during peak-hour demand periods. Project completion is expected to extend into December because facility operation could not be interrupted to complete programmable logic controller programming during the 2022 water transfer project.



Agenda Item: 14

Date: November 21, 2022

Subject: Perfluorohexane Sulfonic Acid Notification and Response Level Exceedances

Staff Contact: David Armand, Environmental Compliance Supervisor

Summary

On October 31, 2022, the State Water Resources Control Board, Division of Drinking Water (DDW) established a Notification Level¹ and Response Level² for Perfluorohexane Sulfonic Acid (PFHxS). In doing so, PFHxS is now the fourth perfluoroalkyl and polyfluoroalkyl substance (collectively “PFAS”) with Notification and Response Levels.

When the Notification or Response Level for a PFAS is exceeded in drinking water provided to customers, the California Health and Safety Code Section 116455 requires retail water systems to notify their governing bodies and the governing bodies of any local agencies (i.e., city or county, or a city and county) whose jurisdictions include areas supplied with their drinking water. The notification is required to identify the drinking water source(s), the origin of the contaminant (if known), the specific Notification or Response Level (as appropriate), the concentration of the detected contaminant, the operational status of the drinking water source, and a plainly worded statement of health concerns.

¹ “Notification Level” means the concentration level of a contaminant in drinking water delivered for human consumption that the department has determined, based on available scientific information, does not pose a significant health risk but warrants notification pursuant to this section. Notification levels are nonregulatory, health-based advisory levels established by the department for contaminants in drinking water for which maximum contaminant levels have not been established. Notification levels are established as precautionary measures for contaminants that may be considered candidates for establishment of maximum contaminant levels, but have not yet undergone or completed the regulatory standard setting process prescribed for the development of maximum contaminant levels and are not drinking water standards.

² “Response Level” means the concentration of a contaminant in drinking water delivered for human consumption at which the department recommends that additional steps, beyond notification pursuant to this section, be taken to reduce public exposure to the contaminant. In the case of PFHxS, those steps include one or more of the following: immediately removing the source from service, utilizing treatment or blending, or providing public notification within 30 days. Response levels are established in conjunction with notification levels for contaminants that may be considered candidates for establishment of maximum contaminant levels, but have not yet undergone or completed the regulatory standard setting process prescribed for the development of maximum contaminant levels and are not drinking water standards.

District staff are in the process of providing the requisite notifications to the City and County of Sacramento, as well as to the City of Citrus Heights. This report is intended to satisfy the reporting requirement to the District’s Board of Directors.

Establishment of Notification and Response Levels for PFHxS (3 parts per trillion [ppt] and 20 ppt, respectively), triggers Notification Level requirements in three District wells (Wells N1, N7 and N8) and Response Level requirements in one District well (Well 46).

The origin of the PFHxS detected in water quality samples from the aforementioned wells is unknown; however, according to DDW’s Notification Level Issuance document (Attachment 1) for PFHxS, its presence in the environment is due to anthropogenic activity. It further indicates that PFHxS is an anionic surfactant that has been used in numerous commercial products to offer water and stain repellent properties and in fire-fighting foams.

The table below shows the range of PFHxS results from previous PFAS compliance monitoring and how they compare to the newly established NL and RL for PFHxS.

WELL	DATE RANGE	RANGE of PFHxS Results (ppt)	PFHxS Notification Level (ppt)	PFHxS Response Level (ppt)
Evergreen Well N1	5/19 – 6/1/2021	5.2 - 18	3	20
Rosebud Well N7	5/19 – 8/11/2021	< 3 – 5.5		
Field Well N8	2/15/2022	3		
Jonas/Sierra Mills Well 46	6/13/2019 – 3/3/2020	22 - 30		

All four of the above wells are currently offline. Wells N1, N7, and N8 are offline for maintenance activities. Well N1 has not been used as source of supply since May 2021. Well N7 has not been used as a source of supply since September 2021. Well N8 has not been used as a source of supply since June of this year (2022). Well 46 was removed from service in July 2018, and will not be used as a source of supply. As always, the District will operate wells in accordance with the regulatory requirements while continuing to provide customers with the best available drinking water.

Because of its chemical structure, the DDW Notification Level Issuance document indicates that PFHxS is resistant to degradation. As a result, it is persistent in biological organisms and the environment. It also states that PFHxS adversely affects the growth and development of fetuses, infants and young children.

The District will continue its commitment to adhering to the operational, monitoring, and reporting requirements prescribed by DDW that are designed to protect public health and safety. The District will also continue to work closely with DDW and other stakeholders to ensure that customers receive a continuous supply of clean and healthful drinking water.

Perfluorohexane Sulfonic Acid Notification and Response Level Exceedances

November 21, 2022

Page 3 of 3

Attachments:

1. State Water Resources Control Board, Division of Drinking Water, Notification Level Issuance



NOTIFICATION LEVEL ISSUANCE

Contaminant(s):	Perfluorohexane Sulfonic Acid (PFHxS)
Proposed Notification Level:	3 nanograms per liter (ng/L)
Proposed Response Level:	20 nanograms per liter (ng/L)
Analytical Method:	EPA Methods 537.1 and 533
Toxicological Endpoint:	Decreased total thyroid hormone in male rats

FINDINGS:

1. Health and Safety Code section 116455 authorizes the State Water Resources Control Board (State Water Board) to issue notification and response levels for contaminants in drinking water delivered for human consumption before a maximum contaminant level (MCL) has been adopted. Pursuant to subdivision (k)(2) of section 116271 of the Health and Safety Code, the Deputy Director of the Division of Drinking Water (DDW) is delegated the State Water Board's authority to issue notification and response levels.
2. Notification levels are nonregulatory, health-based advisory levels for contaminants that are established as precautionary measures.
3. Response levels are established in conjunction with notification levels and represent the concentration of a drinking water contaminant at which additional steps, beyond notification, are recommended to reduce public exposure. For contaminants with non-cancer health risks, a response level up to 10 times the toxicological endpoint is consistent with an acceptable margin of safety.
4. Information on notification and response levels is available at https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/NotificationLevels.html.
5. PFHxS is a member of a large class of chemicals known as per- and polyfluoroalkyl substances (PFAS). PFHxS is a six-carbon fluorocarbon with a functional group that acts as an anionic surfactant that can be used in numerous commercial products to offer water- and stain-repellent properties and in fire-fighting foams. It does not occur naturally, and its presence in the environment is due to anthropogenic activity. Due to its saturation with highly stable carbon-fluorine bonds, the PFHxS molecule is resistant to degradation. As a result, this compound persists in the environment and in biological organisms. PFHxS adversely affects the growth and development in fetuses, infants, and young children.



NOTIFICATION LEVEL ISSUANCE

6. The establishment of notification and response levels does not require public water systems to monitor for the contaminant, except when water systems are subject to recycled water regulations at Title 22, California Code of Regulations, division 4, chapter 3. Some water systems, however, will sample for constituents in addition to those contaminants for which there are maximum contaminant levels, and if those monitoring results indicate that a notification level or response level has been exceeded, the water system must comply with Health and Safety Code section 116455.
7. Health and Safety Code section 116378 requires community and nontransient noncommunity water systems, when ordered to monitor for any PFAS with a notification level, to
 - A. Report detected results in the water system's annual consumer confidence report,
 - B. Notify the water system's governing body if a notification level is exceeded, and
 - C. Either remove a water source from use or provide public notification within 30 days if a response level is exceeded.
8. In addition to the requirements for notification in sections 116378 and 116455 requirements, DDW recommends that a public water system inform its customers and consumers about the exceedance of notification levels and response levels, as well as associated health concerns.
9. In February 2020, DDW requested that the Office of Health Hazard and Assessment (OEHHA) prepare a recommendation for a notification level for PFHxS.
10. On March 17, 2022, OEHHA provided a memorandum and technical document entitled *Perfluorohexane Sulfonic Acid in Drinking Water*. The recommended notification level of 2 ng/L or parts per trillion (ppt) represents the concentration of PFHxS in drinking water that would not pose any significant health risk.
11. In accordance with Health and Safety Code section 116456, DDW posted the proposed PFHxS notification and response levels on its website, along with links to peer-reviewed studies relied upon and OEHHA's recommendation. DDW provided notice of the proposed notification and response levels, with supporting documentation, via email on July 7, 2022. Documents related to development of the notification and response levels are available at https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/NotificationLevels.html.
12. On July 7, 2022, DDW provided public notice of proposed notification and response levels for PFHxS of 2 ng/L and 20 ng/L, respectively.
13. On August 17, 2022, DDW presented an informational item on the proposed notification and response levels during the regularly noticed meeting of the State Water Board.



NOTIFICATION LEVEL ISSUANCE

14. According to the 2022-2026 Unregulated Contaminant Monitoring Rule (UCMR 5), [U.S. EPA Method 533](#) will be used to analyze for PFHxS in drinking water samples and has a minimum reporting level of 3 ng/L.
15. Based on laboratory capacity, the Deputy Director finds that a notification level of 3 ng/L is more appropriate for statewide sampling needs.
16. For the purposes of U.S. EPA Method 533, field duplicates are separate samples collected at the same time and sampling location, shipped and stored under identical conditions, to support potential repeat analyses (if the original field sample is lost or if there are quality control failures associated with the analysis of the original field sample).
17. Because PFHxS adversely affects fetal and infant development, DDW recommends that:
 - A. The laboratory notify the public water system within 48 hours of obtaining a result that exceeds the notification and/or response level, and
 - B. A field duplicate be collected for potential sample confirmation.
18. PFHxS detections will be evaluated for notification and response level exceedance using one of the following:
 - A. Through confirmation of a positive detection by analysis of a field duplicate collected with the initial sample, or
 - B. Using the single initial positive sample result, if the water system chooses not to analyze a field duplicate for confirmation.
19. If the average of the initial and field duplicate PFHxS sample results, or the initial positive sample result if the water system chooses not to analyze a field duplicate for confirmation, exceeds the notification or response level, the water system must conduct the public notification and actions specified in Health and Safety Code section 116455 and, if ordered to monitor pursuant to section 116378, in section 116378. If the average or initial sample result does not exceed the notification or response level, the water system should inform the State Water Board of the results.

Therefore, the Deputy Director of DDW establishes a notification level of 3 ng/L and response level of 20 ng/L for PFHxS.

Approved:



Digitally signed by Darrin
Polhemus

Date: 2022.10.31 08:34:15 -07'00'

Darrin Polhemus, P.E.
Deputy Director, Division of Drinking Water
State Water Resources Control Board

Date



Agenda Item: 15

Date: November 21, 2022

Subject: Regulations Governing Water Service, Regulation 3 – Fees and Charges and Wholesale Rates Study

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

Discussion

In addition to water rates, the District has a variety of fees and charges it charges certain customers, or future customers, for special services provided them by the District. These fees and charges are set at the discretion of the Board but must have a cost of service basis. Per District policy PL – Fin 009 Water Service Rates, Fees, and Charges Setting Policy (Policy), Section 400.00 – Reviews and Updates, the District will conduct studies every five years to update assumptions, ensure that fees and charges reflect the costs of service, and are sufficient to fund District operations. The last miscellaneous fee and charge study was completed in 2017.

In 2014, the District also concluded a comprehensive Wholesale Wheeling and Conjunctive Use Water Rate Study to determine appropriate rates for wheeling or wholesaling water to neighboring agencies. The rates developed through that study were stated in acre feet (AF) and ranged from approximately \$212 per AF to \$456 per AF.

Staff have budgeted to perform a fees and charges, and wholesale rates study during the CY2023 Budget year. Staff anticipates beginning the study in the first quarter of 2023 with completion and presentation to the Board by June of 2023 for implementation as of August 1, 2023.



Agenda Item: 16

Date: November 21, 2022

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 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. ACWA 2022 Fall Conference & Exhibition
November 29, 2022 – December 2, 2022
Indian Wells, CA
<https://www.acwa.com/events/page/3/>
2. RWA Holiday Social
December 8, 2022
Sacramento, CA
3. SGA Board Meeting
December 8, 2022
Virtual
<https://www.sgah2o.org/meetings/board-meetings/>
4. RWA Executive Committee Meeting
December 14, 2022
Virtual
<https://rwah2o.org/meetings/board-meetings/>

Upcoming Water Industry Events

November 21, 2022

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5. CA-NV AWWA Spring Conference
April 2-5, 2023
San Diego, CA
https://www.ca-nv-awwa.org/canv/CNS/Events_Classes/Future_Events/CNS/EventsandClasses/Events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849

6. Sacramento Metro Chamber of Commerce Cap-to-Cap
April 30, 2023 – May 4, 2023
Washington DC
<https://metrochamber.org/cap22/>

7. ACWA 2023 Spring Conference & Exhibition
May 9, 2023 – May 11, 2023
Monterey, CA
<https://www.acwa.com/events/page/3/>

8. CA-NV AWWA Fall Conference
October 23-26, 2023
Las Vegas, NV
https://www.ca-nv-awwa.org/canv/CNS/Events_Classes/Future_Events/CNS/EventsandClasses/Events.aspx?hkey=40976128-710b-4097-b27b-e35fe6133849

9. ACWA 2023 Fall Conference & Exhibition
November 28 - 30, 2023
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 3rd Tuesday of the month at 6:00 p.m.
- Citrus Heights Water District: <http://chwd.org/> - Every 3rd Wednesday of the month at 6:30 p.m.
- Del Paso Manor Water District: <https://www.delpasomanorwd.org/> - Every 1st and 3rd Monday of the month at 6:00 p.m.
- El Dorado County Water Agency - <http://www.edlafco.us/> - Every 2nd Wednesday of the month at 10:00 a.m.
- El Dorado Irrigation District - <http://www.eid.org/> - Every 2nd and 4th Mondays of the month at 9:00 a.m.
- Fair Oaks Water District: <http://www.fowd.com/> - Every 3rd Monday of the month at 6:30 p.m.
- Natomas Mutual Water Company - <http://natomaswater.com/> - Every 2nd Tuesday of the month at 9:00 a.m.
- Orangevale Water Company - <https://orangevalewater.com/> - Every 1st Tuesday of the month at 4:00 p.m.
- Placer County Water Agency: <https://pcwa.net/> - Every 1st and 3rd Thursdays of the month at 2:00 p.m.
- Rio Linda/Elverta Community WD: <http://www.rlecwd.com/> - Every 3rd Monday of the month at 6:30 p.m.
- San Juan Water District: <http://www.sjwd.org/> - Every 4th Wednesday of the month at 6:00 p.m.



Agenda Item: 17 a.

Date: November 21, 2022

Subject: Upcoming Policy Review – Claims Processing Policy (PL – Adm 007)

Staff Contact: Matt Underwood, Assistant General Manager

Claims Processing Policy (PL – Adm 007) (Policy) is scheduled for its biennial review. The Policy was adopted by the Board on January 27, 2003, and was last reviewed by the Board and approved with changes on March 16, 2020.

This Policy update was reviewed by legal counsel.

The Policy is scheduled for Board review and approval at the December 19, 2022, regular Board meeting. If a Director desires to comment on the Policy, staff requests that they do so by November 28, 2022. If no comment is received, this Policy will be placed as a Consent Item on the December 19, 2022 regular Board meeting agenda.

Staff and legal counsel have reviewed the Policy and are recommending edits as follows:

Section 100.00: Minor grammatical edits and the addition of “breaches of contract”.

Section 200.00: Minor grammatical edits and the addition of “breaches of contract”.

Both a redlined and clean version of the Policy are attached to this report for reference (Attachments 1 and 2, respectively).

Fiscal Impact:

Adopting the updated policy does not have a fiscal impact.

Strategic Plan Alignment:

Goal B: Optimize Operational and Organizational Efficiencies

Goal D: Maintain Excellent Customer Service

Attachments:

- 1) Claims Processing Policy (PL – Adm 007) – redline
- 2) Claims Processing Policy (PL – Adm 007) – clean

Sacramento Suburban Water District

Claims Processing Policy

Adopted: December 21, 2009

Approved with Changes on ~~March 16, 2020~~ December 19, 2022

100.00 Purpose of the Policy

The purpose of this policy is to establish a claims handling process that complies with the Government Claims Act, Government Code sections 810 and following, and Ordinance 02-02 establishing local claims procedures for the Sacramento Suburban Water District (District). This process will be used by persons and entities that file claims seeking reimbursement from the District for damages incurred due to injuries to personal or real property, ~~or for~~ personal injuries, or breaches of contract alleged to be caused by District facilities or equipment, or its directors, officers, employees, or agents.

200.00 Policy

Pursuant to authority granted by the Government Claims Act and the County Water District Law, the District must take action on each claim made by a person or entity against the District for damages incurred as a result of injuries to personal or real property, ~~or~~ personal injuries, or breaches of contract before the person or entity is permitted to file legal action on such claims. Under this 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. In accordance with the policies of the District's risk pool, ACWA-JPIA, all claims involving bodily injury and all liability claims over \$25,000 must be reported to ACWA-JPIA for handling. 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 claims presentation. All claims will be presented as information to the Board of Directors at a regularly scheduled Board Meeting.

300.00 Authority and Responsibility

The General Manager, or designee, has the authority to approve or reject all claims. The Operations Manager has the responsibility to receive claim documentation and prepare an investigation report with recommendation for action to the General Manager. The General Manager shall adopt and implement appropriate procedures to carry out this Policy and report to the District Board of Directors at its next regular meeting on each claim.

400.00 Tender of Claims to Risk Pool or Insurer

Upon receipt of any claim, District staff will provide notice of the claim and all relevant documents to ACWA-JPIA or to any other risk pool or insurer from which the District may obtain any insurance coverage or indemnity for claims from time to time.

500.00 Policy Review

This Policy shall be reviewed at least biennially.

Sacramento Suburban Water District

Claims Processing Policy

Adopted: December 21, 2009
Approved with Changes on December 19, 2022

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500.00 Policy Review

This Policy shall be reviewed at least biennially.



Agenda Item: 17 b.

Date: November 21, 2022

Subject: Upcoming Policy Review - Investment Policy
(PL – Fin 003)

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

Summary:

Investment Policy (PL – Fin 003) (Policy) is scheduled for its annual review. The Policy was adopted by the Board on December 16, 2002, and was last updated and reviewed by the Board on December 20, 2021.

Staff are recommending changes based upon recommendations provided by the District's investment advisor, PFM Asset Management, LLC (PFMAM) and from staff review.

The Policy is scheduled for Board review and approval at the December 19, 2022, regular Board meeting. If a Director desires to comment on the Policy, staff requests that they do so by November 28, 2022. If no comment is received, this Policy will be placed as a Consent Item on the December 19, 2022 regular Board meeting agenda.

Background:

Government Code section 53646(a)(2) states: "the treasurer or chief fiscal officer of the local agency may annually render to the legislative body of that local agency and any oversight committee of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting". In addition, Government Code section 53607 states: "The authority of the legislative body to invest or to reinvest funds of a local agency, or to sell or exchange securities so purchased, may be delegated for a one-year period by the legislative body to the treasurer of the local agency... Subject to review, the legislative body may renew the delegation of authority pursuant to this section each year".

Discussion:

Staff is recommending certain Policy changes based upon recommendations provided by the District's investment advisor PFMAM and from staff review. The Policy is in compliance with the California Government Code (Code) that governs the investment of public funds. Policy changes are in response to changes to Code that will go into effect on January 1, 2023, following the passage of Senate Bill 1489 (SB 1489). SB 1489, also known as the Local Government Omnibus Act of 2022, made a number of changes to Code, including several that impact the investment of public funds and the reporting practices of public agencies. Changes made to Code section 53601, the

section of Code that governs the investment of public funds, include language stating that an investment's term or remaining maturity shall be measured from the settlement date to final maturity, and, that a security purchased in accordance with Code section 53601 shall not have a forward settlement date exceeding 45 days from the time of investment. Previously, Code was silent on both items.

SB 1489 also modified Code section 53646 and its quarterly reporting requirements. Per Code, producing a quarterly report is optional for public agencies. However, should an agency choose to produce a quarterly report, certain requirements must be met. One of those requirements was to produce the quarterly report within thirty (30) days following the end of the quarter. With SB 1489 that time has been extended to forty-five (45) days. The District's Policy does not explicitly require quarterly reports and contains no language regarding the due date of reporting. As such, no Policy changes are needed to address this Code change.

The suggested changes were not reviewed by legal counsel. The suggested Policy changes are summarized below:

1. **Section 610.00 (a) – Maturity Limitations:** Staff recommends adding the following language:

For purposes of compliance with this section, an investment's term or remaining maturity shall be measured from the settlement date to final maturity.

2. **Section 630.00 – Purchase and Sale of Securities:** Staff recommends adding the following language as item (h):

A security purchased in accordance with this Policy shall not have a forward settlement date exceeding 45 days from the time of investment.

3. **Section 704.00(e) & (f) – Negotiable Certificates of Deposit:** Staff recommends removing both (e) and (f) as these sections are not in the Code for Negotiable Certificates of Deposit.

- e. The investment will not exceed the District's equity of any depository bank. For the purpose of this constraint, shareholders' equity will be deemed to include capital notes and debentures.

- f. The investment will not exceed the total of the net worth of any depository savings and loan association, except that investments up to a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such investments are insured or secured as required by law.

4. **Appendix B – Glossary:** Staff are recommending replacing the term Comprehensive Annual Financial Report (CAFR) with the new term Annual Comprehensive Financial Report (ACFR) as required by the Governmental Accounting Standards Board (GASB) Statement No. 98 – the Annual Comprehensive Financial Report.

Both a redlined version (Attachment 1) and a clean version (Attachment 2) of the updated Policy are attached for reference.

Fiscal Impact:

There is no fiscal impact related to the changes in this Policy.

Strategic Plan Alignment:

Goal C: Ensure Fiscal Responsibility and Affordable Rates

Attachments:

- 1) Investment Policy (PL – Fin 003) – redlined
- 2) Investment Policy (PL – Fin 003) – clean

Sacramento Suburban Water District

Investment Policy

Adopted: December 16, 2002

Approved with changes on: December ~~2019~~, ~~2021~~2022

100.00 Investment Authority

In accordance with section 53600 et. seq. of the Government Code of the State of California (Government Code), the authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to the Director of Finance and Administration/District Treasurer. Investments by the Director of Finance and Administration/District Treasurer, or his/her designee, pursuant to the delegation made by this Investment Policy are limited to those instruments described herein (the “Policy”). The District may delegate investment authority to an investment advisor. The advisor will follow the Investment Policy and such other written instructions as are provided.

200.00 Scope

This investment policy applies to all investment activities and financial assets of the District. The funds covered by this policy are accounted for and incorporated in the District’s Annual Comprehensive Financial Report (ACFR). This policy specifically exempts any bond proceed funds. Bond proceeds shall be invested in accordance with the requirements and restrictions outlined in the bond documents. Also exempt are pension or other post-employment benefit funds held in a trust.

300.00 Statement of Objectives

In order of importance, four fundamental criteria will be followed in the investment program:

310.00 Safety of Principal

Investments will be undertaken in a manner which first seeks to ensure the preservation of capital in the portfolio. Each investment transaction will be entered into seeking quality in issuer and in underlying security or collateral. Market risk will be reduced by diversifying the portfolio, by limiting the average maturity of the portfolio, by limiting the maximum maturity of any one security, and by performing cash flow analyses to avoid the need to sell securities prior to maturity.

320.00 Liquidity

Investments will be made with maturity dates compatible with cash flow requirements to permit conversion to cash without a significant loss in value.

330.00 Interest Rate Risk Hedging

The District's investment portfolio will be designed with the objective of mitigating interest rate risk that arises due to adjustable-rate debt financing or other contractual arrangements, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

340.00 Return on Investment

The District's investment portfolio will be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

400.00 Prudent Investor Standard

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing the District's funds, the Board and those to whom investment authority has been delegated shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District. This standard will be applied in all investment decisions, including those related to hedging interest rate risks associated with debt financing.

500.00 Authorized Financial Dealers and Institutions

The Director of Finance and Administration/District Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the public agency in the State of California. A determination should be made to ensure that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy. In addition, the broker/dealer firms should have the ability to meet all of their financial obligations in dealing with the District. The firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved. No public deposit shall be made except in a qualified public depository as established by the established state laws. An annual review of the financial condition and registrations of the qualified institutions utilized by the District will be conducted by the Director of Finance and Administration/District Treasurer. A current audited financial statement is required to be on file for each

financial institution and broker/dealer that the District utilizes as part of its portfolio management.

600.00 Portfolio Management

Any reference to the District's portfolio will mean the total of the cash and securities under management by the Director of Finance and Administration/District Treasurer, excluding cash and securities held in escrow or in trust on behalf of the District. Any reference to the Director of Finance and Administration/District Treasurer herein will include his/her designee or designees (such as a professional portfolio manager or financial advisor). The Director of Finance and Administration/District Treasurer may invest in any security authorized for investment under this Policy, subject to the limitations described below:

610.00 Maturity Limitations

- a. With the exception of securities underlying repurchase agreements, the Director of Finance and Administration/District Treasurer is authorized to invest the District's fund balances to a maximum term of five years, unless a longer maturity would be warranted and has been approved by the Board at least 90 days in advance of the investment. [For purposes of compliance with this Policy section, an investment's term or remaining maturity shall be measured from the settlement date to final maturity.](#) Investment of bond proceeds held by the bond Trustee such as bond reserve funds, construction funds or funds established for the refunding and defeasance of bonds shall be subject to the applicable provisions set forth in the bond agreements, rather than the provisions of the Government Code.
- b. For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein.

620.00 Diversification

The District will diversify its investments by security type and institution. With the exception of U.S. Government, Agencies, and Government Sponsored Enterprises, and authorized pools, limitations will be placed the amount invested in a single security type or with a single financial institution. Limitations are described in Section 700.00 Authorized Investments.

630.00 Purchase and Sale of Securities

- a. Information concerning investment opportunities and market developments will be gained by maintaining contact with the financial community together with information provided by financial advisors to the District.
- b. The purchase of any investment other than those purchased directly from the issuer

will be, to the extent possible, purchases from a firm designated as a Primary Dealer (dealers) by the Federal Reserve Bank of New York.

- c. All dealers will be required to provide confirmations of all purchases or sales directly to the Director of Finance and Administration/District Treasurer.
- d. Initially and when there are material changes to this Policy, the Director of Finance and Administration/District Treasurer will transmit a copy of the current Policy to its professional portfolio manager or financial advisor, requiring them to return a signed statement indicating receipt and understanding of the Policy.
- e. When practicable, the Director of Finance and Administration/District Treasurer will solicit more than one quotation on each trade. Investment trades will be awarded on a competitive bid basis.
- f. Prohibited investments include inverse floaters, range notes, interest-only strips derived from a pool of mortgages (Collateralized Mortgage Obligations), and any security that could result in zero interest accrual if held to maturity. (Zero interest accrual means the security has the potential to realize zero earnings through its maturity.)

Notwithstanding the prohibition in the above paragraph, the District may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. The District may hold these instruments until their maturity dates. This paragraph shall remain in effect only until January 1, 2026, and as of that date is repealed.

- g. If the District uses a professional portfolio manager, the portfolio manager may use its own list of approved brokers, dealers, and financial institutions to conduct security transactions on behalf of the District subject to the provisions of Government Code section 53601.5.

[h. A security purchased in accordance with this Policy shall not have a forward settlement date exceeding 45 days from the time of investment.](#)

640.00 Exchange of Securities

An exchange of securities is a shift of assets from one instrument to another and may be done for a variety of reasons, such as for interest rate risk hedging purposes, to increase yield, to lengthen or shorten maturities, to realize a profit, or to increase investment quality. In no instance will an exchange be undertaken for speculative purposes. Exchanges, to the extent practicable, will be simultaneous (same day execution of sale and purchase).

650.00 Portfolio Adjustments

- a. District portfolio percentage limitations for each category of investment are applicable only at the date of purchase. Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity, if deemed necessary, to avoid losses.
- b. In the event a security held by the District is subject to a ratings change that brings it below the minimum ratings specified in this Policy, the Director of Finance and Administration/District Treasurer shall notify the Board of the change. The course of action to be followed will be decided on a case-by-case basis, subject to Board approval, considering such factors as the reason for the ratings drop, prognosis for recovery or further ratings drops, and the market price of the security.
- c. The Director of Finance and Administration/District Treasurer may at any time further restrict the securities approved for investment as deemed appropriate.

660.00 Safekeeping

- a. All securities transactions, including collateral, for repurchase agreements entered into by the District will be conducted on a delivery versus payment (DVP) basis.
- b. Securities will be held in safekeeping pursuant to a safekeeping agreement by an independent custodian, which does not act as a principal or secondary broker-dealer.
- c. All financial institutions which provide safekeeping services for the District will be required to provide reports or safekeeping receipts directly to the Director of Finance and Administration/District Treasurer to verify securities taken into their possession.
- d. A counterparty bank's trust department or separate safekeeping department may be used for physical delivery of a security. The security must be held in the District's name.

670.00 Review of Investment Portfolio

The securities held by the District must be in compliance with Section 700.00 Authorized Investments at the time of purchase. Because some securities may not comply with Section 700.00 Authorized Investments subsequent to the date of purchase, the Director of Finance and Administration/District Treasurer shall at least quarterly review the portfolio to identify those securities that do not comply. The Director of Finance and Administration/District Treasurer shall establish procedures to report to the Board major and critical incidences of noncompliance identified through the review of the portfolio.

Any investment held by the District at the time this Policy is adopted or amended will not be sold to conform to any part of this Policy unless its sale is judged to be prudent by the Director of Finance and Administration/District Treasurer.

680.00 Investment Pools/Mutual Funds

A thorough investigation of pool/fund's used by the District is required prior to investing, and on an annual basis. The review may address the following questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. A fee schedule, and when and how is it assessed.

690.00 Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for Certificate of Deposits and 102% for reverse repurchase agreements of principal and accrued interest.

700.00 Authorized Investments

The following are types of securities that may be purchased subject to the limitations specified. A summary of these security types and the limitations on the percentage of portfolio is shown in Appendix A.

701.00 U.S. Government, Agencies, and Government Sponsored Enterprises

- a. Investments in U.S. Treasury obligations will not be subject to any limitations. Purchases may be affected through the Federal Book Entry System which includes acceptance of a Federal Reserve receipt on behalf of the District.
- b. Investments in direct obligations of federal agencies guaranteed by the U.S. Government will not be subject to any limitations.
- c. Investments in federal agency obligations not explicitly guaranteed by the U.S.

Government will not be subject to any limitations.

- d. Investments in government sponsored enterprise obligations not explicitly guaranteed by the U.S. Government will not be subject to any limitations.

702.00 Municipal Obligations

- a. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency.
- b. Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United, in addition to California.

703.00 Bankers' Acceptances

Restrictions are as follows:

- a. Investments in prime bankers' acceptances will not exceed 40 percent of the portfolio in effect immediately after any such investment is made.
- b. No more than 5 percent of the total portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- c. Eligible bankers' acceptances will be rated in the highest short-term ratings category by a Nationally Recognized Statistical Rating Organization (NRSRO).
- d. The maximum maturity will be limited to 180 days.

704.00 Negotiable Certificates of Deposit

Restrictions are as follows:

- a. Investments in negotiable certificates of deposit will not exceed 30 percent of the total portfolio in effect immediately after any such investment is made.
- b. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- c. To be eligible, a certificate of deposit must be issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or a federally- or state-licensed branch of a foreign bank.

- d. Eligible negotiable certificates of deposits will be rated in a rating category of “A” long-term or “A-1” short-term, or its equivalent, or better by at least one NRSRO.
- ~~e. The investment will not exceed the Districts’ equity in any depository bank. For the purpose of this constraint, shareholders’ equity will be deemed to include capital notes and debentures.~~
- ~~f. The investment will not exceed the total of the net worth of any depository savings and loan association, except that investments up to a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such investments are insured or secured as required by law.~~
- g. The District’s Board and the Director of Finance and Administration/District Treasurer or other official of the District having legal custody of the moneys are prohibited from investing District funds, or funds in the custody of the District, in negotiable certificates of deposit issued by a state or federal credit union if a member of the District’s Board, or a person with investment decision making authority at the District also serves on the board of directors of the credit union, or any committee appointed by the credit union board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- h. The maximum maturity will be limited to five years.

705.00 Commercial Paper

Restrictions are as follows:

- a. Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating, at the time of purchase, as provided by an NRSRO, may be purchased.
- b. Investment of the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
 - (1) The entity meets the following criteria:
 - a. Is organized and operating in the United States as a general corporation.
 - b. Has total assets in excess of five hundred million dollars (\$500,000,000).
 - c. Has debt other than commercial paper, if any, that is rated in a rating category of “A”, its equivalent, or higher by an NRSRO.
 - (2) The entity meets the following criteria:

- a. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - b. Has program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.
 - c. Has commercial paper that is rated in a rating category of “A-1”, its equivalent, or higher, by an NRSRO.
- c. Investments in commercial paper will not exceed 25 percent of the District’s portfolio.
 - d. Each investment will not exceed 270 days maturity.
 - e. No more than 5 percent of the District’s portfolio may be invested in the securities of any one non-government issuer regardless of security type.

706.00 Repurchase Agreements

A repurchase agreement is a purchase of authorized securities with terms including a written agreement by the seller to repurchase the securities on a later specified date for a specified amount. Restrictions are as follows:

- a. The percentage limit for investment in repurchase agreements will be 50 percent of the total portfolio.
- b. Repurchase agreements will be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally- or state-chartered bank that has had a significant banking relationship with the District. The bank must be rated in the highest short-term ratings category by an NRSRO.
- c. Such investments will provide for purchased securities with a market value of at least 102 percent of the amount of the invested funds. The value will be adjusted not less than quarterly.
- d. Purchased securities are limited to those protected by United States Bankruptcy Code, Treasury bills, bonds and notes, or other investments that are direct obligations of or fully guaranteed as to principal and interest by the United States or any agency thereof. Zero coupon and stripped coupon instruments are not acceptable.
- e. Such investments will provide for transfer of ownership and possession of the purchased securities either to the District directly or to a custodian depository institution which will take record title and will establish and maintain a sub-account in its financial records for the securities in the District’s name, and such custodian will not be the dealer from which the securities were purchased.

- f. Each repurchase agreement will have a valid and perfected first security interest therein under the California Commercial Code or pursuant to the book entry procedures described by 31 C.F.R. Part 306 and/or 31 C.F.R. Part 357.
- g. The term of a repurchase agreement may not exceed one year.

707.00 Time Deposits

For purposes of this policy, collateralized time deposits will be considered investments. The following criteria will be used in evaluating financial institutions and form of collateral to determine eligibility for deposits:

- a. Must have been in existence for at least five years.
- b. Must have received an overall rating of not less than “satisfactory” in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California’s communities. Eligibility for deposits will be limited to those financial institutions that have a branch in the State of California and maintain a rating equivalent to Thompson BankWatch Service of “B” or better. Credit requirements may be waived for a time deposit that is federally insured.
- c. The deposit will not exceed the shareholders’ equity of any depository bank. For the purpose of this constraint, shareholders’ equity will be deemed to include capital notes and debentures.
- d. The deposit will not exceed the total of the net worth of any depository savings and loan association, except that deposits not exceeding a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such deposits are insured or secured as required by law.
- e. Deposits must be insured up to the FDIC’s current limit. For uninsured deposits, the financial institution will maintain in the collateral pool securities having a market value of at least 10 percent in excess of the total amount deposited. The District, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds. Promissory notes secured by real estate mortgages or deeds of trust are not acceptable as collateral.
- gf. When other factors are equal, appropriate consideration will be given to a financial institution that either individually or as a member of a syndicate bids on or makes a substantial investment in the District’s securities, contributes service to the District, and offers significant assistance to the District, so as to provide for distribution of total deposits among eligible financial institutions.
- hg. Purchased time deposits will be limited to a maximum maturity of one year.

i.h. Purchases of securities authorized by this subdivision may not exceed 50% of the District's portfolio.

708.00 Medium-Term Notes

Restrictions are as follows:

- a. Investment in medium-term notes are limited to corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- b. Notes eligible for investment under this subdivision will be rated in the rating category of "A", its equivalent, or better by at least one NRSRO.
- c. Purchases of medium-term notes may not exceed 30 percent of the District's portfolio.
- d. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- e. Purchases of medium-term notes will be limited to a maximum maturity of five years.

709.00 Mortgage Obligations and Asset Backed Securities

The District may invest in any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Restrictions are as follows:

- a. A maximum of five years to maturity.
- b. Securities eligible for investment must be rated in a rating category of "AA", its equivalent, or better by an NRSRO.
- c. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's portfolio.
- d. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.

710.00 Local Agency Investment Fund Deposits

Deposits for the purpose of investment in the Local Agency Investment Fund of the

State Treasury may be made up to the maximum amount permitted from time to time by State Treasury policy.

711.00 Shares of Beneficial Interest (Money Market Funds)

The Director of Finance and Administration/District Treasurer may invest, for temporary periods pending disbursement or reinvestment, in shares of beneficial interest issued by eligible diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. These companies must meet the following criteria:

- a. Attain the highest ranking of the highest letter and numerical rating provided by not less than two nationally recognized rating agencies, or retain an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market funds with assets under management in excess of \$500 million.
- b. The purchase price of the shares will not include any commission that the companies may charge and will not exceed 20 percent of the District's portfolio.

712.00 Shares of Beneficial Interest Issued by a Joint Powers Authority (Local Government Investment Pools)

Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q) of Government Code Section 53601, inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission. (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q) Government Code Section 53601, inclusive. (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

713.00 Supranationals

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB).

Restrictions are as follows:

- a. A maximum of five years to maturity.

- b. Must be eligible for purchase and sale within the United States.
- c. Notes eligible for investment under this subdivision will be rated in a rating category of “AA”, its equivalent, or better by at least one NRSRO.
- d. Purchases of these securities may not exceed 30 percent of the District’s portfolio.
- e. No more than 10 percent of the District’s portfolio may be invested in the securities of any one supranational issuer.

800.00 Reporting

On a regular basis, the Director of Finance and Administration/District Treasurer will provide a report to the public and Board of Directors showing the holdings and investment transactions, issuers, maturity dates, par and dollar amounts invested, cash balances, amounts held by the Local Agency Investment Fund and any other amounts under the management of contracted parties. On a monthly basis, in accordance with Government Code 53607, the Director of Finance and Administration/District Treasurer shall make a monthly report of investment transactions to the legislative body.

900.00 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The District will establish an appropriate performance benchmark to compare the performance of its portfolio to the performance of the benchmark.

1000.00 Internal Controls

The Director of Finance and Administration/District Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, fraud or misuse. Accordingly, the Finance Director/District Treasurer shall establish an independent review process. This review process will provide internal control by assuring compliance with policies and procedures.

1100.00 Conflicts of Interest

The Director of Finance and Administration /District Treasurer and his or hers designees will perform duties under this Policy in accordance with sections 1090 and 1126 of the Government Code as well as any other state law referred to in this policy.

1200.00 Conflicts

In the event any provision of this Policy is in conflict with any of the statutes referred to herein or any other state or federal statute, the provision of such statutes will govern.

1300.00 Policy Review

This policy shall be reviewed by the Board of Directors at least biennially.

APPENDIX A

State Authorized Investments vs. District's Statement of Investment Policy

Investment Type	Maximum Maturity ⁽¹⁾	Maximum Percentage of Portfolio	Percentage By Any Issuer or Bank
U.S. Treasury Obligations:			
State Code	5 years	100	--
District Policy		100	--
Federal Agencies and Government Sponsored Enterprises:			
State Code	5 years	100	--
District Policy		100	--
Municipal Obligations:			
State Code	5 years	100	--
District Policy		100	--
Repurchase Agreements:			
State Code	1 year	100	--
District Policy	1 year	50	--
Bankers Acceptances:			
State Code	180 days	40	30
District Policy	180 days	40	5
Commercial Paper:			
State Code	270 days	25	--
District Policy	270 days	25	5
Negotiable Certificates of Deposit:			
State Code	5 years	30	--
District Policy		30	5
Medium Term Notes:			
State Code	5 years	30	--
District Policy	5 years	30	5
Time Deposits:			
State Code	--	100	--
District Policy	1 year	50	--
Mortgage Backed and Asset Backed Obligations:			
State Code	5 years	20	--
District Policy	5 years	20	5
Local Agency Investment Fund:			
State Code	N/A	⁽²⁾	--
District Policy	N/A	⁽²⁾	--

Shares of Beneficial Interest (Money Market Fund):			
State Code	N/A	20	--
District Policy	N/A	20	10
Shares of Beneficial Interest (Local Government Investment Pools):			
State Code	N/A	100	--
District Policy	N/A	100	--
Supranationals:			
State Code	5 years	30	--
District Policy	5 years	30	10

Note: For funds established by Indentures of Trust, the provisions of such Indentures will govern investments.

- (1) California Government Code provides authority to the Board to permit maturities beyond five years with certain restrictions. The current Policy provides for maturities longer than five years for funds established by Indentures of Trust.
- (2) District will allow up to the amount allowed by Local Agency Investment Fund.

APPENDIX B

Glossary

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

~~**COMPREHENSIVE ANNUAL FINANCIAL REPORT (Annual Report):** The official annual report of the District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.~~

COMPREHENSIVE ANNUAL COMPREHENSIVE FINANCIAL REPORT (Annual ReportACFR): The official annual report of the District. It includes five combined the required financial statements for each individual fund and account group prepared in conformity with GAAP. It also includes the audit opinion, supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material including management's discussion and analysis (MDA), required supplemental information (RSI), and a detailed Statistical Section.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

~~**COMPREHENSIVE ANNUAL FINANCIAL REPORT (Annual Report):** The official annual report of the District. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.~~

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities

with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount and redeemed at maturity for full face value (*e.g., U.S. Treasury Bills.*)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term “pass-throughs” is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

Sacramento Suburban Water District

Investment Policy

Adopted: December 16, 2002
Approved with changes on: December 19, 2022

100.00 Investment Authority

In accordance with section 53600 et. seq. of the Government Code of the State of California (Government Code), the authority to invest public funds is expressly delegated to the Board of Directors for subsequent re-delegation to the Director of Finance and Administration/District Treasurer. Investments by the Director of Finance and Administration/District Treasurer, or his/her designee, pursuant to the delegation made by this Investment Policy are limited to those instruments described herein (the “Policy”). The District may delegate investment authority to an investment advisor. The advisor will follow the Investment Policy and such other written instructions as are provided.

200.00 Scope

This investment policy applies to all investment activities and financial assets of the District. The funds covered by this policy are accounted for and incorporated in the District’s Annual Comprehensive Financial Report (ACFR). This policy specifically exempts any bond proceed funds. Bond proceeds shall be invested in accordance with the requirements and restrictions outlined in the bond documents. Also exempt are pension or other post-employment benefit funds held in a trust.

300.00 Statement of Objectives

In order of importance, four fundamental criteria will be followed in the investment program:

310.00 Safety of Principal

Investments will be undertaken in a manner which first seeks to ensure the preservation of capital in the portfolio. Each investment transaction will be entered into seeking quality in issuer and in underlying security or collateral. Market risk will be reduced by diversifying the portfolio, by limiting the average maturity of the portfolio, by limiting the maximum maturity of any one security, and by performing cash flow analyses to avoid the need to sell securities prior to maturity.

320.00 Liquidity

Investments will be made with maturity dates compatible with cash flow requirements to permit conversion to cash without a significant loss in value.

330.00 Interest Rate Risk Hedging

The District's investment portfolio will be designed with the objective of mitigating interest rate risk that arises due to adjustable-rate debt financing or other contractual arrangements, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

340.00 Return on Investment

The District's investment portfolio will be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow characteristics of the portfolio.

400.00 Prudent Investor Standard

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing the District's funds, the Board and those to whom investment authority has been delegated shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the District, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the District. This standard will be applied in all investment decisions, including those related to hedging interest rate risks associated with debt financing.

500.00 Authorized Financial Dealers and Institutions

The Director of Finance and Administration/District Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the public agency in the State of California. A determination should be made to ensure that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy. In addition, the broker/dealer firms should have the ability to meet all of their financial obligations in dealing with the District. The firms, and individuals covering the agency, should be knowledgeable and experienced in Public Agency investing and the investment products involved. No public deposit shall be made except in a qualified public depository as established by the established state laws. An annual review of the financial condition and registrations of the qualified institutions utilized by the District will be conducted by the Director of Finance and Administration/District Treasurer. A current audited financial statement is required to be on file for each

financial institution and broker/dealer that the District utilizes as part of its portfolio management.

600.00 Portfolio Management

Any reference to the District's portfolio will mean the total of the cash and securities under management by the Director of Finance and Administration/District Treasurer, excluding cash and securities held in escrow or in trust on behalf of the District. Any reference to the Director of Finance and Administration/District Treasurer herein will include his/her designee or designees (such as a professional portfolio manager or financial advisor). The Director of Finance and Administration/District Treasurer may invest in any security authorized for investment under this Policy, subject to the limitations described below:

610.00 Maturity Limitations

- a. With the exception of securities underlying repurchase agreements, the Director of Finance and Administration/District Treasurer is authorized to invest the District's fund balances to a maximum term of five years, unless a longer maturity would be warranted and has been approved by the Board at least 90 days in advance of the investment. For purposes of compliance with this Policy section, an investment's term or remaining maturity shall be measured from the settlement date to final maturity. Investment of bond proceeds held by the bond Trustee such as bond reserve funds, construction funds or funds established for the refunding and defeasance of bonds shall be subject to the applicable provisions set forth in the bond agreements, rather than the provisions of the Government Code.
- b. For certain instruments, the term of the investment is limited by market convention or as otherwise prescribed herein.

620.00 Diversification

The District will diversify its investments by security type and institution. With the exception of U.S. Government, Agencies, and Government Sponsored Enterprises, and authorized pools, limitations will be placed the amount invested in a single security type or with a single financial institution. Limitations are described in Section 700.00 Authorized Investments.

630.00 Purchase and Sale of Securities

- a. Information concerning investment opportunities and market developments will be gained by maintaining contact with the financial community together with information provided by financial advisors to the District.

- b. The purchase of any investment other than those purchased directly from the issuer will be, to the extent possible, purchases from a firm designated as a Primary Dealer (dealers) by the Federal Reserve Bank of New York.
- c. All dealers will be required to provide confirmations of all purchases or sales directly to the Director of Finance and Administration/District Treasurer.
- d. Initially and when there are material changes to this Policy, the Director of Finance and Administration/District Treasurer will transmit a copy of the current Policy to its professional portfolio manager or financial advisor, requiring them to return a signed statement indicating receipt and understanding of the Policy.
- e. When practicable, the Director of Finance and Administration/District Treasurer will solicit more than one quotation on each trade. Investment trades will be awarded on a competitive bid basis.
- f. Prohibited investments include inverse floaters, range notes, interest-only strips derived from a pool of mortgages (Collateralized Mortgage Obligations), and any security that could result in zero interest accrual if held to maturity. (Zero interest accrual means the security has the potential to realize zero earnings through its maturity.)

Notwithstanding the prohibition in the above paragraph, the District may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual if held to maturity, in the event of, and for the duration of, a period of negative market interest rates. The District may hold these instruments until their maturity dates. This paragraph shall remain in effect only until January 1, 2026, and as of that date is repealed.

- g. If the District uses a professional portfolio manager, the portfolio manager may use its own list of approved brokers, dealers, and financial institutions to conduct security transactions on behalf of the District subject to the provisions of Government Code section 53601.5.
- h. A security purchased in accordance with this Policy shall not have a forward settlement date exceeding 45 days from the time of investment.

640.00 Exchange of Securities

An exchange of securities is a shift of assets from one instrument to another and may be done for a variety of reasons, such as for interest rate risk hedging purposes, to increase yield, to lengthen or shorten maturities, to realize a profit, or to increase investment quality. In no instance will an exchange be undertaken for speculative purposes. Exchanges, to the extent practicable, will be simultaneous (same day execution of sale and purchase).

650.00 Portfolio Adjustments

- a. District portfolio percentage limitations for each category of investment are applicable only at the date of purchase. Should an investment percentage of portfolio limitation be exceeded due to an incident such as a fluctuation in portfolio size, the affected securities may be held to maturity, if deemed necessary, to avoid losses.
- b. In the event a security held by the District is subject to a ratings change that brings it below the minimum ratings specified in this Policy, the Director of Finance and Administration/District Treasurer shall notify the Board of the change. The course of action to be followed will be decided on a case-by-case basis, subject to Board approval, considering such factors as the reason for the ratings drop, prognosis for recovery or further ratings drops, and the market price of the security.
- c. The Director of Finance and Administration/District Treasurer may at any time further restrict the securities approved for investment as deemed appropriate.

660.00 Safekeeping

- a. All securities transactions, including collateral, for repurchase agreements entered into by the District will be conducted on a delivery versus payment (DVP) basis.
- b. Securities will be held in safekeeping pursuant to a safekeeping agreement by an independent custodian, which does not act as a principal or secondary broker-dealer.
- c. All financial institutions which provide safekeeping services for the District will be required to provide reports or safekeeping receipts directly to the Director of Finance and Administration/District Treasurer to verify securities taken into their possession.
- d. A counterparty bank's trust department or separate safekeeping department may be used for physical delivery of a security. The security must be held in the District's name.

670.00 Review of Investment Portfolio

The securities held by the District must be in compliance with Section 700.00 Authorized Investments at the time of purchase. Because some securities may not comply with Section 700.00 Authorized Investments subsequent to the date of purchase, the Director of Finance and Administration/District Treasurer shall at least quarterly review the portfolio to identify those securities that do not comply. The Director of Finance and Administration/District Treasurer shall establish procedures to

report to the Board major and critical incidences of noncompliance identified through the review of the portfolio.

Any investment held by the District at the time this Policy is adopted or amended will not be sold to conform to any part of this Policy unless its sale is judged to be prudent by the Director of Finance and Administration/District Treasurer.

680.00 Investment Pools/Mutual Funds

A thorough investigation of pool/fund's used by the District is required prior to investing, and on an annual basis. The review may address the following questions:

1. A description of eligible investment securities, and a written statement of investment policy and objectives.
2. A description of interest calculations and how it is distributed, and how gains and losses are treated.
3. A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
4. A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
5. A schedule for receiving statements and portfolio listings.
6. A fee schedule, and when and how is it assessed.

690.00 Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for Certificate of Deposits and 102% for reverse repurchase agreements of principal and accrued interest.

700.00 Authorized Investments

The following are types of securities that may be purchased subject to the limitations specified. A summary of these security types and the limitations on the percentage of portfolio is shown in Appendix A.

701.00 U.S. Government, Agencies, and Government Sponsored Enterprises

- a. Investments in U.S. Treasury obligations will not be subject to any limitations. Purchases may be affected through the Federal Book Entry System which includes acceptance of a Federal Reserve receipt on behalf of the District.
- b. Investments in direct obligations of federal agencies guaranteed by the U.S. Government will not be subject to any limitations.

- c. Investments in federal agency obligations not explicitly guaranteed by the U.S. Government will not be subject to any limitations.
- d. Investments in government sponsored enterprise obligations not explicitly guaranteed by the U.S. Government will not be subject to any limitations.

702.00 Municipal Obligations

- a. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency.
- b. Registered treasury notes or bonds of any of the other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United, in addition to California.

703.00 Bankers' Acceptances

Restrictions are as follows:

- a. Investments in prime bankers' acceptances will not exceed 40 percent of the portfolio in effect immediately after any such investment is made.
- b. No more than 5 percent of the total portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- c. Eligible bankers' acceptances will be rated in the highest short-term ratings category by a Nationally Recognized Statistical Rating Organization (NRSRO).
- d. The maximum maturity will be limited to 180 days.

704.00 Negotiable Certificates of Deposit

Restrictions are as follows:

- a. Investments in negotiable certificates of deposit will not exceed 30 percent of the total portfolio in effect immediately after any such investment is made.
- b. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- c. To be eligible, a certificate of deposit must be issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal

credit union, or a federally- or state-licensed branch of a foreign bank.

- d. Eligible negotiable certificates of deposits will be rated in a rating category of “A” long-term or “A-1” short-term, or its equivalent, or better by at least one NRSRO.
- e. The District’s Board and the Director of Finance and Administration/District Treasurer or other official of the District having legal custody of the moneys are prohibited from investing District funds, or funds in the custody of the District, in negotiable certificates of deposit issued by a state or federal credit union if a member of the District’s Board, or a person with investment decision making authority at the District also serves on the board of directors of the credit union, or any committee appointed by the credit union board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- f. The maximum maturity will be limited to five years.

705.00 Commercial Paper

Restrictions are as follows:

- a. Only commercial paper of prime quality of the highest ranking or of the highest letter and numerical rating, at the time of purchase, as provided by an NRSRO, may be purchased.
- b. Investment of the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):
 - (1) The entity meets the following criteria:
 - a. Is organized and operating in the United States as a general corporation.
 - b. Has total assets in excess of five hundred million dollars (\$500,000,000).
 - c. Has debt other than commercial paper, if any, that is rated in a rating category of “A”, its equivalent, or higher by an NRSRO.
 - (2) The entity meets the following criteria:
 - a. Is organized within the United States as a special purpose corporation, trust, or limited liability company.
 - b. Has program-wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or surety bond.
 - c. Has commercial paper that is rated in a rating category of “A-1”, its equivalent, or higher, by an NRSRO.

- c. Investments in commercial paper will not exceed 25 percent of the District's portfolio.
- d. Each investment will not exceed 270 days maturity.
- e. No more than 5 percent of the District's portfolio may be invested in the securities of any one non-government issuer regardless of security type.

706.00 Repurchase Agreements

A repurchase agreement is a purchase of authorized securities with terms including a written agreement by the seller to repurchase the securities on a later specified date for a specified amount. Restrictions are as follows:

- a. The percentage limit for investment in repurchase agreements will be 50 percent of the total portfolio.
- b. Repurchase agreements will be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally- or state-chartered bank that has had a significant banking relationship with the District. The bank must be rated in the highest short-term ratings category by an NRSRO.
- c. Such investments will provide for purchased securities with a market value of at least 102 percent of the amount of the invested funds. The value will be adjusted not less than quarterly.
- d. Purchased securities are limited to those protected by United States Bankruptcy Code, Treasury bills, bonds and notes, or other investments that are direct obligations of or fully guaranteed as to principal and interest by the United States or any agency thereof. Zero coupon and stripped coupon instruments are not acceptable.
- e. Such investments will provide for transfer of ownership and possession of the purchased securities either to the District directly or to a custodian depository institution which will take record title and will establish and maintain a sub-account in its financial records for the securities in the District's name, and such custodian will not be the dealer from which the securities were purchased.
- f. Each repurchase agreement will have a valid and perfected first security interest therein under the California Commercial Code or pursuant to the book entry procedures described by 31 C.F.R. Part 306 and/or 31 C.F.R. Part 357.
- g. The term of a repurchase agreement may not exceed one year.

707.00 Time Deposits

For purposes of this policy, collateralized time deposits will be considered investments. The following criteria will be used in evaluating financial institutions and form of collateral to determine eligibility for deposits:

- a. Must have been in existence for at least five years.
- b. Must have received an overall rating of not less than “satisfactory” in its most recent evaluation by the appropriate federal financial supervisory agency of its record of meeting the credit needs of California’s communities. Eligibility for deposits will be limited to those financial institutions that have a branch in the State of California and maintain a rating equivalent to Thompson BankWatch Service of “B” or better. Credit requirements may be waived for a time deposit that is federally insured.
- c. The deposit will not exceed the shareholders’ equity of any depository bank. For the purpose of this constraint, shareholders’ equity will be deemed to include capital notes and debentures.
- d. The deposit will not exceed the total of the net worth of any depository savings and loan association, except that deposits not exceeding a total of \$500,000 may be made to a savings and loan association without regard to the net worth of that depository, if such deposits are insured or secured as required by law.
- e. Deposits must be insured up to the FDIC’s current limit. For uninsured deposits, the financial institution will maintain in the collateral pool securities having a market value of at least 10 percent in excess of the total amount deposited. The District, at its discretion, may waive the collateralization requirements for any portion that is covered by federal deposit insurance. The District shall have a signed agreement with any depository accepting District funds. Promissory notes secured by real estate mortgages or deeds of trust are not acceptable as collateral.
- f. When other factors are equal, appropriate consideration will be given to a financial institution that either individually or as a member of a syndicate bids on or makes a substantial investment in the District’s securities, contributes service to the District, and offers significant assistance to the District, so as to provide for distribution of total deposits among eligible financial institutions.
- g. Purchased time deposits will be limited to a maximum maturity of one year.
- h. Purchases of securities authorized by this subdivision may not exceed 50% of the District’s portfolio.

708.00 Medium-Term Notes

Restrictions are as follows:

- a. Investment in medium-term notes are limited to corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.
- b. Notes eligible for investment under this subdivision will be rated in the rating category of “A”, its equivalent, or better by at least one NRSRO.
- c. Purchases of medium-term notes may not exceed 30 percent of the District’s portfolio.
- d. No more than 5 percent of the District’s portfolio may be invested in the securities of any one non-government issuer regardless of security type.
- e. Purchases of medium-term notes will be limited to a maximum maturity of five years.

709.00 Mortgage Obligations and Asset Backed Securities

The District may invest in any mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond. Restrictions are as follows:

- a. A maximum of five years to maturity.
- b. Securities eligible for investment must be rated in a rating category of “AA”, its equivalent, or better by an NRSRO.
- c. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District’s portfolio.
- d. No more than 5 percent of the District’s portfolio may be invested in the securities of any one non-government issuer regardless of security type.

710.00 Local Agency Investment Fund Deposits

Deposits for the purpose of investment in the Local Agency Investment Fund of the State Treasury may be made up to the maximum amount permitted from time to time by State Treasury policy.

711.00 Shares of Beneficial Interest (Money Market Funds)

The Director of Finance and Administration/District Treasurer may invest, for temporary periods pending disbursement or reinvestment, in shares of beneficial interest issued by eligible diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940. These companies must meet the following criteria:

- a. Attain the highest ranking of the highest letter and numerical rating provided by not less than two nationally recognized rating agencies, or retain an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market funds with assets under management in excess of \$500 million.
- b. The purchase price of the shares will not include any commission that the companies may charge and will not exceed 20 percent of the District's portfolio.

712.00 Shares of Beneficial Interest Issued by a Joint Powers Authority (Local Government Investment Pools)

Shares of beneficial interest issued by a joint powers authority organized pursuant to Government Code Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q) of Government Code Section 53601, inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria: (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission. (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q) Government Code Section 53601, inclusive. (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

713.00 Supranationals

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB).

Restrictions are as follows:

- a. A maximum of five years to maturity.
- b. Must be eligible for purchase and sale within the United States.

- c. Notes eligible for investment under this subdivision will be rated in a rating category of “AA”, its equivalent, or better by at least one NRSRO.
- d. Purchases of these securities may not exceed 30 percent of the District’s portfolio.
- e. No more than 10 percent of the District’s portfolio may be invested in the securities of any one supranational issuer.

800.00 Reporting

On a regular basis, the Director of Finance and Administration/District Treasurer will provide a report to the public and Board of Directors showing the holdings and investment transactions, issuers, maturity dates, par and dollar amounts invested, cash balances, amounts held by the Local Agency Investment Fund and any other amounts under the management of contracted parties. On a monthly basis, in accordance with Government Code 53607, the Director of Finance and Administration/District Treasurer shall make a monthly report of investment transactions to the legislative body.

900.00 Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The District will establish an appropriate performance benchmark to compare the performance of its portfolio to the performance of the benchmark.

1000.00 Internal Controls

The Director of Finance and Administration/District Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, fraud or misuse. Accordingly, the Finance Director/District Treasurer shall establish an independent review process. This review process will provide internal control by assuring compliance with policies and procedures.

1100.00 Conflicts of Interest

The Director of Finance and Administration /District Treasurer and his or hers designees will perform duties under this Policy in accordance with sections 1090 and 1126 of the Government Code as well as any other state law referred to in this policy.

1200.00 Conflicts

In the event any provision of this Policy is in conflict with any of the statutes referred to herein or any other state or federal statute, the provision of such statutes will govern.

1300.00 Policy Review

This policy shall be reviewed by the Board of Directors at least biennially.

APPENDIX A

State Authorized Investments vs. District's Statement of Investment Policy

Investment Type	Maximum Maturity ⁽¹⁾	Maximum Percentage of Portfolio	Percentage By Any Issuer or Bank
U.S. Treasury Obligations:			
State Code	5 years	100	--
District Policy		100	--
Federal Agencies and Government Sponsored Enterprises:			
State Code	5 years	100	--
District Policy		100	--
Municipal Obligations:			
State Code	5 years	100	--
District Policy		100	--
Repurchase Agreements:			
State Code	1 year	100	--
District Policy	1 year	50	--
Bankers Acceptances:			
State Code	180 days	40	30
District Policy	180 days	40	5
Commercial Paper:			
State Code	270 days	25	--
District Policy	270 days	25	5
Negotiable Certificates of Deposit:			
State Code	5 years	30	--
District Policy		30	5
Medium Term Notes:			
State Code	5 years	30	--
District Policy	5 years	30	5
Time Deposits:			
State Code	--	100	--
District Policy	1 year	50	--
Mortgage Backed and Asset Backed Obligations:			
State Code	5 years	20	--
District Policy	5 years	20	5
Local Agency Investment Fund:			
State Code	N/A	⁽²⁾	--
District Policy	N/A	⁽²⁾	--

Shares of Beneficial Interest (Money Market Fund):			
State Code	N/A	20	--
District Policy	N/A	20	10
Shares of Beneficial Interest (Local Government Investment Pools):			
State Code	N/A	100	--
District Policy	N/A	100	--
Supranationals:			
State Code	5 years	30	--
District Policy	5 years	30	10

Note: For funds established by Indentures of Trust, the provisions of such Indentures will govern investments.

- (1) California Government Code provides authority to the Board to permit maturities beyond five years with certain restrictions. The current Policy provides for maturities longer than five years for funds established by Indentures of Trust.
- (2) District will allow up to the amount allowed by Local Agency Investment Fund.

APPENDIX B

Glossary

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report of the District. It includes the required financial statements prepared in conformity with GAAP. It also includes the audit opinion, supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material including management's discussion and analysis (MDA), required supplemental information (RSI), and a detailed statistical section.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount and redeemed at maturity for full face value (*e.g., U.S. Treasury Bills.*)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in

exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, November 10, 2022; 9:00 a.m.

AGENDA

This meeting duration is expected to be long. The estimated meeting duration could potentially be three hours or longer.

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) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting. The Board of Directors may consider any agenda item at any time during the meeting.

Notice: The Board meeting will be held in the RWA Board Room and virtually. The RWA Board Room will be open for Board members and members of the public. Board members are encouraged to attend in person but are not required to do so.

Please join my meeting from your computer, tablet, or smartphone.

Join Zoom Meeting

<https://us06web.zoom.us/j/85369510380?pwd=Y0JkdEZraVFFY3dTanU3aExTNzR2QT09>

You can also dial in using your phone.

United States: 1 669 444 9171

Meeting ID: 853 6951 0380 **Passcode:** 825208

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. Board Members may request an item be removed for separate consideration.

3a. Authorize a Teleconference Meeting

3b. Approve the minutes of September 29, 2022 board meeting

3c. Amend RWA Conflict of Interest Code (RWA Policy 200.4)

3d. Approve No Changes to RWA Policy 500.2 and OPEB Investment Portfolio

3e. Rescind the MOU regarding Shared Operations of the Regional Water Authority, the Sacramento Groundwater Authority, and the Sacramento Central Groundwater Authority

3f. Resolution No. 2022-05. A resolution of the board of directors of the Regional Water Authority authorizing the grant application, acceptance, and execution for the Sacramento Regional Direct Installation and Turf Replacement Water Efficiency and Resiliency Program

Action: Approve Consent Calendar

4. APPROVE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT'S MEMBERSHIP WITH THE RWA (requires two-thirds vote in the affirmative of all the Board members per RWA Policy 100.1, section 15)
Discussion: Jim Peifer, Executive Director
Action: Approve Georgetown Divide Public Utility District's Membership with the RWA

5. PRESENTATION OF RESOLUTION 2022-03 HONORING ROB SWARTZ FOR HIS YEARS OF SERVICE
Action: Adopt Resolution 2022-03

6. PRESENTATION OF RESOLUTION 2022-04 HONORING CECILIA PARTRIDGE FOR HER YEARS OF SERVICE
Action: Adopt Resolution 2022-04

7. EMPLOYEE COMPENSATION SURVEY AND RECLASSIFICATION STUDY
Information and Presentation: Jim Peifer, Executive Director
Action: Approve Proposed Salary Ranges

Action: Approve of classifications for Government Relations Manager and Project Research Assistant II to become effective in Fiscal Year 2023/2024

Action: Change title of the Finance and Administrative Manager I to Finance and Administrative Manager

8. RWA POLICY 200.3 REVISIONS – PROCEDURES FOR THE SELECTION OF EXECUTIVE COMMITTEE MEMBERS
Discussion: Kerry Schmitz, Ad Hoc Committee Chair
Action: Provide Direction to the Ad Hoc Committee

9. STRATEGIC PLAN UPDATE
Discussion: Jim Peifer, Executive Director

10. COMMON INTEREST MANAGEMENT SERVICES (CIMS) PROGRAM
Action: Approve the Common Interest Management Services (CIMS) Program

11. SPACE PLANNING UPDATE
Discussion: Jim Peifer, Executive Director

12. EXECUTIVE DIRECTOR'S REPORT

13. DIRECTORS' COMMENTS

ADJOURNMENT

Next RWA Board of Director's Meeting:

January 12, 2023 9:00 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights. The location is subject to change depending on the COVID-19 emergency.

Next RWA Executive Committee Meeting:

December 14, 2022, 8:30 a.m. at the RWA/SGA office, 5620 Birdcage Street, Ste. 110, Citrus Heights. The location is subject to change depending on the COVID-19 emergency.

Notification will be emailed when the RWA electronic packet is complete and posted on the RWA website at: <https://www.rwah2o.org/meetings/board-meetings/>.

REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE AGENDA

October 26, 2022; 8:30 a.m.

AGENDA

The public shall have the opportunity to directly address the Committee on any item of interest before or during the Committee's consideration of that item. Public comment on items within the jurisdiction of the Committee 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 Executive Committee 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) 967-7692. 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.

Notice: The Committee meeting will be held in the RWA Board Room and virtually. The RWA Board Room will be open for Committee members and members of the public. Committee members are encouraged to attend in person but are not required to do so.

Please join my meeting from your computer, tablet, or smartphone.

Join Zoom Meeting

<https://us06web.zoom.us/j/81051346379?wd=TWw5RnAyeFFQekZmTnFSQmF0ZnRLUT09>

You can also dial in using your phone.

United States: 1 669 900 6833

Meeting ID: 810 5134 6379 **Passcode:** 977973

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:

All items listed under the Consent Calendar are considered and acted upon by one motion. Committee members may request an item be removed for separate consideration.

3a. Authorize a Teleconference Meeting

3b. Minutes of the September 28, 2022 Executive Committee Meeting

3c. Authorize the Executive Director to enter into a Professional Services

Agreement for WEP Regional Commercial, Industrial and Institutional Dedicated Irrigation Meter Landscape Measurement Study

Action: Approve Consent Calendar

4. EMPLOYEE COMPENSATION SURVEY AND RECLASSIFICATION STUDY

Information and Presentation: Jim Peifer, Executive Director

Action: Provide feedback on RGS initial findings and recommendations

Action: Recommend approval of classifications for Government Relations Manager and Project Research Assistant II

Action: Recommend the change of title of the Finance and Administrative Manager I to Finance and Administrative Manager

5. STRATEGIC PLAN SURVEY

Discussion: Jim Peifer, Executive Director

Action: Provide Input into the Survey

6. RWA CONFLICT OF INTEREST CODE UPDATE (RWA POLICY 200.4)

Discussion: Josette Reina-Luken, Finance and Administrative Services Manager

Action: Recommend Approval to Amend RWA Conflict of Interest Code (RWA Policy 200.4) to the Board of Directors via consent calendar

7. ANNUAL REVIEW OF INVESTMENT POLICY 500.2 AND OTHER POST EMPLOYMENT BENEFIT (OPEB)

Discussion: Josette Reina-Luken, Finance and Administrative Services Manager

Action: Recommend no changes to Policy 500.2 and OPEB investment portfolio to the Board of Directors via consent calendar

8. TERMINATION OF THE MAJOR PROJECTS MANAGEMENT SERVICES SUBSCRIPTION PROGRAM AGREEMENT

Action: Approve the termination of the Major Projects Management Services Subscription Program Agreement upon the approval of the Common Interest Management Services Agreement

9. COMMON INTEREST MANAGEMENT SERVICES (CIMS) AGREEMENT

Action: Recommend approval of the CIMS Services Agreement to the Board of Directors

10. RWA NOVEMBER BOARD MEETING AGENDA

Action: Approve the RWA November 10, 2022 Board Meeting Agenda

11. AD HOC COMMITTEE UPDATES

Information: Jim Peifer, Executive Director

12. EXECUTIVE DIRECTOR'S REPORT

13. DIRECTORS' COMMENTS

ADJOURNMENT

Upcoming meetings:

Executive Committee Meeting: Wednesday, December 14, 2022, commencing 8:30 a.m. at the RWA Office, the location is subject to change depending on the COVID-19 emergency.

Regular Board Meetings: Thursday, November 10, 2022 commencing at 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.

Agenda Item 18 c.

Jay Boatwright
Attended meetings
October 2022

- 10/03/2022: Call with Jose Henriquez, LAFCO, to discuss procedures for district combination, particularly SSWD/DPMWD
- 10/05/2022: SSWD Budget Workshop
- 10/06/2022: SSWD Open House. Met with staff, constituents.
- 10/10/2022: Audit Committee Meeting. Approved proposed audit for 2022
- 10/11/2022: Tour of two DPMWD wells and two SSWD wells as part of the SSWD/DPMWD 2x2 meetings regarding consolidation. Took photos that were distributed to SSWD board members by Heather.
- 10/12/2022: Reviewed agenda for the 10/17/2022 regular board meeting.
- 10/17/2022: Regular meeting of the SSWD Board of Directors
- 10/18/2022: SSWD/DPMWD 2x2 re consolidation. Reviewed next steps.
- 10/19/2022: ACWA Drought Planning workshop. Heard novel ideas such as toilet monitoring at multifamily properties, paying for irrigation retrofits, and such.
- 10/26/2022: Virtual stakeholder forum presented by the Regional Water Authority regarding the regional water bank.
- 10/27/2022: Participated in the EPA UCMR 5 webcast for large water agencies. Contacted Dan York to confirm we were compliant with the reporting requirements, asked what staff position in our organization was responsible for this compliance.

Director Locke AB1234

October 25th

AWWA - Tour EOC

October 19th

State Water Board Racial Equity Action Plan Draft

The State Water Resources Control Board public workshop to provide information and solicit comment about its [draft Racial Equity Action Plan](#), which is a compilation of actions intended to realize its [Racial Equity Resolution](#), adopted last November.

The workshop will describe the development and content of the draft action plan and how it will help advance the resolution's goals to create a future where race no longer predicts a person's access to water or the quality of the water resources they receive, where race does not predict professional outcomes for the State Water Board's employees, and where the board consistently considers racial impacts before making decisions. The draft also includes metrics to measure progress.

Although the draft plan only involves the State Water Board, the nine Regional Water Quality Control Boards, which are semi-autonomous, have strongly supported the board's racial equity efforts and may leverage this plan to inform their own racial equity work.

October 19th

Becoming a Resilient Leader

Contact Hours: 2.4 contact hours Objective: Improve your resilience as a leader, by understanding your emotions, how to control them, and how to identify the impact of emotions within your teams.

Description: A key factor to a leader's resiliency is being emotionally resilient or intelligent; commonly referred to as EiQ. Growing in emotional resilience requires that you work towards greater self-awareness. It is important, that you learn to identify how and why you react in emotional situations. This awareness helps you gain better control over those reactions. Emotional intelligence helps you build and develop your resilience in the workplace. It is the ability to regulate your behavior and respond appropriately to any situation your workday may throw at you. Your ability to remain composed under pressure and stay emotionally consistent – leading with resiliency

October 17th

Building Resilience in Ca Climate Extremes

California Department of Water Resources and special guests for insightful conversations about how to build climate change resilience to prepare for and respond to inevitable weather extremes

The California Department of Water Resources is hosting an event centered on the impacts of climate change extremes in California. The agenda features speaker presentations and insightful panel discussions about how to build climate change resiliency in water resources and flood management.

Topics will include flood management equity, ARkStorms, and the innovations and funding necessary to prepare for—and respond to—inevitable weather extremes. This half-day event (9 a.m.-12:30 p.m.) will be held in person, with the option to view via live stream.

October 17th

SSWD Meeting

October 13th
SSWD /CWD 2x2 Committee Meeting

October 13th
SGA Meeting

October 11th
Water Toxicity Challenge US EPA Water Webinar Series

Monitoring the increasing number of pollutants in source water is an ongoing concern for water treatment systems and water resource managers. Current methods for detecting and identifying many of these contaminants are expensive and time consuming and require the use of specialized laboratories. In addition, the numbers of sensors, instruments, tests, labs, personnel, and other costs can become an economic burden for water resource managers.

To help meet the need for better ways to monitor toxicity in water, EPA along with several partner launched the Water Toxicity Sensor Challenge. This ideation challenge called on innovators to propose a sensor design that would allow for the detection of chemical pollutants and/or natural toxins in water, based on the sensor's ability to detect the activation of one or more cellular toxicity pathways. Winners of their challenge will outline their unique and novel approaches to addressing this need.

October 11th
Meet with Director Thomas

October 10th
SSWD Audit Committee

October 7th
Looking Back and Forward: A Water Year 2022 Review and Expectations for Water Year 2023
Description Water Year 2022 completes the third year of the current drought, which is the third record-setting multi-year drought of the 21st century. The year was marked by a number of extremes from a category 5 atmospheric river in October to an extraordinarily wet December that transitioned to a record setting dry stretch with the new calendar year. As summer has progressed record setting features of the Southwest Monsoon appeared with notable impacts at Death Valley. As water year 2023 kicks off, expectations are for a third year of La Nina conditions to be present in the eastern tropical Pacific. The talk will review water year 2022 and compare facets of it to past years and then look ahead to set expectations for water year 2023.

October 6th
SSWD Open House

October 5th
SSWD Budget Workshop

October 3rd
Del Paso Manor WD



Minutes

Carmichael Water District/Sacramento Suburban Water District 2x2 Committee Meeting October 13, 2022

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 #873 2290 1343

Call to Order – Videoconference/Audioconference Meeting

CWD Director Jeff Nelson (Chair Nelson) called the meeting to order at 4:00 p.m.

SSWD Directors

Present: Dave Jones and Craig Locke.

SSWD Directors

Absent: None.

CWD Directors

Present: Mark Emmerson and Jeff Nelson.

CWD Directors

Absent: None.

SSWD Staff Present: General Manager Dan York (SSWD GM York), Assistant General Manager Matt Underwood, Heather Hernandez-Fort.

CWD Staff Present: General Manager Cathy Lee (CWD GM Lee).

Public Present: Seth Garrison, Zach Green, Christine Kohn, Desirae Fox, Ron Davis, Greg Zlotnick, Paul Helliker, Kevin Thomas, and Gwyn-Mohr Tully.

Announcements

SSWD General Manager Dan York (SSWD GM York) announced:

- Rob Swartz' retirement party was that evening.

Public Comment

None.

Consent Items

1. Minutes of the July 20, 2022, CWD/SSWD 2x2 Committee Meeting

SSWD Director Jones moved to approve the Consent Item; CWD Director Emmerson seconded. The motion passed by a unanimous vote.

AYES:	Jones, Locke, Emmerson, and Nelson.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

Items for Discussion and/or Action

1. Combination Study Business Case Analysis Status Update

SSWD GM York presented the staff report and introduced Seth Garrison and Zach Green with Raftelis, who presented the PowerPoint presentation, provided an update to the Business Case Analysis Study Report (Study), and answered clarifying questions.

The Committee agreed that the next steps would be for each agency to meet separately in Special Board Meetings in the middle of November, if possible, to discuss the Study and solicit any feedback/edits from each Board. They agreed that each agency would then decide to either stop there, or keep moving forward; noting that if they agreed to keep moving forward, the following step would be to hold a Joint Board meeting in December, if possible, for both Boards to decide next steps.

SSWD Director Jones recommended to change the language in the Study from, “same level of water service,” to a “higher level of water service.”

SSWD Director Locke recommended to incorporate language like, “resiliency, sustainability, and higher level of service,” into the Executive Summary. He added that the Executive Summary should also include how much water is actually available at this present time for each agency.

The Committee agreed to provide any edits they each had to the report to staff by Friday, October 21, 2022.

Chair Nelson recommended to edit the cover of the Study to remove the word “final,” as it was still a draft document.

2. Combination Study Communications Plan Update

SSWD GM York presented the staff report.

Chair Nelson recommended that the CWD Board see the draft Study first before they move forward with more community outreach.

SSWD GM York expressed that SSWD would hold off on further outreach as well until both Boards had an opportunity to review the draft Study.

3. **Next Meeting - Individual Board Meetings or Joint Board Meeting**

The Committee agreed for each agency to hold separate Special Board Meetings to discuss the report and next steps, with an anticipation of holding a Joint Board meeting before the end of the year.

4. **Public Comment**

CWD Director Emmerson thanked the General Managers for their good management skills, expressing this process has been very well controlled and well managed.

Adjournment

Chair Nelson adjourned the meeting at 5:23 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District



Agenda

Del Paso Manor Water District/Sacramento Suburban Water District 2x2 Committee Meeting Tuesday, October 18, 2022

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 #883 2163 1576

Call to Order – Videoconference/Audioconference Meeting

DPMWD Director Saunders (Chair Saunders) called the meeting to order at 2:01 p.m.

Roll Call

SSWD Directors

Present: Jay Boatwright and Robert Wichert.

SSWD Directors

Absent: None.

DPMWD Directors

Present: Carl Dolk and Ryan Saunders.

DPMWD Directors

Absent: None.

SSWD Staff Present: General Manager Dan York (SSWD GM York), Assistant General Manager Matt Underwood, Jeff Ott, Heather Hernandez-Fort, Todd Artrip, and Lynn Pham.

DPMWD Staff Present:

General Manager Alan Gardner (DPMWD GM Gardner).

Public Present: William Eubanks, Dave Jones, Gwyn Pratt, Craig Locke, Carol Rose, Roy Wilson, and Trish Harrington.

Announcements

Chair Saunders expressed he attended SSWD’s Open House and commented that it was an outstanding event.

Public Comment

None.

Consent Items

1. **Minutes of the September 20, 2022, DPMWD/SSWD 2x2 Committee Meeting**
2. **Minutes of the October 11, 2022, DPMWD/SSWD 2x2 Committee Meeting**

SSWD Director Wichert requested to pull Item 1.

Regarding Item 1, SSWD Director Wichert stated that under Item 4 of the Minutes of the October 11, 2022 meeting, he wanted to clarify that he was “surprised to see the SSWD bills were lower,” not the SSWD rates.

SSWD Director Boatwright moved to approve Item 1, including the edit requested by SSWD Director Wichert; DPMWD Director Dolk seconded. The motion passed by unanimous vote.

AYES:	Boatwright, Dolk, Saunders, and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

SSWD Director Boatwright moved to approve Item 2; SSWD Director Wichert seconded. The motion passed by unanimous vote.

AYES:	Boatwright, Dolk, Saunders, and Wichert.	ABSTAINED:	
NOES:		RECUSED:	
ABSENT:			

Items for Discussion and/or Action

3. **Municipal Services Review Update**
SSWD GM York introduced the item and provided an update to SSWD’s Municipal Services Review (MSR).

DPMWD GM Gardner provided an update to DPMWD’s MSR, and expressed he was unsure when the report would be final.

4. **Water Rate Comparison Analysis**
Jeff Ott (Mr. Ott) presented the staff report and answered clarifying questions.

Chair Saunders thanked staff for the presentation.

5. **Condition Assessment of Del Paso Manor Water District Infrastructure**
DPMWD GM Gardner presented the staff report and answered clarifying questions, noting he planned to have the Condition Assessment completed as soon as possible.

6. **Infrastructure Tour Update**

SSWD GM York presented the staff report.

The Committee expressed their appreciation and stated it was a nice tour.

7. **Combination – Milestones and Timelines**

SSWD GM York presented the staff report, PowerPoint presentation, and answered clarifying questions.

SSWD Director Wichert suggested to move “Governance” from step 2 to step 3 in the Activity Steps in the PowerPoint presentation, as he felt it would be more appropriate before an application was sent to LAFCo.

Discussion ensued regarding what the Combination would be called.

SSWD GM York expressed it is usually more beneficial to keep the higher governance structure.

The Committee agreed to have discussions with both full Boards on the Committee progress, to possibly look for approval to continue.

Chair Saunders pointed out that it will be important to find out the rates and costs, as well as benefits to both districts. He requested to provide further data at the next meeting of the Committee.

Discussion ensued regarding the general process of how a Combination could work.

Chair Saunders requested to have a clear definition on how the Combination process works presented at the next meeting of the Committee.

SSWD GM York expressed he would take a look at slide 14 of the PowerPoint presentation, the Timeline, and rearrange where the 218 process would go.

SSWD GM York inquired what the Committee would like to do about their thoughts on a communications plan going forward.

DPMWD GM Gardner expressed communication to customers is important.

The Committee agreed to bring back an item to the next meeting on communication.

Trish Harrington asked clarifying questions.

Roy Wilson (Mr. Wilson) asked some clarifying questions, inquired what this process was called, and requested to not change the term, once it is established.

SSWD GM York stated that for now, the term is Combination, noting it might change in the future.

Mr. Wilson inquired about the fluoride status and the Committees feelings on fluoride.

SSWD Director Wichert expressed he felt that fluoride was a disadvantage to the District, as half of the District is fluoridated, and half is not. He further expressed that he felt irrigating with fluoride was a waste of money.

William Eubanks (Mr. Eubanks) expressed he felt the timeline was not accurate, recommended the Committee begin communicating to customers in both Districts, and expressed he didn't believe the customers of DPMWD would be interested in a Combination.

8. **Next Meeting Date and Time**

The Committee agreed to attempt to hold the next meeting in November, at 2:00 p.m., if possible.

9. **Public Comment**

Mr. Eubanks expressed his displeasure with the fact that the customers in the South Service Area were not able to receive water from the North Service Area due to the District's fluoridation agreement.

Adjournment

Chair Saunders adjourned the meeting at 3:34 p.m.

Dan York
General Manager/Secretary
Sacramento Suburban Water District